

Global Markets Research

Fixed Income

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	2.52	5
5-yr UST	2.76	5
10-yr UST	2.70	5
30-yr UST	2.72	4

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.20	0	2.99	2
5-yr	3.47	2	3.62	5
7-yr	3.86	3	3.85	0
10-yr	4.00	-2	4.03	0
15-yr	4.39	4	4.32	0
20-yr	4.60	7	4.46	-3
30-yr	4.64	3	4.75	8

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.37	2
3-yr	3.19	3
5-yr	3.54	4
7-yr	3.75	6
10-yr	3.99	6

Source : Bloomberg

Upcoming Government Bond Tender

Nil

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries moved to the downside again on Friday amid worries over monetary policy tightening measures, with the latest peripheral data on wholesale inventories in the US surging more-than-expected. The curve shifted higher as overall benchmark yields jumped between 4-5bps across. Both the **UST 2Y yield and much-watched 10Y yields rose 5bps each to 2.52% and 2.70%**. The sharper rise in yields came from earlier reports of a slight shift from rate hikes to the Fed's balance-sheet runoff of up to \$95b monthly, which is expected to haunt bond markets. In addition to that comes expectations of a rise in risk appetite. Nevertheless some technical indicators are showing an inflection point that could see a temporary pause in rising bond yields soon as the yield curve turned positive after having inverted last week. Meanwhile, attention is expected to shift to the release of March inflation data tomorrow.

MGS/GII

- Local govies succumbed to selling pressure on Friday nudged by higher IRS levels, reversing prior day's relief rally. Overall benchmark MGS/GII yields ended mostly higher between 0-8bps (save for the 10Y MGS and 20Y GII), amid a 40% decline in secondary market volume to RM1.57b. **The 5Y benchmark MGS 11/26 yield edged 2bps up at 3.47% whilst the 10Y MGS 7/32 ended 2bps lower inseed at 4.00%**. Trades were mainly seen in the off-the-run 23's and also 10Y MGS/GII. GII trades fell to form 41% of overall transactions. On the data front we have the release of February industrial production numbers out today.

Corp Bonds/Sukuk

- On Friday, the Corporate Bonds/Sukuk space saw sustained investor appetite with interest seen across the curve. Overall yields closed mostly higher and spanned across 20 names as secondary market volume maintained at RM392m. The short-end govt-guaranteed JCORP 6/22 saw the largest volume traded totaling RM100m, rising 10bps compared to previous-done levels at 2.10%. MRL 7/40 jumped 28bps to 3.75%. AAA-rated highway-operator PLUS 34 moved 3bps up to 4.58% whilst TNB and SEB 35's jumped 26-27bps higher between 4.55-57%. The AA-sector saw energy-related bonds BGSM 6/24 and 3/26 tranches close 12-22bps to 3.32% and 3.88% whereas ANIH 11/26 moved 5bps higher to 4.18%. Meanwhile, the banking/finance space saw BPMB 3/32 climb 7bps to 4.35%. There were also several odd-lot transactions seen in Hong Leong Financial Group, Alliance Bank and MBSB bonds.

Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	08/22	1.662	5	1.701	07/04/2022	-4
MGS	09/22	1.774	1	1.729	06/04/2022	4
MGS	03/23	2.203	90	2.185	07/04/2022	2
MGS	04/23	2.214	146	2.262	06/04/2022	-5
MGS	06/24	2.478	1	2.847	06/04/2022	-37
MGS	07/24	2.886	4	2.890	07/04/2022	0
MGS	09/24	2.896	31	2.927	07/04/2022	-3
MGS	03/25	3.202	60	3.203	07/04/2022	0
MGS	09/25	3.285	8	3.316	07/04/2022	-3
MGS	11/26	3.468	165	3.448	07/04/2022	2
MGS	05/27	3.562	7	3.545	07/04/2022	2
MGS	11/27	3.592	33	3.580	07/04/2022	1
MGS	06/28	3.859	32	3.826	07/04/2022	3
MGS	08/29	3.996	15	4.011	07/04/2022	-2
MGS	04/30	4.048	70	4.056	07/04/2022	-1
MGS	04/31	4.048	8	4.012	07/04/2022	4
MGS	06/31	4.116	7	4.067	07/04/2022	5
MGS	07/32	3.998	110	4.019	06/04/2022	-2
MGS	04/33	4.304	20	4.289	07/04/2022	2
MGS	07/34	4.378	26	4.334	07/04/2022	4
MGS	05/35	4.380	4	4.359	07/04/2022	2
MGS	04/37	4.386	5	4.348	07/04/2022	4
MGS	05/40	4.601	47	4.536	06/04/2022	7
MGS	07/48	4.655	1	4.623	07/04/2022	3
MGS	06/50	4.640	27	4.610	07/04/2022	3
GII	10/24	2.988	60	2.968	07/04/2022	2
GII	03/26	3.522	100	3.495	07/04/2022	3
GII	09/27	3.615	90	3.570	07/04/2022	5
GII	10/32	4.158	358	4.148	07/04/2022	1
GII	11/34	4.337	1	4.400	07/04/2022	-6
GII	09/41	4.456	12	4.487	06/04/2022	-3
GII	11/49	4.749	20	4.671	07/04/2022	8
			<u>1566</u>			

Daily Trades : Corp Bonds/ Sukuk

Securities		Rating	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)	Spread Against MGS*
Johor Corporation	06/22	GG	2.095	100	1.998	06/10/2021	10	-6
Prasarana Malaysia Berhad	02/27	GG	3.753	10	3.767	07/04/2022	-1	28
Bank Pembangunan Malaysia Berhad	09/34	GG	4.469	30	3.630	08/12/2020	84	47
Malaysia Rail Link Sdn Berhad	07/40	GG	4.709	20	4.430	21/02/2022	28	16
Bank Pembangunan Malaysia Berhad	03/32	AAA	4.349	50	4.280	05/04/2022	7	35
Projek Lebuhraya Usahasama Berhad	01/34	AAA	4.578	20	4.549	29/03/2022	3	58
Tenaga Nasional Berhad	08/35	AAA	4.552	5	4.281	11/03/2022	27	20
Sarawak Energy Berhad	08/35	AAA	4.569	10	4.309	08/02/2022	26	22
Pengurusan Air Selangor Sdn Berhad	10/36	AAA	4.649	20	4.620	05/04/2022	3	30
GENM Capital Berhad	08/25	AA1	4.344	1	4.249	07/04/2022	10	114
GENM Capital Berhad	03/27	AA1	5.130	10	4.983	07/04/2022	15	166
Anih Berhad	11/26	AA	4.178	30	4.126	05/04/2022	5	71
Bermaz Auto Berhad	12/23	AA3	3.437	20	3.356	18/03/2022	8	66
BGSM Management Sdn Berhad	06/24	AA3	3.321	10	3.198	16/03/2022	12	54
BGSM Management Sdn Berhad	03/26	AA3	3.877	10	3.658	02/03/2022	22	49
Malayan Banking Berhad	02/17	AA3	3.773	10	3.518	09/03/2022	26	-78
TG Excellence Berhad	02/20	AA-	4.094	22	4.477	04/04/2022	-38	-46
Hong Leong Financial Group Berhad	11/17	A1	3.231	1	3.654	03/03/2022	-42	-132
Alliance Bank Malaysia Berhad	10/30	A2	3.746	1	3.745	07/04/2022	0	-20
Tropicana Corporation Berhad	09/19	A	6.109	2	6.113	06/04/2022	0	156
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/31	A3	4.527	1	4.075	09/03/2022	45	53
AEON Credit Service (M) Berhad	11/13	-	5.080	10	4.657	01/03/2021	42	53
YNH Property Berhad	08/19	-	6.144	1	5.966	06/04/2022	18	159
				392				

*spread against nearest indicative tenured MGS (Source: BPAM)

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Nil	Nil	Nil	Nil

Source: RAM, MARC

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damanlela

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: HLMarkets@hlbb.hongleong.com.my

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