

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	2.41	-9
5-yr UST	2.69	-10
10-yr UST	2.72	-6
30-yr UST	2.81	0

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.27	0	3.09	7
5-yr	3.60	6	3.76	7
7-yr	3.96	5	3.98	7
10-yr	4.09	9	4.19	0
15-yr	4.46	2	4.43	4
20-yr	4.63	1	4.70	3
30-yr	4.71	0	4.75	-5

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.40	-2
3-yr	3.32	2
5-yr	3.70	1
7-yr	3.88	3
10-yr	4.10	4

Source : Bloomberg

Upcoming Government Bond Tender

New issuance of RM2.5b +2.5b (private placement) of 20.5Y MGS 10/42 on Wednesday, 13th April, 2022

US Treasuries

- US Treasuries saw a surprising twist on Tuesday with bidders engaged actively in the market following hope that the just-released inflation for March @ 8.5% y/y, may have peaked. The curve bull-steepened as overall benchmark yields ended 0-10bps lower across. **The UST 2Y yield fell 9bps to 2.41% whilst the much-watched 10Y yield eased 6bps to 2.72%.** The \$34 10Y bond auction saw slightly muted bidding metrics of 2.43x (previous six auction average: 2.50x) and awarded at 2.72%. The auction produced the widest tail seen since 2009. Elsewhere, the deadlock in peace negotiations between Russia and Ukraine may provide boost for safe-haven bonds. Comments from Fed officials and high inflation have underlined views that the central bank will be aggressive in taking measures to combat high prices. Meanwhile, expect attention to focus on the upcoming \$20b 30Y bond auction tomorrow.

MGS/GII

- Local govvnies took cue from global sovereign bond weakness; continuing the downtrend on Tuesday on higher-than-expected volume. Overall benchmark MGS/GII yields rose between 0-9bps (save for the odd-lot trade in the 10Y MGS), amid a 49% increase in secondary market volume @ RM2.66b. **The 5Y benchmark MGS 11/26 yield jumped 6bps higher to 3.60% whilst the 10Y MGS 7/32 spiked the most i.e by 9bps to 4.09%.** Trades were mainly seen in the off-the-run 22's, 24's, 27's and also benchmark 5Y MGS, 7Y GII. GII trades maintained to form 49% of overall transactions. Whilst there are no economic data releases for the remainder of the week, expect focus to shift to 20Y auction today.

Corp Bonds/Sukuk

- On Tuesday, the Corporate Bonds/Sukuk space saw better interest especially along the GG-AA part of the curve. Overall yields closed mostly higher, spanning across 27 names amid a three-fold increase in market volume @ RM526m. The short-tenured govt-guaranteed GOVCO 9/22 saw the highest volumes of RM100m traded, jumping 21bps compared to previous-done level to 2.47%. AAA-rated BAKUN 8/25 spiked by a whopping 67bps to 3.65% whilst DANGA 9/27 rose 30bps to 4.00%. QUANTUM solar, rated AA saw both the 2022 and 2024 tranches move 18-23bps to between 4.84-95%. Highway toll-operator ANIH saw its 11/29 tranche climbed 14bps to 4.62% whilst registering trades totaling RM70m. BGSM 12/22 edged 1bps higher at 2.48% Meanwhile, the banking/finance space saw BPMB 3/32 rise 7bps to 4.42%.

Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	08/22	1.751	100	1.749	11/04/2022	0
MGS	09/22	1.730	100	1.751	11/04/2022	-2
MGS	03/23	2.141	40	2.188	11/04/2022	-5
MGS	04/23	2.187	22	2.214	08/04/2022	-3
MGS	06/24	2.911	223	2.855	11/04/2022	6
MGS	07/24	2.876	21	2.942	11/04/2022	-7
MGS	03/25	3.268	24	3.266	11/04/2022	0
MGS	09/25	3.408	30	3.384	11/04/2022	2
MGS	04/26	3.528	50	3.454	11/04/2022	7
MGS	11/26	3.600	210	3.535	11/04/2022	6
MGS	05/27	3.647	1	3.620	11/04/2022	3
MGS	11/27	3.694	294	3.621	11/04/2022	7
MGS	06/28	3.963	31	3.915	11/04/2022	5
MGS	08/29	4.043	44	4.002	11/04/2022	4
MGS	04/31	4.106	3	4.072	11/04/2022	3
MGS	04/32	4.205	1	3.818	18/03/2022	39
MGS	07/32	4.087	52	3.992	11/04/2022	9
MGS	07/34	4.249	1	4.359	11/04/2022	-11
MGS	04/37	4.458	5	4.436	11/04/2022	2
MGS	05/40	4.632	18	4.619	11/04/2022	1
MGS	09/43	4.711	6	4.675	11/04/2022	4
MGS	06/50	4.714	78	4.717	11/04/2022	0
GII	04/22	1.730	40	1.730	07/04/2022	0
GII	07/22	1.749	364	1.735	07/04/2022	1
GII	11/22	1.800	50	1.850	05/04/2022	-5
GII	05/23	2.250	2	2.261	11/04/2022	-1
GII	05/24	3.064	350	2.832	11/04/2022	23
GII	10/24	3.090	10	3.018	11/04/2022	7
GII	03/26	3.562	130	3.519	11/04/2022	4
GII	07/27	3.674	5	3.589	05/04/2022	9
GII	09/27	3.759	90	3.693	11/04/2022	7
GII	10/28	3.978	198	3.906	11/04/2022	7
GII	07/29	4.033	7	3.830	05/04/2022	20
GII	10/30	4.158	7	4.111	11/04/2022	5
GII	07/36	4.430	4	4.388	11/04/2022	4
GII	09/39	4.635	5	4.621	11/04/2022	1
GII	09/41	4.695	45	4.663	11/04/2022	3
GII	11/49	4.746	1	4.792	11/04/2022	-5
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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*	
GovCo Holdings Berhad	09/22	GG	2.474	100	2.263	06/04/2022	21	30
Jambatan Kedua Sdn Berhad	05/25	GG	3.448	20	3.230	22/12/2021	22	17
Perbadanan Tabung Pendidikan Tinggi Nasional	01/33	GG	4.302	50	3.921	20/04/2021	38	23
Toyota Capital Malaysia Sdn Berhad	12/24	AAA	3.946	10	-	-	-	67
Bakun Hydro Power Generation Sdn Berhad (fka Sarawal	08/25	AAA	3.649	40	2.980	23/09/2021	67	37
Danga Capital Berhad	09/27	AAA	3.997	10	3.700	14/03/2022	30	41
Bank Pembangunan Malaysia Berhad	03/32	AAA	4.419	50	4.349	08/04/2022	7	35
Tenaga Nasional Berhad	08/35	AAA	4.378	2	4.378	11/04/2022	0	-5
Tenaga Nasional Berhad	08/37	AAA	4.690	20	4.569	05/04/2022	12	26
Batu Kawan Berhad	02/29	AA1	4.270	5	3.981	17/03/2022	29	32
United Overseas Bank (Malaysia) Berhad	08/30	AA1	3.918	1	3.374	04/04/2022	54	-7
Public Bank Berhad	04/32	AA1	3.830	1	3.830	11/04/2022	0	-24
Celcom Networks Sdn Berhad	10/26	AA+	3.949	10	3.760	28/02/2022	19	36
Imtiaz Sukuk II Berhad	10/22	AA2	2.455	20	2.387	03/03/2022	7	28
Fortune Premiere Sdn Berhad	03/23	AA	3.155	30	3.027	24/02/2022	13	98
Anih Berhad	11/29	AA	4.622	70	4.479	01/04/2022	14	64
Gamuda Berhad	11/22	AA3	2.622	20	2.576	17/03/2022	5	45
UEM Sunrise Berhad	12/22	AA-	3.363	15	3.298	05/04/2022	6	119
BGSM Management Sdn Berhad	12/22	AA3	2.479	20	2.473	29/03/2022	1	31
Penang Port Sdn Berhad	12/29	AA-	4.488	10	4.239	14/03/2022	25	50
Quantum Solar Park (Semenanjung) Sdn Berhad	10/32	AA-	4.839	10	4.608	14/01/2022	23	77
Quantum Solar Park (Semenanjung) Sdn Berhad	04/34	AA-	4.949	10	4.771	26/01/2022	18	88
Alliance Bank Malaysia Berhad	10/30	A2	3.743	1	4.161	11/04/2022	-42	-28
Tropicana Corporation Berhad	09/19	A	7.304	1	6.992	06/04/2022	31	269
Tropicana Corporation Berhad	09/19	A	6.107	1	6.108	11/04/2022	0	149
Tropicana Corporation Berhad	06/23	A+	4.195	1	4.792	11/04/2022	-60	202
Tropicana Corporation Berhad	10/23	A+	5.392	1	5.392	11/04/2022	0	322
				<u>526</u>				

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

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

Source: RAM, MARC

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