

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	1.75	5
5-yr UST	1.95	2
10-yr UST	2.00	1
30-yr UST	2.36	-1

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.65	-1	2.81	1
5-yr	3.27	0	3.25	0
7-yr	3.54	0	3.41	0
10-yr	3.67	0	3.74	0
15-yr	4.08	0	4.10	0
20-yr	4.22	1	4.25	0
30-yr	4.38	-1	4.36	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.24	1
3-yr	2.92	1
5-yr	3.16	1
7-yr	3.36	2
10-yr	3.57	2

Source : Bloomberg

Upcoming Government Bond Tender

Nil

US Treasuries

- US Treasuries generally ended weaker save for the long-bond last Friday on renewed fears of an imminent rate hike by the Fed; brushing aside temporary risk-on mode seen earlier due to Russian President Putin's statement that there were some progress made in Moscow's talks with Ukraine. The curve ended flatter as overall benchmark yields rose between 1-5bps save for the UST 30Y. **The UST 2Y yield jumped 5bps higher to 1.75% whilst the much-watched UST 10Y yield edged 1bps up to 2.00%.** The weaker-than-expected consumer sentiment survey from the University of Michigan which dropped to a 10-year low also added to investor jitters. Expectations that the Fed will raise rates by at least 25bps at this week's FOMC meeting now stands at 96%. Meanwhile expect attention to shift to the all-important FOMC decision this Thursday.

MGS/GII

- Local govvnies saw interest wane further last Friday, with the short-end MGS nevertheless marginally richer; whilst GII generally saw very little movements. Overall benchmark MGS/GII yields closed mixed again i.e. between a mere -1 to +1bps amid the halving of secondary market volume @ RM1.39b. **The 5Y benchmark MGS 11/26 yield ended within 1bps lower at 3.27% whilst the 10Y MGS 7/32 settled within 1bps higher instead at 3.67%.** Trades were seen extending across most tenures with interest mainly in the off-the-run 22's, 24's, 29's and also benchmark 3Y GII. GII trades rose to form ~50% of overall transactions. The country's bond and equities market has recently seen some inflows as investors seek shelter from the upheaval in financial markets due to the Russia-Ukraine war.

Corp Bonds/Sukuk

- On Friday, activity was robust in the Corporate Bonds/Sukuk space (in contrast with local govvnies) with interest mainly across AAA-rated sectors, followed by the AA-rated space. Overall yields closed mixed again and spanned across 46 names amid a 14% rise in secondary market volume @ RM616m. The sole govt-guaranteed trade consisted of the long-end PRASA 2/50 which moved 3bps higher compared to previous-done levels at 4.64%. AAA-rated PLUS 34-35's spiked 20-25bps between 4.24-31% whereas TNB saw a slew of tranches close mixed on yields with TNB 33 and 35 rising 6-8bps at 4.18% and 4.28%. TNB 37-38's however settled 0-5bps lower between 4.38-47% area. AA-rated PROHAWK 12/30 spiked 56bps to 4.48% but the 6/33 tranche however rallied 12bps to 4.63%. Energy-related bonds EDRA 1/35 and Southern Power 4/29 ended a mere 0-1bps higher at 4.62% and 4.24% each whilst JEP 12/31 jumped 15bps higher to 4.70%. The banking/finance space saw BPMB 3/32 decline 6bps to 4.09% whilst PUBLIC Islamic 8/27 bonds settled 3bps higher at 2.52%.

Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	08/22	1.703	17	1.741	09/03/2022	-4
MGS	09/22	1.698	2	1.701	10/03/2022	0
MGS	03/23	1.828	58	1.837	10/03/2022	-1
MGS	06/24	2.646	27	2.654	10/03/2022	-1
MGS	07/24	2.736	150	2.745	10/03/2022	-1
MGS	09/24	2.760	71	2.777	10/03/2022	-2
MGS	03/25	2.919	9	2.928	10/03/2022	-1
MGS	04/26	3.199	10	3.151	09/03/2022	5
MGS	11/26	3.270	40	3.273	10/03/2022	0
MGS	11/27	3.347	13	3.333	10/03/2022	1
MGS	08/29	3.675	107	3.660	10/03/2022	1
MGS	07/32	3.673	37	3.672	10/03/2022	0
MGS	04/33	3.900	1	3.886	10/03/2022	1
MGS	11/33	3.905	5	3.920	09/03/2022	-2
MGS	05/35	4.081	49	4.080	10/03/2022	0
MGS	04/37	4.073	81	4.082	10/03/2022	-1
MGS	05/40	4.217	15	4.208	10/03/2022	1
MGS	06/50	4.379	8	4.388	10/03/2022	-1
GII	03/22	1.764	108	1.770	10/03/2022	-1
GII	04/22	1.792	146	1.686	10/03/2022	11
GII	07/22	1.720	75	1.749	10/03/2022	-3
GII	10/24	2.806	230	2.799	10/03/2022	1
GII	09/27	3.408	110	3.406	10/03/2022	0
GII	10/30	3.736	20	3.732	10/03/2022	0
			1389			

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*	
Prasarana Malaysia Berhad	02/50	GG	4.640	10	4.610	10/02/2022	3	42
Danum Capital Berhad	02/25	AAA	3.159	10	3.257	22/02/2022	-10	49
Pengurusan Air SPV Berhad	06/27	AAA	3.736	50	3.714	07/03/2022	2	45
Pengurusan Air SPV Berhad	06/29	AAA	3.918	10	3.669	21/05/2021	25	37
Manjung Island Energy Berhad	11/31	AAA	4.088	10	4.099	19/01/2022	-1	42
Bank Pembangunan Malaysia Berhad	03/32	AAA	4.089	40	4.149	16/12/2021	-6	42
Tenaga Nasional Berhad	08/33	AAA	4.181	20	4.120	21/01/2022	6	51
Projek Lebuhraya Usahasama Berhad	01/34	AAA	4.239	50	3.989	27/08/2021	25	57
Projek Lebuhraya Usahasama Berhad	01/35	AAA	4.311	50	4.110	27/08/2021	20	23
Tenaga Nasional Berhad	08/35	AAA	4.281	20	4.200	20/01/2022	8	20
Infracap Resources Sdn Berhad	04/36	AAA	4.639	2	4.665	25/02/2022	-3	56
Tenaga Nasional Berhad	08/37	AAA	4.380	10	4.431	22/02/2022	-5	30
Tenaga Nasional Berhad	08/38	AAA	4.469	40	4.469	10/03/2022	0	39
Sabah Credit Corporation	05/22	AA1	2.632	10	2.805	19/05/2021	-17	65
YTL Corporation Berhad	04/23	AA1	3.610	20	3.550	21/01/2022	6	163
YTL Power International Berhad	05/27	AA1	4.651	10	4.645	09/03/2022	1	136
Public Islamic Bank Berhad	08/27	AA1	2.516	10	2.489	10/01/2022	3	-77
GENM Capital Berhad	07/28	AA1	5.610	1	4.838	12/01/2022	77	220
United Overseas Bank (Malaysia) Berhad	08/30	AA1	3.956	2	3.544	25/01/2022	41	33
Sime Darby Property Berhad	12/27	AA+	3.909	15	3.968	14/01/2022	-6	50
Hong Leong Financial Group Berhad	06/29	AA2	3.423	50	3.424	07/03/2022	0	-12
Konsortium ProHAWK Sdn Berhad	12/30	AA2	4.479	10	3.922	22/09/2021	56	82
Konsortium ProHAWK Sdn Berhad	06/33	AA2	4.629	10	4.751	28/03/2019	-12	96
OSK Rated Bond Sdn Berhad	04/28	AA	4.305	10	4.396	31/01/2022	-9	89
OSK Rated Bond Sdn Berhad	04/31	AA	4.448	10	4.309	07/10/2021	14	79
IJM Corporation Berhad	06/22	AA3	2.491	10	2.414	21/01/2022	8	51
Exsim Capital Resources Berhad	03/26	AA3	4.918	1	4.999	10/03/2022	-8	184
Edra Energy Sdn Berhad	01/35	AA3	4.619	10	4.609	19/11/2021	1	54
WCT Holdings Berhad	10/23	AA-	4.116	20	4.116	18/02/2022	0	170
7-Eleven Malaysia Holdings Berhad	06/24	AA-	4.049	10	3.888	08/10/2021	16	164
Leader Energy Sdn Berhad	07/27	AA-	4.657	2	3.879	25/09/2020	78	137
Southern Power Generation Sdn Berhad	04/29	AA-	4.238	10	4.238	23/11/2021	0	69
Penang Port Sdn Berhad	12/29	AA-	4.242	5	4.228	10/03/2022	1	62
Jimah East Power Sdn Berhad	12/31	AA-	4.698	10	4.549	24/03/2021	15	103
Penang Port Sdn Berhad	12/31	AA-	4.401	5	4.389	10/03/2022	1	73
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/35	AA-	5.469	10	5.471	10/03/2022	0	139
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/36	AA-	5.528	5	5.530	10/03/2022	0	145
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/39	AA-	5.709	33	5.710	10/03/2022	0	163
Dialog Group Berhad	11/20	A1	4.419	1	4.445	11/02/2022	-3	20
Tropicana Corporation Berhad	10/23	A+	4.205	1	5.387	10/03/2022	-118	179
Alliance Bank Malaysia Berhad	10/30	A2	3.742	1	3.742	10/03/2022	0	9
Bank Muamalat Malaysia Berhad	06/31	A3	4.439	1	4.255	20/10/2021	18	78
Eco World International Berhad	05/23	-	3.728	2	5.120	10/03/2022	-139	175
Mah Sing Group Berhad	04/17	-	8.450	1	7.869	09/03/2022	58	423
YNH Property Berhad	08/19	-	5.549	1	6.110	10/03/2022	-56	133
Cypark Renewable Energy Sdn Berhad	09/20	-	6.710	1	6.821	09/03/2022	-11	249
				<u>616</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
BEWG (M) Sdn Bhd	RM400 million Sukuk Wakalah	AA IS/Stable	Affirmed
Johor Corporation	Corporate credit ratings	AAA/Stable/P1	Assigned

Source: RAM, MARC

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