

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

- US Treasuries continued to whipsaw; ending weaker instead on Thursday as several strong US economic data releases comprising retail sales, import prices and consumer sentiment were believed to keep the Fed steady on its tightening path. Fed official William's statement that the Fed should consider a 50bps rate-hike in its May FOMC meeting, added 'fuel to the fire' by renewing inflation woes. The curve shifted sharply higher as overall benchmark yields ended 10-13bps higher across. **The UST 2Y yield jumped 10bps higher to 2.46% whilst the much-watched UST 10Y spiked 13bps to 2.83%.** Elsewhere, the ECB's proposed plan to unwind stimulus was less aggressive than previously thought. Meanwhile, markets will be closed on Friday to celebrate Good Friday.

##### MGS/GII

- Local govvnies mostly performed better on Thursday, save for the longer-ends as traders and investors assessed the much more stable movements with IRS receivers seen active across most tenures. Overall benchmark MGS/GII yields closed mostly lower between 0-8bps (save for the 7Y GII and 20Y MGS), amid a 5% decline in secondary market volume @ RM2.23b. **The 5Y benchmark MGS 11/26 yield fell 4bps to 3.51% whilst the 10Y MGS 7/32 edged 1bps lower at 4.05%.** Trades were mainly seen in the benchmark 3Y MGS, 7Y GII. GII trades maintained to form 31% of overall transactions. Elsewhere, despite both Singapore and South Korea tightening monetary policy, Malaysia is expected to keep its benchmark rate at the present record low for 1H2020.

##### Corp Bonds/Sukuk

- On Thursday, Corporate Bonds/Sukuk space saw improved appetite in the secondary market with interest mainly seen along GG-AA part of the curve. Overall yields closed mostly mixed-to-higher, spanning across 28 names amid the doubling in market volume @ RM539m. The short-end govt-guaranteed Turus Pesawat 9/22 registered a whopping RM270m in nominal trades, ending 3bps lower compared to previous-done levels at 2.45%. DANA and PRASA 29's however spiked 24-22bps between 4.15-20% area. AAA-rated PLUS 27-28's settled 3-8bps higher between 3.80-88%. WESTPORTS 10/25 which last traded in December last year, jumped 21bps to 3.73% AA-rated WCT, climbed 11bps to 4.23% whereas ANIH 11/26 ended 8bps higher at 4.26%. Meanwhile, the banking/finance space saw CIMB Group Holdings 6/22 jump 21bps higher to 2.65% whilst Sabah Development Bank 10/29 spiked 63bps to 5.41%.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	2.46	10
5-yr UST	2.79	13
10-yr UST	2.83	13
30-yr UST	2.92	10

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.30	0	3.09	0
5-yr	3.51	-4	3.68	-8
7-yr	3.92	-2	3.92	4
10-yr	4.05	-1	4.16	-3
15-yr	4.45	-4	4.43	0
20-yr	4.70	3	4.74	0
30-yr	4.78	0	4.72	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.37	-1
3-yr	3.24	-4
5-yr	3.59	-7
7-yr	3.79	-4
10-yr	4.03	-4

Source : Bloomberg

#### Upcoming Government Bond Tender

Nil

## Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/22	1.76	8	1.73	12/04/2022	3
MGS	03/23	2.22	9	2.26	13/04/2022	-4
MGS	06/24	3.02	31	2.93	13/04/2022	9
MGS	07/24	2.97	3	2.88	12/04/2022	9
MGS	03/25	3.30	450	3.30	13/04/2022	0
MGS	09/25	3.39	72	3.40	13/04/2022	-1
MGS	04/26	3.53	40	3.53	13/04/2022	0
MGS	11/26	3.51	47	3.55	13/04/2022	-4
MGS	03/27	3.63	10	3.65	13/04/2022	-2
MGS	05/27	3.63	10	3.67	13/04/2022	-4
MGS	11/27	3.65	253	3.69	13/04/2022	-4
MGS	06/28	3.92	87	3.94	13/04/2022	-2
MGS	08/29	4.02	9	4.03	13/04/2022	0
MGS	04/30	4.11	6	4.10	13/04/2022	1
MGS	04/31	4.11	26	4.09	13/04/2022	2
MGS	06/31	4.09	2	4.13	13/04/2022	-4
MGS	07/32	4.05	17	4.06	13/04/2022	-1
MGS	11/33	4.36	73	4.36	13/04/2022	0
MGS	07/34	4.43	108	4.46	13/04/2022	-3
MGS	05/35	4.47	24	4.45	13/04/2022	2
MGS	04/37	4.45	25	4.49	13/04/2022	-4
MGS	05/40	4.66	28	4.67	13/04/2022	-1
MGS	10/42	4.70	103	4.71	13/04/2022	-1
MGS	09/43	4.73	10	4.73	13/04/2022	0
MGS	07/48	4.80	1	4.78	13/04/2022	2
MGS	06/50	4.78	96	4.77	13/04/2022	0
GII	11/23	2.36	9	2.34	13/04/2022	2
GII	08/24	3.10	80	3.09	13/04/2022	1
GII	10/24	3.09	20	3.09	12/04/2022	0
GII	08/25	3.37	9	3.32	12/04/2022	5
GII	03/26	3.51	10	3.56	13/04/2022	-5
GII	07/27	3.59	1	3.65	13/04/2022	-6
GII	09/27	3.68	60	3.76	12/04/2022	-8
GII	10/28	3.92	392	3.98	12/04/2022	-6
GII	10/30	4.14	1	4.11	13/04/2022	3
GII	10/32	4.16	81	4.18	13/04/2022	-3
GII	06/33	4.39	23	4.31	11/04/2022	8
			<u>2234</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*
GovCo Holdings Berhad	09/22	GG	2.447	270	2.474	12/04/2022	-3	32
Turus Pesawat Sdn Berhad	11/22	GG	2.450	20	2.215	17/02/2022	24	32
DanaInfra Nasional Berhad	07/29	GG	4.148	20	3.819	17/02/2022	33	22
Prasarana Malaysia Berhad	09/29	GG	4.197	10	3.749	09/03/2022	45	27
DanaInfra Nasional Berhad	09/50	GG	5.031	20	4.511	14/07/2021	52	34
Cagamas Berhad	11/24	AAA	3.339	50	3.114	06/01/2022	23	4
Westports Malaysia Sdn Berhad	10/25	AAA	3.727	10	3.519	23/12/2021	21	28
Projek Lebuhraya Usahasama Berhad	01/26	AAA	3.798	20	3.717	07/04/2022	8	36
Projek Lebuhraya Usahasama Berhad	01/27	AAA	3.880	10	3.847	07/04/2022	3	32
Danga Capital Berhad	09/27	AAA	4.000	20	4.011	13/04/2022	-1	44
Sarawak Energy Berhad	11/33	AAA	4.479	10	4.189	18/03/2022	29	44
CIMB Group Holdings Berhad	06/22	AA1	2.652	30	2.442	16/03/2022	21	52
Batu Kawan Berhad	02/29	AA1	4.269	1	4.270	12/04/2022	0	34
Sabah Development Bank Berhad	10/29	AA1	5.409	5	4.780	07/10/2019	63	148
Kuala Lumpur Kepong Berhad	03/32	AA1	4.490	3	-	-	-	45
Northern Gateway Infrastructure Sdn Berhad	08/32	AA1	4.690	5	3.830	12/06/2020	86	65
Anih Berhad	11/26	AA	4.259	5	4.178	08/04/2022	8	70
WCT Holdings Berhad	10/23	AA-	4.226	20	4.116	11/03/2022	11	137
UMW Holdings Berhad	04/18	AA-	4.501	1	4.936	29/03/2022	-44	-19
AEON Credit Service (M) Berhad	02/28	AA3	4.470	2	3.948	07/05/2021	52	72
Tropicana Corporation Berhad	06/23	A+	4.702	1	5.302	13/04/2022	-60	257
DRB-Hicom Berhad	08/25	A+	4.422	1	4.029	23/06/2021	39	112
IJM Land Berhad	03/19	A2	4.592	1	5.054	11/03/2022	-46	-10
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/31	A3	4.400	1	4.527	08/04/2022	-13	36
Affin Islamic Bank Berhad	10/17	A3	4.253	1	3.852	13/12/2021	40	-44
Hume Cement Industries Berhad	12/23	-	3.426	2	3.737	13/04/2022	-31	57
Eco World Capital Services Berhad	03/26	-	5.808	2	5.220	08/04/2022	59	237
LBS Bina Group Berhad	03/20	-	6.300	1	5.741	02/03/2022	56	161
				<u>539</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
S P Setia Berhad	RM3.0 billion Islamic Medium-Term Notes (IMTN) Programme	AA IS/Stable	Affirmed
Pelabuhan Tanjung Pelepas Sdn Bhd	Islamic Medium-Term Notes (Sukuk Murabahah Programme)	From AA-IS/Stable to AA-IS/Positive	Outlook upgrade

Source: RAM, MARC

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