

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	1.85	-1
5-yr UST	2.11	2
10-yr UST	2.15	1
30-yr UST	2.48	1

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.68	-1	2.81	0
5-yr	3.31	0	3.26	0
7-yr	3.54	0	3.42	2
10-yr	3.69	1	3.76	2
15-yr	4.09	13	4.11	0
20-yr	4.20	-1	4.27	2
30-yr	4.39	7	4.36	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.25	0
3-yr	2.94	0
5-yr	3.19	1
7-yr	3.38	0
10-yr	3.60	1

Source : Bloomberg

Upcoming Government Bond Tender

Re-opening of RM2.5b + RM2.5b (private placement) 20Y GII 9/41 on Friday, 17<sup>th</sup> March, 2022

US Treasuries

- US Treasuries ended mixed with the front-end richer, ahead of tomorrow's FOMC rate decision. Reports that Ukraine will not become a NATO member coupled with Russian President's statement that his talks with the Ukraine saw little success for now; shifted sentiment between equities and UST's. The curve steepened slightly as overall benchmark yields closed between -1 to +2bps across. **The UST 2Y yield edged 1bps lower to 1.85% whilst the much-watched UST 10Y ended 1bps up instead at 2.15%; another new high seen since May 2019.** Given the latest set of data including the rise in US producer prices in February, the Fed is expected to hike rates for the 1<sup>st</sup> time in 3 years to tame soaring inflation that shows no sign of easing. Elsewhere, foreign holding of US government securities fell \$86b m/m in January to \$7.66 trillion, with UK seeing the largest pullback. Meantime, expect all eyes on the all-important FOMC decision early tomorrow morning.

MGS/GII

- Local govvnies saw slight weakness on Tuesday despite improvement in secondary market volumes as market players seemed slightly nervous ahead of the all-important US FOMC meeting this Thursday. Overall benchmark MGS/GII yields closed mostly unchanged-to-higher i.e. between 0-13bps (save for the 20Y MGS), amid a jump in secondary market volume @ RM2.85b. **The 5Y benchmark MGS 11/26 yield closed unchanged at 3.31% whilst the 10Y MGS 7/32 edged 1bps higher at 3.69%.** Trades were mainly seen across the off-the-run 22-23's, 29's and also benchmark 3Y MGS, 5Y GII, 10Y MGS/GII. GII trades rose to form ~40% of overall transactions. Expect attention to shift to the trade data for February along with the 20Y GII auction exercise this Friday.

Corp Bonds/Sukuk

- On Monday, trading interest and activity took a turn and spiked in the Corporate Bonds/Sukuk space with interest seen across GG-to single-A part of the curve. Overall yields closed mostly mixed-to-higher and spanned across a 41 names amid a ten-fold rise in secondary market volume @ RM1.05b. The long-end Govt-guaranteed PLUS 12/38 and DANA 2/49 edged 1-2bps up compared to previous-done levels at 4.42% and 4.59% each. AAA-rated logistics operators MACB 12/22 declined 4bps to 2.55% whereas WESTPORTS 5/23 jumped 25bps higher to 2.73% instead. AA-rated toll-operator ANIH saw its 11/26 tranche move 7bps lower to 3.93% whilst NORTHPORT 12/22 rose 6bps instead to 2.61%. The banking/finance space saw CIMB 5/24 end 6bps lower at 3.05% whilst SABAH Credit saw mixed fortunes for both its 5/22 and 6/23 tranches. The former eased 5bps to 2.59% whereas the later spiked 21bps instead to 2.99%.

## Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	08/22	1.752	35	1.703	11/03/2022	5
MGS	09/22	1.699	2	1.704	14/03/2022	0
MGS	03/23	1.849	303	1.847	14/03/2022	0
MGS	06/24	2.677	105	2.683	14/03/2022	-1
MGS	09/24	2.785	26	2.809	14/03/2022	-2
MGS	03/25	2.926	1	2.915	14/03/2022	1
MGS	09/25	3.029	72	3.017	14/03/2022	1
MGS	07/26	3.257	63	3.233	14/03/2022	2
MGS	11/26	3.311	187	3.311	14/03/2022	0
MGS	05/27	3.338	7	3.360	14/03/2022	-2
MGS	11/27	3.356	84	3.350	14/03/2022	1
MGS	06/28	3.537	63	3.542	14/03/2022	0
MGS	08/29	3.698	156	3.675	14/03/2022	2
MGS	04/30	3.704	44	3.697	14/03/2022	1
MGS	04/31	3.745	11	3.723	14/03/2022	2
MGS	07/32	3.687	240	3.672	14/03/2022	1
MGS	11/33	3.947	5	3.905	11/03/2022	4
MGS	07/34	4.069	10	4.041	14/03/2022	3
MGS	05/35	4.091	131	3.964	14/03/2022	13
MGS	04/37	4.116	53	4.069	11/03/2022	5
MGS	05/40	4.202	68	4.217	11/03/2022	-1
MGS	09/43	4.359	19	4.391	10/03/2022	-3
MGS	07/48	4.486	2	4.463	09/03/2022	2
MGS	06/50	4.390	13	4.317	14/03/2022	7
GII	03/22	1.799	75	1.764	11/03/2022	3
GII	04/22	1.745	168	1.782	14/03/2022	-4
GII	05/23	1.978	5	1.972	08/03/2022	1
GII	07/23	2.146	50	2.196	14/03/2022	-5
GII	09/26	3.354	10	3.346	25/02/2022	1
GII	07/27	3.434	40	3.415	10/03/2022	2
GII	09/27	3.424	361	3.418	14/03/2022	1
GII	10/28	3.615	180	3.594	10/03/2022	2
GII	07/29	3.658	30	3.622	09/03/2022	4
GII	09/30	3.728	20	3.713	14/03/2022	2
GII	10/30	3.760	207	3.742	14/03/2022	2
GII	08/33	3.942	1	3.955	16/02/2022	-1
GII	09/41	4.267	1	4.247	08/03/2022	2
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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*
PR1MA Corporation Malaysia	10/22	GG	2.205	50	2.100	17/01/2022	11	22
Malaysia Rail Link Sdn Berhad	07/35	GG	4.329	10	4.289	21/02/2022	4	23
Projek Lebuhraya Usahasama Berhad	12/38	GG	4.420	100	4.400	08/03/2022	2	32
DanaInfra Nasional Berhad	02/49	GG	4.589	20	4.580	10/03/2022	1	35
Malaysia Airports Capital Berhad	12/22	AAA	2.550	20	2.590	09/02/2022	-4	56
Westports Malaysia Sdn Berhad	05/23	AAA	2.731	20	2.477	12/07/2021	25	74
Danum Capital Berhad	05/23	AAA	2.624	60	2.408	17/01/2022	22	64
CIMB Bank Berhad	05/24	AAA	3.054	50	3.112	18/10/2021	-6	63
Toyota Capital Malaysia Sdn Berhad	10/24	AAA	3.687	3	3.292	03/09/2021	40	100
Sarawak Energy Berhad	11/33	AAA	4.199	10	4.190	03/03/2022	1	51
Sabah Credit Corporation	05/22	AA1	2.586	15	2.632	11/03/2022	-5	60
Genting Capital Berhad	06/22	AA1	3.432	35	3.426	08/03/2022	1	145
CIMB Group Holdings Berhad	06/22	AA1	2.354	5	2.239	08/02/2022	12	37
Kuala Lumpur Kepong Berhad	09/22	AA1	2.421	10	2.353	02/03/2022	7	43
Sabah Credit Corporation	06/23	AA1	2.988	10	2.777	14/12/2020	21	100
GENM Capital Berhad	08/25	AA1	4.355	1	4.581	21/02/2022	-23	167
United Overseas Bank (Malaysia) Berhad	08/30	AA1	3.318	1	3.956	11/03/2022	-64	-32
Kuala Lumpur Kepong Berhad	03/37	AA1	4.550	5	-	-	-	45
Dialog Group Berhad	01/32	AA2	4.416	1	4.421	17/02/2022	0	73
Anih Berhad	11/26	AA	3.928	20	3.995	18/02/2022	-7	61
Edra Energy Sdn Berhad	01/24	AA3	3.144	20	3.081	29/11/2021	6	72
Press Metal Aluminium Holdings Berhad	10/24	AA3	3.580	40	3.617	07/03/2022	-4	89
Exsim Capital Resources Berhad	03/26	AA3	4.915	1	4.915	14/03/2022	0	182
BGSM Management Sdn Berhad	12/26	AA3	3.833	20	3.803	12/10/2021	3	52
Press Metal Aluminium Holdings Berhad	12/27	AA3	4.441	10	4.618	21/01/2022	-18	101
Press Metal Aluminium Holdings Berhad	12/28	AA3	4.572	10	4.598	10/03/2022	-3	101
Malayan Banking Berhad	02/17	AA3	3.551	2	3.654	10/03/2022	-10	-69
Northport (Malaysia) Berhad	12/22	AA-	2.610	20	2.551	09/12/2021	6	62
UEM Sunrise Berhad	12/22	AA-	3.309	10	3.279	16/02/2022	3	132
Malakoff Power Berhad	12/23	AA-	3.010	10	3.009	10/03/2022	0	58
Pelabuhan Tanjung Pelepas Sdn Berhad	06/30	AA-	4.370	10	4.419	01/12/2021	-5	73
TG Excellence Berhad	02/20	AA-	4.424	1	3.619	11/03/2022	81	18
Hong Leong Financial Group Berhad	11/17	A1	3.789	2	3.722	25/02/2022	7	-45
Tropicana Corporation Berhad	06/23	A+	5.209	1	5.412	14/03/2022	-20	322
Yinson Holdings Berhad	12/26	A+	5.224	10	5.260	10/03/2022	-4	191
Tan Chong Motor Holdings Berhad	03/27	A+	5.524	157	-	-	-	221
Alliance Bank Malaysia Berhad	10/30	A2	3.742	1	3.742	14/03/2022	0	7
Tan Chong Motor Holdings Berhad	03/25	A	4.942	279	-	-	-	226
Tropicana Corporation Berhad	09/19	A	6.554	2	6.057	09/03/2022	50	231
Eco World International Berhad	05/23	-	5.225	1	5.227	14/03/2022	0	324
Cypark Renewable Energy Sdn Berhad	09/20	-	6.498	1	-	-	-	226
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\*spread against nearest indicative tenured MGS (Source: BPAM)

**FIXED INCOME**

March 16, 2022

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

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*Source: RAM, MARC*

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