

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries closed low on Friday as markets continued weighing odds of a 75bps and 100bps rate hike by the Fed at this week's FOMC meeting. In addition, ongoing concerns over the severity of economic fallout consequently. Markets were also stoke by concerns over a potential front-load of corporate issuances this week, as well as US\$12bn of 20Y bonds reopening on 21-Sept, a day ahead of the all important FOMC meeting. The benchmark 2Y UST yield rose 8bps to 3.87%, its highest since 2007, whilst the much watched 10Y UST yields settled 5bps higher at 3.45%. The inversion of the yield curve denoted by the 2s10s, widened to -42bps. Markets continued to price in odds of a slightly bigger than 75bps rate hike at the upcoming FOMC meeting, even as inflation expectations as depicted by University of Michigan survey suggests inflation expectations have somewhat retreated. All eyes will be on the FOMC meeting on 22-Sept, not only on the quantum of the rate hike, but also guidance from the Fed dot plot on future policy path and terminal rate going forward.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.87	8
5-yr UST	3.63	3
10-yr UST	3.45	5
30-yr UST	3.52	6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.36	-2	3.51	3
5-yr	3.84	7	3.93	10
7-yr	4.04	6	4.09	13
10-yr	4.13	2	4.16	9
15-yr	4.31	0	4.33	2
20-yr	4.51	3	4.46	1
30-yr	4.59	0	4.62	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.43	6
3-yr	3.72	10
5-yr	3.84	9
7-yr	3.92	7
10-yr	4.11	11

Source : Bloomberg

MGS/GII

- The Malaysian markets were closed for Malaysia Day holiday on Friday. Backtracking to Thursday, local govies remained under pressure by and large in the wake of a risk-off market, stoke by higher global bond yields as major central banks showed no signs of shifting into a lower gear in policy normalization/ tightening. Yields ended 1-13bps higher across the MGS/ GII curves, save for the 2Y MGS which fell 2bps to 3.36%, amid a pick-up in secondary market volume to RM2.71bn (prior RM2.10bn). The benchmark 5Y MGS 11/27 yield edged 7bps up at 3.84% whilst the 10Y MGS 7/32 yield rose 2bps to 4.13%. IRS levels notched 6-11bps higher. Trading interests were seen concentrated on the belly (5-10Y) of the curve for both MGS and GII. GII transactions jumped higher to form 49% (prior 38%) of overall trades. Attention will shift to exports and CPI releases this week. In addition, noises surrounding the 2023 National Budget will amplify as 7-October draws nearer.

Corp Bonds/Sukuk

- Trading activities in Corporate Bonds/Sukuk gathered steam with secondary trades more than doubled to RM989m on Thursday (prior RM417m). Trading were mixed with yields moving in both directions across the whole spectrum of the curve from GG to single-A issuances. BPMB '29 took center stage in the GG segment, trading 2bps inner at 4.30% with RM30m dealt. In the AA-rated segment, MSW '23 and DANUM '25 were actively traded, last closed at 4.10% and 3.97% respectively. Among the banking names, MBSB '29 led with RM50m changed hands, and traded 39bps higher at 4.08%.

Upcoming Government Bond Tender

Nil

Daily Trades : Government Bond

Securities	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS 09/22	1.78	9	1.58	13/9/2022	20
MGS 03/23	2.55	1	2.67	14/9/2022	-12
MGS 04/23	2.45	2	2.55	14/9/2022	-9
MGS 08/23	2.75	51	2.90	14/9/2022	-15
MGS 06/24	3.26	43	3.30	14/9/2022	-4
MGS 09/24	3.40	8	3.36	14/9/2022	4
MGS 03/25	3.36	0	3.38	14/9/2022	-2
MGS 09/25	3.45	12	3.41	14/9/2022	5
MGS 04/26	3.56	2	3.61	14/9/2022	-4
MGS 07/26	3.63	13	3.62	14/9/2022	0
MGS 11/26	3.76	28	3.72	14/9/2022	4
MGS 05/27	3.86	2	3.82	14/9/2022	4
MGS 11/27	3.84	158	3.77	14/9/2022	7
MGS 06/28	3.97	59	3.94	14/9/2022	3
MGS 04/29	4.04	150	3.98	14/9/2022	6
MGS 08/29	4.06	12	4.03	14/9/2022	3
MGS 04/30	4.04	2	4.00	13/9/2022	4
MGS 04/31	4.14	109	4.05	14/9/2022	9
MGS 04/32	4.19	21	4.16	14/9/2022	3
MGS 07/32	4.13	307	4.11	14/9/2022	2
MGS 04/33	4.21	10	4.15	13/9/2022	6
MGS 11/33	4.19	2	4.21	14/9/2022	-1
MGS 07/34	4.27	150	4.32	14/9/2022	-5
MGS 05/35	4.36	33	4.36	14/9/2022	1
MGS 04/37	4.31	131	4.31	14/9/2022	0
MGS 06/38	4.47	1	4.43	14/9/2022	4
MGS 05/40	4.52	35	4.49	14/9/2022	2
MGS 10/42	4.51	10	4.47	13/9/2022	3
MGS 09/43	4.55	2	4.51	14/9/2022	4
MGS 03/46	4.58	3	4.56	13/9/2022	2
MGS 07/48	4.63	2	4.58	13/9/2022	5
MGS 06/50	4.59	1	4.59	14/9/2022	0
GII 11/23	3.24	3	3.03	14/9/2022	21
GII 10/25	3.51	340	3.48	14/9/2022	3
GII 03/26	3.68	10	3.67	14/9/2022	2
GII 09/27	3.93	80	3.83	14/9/2022	10
GII 10/28	4.03	437	3.97	14/9/2022	6
GII 07/29	4.09	96	3.96	14/9/2022	13
GII 10/30	4.14	137	4.10	14/9/2022	4
GII 10/32	4.16	140	4.07	14/9/2022	9
GII 11/34	4.30	2	4.29	9/9/2022	2
GII 07/36	4.33	5	4.32	14/9/2022	2
GII 08/37	4.42	1	4.35	9/9/2022	7
GII 09/39	4.42	2	4.43	14/9/2022	-2
GII 09/41	4.46	89	4.45	14/9/2022	1
		<u>2710</u>			

Daily Trades : Corp Bonds/ Sukuk

Securities	Rating	Closing	Vol	Previous	Previous	Chg	Spread	
								YTM
Bank Pembangunan Malaysia Berhad	09/29	GG	4.30	30	4.28	9/8/2022	2	28
Danainfra Nasional Berhad	02/34	GG	4.44	10	4.41	13/4/2022	3	31
Prasarana Malaysia Berhad	03/34	GG	4.44	15	4.62	8/6/2022	-18	31
Prasarana Malaysia Berhad	03/35	GG	4.49	5	4.45	13/9/2022	4	36
Zamarad Assets Berhad	11/22	AAA	3.30	10	2.78	11/11/2021	52	35
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/22	AAA	3.16	10	3.07	29/8/2022	10	21
Danum Capital Berhad	05/23	AAA	3.35	5	3.26	15/8/2022	9	40
Malaysia Steel Works (KL) Berhad	11/23	AAA	4.10	30	3.08	15/9/2021	101	114
Zamarad Assets Berhad	03/24	AAA	3.96	10	3.13	24/9/2021	84	67
Zamarad Assets Berhad	11/24	AAA	4.30	10	3.43	28/9/2021	87	100
TNB Northern Energy Berhad	05/25	AAA	3.99	10	4.13	5/4/2019	-14	60
Danum Capital Berhad	06/25	AAA	3.97	40	3.91	13/9/2022	6	58
Zamarad Assets Berhad	09/25	AAA	4.56	10			456	117
AI Dzhab Assets Berhad	09/25	AAA	4.07	20	4.04	19/8/2022	3	68
Westports Malaysia Sdn Berhad	04/26	AAA	4.08	10	4.10	25/7/2022	-2	44
TNB Northern Energy Berhad	05/26	AAA	4.13	10	3.13	13/5/2020	100	50
Zamarad Assets Berhad	07/26	AAA	4.87	10			487	124
Bank Pembangunan Malaysia Berhad	11/26	AAA	4.17	2	4.18	12/9/2022	-1	53
Johor Corporation	06/27	AAA	4.71	5	4.71	13/9/2022	0	86
Zamarad Assets Berhad	09/27	AAA	4.44	20	3.80	18/10/2021	64	60
Malaysia Airport Holdings Berhad	11/27	AAA	4.33	10	4.29	9/9/2022	4	49
Zamarad Assets Berhad	01/28	AAA	4.71	10	4.05	9/12/2021	66	86
Tenaga Nasional Berhad	06/29	AAA	4.39	10	4.36	14/9/2022	3	37
Malaysia Airport Holdings Berhad	11/30	AAA	4.52	10	4.58	21/7/2022	-6	46
Tenaga Nasional Berhad	06/32	AAA	4.55	10	4.44	8/8/2022	11	42
Tenaga Nasional Berhad	06/37	AAA	4.80	10	5.04	14/7/2022	-24	46
Tenaga Nasional Berhad	06/42	AAA	4.95	10	4.86	8/8/2022	9	45
UMW Holdings Berhad	11/25	AA+	4.02	4	4.01	6/9/2022	1	63
TRIpIc Medical Sdn Berhad	10/22	AA1	3.13	20	4.30	26/2/2019	-117	17
Sabah Credit Corporation	06/23	AA1	3.65	10	3.59	29/8/2022	6	70
Sabah Development Bank Berhad	07/24	AA1	3.92	0	4.86	14/9/2022	-94	63
Sabah Development Bank Berhad	05/25	AA1	4.29	5	4.25	14/9/2022	5	91
TRIpIc Medical Sdn Berhad	10/26	AA1	4.44	10	4.32	21/4/2022	12	80
TRIpIc Medical Sdn Berhad	10/27	AA1	4.56	10	3.97	14/11/2019	59	71
Zamarad Assets Berhad	05/28	AA1	4.79	10	4.24	8/3/2022	55	85
UniTapah Sdn Berhad	06/32	AA1	4.91	20	5.04	11/10/2017	-13	77
UniTapah Sdn Berhad	12/32	AA1	4.94	10	3.65	4/9/2020	129	81
TRIpIc Medical Sdn Berhad	10/33	AA1	4.95	10	3.70	1/10/2020	125	81
TRIpIc Medical Sdn Berhad	10/35	AA1	5.07	10	4.72	3/3/2022	35	73
Anih Berhad	11/22	AA	3.19	6	3.09	25/7/2022	9	23
Anih Berhad	11/24	AA	4.10	4	4.13	13/6/2022	-3	80
Kesas Sdn Berhad	08/23	AA2	3.70	10	2.88	8/12/2021	82	74
RHB Investment Bank Berhad	10/27	AA2	3.23	30	3.13	3/6/2022	10	-62
WCT Holdings Berhad	02/23	AA-	4.46	40	4.40	20/7/2022	6	150
Cerah Sama Sdn Berhad	01/24	AA-	3.94	10	3.29	14/7/2021	66	394
UEM Sunrise Berhad	12/24	AA-	4.78	10	4.82	25/5/2022	-4	478
UiTM Solar Power Sdn Berhad	04/26	AA-	5.01	10	5.19	28/6/2022	-18	501
MMC Corporation Berhad	04/27	AA-	4.54	32	4.52	9/9/2022	1	454
Quantum Solar Park (Semenanjung) Sdn Berhad	10/27	AA-	4.74	10	4.10	10/11/2021	63	474
SAJ Capital Sdn Berhad	01/28	AA-	4.87	10	4.92	25/7/2022	-5	487
Cerah Sama Sdn Berhad	01/28	AA-	4.75	10	3.43	22/9/2020	132	475
MMC Corporation Berhad	03/28	AA-	4.67	10	4.77	4/8/2022	-11	467
Quantum Solar Park (Semenanjung) Sdn Berhad	10/28	AA-	4.81	10	4.93	25/5/2022	-12	481
Quantum Solar Park (Semenanjung) Sdn Berhad	04/29	AA-	4.84	10	5.01	25/5/2022	-17	484
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/32	AA-	5.71	10	5.12	22/4/2021	59	571
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/33	AA-	5.76	10	5.34	27/10/2021	42	576
Sinar Kamiri Sdn Berhad	01/35	AA-	6.11	10	5.72	3/3/2022	39	611
Sinar Kamiri Sdn Berhad	01/36	AA-	6.17	10	5.79	3/3/2022	38	617
TG Excellence Berhad	02/20	AA-	4.33	40	5.49	13/9/2022	-117	433
Perbadanan Kemajuan Negeri Selangor	08/23	AA3	4.15	10	4.13	13/9/2022	2	415
AmBank (M) Berhad	12/23	AA3	3.53	10			353	353
Tanjung Bin Energy Sdn Berhad	03/24	AA3	4.71	10	4.60	3/6/2022	11	471
BGSM Management Sdn Berhad	06/24	AA3	3.81	10	3.79	13/9/2022	2	381
Exsim Capital Resources Berhad	07/25	AA3	5.15	10	5.11	25/5/2022	4	515
Besraya (M) Sdn Berhad	07/26	AA3	4.46	10	3.30	29/12/2020	116	446
Edra Energy Sdn Berhad	01/27	AA3	4.45	10	3.60	8/9/2021	85	445
Edra Energy Sdn Berhad	07/29	AA3	4.74	10	4.88	25/7/2022	-14	474
Edra Energy Sdn Berhad	01/32	AA3	4.93	5	4.98	25/7/2022	-5	493
DRB-Hicom Berhad	12/24	A+	4.46	20	4.55	5/9/2022	-9	446
Tropicana Corporation Berhad	10/25	A+	5.99	1	5.99	2/8/2022	0	599
Tropicana Corporation Berhad	05/27	A+	6.25	10	6.26	4/8/2022	-1	625
Bank Islam Malaysia Berhad	11/27	A1	3.24	20	3.15	7/6/2022	9	324
AmBank Islamic Berhad	10/28	A1	3.83	20	3.83	1/9/2022	1	383
Bank Islam Malaysia Berhad	10/30	A1	6.38	20	4.36	18/7/2022	202	638
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/29	A3	4.08	50	3.70	1/8/2022	39	408
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/31	A3	4.75	10	4.85	13/9/2022	-11	475
YNH Property Berhad	07/19	-	5.97	1	5.97	12/9/2022	-1	597
YNH Property Berhad	07/19	-	5.69	0	6.61	12/9/2022	-93	569
Eco World Capital Services Berhad	24/3/2026	-	5.86	0	5.44	9/8/2022	42	586
				989				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
IGB REIT Capital Sdn Bhd	RM1.20 bil second issuance (Second Tranche MTN) under the RM5.0 bil MTN Programme	AAA/Stable	Assigned
Triplc Medical Sdn Bhd	RM639 mil Senior Sukuk Murabahah (2017/2035)	AA1/Stable	Reaffirmed
Genting Berhad and Genting Malaysia Berhad	Corporate credit rating	AA1/Stable/ P1	Outlook revised from negative to stable
Sunsuria Berhad	RM500.0 million Sukuk Wakalah Programme	A+IS/ Stable	Affirmed

Source: RAM, MARC

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