

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	2.59	14
5-yr UST	2.92	13
10-yr UST	2.94	8
30-yr UST	3.00	5

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.40	6	3.09	0
5-yr	3.61	4	3.78	5
7-yr	4.03	8	4.05	7
10-yr	4.13	4	4.20	0
15-yr	4.54	9	4.60	0
20-yr	4.70	-2	4.69	0
30-yr	4.78	0	4.72	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.38	1
3-yr	3.27	0
5-yr	3.66	2
7-yr	3.84	2
10-yr	4.08	3

Source : Bloomberg

Upcoming Government Bond TenderTu

Reopening of RM 2.5b (plus RM2.5b private placement) of 15Y GII 7/36 on Wednesday, 20th April 2022

US Treasuries

- US Treasuries slipped into the red i.e. ending weaker on Tuesday following the long Easter weekend as anxiety remained in the horizon over the Fed’s upcoming tightening measures (post-Bullard’s hawkish comments earlier on Monday). The curve bear-flattened as overall benchmark yields jumped 5-14bps higher across. **The UST 2Y yield spiked 14bps to 2.59% whilst the much-watched UST 10Y jumped 8bps higher to 2.94%.** The economy was seen resilient, boosted by March m/m housing starts data as well. Bond technical levels were seen breached, adding to the woes and subsequent sell-down. Meanwhile, expect some attention to shift to the existing home sales and also initial jobless claims report tomorrow.

MGS/GII

- Local govvnies mostly underperformed on Monday, save for the longer-ends as traders and investors with IRS leading the weakness on higher levels recorded. Overall benchmark MGS/GII yields closed higher between 0-9bps (save for the 20Y MGS), amid the muted secondary market volume of RM1.45b. **Both the 5Y benchmark MGS 11/26 and 10 Y MGS 7/32 10Y yields rose 4bps to 3.61% and 4.13% each.** Trades were mainly seen in the off-the-run 24’s and also benchmark 5Y MGS. GII trades maintained to form 31% of overall transactions. Expect attention to shift to the upcoming auction exercise involving the 15Y GII today.

Corp Bonds/Sukuk

- On Monday, Corporate Bonds/Sukuk space saw a drastic reduction in interest in the secondary market with some trades seen done along the AAA-AA part of the curve. Overall yields closed mostly mixed-to-higher, spanning across a mere 14 names amid volume of only RM182m. There were no gov-guaranteed bond transactions. AAA-rated PASB 8/28 jumped 21bps compared to previous-done levels to 4.11% whilst the 2/29 tranche settled unchanged at 4.13%. AA-rated energy-related bonds BGSM saw its 9/23 tranche grind RM30m in nominal trades, edged 1bps lower to 2.89% whereas BESRAYA 7/25 rose 19bps to 4.01%. Meanwhile, the banking/finance space saw several odd-lot transaction done in Bank Islam and Alliance bonds.

Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	08/22	1.816	5	1.677	13/04/2022	14
MGS	09/22	1.782	7	1.760	14/04/2022	2
MGS	06/24	3.041	140	2.954	15/04/2022	9
MGS	03/25	3.395	100	3.338	15/04/2022	6
MGS	09/25	3.449	2	3.375	15/04/2022	7
MGS	04/26	3.521	1	3.538	15/04/2022	-2
MGS	11/26	3.609	372	3.567	15/04/2022	4
MGS	11/27	3.758	13	3.649	14/04/2022	11
MGS	06/28	4.029	32	3.945	15/04/2022	8
MGS	08/29	4.072	4	4.056	15/04/2022	2
MGS	04/30	4.164	5	4.108	14/04/2022	6
MGS	06/31	4.204	4	4.092	14/04/2022	11
MGS	07/32	4.131	69	4.088	15/04/2022	4
MGS	07/34	4.594	30	4.457	15/04/2022	14
MGS	05/35	4.578	1	4.472	14/04/2022	11
MGS	04/37	4.537	10	4.450	14/04/2022	9
MGS	05/40	4.798	10	4.624	15/04/2022	17
MGS	09/43	4.817	70	4.785	15/04/2022	3
GII	07/22	1.750	45	1.753	15/04/2022	0
GII	05/24	3.194	210	3.117	15/04/2022	8
GII	08/24	3.143	91	3.166	15/04/2022	-2
GII	08/25	3.401	1	3.365	14/04/2022	4
GII	03/26	3.561	100	3.561	15/04/2022	0
GII	09/27	3.781	110	3.729	15/04/2022	5
GII	10/28	4.050	10	3.983	15/04/2022	7
GII	10/30	4.169	2	4.156	15/04/2022	1
GII	10/35	4.616	1	4.430	11/04/2022	19
GII	09/39	4.653	5	4.635	12/04/2022	2
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Daily Trades : Corp Bonds/ Sukuk

Securities	Rating	Closing	Vol	Previous	Previous	Chg	Spread	
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)	Against MGS*	
Pengurusan Air SPV Berhad	08/28	AAA	4.110	10	3.902	30/12/2021	21	41
Pengurusan Air SPV Berhad	02/29	AAA	4.133	10	4.133	05/04/2022	0	22
Petroleum Sarawak Exploration & Production Sdn Berhad	03/31	AAA	4.344	20	3.945	04/10/2021	40	35
Tenaga Nasional Berhad	08/35	AAA	4.378	1	4.552	08/04/2022	-17	-3
Genting Capital Berhad	06/27	AA1	4.970	1	4.970	08/04/2022	0	146
Public Bank Berhad	04/32	AA1	3.830	4	-	-	-	-21
BGSM Management Sdn Berhad	09/23	AA3	2.885	30	2.891	05/04/2022	-1	75
Besraya (M) Sdn Berhad	07/25	AA3	4.009	10	3.824	16/02/2022	19	76
TG Excellence Berhad	02/20	AA-	4.060	91	4.094	08/04/2022	-3	-51
Tropicana Corporation Berhad	06/23	A+	4.792	2	5.372	08/04/2022	-58	265
Tropicana Corporation Berhad	10/25	A+	4.731	1	4.730	04/04/2022	0	148
Bank Islam Malaysia Berhad	11/27	A1	2.903	1	2.870	04/04/2022	3	-80
Alliance Bank Malaysia Berhad	10/30	A2	4.161	1	3.746	08/04/2022	42	17
Tropicana Corporation Berhad	09/19	A	6.108	1	6.109	08/04/2022	0	154
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*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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