

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	1.94	2
5-yr UST	2.14	0
10-yr UST	2.15	-2
30-yr UST	2.42	-5

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.67	0	2.78	0
5-yr	3.30	-1	3.28	1
7-yr	3.55	0	3.40	0
10-yr	3.69	-1	3.75	-2
15-yr	4.13	0	4.14	0
20-yr	4.29	0	4.30	-2
30-yr	4.42	5	4.48	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.23	0
3-yr	2.91	2
5-yr	3.16	2
7-yr	3.36	2
10-yr	3.58	0

Source : Bloomberg

Upcoming Government Bond Tender

Nil

US Treasuries

- US Treasuries ended on a mixed note last Friday as global equities were generally pushed higher against a backdrop of renewed risk sentiments. The bond market continued to monitor Russia-Ukraine headlines while digesting some Fed officials' remarks post-rate hike. Investors appeared unperturbed by President Biden's warning for counterpart Xi, of the potential consequences of supporting Russia. The curves bull flattened as the front-end yields ended cheaper versus the richer medium-to-longer bonds after several Fed officials (Waller, Barkin and Bullard) signalled openness to 50bps rate hike. FOMC-dated OIS priced in slightly above 50% chance of an additional 25bps rate hike when the Fed next meets in early May. **The benchmark 2Y notes rose 2bps to 1.94% while the much watched benchmark 10Y UST yield fell 2bps to 2.15%, extending from the decline in the previous session.** Overall, yields moved by -5 to +2bps. In the week ahead, expect the Russia-Ukraine headlines to continue drive sentiments while major data to focus include US Markit PMIs and durable goods orders to gauge business conditions.

MGS/GIII

- Local govvnies ended little changed on Friday after being pressured on the previous session following the Fed's 25bp rate hike. The overall benchmark MGS/GII yields ended mixed between -2 to +1bps (except for the odd-lot trade in 30Y MGS) as the secondary market trading volume fell to RM2.64b ahead of the weekend. **The benchmark 5Y MGS 11/26 and 10Y MGS 7/32 fell by 1bp each to 3.30% and 3.69% respectively.** Trades were most active in off-the-run 22s as well as the benchmark 5Y, 7Y and 10Y GII. GII trades made up 62% of total trade on Friday, up further from the previous 44%. Malaysia's export growth slowed down for the third month in a row in February, at 16.8% y/y, adding to signs of weaker external outlook. Up next is the February's CPI inflation rate where consensus estimates are pencilling in a 2.5% y/y print.

Corp Bonds/Sukuk

- Meanwhile, total trades on the corporate bonds/Sukuk front amounted to RM607m and spanned across 28 names, up slightly from RM594m in the previous day. Overall yields closed on a mixed note; the government-guaranteed PLUS 12/38 rose 3bps at 4.45% after changing hands by RM120m while the PRASA 8/31 jumped 36bps to 3.92%. In the AAA-rated space, TELEKOM 11/25 picked up 27bps to nearly 3.28% alongside the 22bp jump in PASB 10/34 to 4.32%. SUKE 11/27 saw its yields ballooning by 550bps to 5.5% during its debut trading. In the banking/finance space, AA1-rated SABAHEV 4/24 traded 60bps higher to 4.06% while AISL 02/28 fell 15bps to 3.27%. PIBB 10/29 rose 6bps to 3.27%.

Daily Trades : Government Bond

Securities	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS 08/22	1.670	120	1.751	17/03/22	-8
MGS 09/22	1.749	223	1.810	17/03/22	-6
MGS 03/23	1.812	31	1.796	17/03/22	2
MGS 08/23	2.242	4	2.231	17/03/22	1
MGS 06/24	2.672	21	2.676	17/03/22	0
MGS 07/24	2.730	2	2.729	17/03/22	0
MGS 03/25	2.942	20	2.940	17/03/22	0
MGS 09/25	3.010	55	3.010	17/03/22	0
MGS 11/26	3.298	52	3.310	17/03/22	-1
MGS 11/27	3.345	23	3.349	17/03/22	0
MGS 06/28	3.552	15	3.552	17/03/22	0
MGS 08/29	3.698	121	3.699	17/03/22	0
MGS 04/30	3.686	16	3.709	17/03/22	-2
MGS 04/31	3.738	21	3.773	17/03/22	-4
MGS 06/31	3.768	50	3.781	17/03/22	-1
MGS 04/32	3.818	1	3.805	16/03/22	1
MGS 07/32	3.693	98	3.699	17/03/22	-1
MGS 07/34	4.102	21	4.094	17/03/22	1
MGS 05/35	4.140	3	4.123	17/03/22	2
MGS 04/37	4.132	10	4.135	17/03/22	0
MGS 09/43	4.425	90	4.394	17/03/22	3
GII 03/22	1.756	265	1.557	17/03/22	20
GII 04/22	1.763	741	1.806	17/03/22	-4
GII 10/24	2.785	60	2.781	17/03/22	0
GII 08/25	3.043	10	3.028	16/03/22	2
GII 03/26	3.277	11	3.266	17/03/22	1
GII 09/27	3.406	131	3.408	17/03/22	0
GII 10/28	3.604	162	3.613	17/03/22	-1
GII 10/30	3.75	150	3.768	17/03/22	-2
GII 06/33	3.93	56	4.000	17/03/22	-7
GII 07/36	4.142	1	4.143	17/03/22	0
GII 08/37	4.246	20	4.209	17/03/22	4
GII 09/41	4.301	34	4.321	17/03/22	-2
		<u>2,638</u>			

Daily Trades : Corp Bonds/ Sukuk

Securities	Rating	Closing	Vol	Previous	Previous	Chg	Spread	
								YTM
Perbadanan Tabung Pendidikan Tinggi Nasional	06/22	GG	2.028	5	2.061	13/10/21	-3	7
GovCo Holdings Berhad	09/22	GG	2.117	50	2.2	02/03/22	-8	16
Projek Lebuhraya Usahasama Berhad	01/26	GG	3.51	60	3.48	10/03/22	3	44
Prasarana Malaysia Berhad	08/26	GG	3.45	20	3.423	16/11/21	3	38
Prasarana Malaysia Berhad	08/31	GG	3.921	12	3.56	26/08/21	36	24
Lembaga Pembiayaan Perumahan Sektor Awam	10/38	GG	4.419	20	4.41	16/02/22	1	29
Telekom Malaysia Berhad	11/25	AAA	3.297	10	3.025	24/09/21	27	23
Tenaga Nasional Berhad	08/32	AAA	4.128	10	4.125	17/03/22	0	43
Sarawak Energy Berhad	11/33	AAA	4.189	10	4.199	15/03/22	-1	49
Pengurusan Air SPV Berhad	10/34	AAA	4.319	10	4.102	25/08/21	22	19
Tenaga Nasional Berhad	11/36	AAA	4.349	10	4.349	17/03/22	0	22
Projek Lebuhraya Usahasama Berhad	12/38	AAA	4.45	120	4.42	15/03/22	3	32
Sabah Development Bank Berhad	04/24	AA1	4.064	17	3.463	10/03/22	60	165
Danajamin Nasional Berhad	10/27	AA1	2.815	10	2.824	17/03/22	-1	-61
Public Islamic Bank Berhad	10/29	AA1	3.265	20	3.204	11/10/21	6	-38
Tanjung Bin Power Sdn Berhad	08/24	AA2	3.361	20	3.324	06/01/22	4	95
Hong Leong Financial Group Berhad	06/29	AA2	3.383	20	3.423	11/03/22	-4	-17
Perbadanan Kemajuan Negeri Selangor	10/23	AA3	3.587	4	3.696	09/02/22	-11	117
Bermaz Auto Berhad	12/23	AA3	3.356	7.66	3.407	14/02/22	-5	94
PONSB Capital Berhad	12/26	AA3	4.16	5	4.2	08/03/22	-4	86
AmBank Islamic Berhad	02/28	A1	3.271	25	3.419	22/12/21	-15	-16
AmBank Islamic Berhad	10/28	A1	3.51	20	3.518	16/03/22	-1	-5
Hong Leong Financial Group Berhad	11/17	A1	3.216	10	3.789	15/03/22	-57	-106
Tropicana Corporation Berhad	10/23	A+	5.489	0.75	4.205	11/03/22	128	308
Projek Lintasan Sungai Besi-Ulu Klang Sdn Berhad	11/27	A+	5.499	90	-	-	550	207
Jimah East Power Sdn Berhad	12/25	AA-	3.918	10	3.948	13/01/22	-3	85
Jimah East Power Sdn Berhad	06/26	AA-	4.028	10	4.04	09/03/22	-1	96
YNH Property Berhad	08/19	NR(LT)	5.749	<u>0.75</u>	5.871	17/03/22	-12	147
				<u>607</u>				

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

Rating Action

Issuer	PDS Description	Rating/Outlook	Action
Farm Fresh Berhad's	Islamic Medium-Term Notes (IMTN) Programme of RM1.0b	AA-IS (Stable)	Affirmed

Source: MARC

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damansara

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: HLMarkets@hlbb.hongleong.com.my

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