

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	2.63	-4
5-yr UST	2.86	-7
10-yr UST	2.82	-8
30-yr UST	2.89	-6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.59	6	3.42	2
5-yr	3.90	7	3.93	9
7-yr	4.26	0	4.30	3
10-yr	4.25	7	4.37	10
15-yr	4.78	2	4.86	2
20-yr	4.97	2	5.03	13
30-yr	5.05	8	4.98	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.46	3
3-yr	3.43	7
5-yr	3.85	10
7-yr	4.04	10
10-yr	4.26	9

Source : Bloomberg

- US treasuries rose on Monday as investors fled to safety amidst the renewed fear of a global economic slowdown triggered by a potential lockdown of the Chinese capital city of Beijing. The overall benchmark yields fell 4-8bps across the curve. **The yield on the benchmark 2Y UST ticked lower by 4bps to 2.63% whilst the much-watched UST 10Y yield retreated significantly by 8bps to 2.82%.** Despite that, the possibility of the 10Y UST yield hitting 3% remains highly possible and dominate market chatter. Investors are now facing double concerns of soaring inflation and a looming growth crunch that make the Fed's impending aggressive policy tightening sounds apprehensive. Upcoming auction of \$48b 2Y notes is scheduled on Wednesday. The US will also report its advance estimates of first quarter GDP growth this week.

MGS/GII

- Malaysian govies slumped further at the start of the week alongside the jump in IRS levels and the extended selloff in the ringgit that saw the local unit weakening to a near-two-year low. The overall benchmark MGS/GII yields closed 0-13bps higher as the secondary market volume slipped to RM3.9b, down from last Friday's RM4.5b. **The yield on the benchmark 5Y MGS 11/26 picked up 7bps to 3.90% while that of the 10Y MGS 7/32 also gained 7bps to 4.25%.** The off-the-run 5Y GG 10/24 recorded the highest trade volume of RM300m in a single transaction, followed by a few off-the-run 20Y and 30Y MGS. Total GII trade was slightly lower at 29% (versus 33% prior) against the total trade. Malaysia's foreign reserves edged lower to \$114.4b as at 15 April (from \$115.6b prior). Expect the local bond market to remain driven by the global risk aversion and the flight to safe assets amid the renewed concern for Chinese growth.

Upcoming Government Bond Tender

Nil

Corporate Bonds/Sukuk

- The Corp/Sukuk market was weighed concurrently by the general risk-off sentiment; The overall yields closed higher and the secondary trading volume moderated further to RM198m at the start of the week, encompassing only 22 papers. The Govt-guaranteed space remained very quiet on Monday, as only two GG papers i.e. LPPSA 08/35 and PRASA 08/36 changed hands, with yields settling 50bps and 86bps higher respectively. Volume of AAA-rated papers being traded remained modest yesterday. Notable trade being RM30 worth of PASB 06/27 yielding 4.3% (+22bps). AA- rated TOTO 06/22 topped the volume chart at RM60m and rose 8bps to 3.39%.

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	100	1.749	22/04/22	0
MGS	09/22	1.743	176	1.802	22/04/22	-6
MGS	03/23	2.453	207	2.362	22/04/22	9
MGS	04/23	2.510	9	2.442	22/04/22	7
MGS	08/23	2.474	15	2.445	22/04/22	3
MGS	06/24	3.428	185	3.379	22/04/22	5
MGS	07/24	3.376	2	3.457	22/04/22	-8
MGS	09/24	3.480	100	3.201	22/04/22	28
MGS	03/25	3.593	46	3.531	22/04/22	6
MGS	09/25	3.700	39	3.580	22/04/22	12
MGS	07/26	3.776	86	3.671	21/04/22	11
MGS	11/26	3.901	249	3.830	22/04/22	7
MGS	05/27	4.094	280	3.840	21/04/22	25
MGS	11/27	4.071	139	3.959	22/04/22	11
MGS	06/28	4.256	236	4.256	22/04/22	0
MGS	09/28	4.377	10	4.190	20/04/22	19
MGS	08/29	4.451	175	4.327	22/04/22	12
MGS	04/30	4.355	3	4.321	22/04/22	3
MGS	04/31	4.476	60	4.424	22/04/22	5
MGS	07/32	4.251	81	4.182	22/04/22	7
MGS	04/33	4.580	7	4.455	22/04/22	13
MGS	11/33	4.586	5	4.527	21/04/22	6
MGS	07/34	4.640	3	4.662	22/04/22	-2
MGS	05/35	4.773	9	4.718	22/04/22	5
MGS	04/37	4.781	104	4.757	22/04/22	2
MGS	05/40	4.993	49	4.937	22/04/22	6
MGS	10/42	4.966	20	4.942	22/04/22	2
MGS	09/43	5.000	242	4.904	21/04/22	10
MGS	06/50	5.048	134	4.965	22/04/22	8
GII	07/22	1.722	115	1.779	22/04/22	-6
GII	05/23	2.422	2	2.251	21/04/22	17
GII	11/23	2.563	80	2.361	14/04/22	20
GII	08/24	3.429	20	3.497	22/04/22	-7
GII	10/24	3.416	300	3.399	22/04/22	2
GII	10/25	3.634	26	3.464	21/04/22	17
GII	03/26	3.731	59	3.670	22/04/22	6
GII	06/27	4.051	40	3.419	02/03/22	63
GII	07/27	4.065	6	3.796	21/04/22	27
GII	09/27	3.927	114	3.833	22/04/22	9
GII	10/28	4.297	144	4.264	22/04/22	3
GII	10/30	4.512	54	4.306	22/04/22	21
GII	10/32	4.367	81	4.264	22/04/22	10
GII	08/33	4.616	8	4.525	21/04/22	9
GII	11/34	4.720	1	4.337	08/04/22	38
GII	10/35	4.696	1	4.715	21/04/22	-2
GII	07/36	4.861	60	4.845	22/04/22	2
GII	08/37	4.788	2	4.930	22/04/22	-14

GII	09/39	4.800	3	4.857	22/04/22	-6
GII	09/41	5.030	30	4.899	22/04/22	13
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Daily Trades : Corp Bonds/ Sukuk

Securities	Maturity (dd/mm/yyyy)	Rating	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)	Spread Against MGS*
Lembaga Pembiayaan Perumahan Sektor Awam	08/35	GG	4.790	2	4.200	15/11/21	59	3
Prasarana Malaysia Berhad	08/36	GG	4.940	2	4.079	15/09/21	86	18
Inverfin Sdn Berhad	02/24	AAA	3.731	10	4.410	05/11/19	-68	58
Malaysia Airport Holdings Berhad	12/26	AAA	4.298	2	3.830	25/03/22	47	46
Pengurusan Air SPV Berhad	06/27	AAA	4.225	30	4.008	15/04/22	22	39
Bank Pembangunan Malaysia Berhad	10/27	AAA	4.310	10	3.029	16/12/20	128	47
Danum Capital Berhad	05/30	AAA	4.489	2	4.170	05/04/22	32	21
Pengurusan Air SPV Berhad	09/30	AAA	4.581	2	4.078	16/02/22	50	30
Malayan Banking Berhad	10/32	AA1	4.318	10	3.732	08/03/22	59	2
Tadau Energy Sdn Berhad	07/26	AA3	4.727	2	4.243	28/02/22	48	103
Press Metal Aluminium Holdings Berhad	12/27	AA3	4.790	2	4.441	15/03/22	35	76
RHB Bank Berhad	04/31	AA3	4.390	5	3.917	24/02/22	47	9
Public Bank Berhad	06/18	AA3	3.313	10	3.186	27/07/21	13	-157
Anih Berhad	11/27	AA	4.628	2	4.273	05/04/22	36	59
TG Excellence Berhad	02/20	AA-	4.061	20	4.061	22/04/22	0	-83
Sports Toto Malaysia Sdn Berhad	06/22	AA-	3.466	66	3.391	07/03/22	8	111
Sports Toto Malaysia Sdn Berhad	06/22	AA-	3.470	10	-	-	347	111
Sinar Kamiri Sdn Berhad	01/23	AA-	3.759	4	3.538	24/01/22	22	140
Cerah Sama Sdn Berhad	01/29	AA-	4.900	4	4.048	16/01/20	85	64
MMC Port Holdings Sdn Berhad	06/29	AA-	5.009	2	4.660	06/04/22	35	75
IJM Land Berhad	03/19	A2	4.722	1	4.747	07/04/22	-2	-16
MBSB Bank Berhad (fka Asian Finance Bank Bhd)	12/31	A3	4.750	2	4.400	14/04/22	35	45
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*spread against nearest indicative tenured MGS (Source: BPAM)

Rating Action

Issuer	PDS Description	Rating/Outlook	Action
Nil			

Source: RAM Ratings

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