

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

- US treasuries rallied again on Tuesday, alongside the stronger greenback, leaving the overall benchmark yields sharply lower by 6-15bps. Investors piled into perceived safe havens as global growth concerns intensified in response to Beijing's Covid uncertainties. **The yield on the benchmark 2Y UST tumbled by 15bps to 2.48%** following the auction of \$48b 2Y notes that attracted strong demand (BTC ratio of 2.74x vs 2.46x prior). **The benchmark 10Y UST yield fell 10bps to 2.72%**. The recent retreat in yields does not deter the general view that the 10Y yield may reach 3.0% as the Fed begins to unwind its balance sheet and hike the fed funds rate, although the double concerns of soaring inflation and a looming growth crunch make the impending tightening rather apprehensive. The US will also report its advance estimates of first quarter GDP growth as well as the March core PCE inflation gauge this week.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	2.48	-15
5-yr UST	2.74	-13
10-yr UST	2.72	-10
30-yr UST	2.83	-6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.60	1	3.42	0
5-yr	3.94	4	4.06	13
7-yr	4.39	13	4.39	9
10-yr	4.25	0	4.39	2
15-yr	4.85	7	4.85	-1
20-yr	4.93	-4	5.06	3
30-yr	5.04	-1	4.98	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.45	-1
3-yr	3.43	-1
5-yr	3.86	0
7-yr	4.05	0
10-yr	4.27	1

Source : Bloomberg

##### MGS/GII

- Local govovies generally weakened further on Tuesday amid the extended weakness in the ringgit as investors continued to favour safer assets. The overall benchmark MGS/GII yields closed 0-13bps higher except for the 20Y and 30Y MGS and 15Y GII. The secondary market volume ticked lower to RM3.3b, compared to RM3.9b in the previous session. **The yield on the benchmark 5Y MGS 11/26 added 4bps to 3.94% while that of the 10Y MGS 7/32 was unchanged at 4.25%**. The benchmark 30Y MGS slipped a little (-1bp) but remained at above 5.0%. The off-the-run 10Y MGS was the most actively traded bond, involving 14 transactions that amounted to total trade of RM743m. GII trade made up a mere 23% of total trade, down further from 29% in the previous day. The local bond market remains driven by the general unease over a potential global slowdown triggered by China's Covid uncertainties just ahead of next week's Fed policy tightening.

##### Corporate Bonds/Sukuk

- The Corp/Sukuk market picked up steam on Tuesday following Monday's muted session. Investors continued to offload corporate bonds pushing yields higher for 37 papers, while the secondary market trading rose to RM564m, from RM198m prior. The Govt-guaranteed space turned more active; among the 11 papers being traded, PRASA 03/34 (+57bps) and DANA 02/49 (+44bps) saw the largest transactions at RM30m each. PRASA 07/29 jumped 185bps following two trades totalling RM10m. Interest was largely seen in the banking and financial sector. AA1-rated DANAJAMIN 10/27 rose to 2.99% (+7bps) and registered the largest traded volume of RM70m, involving 11 transactions. MAYBANK saw a few of its papers registering interest resulting in higher yields ranging 21-54bps.

#### Upcoming Government Bond Tender

Nil

## Daily Trades : Government Bond

Securities	Maturity (dd/mm/yyyy)	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS	08/22	1.818	1	1.752	25/04/22	7
MGS	09/22	1.698	28	1.743	25/04/22	-5
MGS	03/23	2.550	743	2.453	25/04/22	10
MGS	04/23	2.486	88	2.510	25/04/22	-2
MGS	08/23	2.643	30	2.474	25/04/22	17
MGS	06/24	3.405	30	3.428	25/04/22	-2
MGS	03/25	3.604	47	3.593	25/04/22	1
MGS	09/25	3.760	230	3.700	25/04/22	6
MGS	04/26	3.822	7	3.611	25/04/22	21
MGS	07/26	3.884	3	3.776	25/04/22	11
MGS	11/26	3.942	74	3.901	25/04/22	4
MGS	03/27	4.042	12	3.739	21/04/22	30
MGS	05/27	4.106	103	4.094	25/04/22	1
MGS	11/27	4.133	119	4.071	25/04/22	6
MGS	06/28	4.386	487	4.256	25/04/22	13
MGS	08/29	4.509	52	4.451	25/04/22	6
MGS	04/31	4.529	60	4.476	25/04/22	5
MGS	06/31	4.650	12	4.301	21/04/22	35
MGS	07/32	4.250	8	4.251	25/04/22	0
MGS	04/33	4.682	22	4.580	25/04/22	10
MGS	11/33	4.699	23	4.586	25/04/22	11
MGS	07/34	4.812	72	4.640	25/04/22	17
MGS	05/35	4.879	48	4.773	25/04/22	11
MGS	04/37	4.850	49	4.781	25/04/22	7
MGS	06/38	4.870	2	4.742	21/04/22	13
MGS	05/40	4.988	19	4.993	25/04/22	-
MGS	10/42	4.930	85	4.966	25/04/22	-4
MGS	09/43	4.977	19	5.000	25/04/22	-2
MGS	03/46	5.045	2	5.000	25/04/22	4
MGS	07/48	5.019	4	4.989	25/04/22	3
MGS	06/50	5.038	36	5.048	25/04/22	-1
GII	05/23	2.506	12	2.422	25/04/22	8
GII	07/23	2.600	5	2.355	21/04/22	25
GII	11/23	2.560	20	2.563	25/04/22	0
GII	05/24	3.446	103	3.425	22/04/22	2
GII	08/24	3.514	181	3.429	25/04/22	9
GII	03/26	3.881	3	3.731	25/04/22	15
GII	09/27	4.061	87	3.927	25/04/22	13
GII	10/28	4.387	100	4.297	25/04/22	9
GII	10/30	4.478	139	4.512	25/04/22	-3
GII	10/32	4.385	19	4.367	25/04/22	2
GII	06/33	4.662	8	4.550	25/04/22	11
GII	07/36	4.851	7	4.861	25/04/22	-1
GII	09/39	4.906	1	4.800	25/04/22	11
GII	09/41	5.060	81	5.030	25/04/22	3
			<u>3280</u>			

## Daily Trades : Corp Bonds/ Sukuk

Securities	Rating	Closing	Vol	Previous	Previous	Chg	Spread	
								YTM
Cagamas Berhad	10/24	GG	3.399	5	3.074	04/03/22	33	-18
Perbadanan Tabung Pendidikan Tinggi Nasional	03/27	GG	5.040	15	4.310	28/03/22	73	-
DanaInfra Nasional Berhad	07/27	GG	4.181	10	3.611	06/01/22	57	28
Prasarana Malaysia Berhad	07/29	GG	4.489	10	2.639	25/08/20	185	14
Prasarana Malaysia Berhad	08/29	GG	4.489	10	3.800	30/12/21	69	14
Prasarana Malaysia Berhad	03/34	GG	4.699	30	4.129	25/01/22	57	38
DanaInfra Nasional Berhad	11/35	GG	4.930	15	4.171	23/12/21	76	11
Perbadanan Tabung Pendidikan Tinggi Nasional	03/37	GG	5.039	10	3.499	28/09/20	154	22
DanaInfra Nasional Berhad	05/37	GG	5.060	20	4.229	14/01/22	83	24
Lembaga Pembiayaan Perumahan Sektor Awam	04/39	GG	5.149	20	3.784	18/12/20	137	33
DanaInfra Nasional Berhad	02/49	GG	5.290	30	4.851	07/04/22	44	32
Toyota Capital Malaysia Sdn Berhad	02/25	AAA	4.226	40	3.347	04/08/21	88	65
Malaysia Airport Holdings Berhad	11/27	AAA	4.469	20	4.004	28/01/22	47	36
Sabah Development Bank Berhad	06/23	AA1	4.187	1	4.079	20/04/22	11	182
Sabah Development Bank Berhad	07/24	AA1	3.736	1	3.687	22/04/22	5	39
Sabah Credit Corporation	06/26	AA1	4.260	10	3.778	20/01/22	48	51
Danajamin Nasional Berhad	10/27	AA1	2.994	70	2.920	13/04/22	7	-90
Malayan Banking Berhad	01/29	AA1	3.275	10	3.055	01/04/22	22	-108
Batu Kawan Berhad	02/29	AA1	4.620	10	4.269	14/04/22	35	27
Malayan Banking Berhad	01/31	AA1	4.055	20	3.519	24/03/22	54	-30
Batu Kawan Berhad	02/32	AA1	4.780	10	4.180	17/03/22	60	46
Kuala Lumpur Kepong Berhad	03/32	AA1	4.758	20	4.558	20/04/22	20	0
Public Bank Berhad	07/32	AA1	3.791	4	3.791	22/04/22	0	-53
Imtiaz Sukuk II Berhad	04/26	AA2	4.281	10	3.787	23/02/22	49	53
BGSM Management Sdn Berhad	09/23	AA3	3.073	10	2.885	11/04/22	19	71
Perbadanan Kemajuan Negeri Selangor	10/23	AA3	3.735	10	3.672	22/02/22	6	39
Tadau Energy Sdn Berhad	07/24	AA3	4.011	10	5.129	20/11/17	-112	67
IJM Corporation Berhad	10/24	AA3	3.754	20	3.337	13/12/21	42	41
Press Metal Aluminium Holdings Berhad	10/24	AA3	3.800	20	3.718	20/04/22	8	46
Tadau Energy Sdn Berhad	07/25	AA3	4.507	10	4.002	02/11/21	51	93
Gamuda Land (T12) Sdn Berhad	10/27	AA3	4.695	10	4.315	01/04/22	38	80
RHB Islamic Bank Berhad	05/29	AA3	3.716	10	3.522	01/04/22	19	-64
Malayan Banking Berhad	02/17	AA3	3.980	20	3.772	13/04/22	21	-99
UEM Sunrise Berhad	09/23	AA-	3.957	10	3.717	15/02/22	24	159
Northport (Malaysia) Berhad	12/24	AA-	3.825	10	3.630	21/07/21	20	25
Tanjung Bin O&M Berhad	07/26	AA-	4.310	10	3.453	03/06/21	86	56
Tropicana Corporation Berhad	09/19	A	6.177	2	6.103	20/04/22	7	120
Cypark Renewable Energy Sdn Berhad	04/20	-	7.400	11	-	-	740	243
				<u>564</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Kinabalu Capital Sdn Bhd	Issue 1, Issue 2 Medium-Term Notes (MTN) and Commercial Papers (CP) under the RM3.0b MTN and CP Programme	AAA Marc-1	Withdrawn

Source: MARC Ratings

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