

## Global Markets Research

### Fixed Income

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.24	9
5-yr UST	3.61	7
10-yr UST	3.51	6
30-yr UST	3.61	3

MGS		GII*			
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.54		0	3.61	1
5-yr	3.77	-2	3.78	-2	
7-yr	3.94	-4	4.02	-2	
10-yr	3.94	-3	4.04	-4	
15-yr	4.18	-6	4.15	-7	
20-yr	4.28	-1	4.40	0	
30-yr	4.45	-7	4.58	-3	

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.70	-2
3-yr	3.60	-2
5-yr	3.67	-4
7-yr	3.81	-4
10-yr	3.94	-4

Source : Bloomberg

### Upcoming Government Bond Tender

Nil

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries ended weaker on Friday, on profit-taking activities following earlier gains sparked from cooling inflation data. Large block sales in the 10-year sector also added some pressure on bonds. The 2s10s part of the curve ended flatter as overall benchmark yields ended between 3-9bps higher across. **The benchmark UST 2Y yield spiked the most by 9bps to 4.24% whilst the much-watched UST 10Y rose 6bps to 3.51%.** Elsewhere, the US government's outstanding debt obligations will likely hit statutory limits of ~\$31.2 trillion by next week; requiring the Treasury to commence measures in avoiding a default. The demand for overnight Repo facility meanwhile is robust with about \$2 trillion in daily placements. Meanwhile, the economic calendar remains light for the next two days.

### MGS/GII

- Local govies resumed its slow march up north last Friday following intermittent profit-taking seen prior two days with IRS movements leading the initiative. Overall benchmark MGS/GII yields settled lower between 0-7bps across (save for the 3Y GII), amid a 30% jump in secondary market volume @RM5.08b. **The benchmark 5Y MGS 11/27 yield edged 2bps lower at 3.77% whilst the 10Y MGS 7/32 eased 3bps lower at 3.94%.** Interest was seen in benchmarks that included 3Y MGS, 5Y MGS, 7Y GII, 10Y MGS/GII and the re-issue of new benchmark 15Y MGS. The auction involving the re-issuance of 15y MGS 6/38 saw solid demand and participation; on a BTC ratio of 2.825x and awarded at 4.151%. Meanwhile, expect attention to shift to the trade data this coming Wednesday.

### Corp Bonds/Sukuk

- On Thursday, Corporate Bonds/Sukuk saw strong activity with interest seen mainly across the GG to single-A part of the curve. Overall secondary market volume ballooned by more than 5x to RM1.58b especially due to maiden trades from recently issued PLUS bonds. Stripping out these trades, overall volume was still admirably high at RM843m with total trades above RM500k spiking to ~51. Govt-guaranteed DANA 32-33's and the long-end 8/52 tranche declined 3-11bps compared to previous-done levels between 4.20-4.22% area and 4.70% respectively. PLUS continued to dominate the AAA-rated space with the 2034, 2036 and 2037 tranches closing between -6 to +3bps at 4.73%, 4.86% and 4.83% each. In the AA-space, AZRB 12/24 moved 11bps lower to 5.09%. Meanwhile, the banking/finance space saw SABAH Dev end 5bps lower at 5.00% whereas Bank ISLAM 2021NC27 perps saw its yield settle 14bps lower at 4.84%.

## Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/23	2.935	203	2.752	01/12/2023	18
MGS	04/23	2.850	75	3.027	01/12/2023	-18
MGS	08/23	3.135	56	3.079	01/11/2023	6
MGS	09/24	3.446	20	3.447	01/12/2023	0
MGS	03/25	3.540	119	3.540	01/12/2023	0
MGS	07/25	3.569	10	3.678	01/11/2023	-11
MGS	09/25	3.592	42	3.597	01/12/2023	0
MGS	07/26	3.641	5	3.692	01/11/2023	-5
MGS	11/26	3.676	50	3.704	01/12/2023	-3
MGS	05/27	3.769	11	3.820	01/12/2023	-5
MGS	11/27	3.769	341	3.791	01/12/2023	-2
MGS	06/28	3.892	25	3.898	01/12/2023	-1
MGS	04/29	3.941	90	3.977	01/12/2023	-4
MGS	08/29	3.974	82	4.015	01/12/2023	-4
MGS	04/30	3.913	6	3.912	01/12/2023	0
MGS	04/31	4.042	68	4.072	01/12/2023	-3
MGS	07/32	3.938	573	3.971	01/12/2023	-3
MGS	04/33	4.048	82	4.134	01/12/2023	-9
MGS	07/34	4.131	111	4.205	01/12/2023	-7
MGS	05/35	4.182	20	4.202	01/12/2023	-2
MGS	04/37	4.179	138	4.235	01/12/2023	-6
MGS	06/38	4.123	675	4.212	01/11/2023	-9
MGS	05/40	4.288	48	4.357	01/12/2023	-7
MGS	10/42	4.276	6	4.283	01/12/2023	-1
MGS	09/43	4.345	30	4.460	01/12/2023	-12
MGS	06/50	4.446	203	4.519	01/12/2023	-7
GII	11/23	3.250	40	3.178	01/11/2023	7
GII	08/25	3.599	2	3.708	01/05/2023	-11
GII	10/25	3.606	91	3.599	01/12/2023	1
GII	03/26	3.633	40	3.675	01/10/2023	-4
GII	09/26	3.632	80	3.733	01/12/2023	-10
GII	09/27	3.786	61	3.809	01/12/2023	-2
GII	10/28	3.910	160	3.939	01/12/2023	-3
GII	07/29	4.024	550	4.049	01/12/2023	-3
GII	10/30	4.041	20	4.111	01/12/2023	-7
GII	10/32	4.042	583	4.079	01/12/2023	-4
GII	06/33	4.087	30	4.105	01/12/2023	-2
GII	08/33	4.069	30	4.101	01/12/2023	-3
GII	08/37	4.204	80	4.326	01/09/2023	-12
GII	03/38	4.148	200	4.222	01/12/2023	-7
GII	05/52	4.578	20	4.607	01/11/2023	-3
			<u>5075</u>			

## Daily Trades : Corp Bonds/ Sukuk

Securities		Rating	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)	Spread Against MGS*
Lembaga Pembiayaan Perumahan Sektor Awam	09/23	GG	3.500	5	2.357	10/08/2021	114	23
Lembaga Pembiayaan Perumahan Sektor Awam	09/26	GG	3.919	10	4.279	09/28/2022	-36	24
DanaInfra Nasional Berhad	11/32	GG	4.198	20	4.310	12/09/2022	-11	26
DanaInfra Nasional Berhad	04/33	GG	4.200	10	4.310	12/19/2022	-11	26
DanaInfra Nasional Berhad	11/33	GG	4.222	60	4.249	01/12/2023	-3	28
DanaInfra Nasional Berhad	08/52	GG	4.699	30	4.789	01/10/2023	-9	43
Projek Lebuhraya Usahasama Berhad	01/25	AAA	4.018	45	-	-	-	54
DiGi Telecommunications Sdn Berhad	12/25	AAA	3.989	5	4.189	12/21/2022	-20	45
Projek Lebuhraya Usahasama Berhad	01/26	AAA	4.169	101	-	-	-	63
Projek Lebuhraya Usahasama Berhad	01/27	AAA	4.249	135	-	-	-	57
Aman Sukuk Berhad	04/27	AAA	4.255	10	4.148	08/16/2022	11	58
Pengurusan Air SPV Berhad	06/27	AAA	4.146	6	4.397	11/29/2022	-25	47
Cagamas Berhad	11/27	AAA	4.132	75	4.188	01/09/2023	-6	37
Projek Lebuhraya Usahasama Berhad	01/28	AAA	4.309	129	-	-	-	54
Danga Capital Berhad	01/28	AAA	4.260	40	4.338	12/16/2022	-8	50
Projek Lebuhraya Usahasama Berhad	01/29	AAA	4.359	129	-	-	-	49
Amanat Lebuhraya Rakyat Berhad	10/30	AAA	4.695	4	4.697	01/09/2023	0	75
Projek Lebuhraya Usahasama Berhad	01/31	AAA	4.502	125	4.546	01/10/2023	-4	55
Sarawak Petchem Sdn Berhad	07/32	AAA	4.529	2	4.638	12/20/2022	-11	59
Projek Lebuhraya Usahasama Berhad	01/34	AAA	4.729	70	4.726	01/10/2023	0	79
Projek Lebuhraya Usahasama Berhad	01/36	AAA	4.862	185	4.837	01/10/2023	3	71
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.830	260	4.888	01/10/2023	-6	68
Tenaga Nasional Berhad	08/38	AAA	4.669	3	4.670	01/12/2023	0	52
Tenaga Nasional Berhad	06/42	AAA	4.730	10	4.760	01/12/2023	-3	46
Sabah Development Bank Berhad	04/26	AA1	4.997	20	5.048	01/04/2023	-5	146
United Overseas Bank (Malaysia) Berhad	10/32	AA1	4.555	1	4.325	01/11/2023	23	62
Genting RMTN Berhad	11/34	AA1	5.545	1	5.371	01/12/2023	17	161
SP Setia Berhad	06/26	AA	4.500	5	4.560	01/10/2023	-6	96
Imtiaz Sukuk II Berhad	11/25	AA2	4.151	5	4.278	01/09/2023	-13	62
CIMB Group Holdings Berhad	09/32	AA2	4.471	1	4.548	01/10/2023	-8	53
MMC Corporation Berhad	04/23	AA-	3.781	8	3.732	10/20/2022	5	51
UEM Sunrise Berhad	06/23	AA-	4.521	1	4.509	01/10/2023	1	125
UEM Sunrise Berhad	09/23	AA-	4.667	3	4.707	12/21/2022	-4	140
Quantum Solar Park (Semenanjung) Sdn Berhad	10/23	AA-	4.074	3	4.093	01/06/2023	-2	81
Sunway Treasury Sukuk Sdn Berhad	09/24	AA-	4.626	2	4.384	06/29/2022	24	115
AZRB Capital Sdn Berhad	12/24	AA-	5.085	10	5.194	10/05/2022	-11	161
UEM Sunrise Berhad	09/25	AA-	5.344	3	5.401	01/12/2023	-6	181
MY E.G. Services Berhad	11/27	AA-	5.848	1	5.848	01/12/2023	0	208
MMC Corporation Berhad	03/28	AA-	4.936	3	4.978	01/04/2023	-4	117
Kedah Cement Sdn Berhad (fka Lafarge Cement Sdn I	12/23	AA3	4.675	5	4.729	12/06/2022	-5	141
Bermaz Auto Berhad	12/23	AA3	4.304	8	3.966	09/07/2022	34	104
PONSB Capital Berhad	06/27	AA3	4.605	2	4.739	12/21/2022	-13	93
Dynasty Harmony Sdn Berhad	06/29	AA3	6.061	15	6.161	12/28/2022	-10	219
AmBank (M) Berhad	10/32	A1	4.675	2	4.793	01/12/2023	-12	74
MCIS Insurance Berhad	12/31	A2	5.285	1	5.173	01/06/2023	11	133
Bank Islam Malaysia Berhad	08/21	A3	4.838	10	4.981	10/06/2022	-14	57
Kenanga Investment Bank Berhad	08/30	-	5.345	2	4.201	08/28/2020	114	140
YNH Property Berhad	08/19	-	6.585	1	5.934	01/12/2023	65	231
LBS Bina Group Berhad	03/20	-	7.988	1	6.563	01/09/2023	143	372
				<u>1582</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
MCIS Insurance Berhad	Insurer Financial strength rating	A1/Stable/P1	Reaffirmed
	RM200 mil Tier 2 Subordinated Debt (2021/2031)	A2/Stable	Reaffirmed
Menara ABS Berhad	RM345 mil Tranche A1 to A4 Sukuk (collectively, the Tranche A Sukuk)	From C3/Negative) to D	Downgraded

Source: RAM, MARC

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