

## Global Markets Research

### Fixed Income

| UST       |             |           |
|-----------|-------------|-----------|
| Tenure    | Closing (%) | Chg (bps) |
| 2-yr UST  | 3.98        | 14        |
| 5-yr UST  | 3.59        | 9         |
| 10-yr UST | 3.49        | 6         |
| 30-yr UST | 3.67        | 4         |

| MGS    |             | GII*      |             |           |
|--------|-------------|-----------|-------------|-----------|
| Tenure | Closing (%) | Chg (bps) | Closing (%) | Chg (bps) |
| 3-yr   | 3.39        | -5        | 3.34        | -4        |
| 5-yr   | 3.51        | -5        | 3.62        | -2        |
| 7-yr   | 3.81        | -2        | 3.85        | -1        |
| 10-yr  | 3.93        | -1        | 3.94        | -5        |
| 15-yr  | 4.08        | -1        | 4.12        | -6        |
| 20-yr  | 4.11        | -2        | 4.20        | 0         |
| 30-yr  | 4.40        | -2        | 4.43        | 0         |

\* Market indicative levels

| MYR IRS Levels |             |           |
|----------------|-------------|-----------|
| IRS            | Closing (%) | Chg (bps) |
| 1-yr           | 3.50        | -7        |
| 3-yr           | 3.50        | -8        |
| 5-yr           | 3.56        | -10       |
| 7-yr           | 3.69        | -8        |
| 10-yr          | 3.82        | -8        |

Source : Bloomberg

### Upcoming Government Bond Tender

Nil

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries were sold-off on Monday as the risk-off rally faded in choppy trading as the various rescue measures to address the turmoil in the banking sector; including the takeover of Credit Suisse by UBS helped ease global tensions for now. The curve reversed and bear-flattened instead as overall benchmark yields jumped 4-14bps higher across, led by the front ends. **The benchmark UST 2Y yield jumped 14bps higher to 3.98% whilst the much-watched UST 10Y rose 6bps to 3.49%.** Meanwhile rates volatility are currently reflecting uncertainty surrounding the path of the Fed's monetary policy announcement this week. Fed-dated OIS was pricing-in a 73% probability of a 25bps rate hike with peak terminal rates at ~4.90% as at May, at the time of writing. Expect spotlight to fall on the FOMC meeting to determine the Fed Funds Rate this Thursday.

### MGS/GII

- Local govies recovered to post gains on Monday led by lower IRS and lag-effect from UST performance. The curve shifted lower as overall benchmark MGS/GII yields closed 0-6bps lower across, amid the sustained secondary market volume of RM4.23b. **The benchmark 5Y MGS 11/27 yield declined 5bps to 3.51% whilst the 10Y MGS 7/32 edged 1bps lower at 3.93%.** Interest was mainly seen in off-the-run 23-25's and benchmarks 3Y MGS/GII. GII transactions dropped to form 25% of overall trades. Bonds were also well-bid as a sign of confidence in the larger-than expected jump in Malaysia's exports in February. Nevertheless, we opine that similar strong data going forward may not sustain going forward due to the current rapid changes in the banking landscape and its repercussions to global trade and economy. Expect attention to shift to the release of February inflation data this Friday.

### Corp Bonds/Sukuk

- On Monday, Corporate Bonds/Sukuk continued to see elevated interest despite ~23% pullback in secondary market volume of RM881m. Interest was mainly seen across the GG-AA part of the curve as overall yields ended mixed-to-higher instead across higher number of trades totaling ~36. All govt-guaranteed bonds were in the red as PRASA 25's spiked 37-124bps compared to previous-done levels at 3.63%. DANA 5/27 too ended a massive 130bps higher at 3.76% AAA-rated PLUS registered close to RM400m worth of nominal trades with the 2025-2026 tranches moving 3bps higher to 4.04% and 4.11%. The 2027-2028 tranches however edged 0-2bps lower at 4.13% and 4.21% each. In the AA-space, MALAKOFF 12/23 and JIMAH 6/25 spiked 54-62bps to 4.18% and 4.26% each. Meanwhile, the banking/finance space saw RHB Investment Bank 32NC27 decline 7bps to 4.33% whereas CIMB Group Holdings 32NC27 closed unchanged at 4.30%.

## Daily Trades : Government Bond

| Securities |       | Closing | Vol      | Previous | Previous                   | Chg  |
|------------|-------|---------|----------|----------|----------------------------|------|
|            |       | YTM     | (RM mil) | YTM      | Trade Date<br>(dd/mm/yyyy) | (bp) |
| MGS        | 04/23 | 2.584   | 191      | 2.302    | 17/03/2023                 | 28   |
| MGS        | 08/23 | 2.604   | 749      | 2.661    | 17/03/2023                 | -6   |
| MGS        | 06/24 | 2.916   | 44       | 3.018    | 17/03/2023                 | -10  |
| MGS        | 07/24 | 2.932   | 153      | 3.125    | 17/03/2023                 | -19  |
| MGS        | 09/24 | 3.058   | 109      | 3.180    | 17/03/2023                 | -12  |
| MGS        | 03/25 | 3.245   | 681      | 3.324    | 17/03/2023                 | -8   |
| MGS        | 09/25 | 3.383   | 96       | 3.405    | 17/03/2023                 | -2   |
| MGS        | 04/26 | 3.381   | 64       | 3.414    | 17/03/2023                 | -3   |
| MGS        | 07/26 | 3.391   | 344      | 3.439    | 16/03/2023                 | -5   |
| MGS        | 05/27 | 3.501   | 20       | 3.566    | 17/03/2023                 | -6   |
| MGS        | 11/27 | 3.511   | 128      | 3.558    | 17/03/2023                 | -5   |
| MGS        | 06/28 | 3.612   | 2        | 3.643    | 17/03/2023                 | -3   |
| MGS        | 04/29 | 3.833   | 49       | 3.801    | 17/03/2023                 | 3    |
| MGS        | 08/29 | 3.876   | 57       | 3.876    | 17/03/2023                 | 0    |
| MGS        | 04/30 | 3.806   | 65       | 3.830    | 17/03/2023                 | -2   |
| MGS        | 04/31 | 3.946   | 21       | 3.951    | 17/03/2023                 | 0    |
| MGS        | 04/32 | 3.981   | 4        | 3.903    | 15/03/2023                 | 8    |
| MGS        | 07/32 | 3.930   | 184      | 3.937    | 17/03/2023                 | -1   |
| MGS        | 07/34 | 4.075   | 63       | 4.097    | 17/03/2023                 | -2   |
| MGS        | 05/35 | 4.146   | 86       | 4.143    | 17/03/2023                 | 0    |
| MGS        | 06/38 | 4.084   | 14       | 4.096    | 17/03/2023                 | -1   |
| MGS        | 05/40 | 4.189   | 3        | 4.218    | 17/03/2023                 | -3   |
| MGS        | 10/42 | 4.105   | 14       | 4.128    | 17/03/2023                 | -2   |
| MGS        | 07/48 | 4.411   | 2        | 4.406    | 16/03/2023                 | 0    |
| MGS        | 06/50 | 4.397   | 127      | 4.421    | 17/03/2023                 | -2   |
| GII        | 05/23 | 2.584   | 1        | 2.627    | 17/03/2023                 | -4   |
| GII        | 07/23 | 2.729   | 50       | 2.858    | 16/03/2023                 | -13  |
| GII        | 11/23 | 3.004   | 14       | 3.014    | 15/03/2023                 | -1   |
| GII        | 05/24 | 3.130   | 70       | 3.213    | 17/03/2023                 | -8   |
| GII        | 10/24 | 3.166   | 10       | 3.303    | 17/03/2023                 | -14  |
| GII        | 10/25 | 3.342   | 390      | 3.387    | 17/03/2023                 | -4   |
| GII        | 03/26 | 3.480   | 3        | 3.527    | 17/03/2023                 | -5   |
| GII        | 07/27 | 3.611   | 1        | 3.641    | 17/03/2023                 | -3   |
| GII        | 09/27 | 3.605   | 32       | 3.661    | 17/03/2023                 | -6   |
| GII        | 07/28 | 3.624   | 1        | 3.642    | 17/03/2023                 | -2   |
| GII        | 09/30 | 3.845   | 170      | 3.851    | 17/03/2023                 | -1   |
| GII        | 10/30 | 3.880   | 1        | 3.935    | 17/03/2023                 | -6   |
| GII        | 10/32 | 3.944   | 160      | 3.990    | 17/03/2023                 | -5   |
| GII        | 06/33 | 4.024   | 24       | 3.999    | 09/03/2023                 | 2    |
| GII        | 07/36 | 4.164   | 6        | 4.176    | 16/03/2023                 | -1   |
| GII        | 03/38 | 4.122   | 20       | 4.179    | 17/03/2023                 | -6   |
| GII        | 09/41 | 4.300   | 4        | 4.265    | 17/03/2023                 | 4    |
| GII        | 11/49 | 4.351   | 3        | 4.476    | 17/03/2023                 | -13  |
| GII        | 05/52 | 4.430   | 1        | 4.430    | 17/03/2023                 | 0    |
|            |       |         | 4229     |          |                            |      |

## Daily Trades : Corp Bonds/ Sukuk

| Securities                                       |       | Rating | Closing<br>YTM | Vol<br>(RM mil) | Previous<br>YTM | Previous<br>Trade Date<br>(dd/mm/yyyy) | Chg<br>(bp) | Spread<br>Against<br>MGS* |
|--|-------|--------|----------------|-----------------|-----------------|--|-------------|---------------------------|
| DanaInfra Nasional Berhad                        | 05/23 | GG     | 3.141          | 20              | 2.221           | 21/09/2021                             | 92          | -3                        |
| Perbadanan Tabung Pendidikan Tinggi Nasional     | 07/23 | GG     | 3.189          | 30              | 2.410           | 07/03/2022                             | 78          | 2                         |
| Prasarana Malaysia Berhad                        | 09/25 | GG     | 3.629          | 20              | 2.386           | 25/01/2021                             | 124         | 33                        |
| Prasarana Malaysia Berhad                        | 09/25 | GG     | 3.629          | 20              | 3.260           | 24/02/2022                             | 37          | 33                        |
| DanaInfra Nasional Berhad                        | 05/27 | GG     | 3.761          | 25              | 2.462           | 07/09/2020                             | 130         | 30                        |
| Al Dzahab Assets Berhad                          | 09/23 | AAA    | 4.403          | 10              | 3.322           | 05/08/2021                             | 108         | 123                       |
| Toyota Capital Malaysia Sdn Berhad               | 10/24 | AAA    | 3.961          | 10              | 4.239           | 29/09/2022                             | -28         | 66                        |
| Projek Lebuhraya Usahasama Berhad                | 01/25 | AAA    | 4.044          | 40              | 4.017           | 20/02/2023                             | 3           | 74                        |
| Cagamas Berhad                                   | 10/25 | AAA    | 3.848          | 70              | -               | -                                      | -           | 44                        |
| Projek Lebuhraya Usahasama Berhad                | 01/26 | AAA    | 4.111          | 100             | 4.078           | 15/03/2023                             | 3           | 70                        |
| Al Dzahab Assets Berhad                          | 09/26 | AAA    | 4.627          | 10              | 3.967           | 29/10/2021                             | 66          | 122                       |
| Bank Pembangunan Malaysia Berhad                 | 11/26 | AAA    | 4.016          | 20              | 4.027           | 16/03/2023                             | -1          | 55                        |
| Projek Lebuhraya Usahasama Berhad                | 01/27 | AAA    | 4.134          | 130             | 4.138           | 13/03/2023                             | 0           | 67                        |
| DiGi Telecommunications Sdn Berhad               | 12/27 | AAA    | 3.992          | 20              | 4.019           | 16/02/2023                             | -3          | 48                        |
| Projek Lebuhraya Usahasama Berhad                | 01/28 | AAA    | 4.211          | 125             | 4.228           | 16/03/2023                             | -2          | 70                        |
| Tenaga Nasional Berhad                           | 08/37 | AAA    | 4.559          | 10              | 4.512           | 13/02/2023                             | 5           | 47                        |
| Tenaga Nasional Berhad                           | 08/38 | AAA    | 4.579          | 40              | 4.499           | 30/01/2023                             | 8           | 49                        |
| Sabah Development Bank Berhad                    | 02/25 | AA1    | 4.542          | 1               | 4.551           | 16/03/2023                             | -1          | 454                       |
| Sabah Development Bank Berhad                    | 05/25 | AA1    | 5.052          | 1               | 4.649           | 30/01/2023                             | 40          | 175                       |
| APM Automotive Holdings Berhad                   | 08/25 | AA2    | 4.835          | 2               | -               | -                                      | -           | 153                       |
| Imtiaz Sukuk II Berhad                           | 11/27 | AA2    | 4.200          | 20              | 4.291           | 01/03/2023                             | -9          | 68                        |
| RHB Investment Bank Berhad                       | 10/32 | AA2    | 4.325          | 10              | 4.420           | 29/09/2022                             | -9          | 39                        |
| CIMB Group Holdings Berhad                       | 12/32 | AA2    | 4.296          | 10              | 4.300           | 15/03/2023                             | 0           | 36                        |
| WCT Holdings Berhad                              | 10/23 | AA-    | 4.901          | 6               | 4.899           | 03/03/2023                             | 0           | 173                       |
| Malakoff Power Berhad                            | 12/23 | AA-    | 4.183          | 30              | 3.561           | 10/05/2022                             | 62          | 101                       |
| Jimah East Power Sdn Berhad                      | 06/25 | AA-    | 4.364          | 10              | 3.827           | 05/01/2022                             | 54          | 106                       |
| Konsortium Lebuhraya Utara-Timur (KL) Sdn Berhad | 12/25 | AA-    | 4.572          | 10              | 4.778           | 03/01/2023                             | -21         | 116                       |
| Point Zone (M) Sdn Berhad                        | 03/27 | AA-    | 4.276          | 10              | 4.328           | 23/02/2023                             | -5          | 81                        |
| Point Zone (M) Sdn Berhad                        | 03/29 | AA-    | 4.429          | 10              | 4.464           | 17/03/2023                             | -4          | 76                        |
| Perbadanan Kemajuan Negeri Selangor              | 10/23 | AA3    | 4.264          | 7               | 4.214           | 30/01/2023                             | 5           | 109                       |
| BGSM Management Sdn Berhad                       | 12/23 | AA3    | 3.881          | 10              | 3.859           | 18/01/2023                             | 2           | 388                       |
| Tanjung Bin Energy Sdn Berhad                    | 09/28 | AA3    | 5.529          | 1               | 5.531           | 09/03/2023                             | 0           | 201                       |
| IJM Corporation Berhad                           | 04/29 | AA3    | 4.508          | 4               | 4.559           | 27/02/2023                             | -5          | 84                        |
| Projek Lintasan Sungai Besi-Ulu Klang Sdn Berhad | 11/27 | A+     | 5.708          | 20              | 5.759           | 01/03/2023                             | -5          | 219                       |
| Projek Lintasan Sungai Besi-Ulu Klang Sdn Berhad | 11/27 | A+     | 5.708          | 20              | 5.948           | 23/12/2022                             | -24         | 219                       |
| Tropicana Corporation Berhad                     | 09/19 | A      | 8.203          | 1               | 7.055           | 16/03/2023                             | 115         | 406                       |
|  |       |        |                | <u>881</u>      |                 |  |             |                           |

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

| SkyWorld Capital Berhad's Rating Action |                 |                |        |
|---|-----------------|----------------|--------|
| Issuer                                  | PDS Description | Rating/Outlook | Action |
| Nil                                     | Nil             | Nil            | Nil    |

Source: RAM, MARC

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