

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were little changed in trading on Wednesday, with the shorter end of the maturity spectrum registering small gains, while longer dated bonds inched lower, amidst mixed economic reports. The ISM Services Index unexpectedly softened in March, but the private ADP survey registered a higher-than-expected number of job additions for the month. Benchmark yields finished mixed by between -2 and +1 bps for the day, with the UST curve steepening. **The benchmark 2yr UST yield was 2bps lower for the session at 4.67%, while the benchmark 10yr UST yield was little changed for the day at 4.35%.** Tonight sees the release of the Challenger job cuts report and weekly jobless claims, ahead of the important monthly US employment report this Friday.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.67	-2
5-yr UST	4.33	-1
10-yr UST	4.35	0
30-yr UST	4.51	1

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.52	1	3.46	1
5-yr	3.69	1	3.62	0
7-yr	3.81	1	3.78	2
10-yr	3.87	0	3.88	2
15-yr	3.99	1	3.94	-1
20-yr	4.08	0	4.11	0
30-yr	4.18	-1	4.27	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.61	1
3-yr	3.62	4
5-yr	3.72	4
7-yr	3.84	6
10-yr	3.93	8

Source : Bloomberg

MGS/GII

- Local govies were mixed in trading on Wednesday in a more active session, amidst the MYR IRS curve getting marked higher today in a bear steepening move. Secondary market volume for the day rose by 16% to RM4.61bn, versus the RM3.99bn that traded the previous session. Benchmark yields closed mixed between -1 and +2 bps for the day. **The benchmark 5Y MGS 4/28 saw its yield edge up 1bp to 3.69% while the benchmark 10Y MGS 11/33 little changed for the day at 3.87%.** Trading interest was seen in the benchmark 5Y MGS, 7Y MGS/GII and 10Y MGS, as well as in the off-the-run GII 10/30, MGS 6/24, MGS 11/26, MGS 6/28 and MGS 4/30. The market share of GII trading receded to 33% versus the 44% share on Tuesday. The re-opening of the GII 10/31 was announced, with RM4.5bn of the 7.5yr bond to be auctioned on Friday.

Upcoming Government Bond Tender

Reopening auction of RM4.5bn 7.5yr GII 10/31 on Friday, 05 April

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk markets saw a busy trading session on Wednesday, with secondary market volume for the day surging by 49% to RM1,247m, compared to RM835m that traded the previous day. Trading interest for the day was again led by the GG segment of the market, with interest seen in PRASA 10/39 and PRASA 8/41, which closed at 4.02% and 4.07% respectively, both unchanged from previous marks. Interest was also seen in DANA 4/37 and LPPSA 7/39, with the former settling for the day at 3.98% (-1bp versus last print) and the latter closing at 4.02% (unchanged). Over in AAA space, trading interest was dominated by DANUM 6/25, which ended the session at 3.62%, down 3bps in yield versus where it last traded. Meanwhile in the AA universe, trading interest was led by MBB 8/31, which closed the day at 3.75%, 1bp lower compared to its last print. In the A-rated space, trading interest was led by the recently issued WCT 10/25, which made its secondary market debut and settled the day at 5.40%, which was the level it was priced at.

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	06/24	3.337	240	3.298	04/02/2024	4
MGS	09/24	3.308	1	3.243	04/02/2024	6
MGS	03/25	3.379	180	3.303	04/02/2024	8
MGS	09/25	3.396	164	3.402	04/02/2024	-1
MGS	04/26	3.410	17	3.403	04/02/2024	1
MGS	11/26	3.414	253	3.383	04/02/2024	3
MGS	03/27	3.502	58	3.531	04/02/2024	-3
MGS	05/27	3.518	82	3.504	04/02/2024	1
MGS	11/27	3.528	142	3.524	04/02/2024	0
MGS	04/28	3.605	36	3.586	04/02/2024	2
MGS	06/28	3.615	266	3.613	04/02/2024	0
MGS	04/29	3.666	70	3.684	04/02/2024	-2
MGS	08/29	3.685	278	3.677	04/02/2024	1
MGS	04/30	3.800	214	3.752	04/02/2024	5
MGS	04/31	3.806	450	3.792	04/02/2024	1
MGS	07/32	3.845	68	3.845	04/02/2024	0
MGS	04/33	3.877	4	3.865	04/02/2024	1
MGS	11/33	3.871	246	3.872	04/02/2024	0
MGS	07/34	3.878	4	3.894	04/02/2024	-2
MGS	05/35	3.930	3	3.924	04/02/2024	1
MGS	04/37	3.969	25	3.983	04/02/2024	-1
MGS	06/38	3.988	47	3.977	04/02/2024	1
MGS	05/40	4.011	114	4.019	04/02/2024	-1
MGS	10/42	4.084	71	4.083	04/02/2024	0
MGS	09/43	4.117	3	4.117	03/29/2024	0
MGS	03/46	4.162	2	4.164	04/01/2024	0
MGS	07/48	4.160	4	4.181	04/02/2024	-2
MGS	06/50	4.172	44	4.198	04/02/2024	-3
MGS	03/53	4.176	6	4.183	04/02/2024	-1
GII	10/24	3.345	122	3.300	04/02/2024	5
GII	08/25	3.357	54	3.362	04/02/2024	0
GII	03/26	3.421	38	3.417	04/02/2024	0
GII	09/26	3.456	29	3.449	04/02/2024	1
GII	07/27	3.520	6	3.389	04/02/2024	13
GII	09/27	3.526	60	3.520	04/02/2024	1
GII	07/28	3.616	40	3.611	04/02/2024	0
GII	10/28	3.614	4	3.626	04/02/2024	-1
GII	07/29	3.690	22	3.666	04/02/2024	2
GII	09/30	3.775	246	3.755	04/02/2024	2
GII	10/30	3.792	349	3.754	04/02/2024	4
GII	10/32	3.851	13	3.853	04/02/2024	0
GII	06/33	3.876	50	3.864	04/02/2024	1
GII	08/33	3.884	30	3.863	04/02/2024	2
GII	07/36	3.927	83	3.916	03/26/2024	1
GII	03/38	3.935	120	3.941	04/02/2024	-1
GII	09/39	3.940	52	3.955	04/02/2024	-2
GII	09/41	4.020	65	4.016	04/02/2024	0
GII	08/43	4.108	40	4.110	04/02/2024	0
GII	11/49	4.208	8	4.102	04/02/2024	11
GII	05/52	4.274	31	4.272	04/02/2024	0
GII	03/54	4.253	55	4.253	04/02/2024	0
		<u>4612</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*
DanaInfra Nasional Berhad	03/32	GG	3.874	10	3.840	8/3/2024	3	5
Prasarana Malaysia Berhad	10/32	GG	3.889	10	3.969	1/9/2023	-8	4
DanaInfra Nasional Berhad	09/35	GG	3.956	30	3.964	22/1/2024	-1	8
DanaInfra Nasional Berhad	04/37	GG	3.975	100	3.983	2/4/2024	-1	-1
DanaInfra Nasional Berhad	04/39	GG	4.028	10	4.270	26/9/2023	-24	5
Lembaga Pembiayaan Perumahan Sektor Awam	07/39	GG	4.020	100	4.021	20/3/2024	0	4
Prasarana Malaysia Berhad	10/39	GG	4.021	100	4.019	20/3/2024	0	4
Prasarana Malaysia Berhad	03/40	GG	4.035	20	4.052	21/3/2024	-2	5
DanaInfra Nasional Berhad	05/41	GG	4.059	50	4.060	8/3/2024	0	8
Prasarana Malaysia Berhad	08/41	GG	4.065	100	4.064	8/3/2024	0	8
DanaInfra Nasional Berhad	08/42	GG	4.099	70	4.100	4/3/2024	0	2
Lembaga Pembiayaan Perumahan Sektor Awam	03/45	GG	4.130	30	4.690	17/8/2022	-56	5
Lembaga Pembiayaan Perumahan Sektor Awam	09/51	GG	4.212	15	4.240	15/3/2024	-3	13
Danum Capital Berhad	06/25	AAA	3.624	190	3.651	1/4/2024	-3	29
Johor Corporation	06/27	AAA	3.985	5	4.017	25/3/2024	-3	49
Danga Capital Berhad	01/33	AAA	3.998	20	3.938	14/3/2024	6	15
Pengurusan Air SPV Berhad	02/33	AAA	3.999	10	3.969	26/3/2024	3	15
Sarawak Energy Berhad	07/33	AAA	3.999	40	4.005	15/3/2024	-1	15
Tenaga Nasional Berhad	08/33	AAA	3.958	30	3.938	14/3/2024	2	11
Danga Capital Berhad	09/33	AAA	3.998	30	3.997	25/3/2024	0	15
United Overseas Bank (Malaysia) Berhad	08/30	AA1	4.213	2	4.260	1/4/2024	-5	47
Malayan Banking Berhad	08/31	AA1	3.747	40	3.756	2/4/2024	-1	-6
Genting RMTN Berhad	11/34	AA1	5.341	1	5.001	26/3/2024	34	147
CIMB Group Holdings Berhad	12/31	AA2	3.853	10	3.966	14/2/2024	-11	2
CIMB Group Holdings Berhad	09/32	AA2	4.162	1	4.162	29/3/2024	0	33
CIMB Group Holdings Berhad	12/32	AA2	3.886	30	4.059	7/2/2024	-17	4
IJM Corporation Berhad	10/24	AA3	3.748	20	3.728	12/3/2024	2	42
Solar Management (Seremban) Sdn Berhad	10/29	AA3	4.701	10	4.250	20/10/2020	45	96
AmBank (M) Berhad	03/33	AA3	4.031	1	4.031	2/4/2024	0	18
Jimah East Power Sdn Berhad	12/29	AA-	4.274	10	4.498	8/1/2024	-22	53
Bank Islam Malaysia Berhad	10/30	A1	4.058	40	4.077	15/3/2024	-2	25
Hong Leong Bank Berhad	11/17	A1	4.248	2	4.248	1/4/2024	0	17
CIMB Group Holdings Berhad	12/21	A1	4.331	10	4.389	21/3/2024	-6	25
WCT Holdings Berhad	10/25	A+	5.400	100	n/a	n/a	540	199
DRB-Hicom Berhad	12/29	A+	5.160	1	4.794	2/4/2024	37	142
Bank Muamalat Malaysia Berhad	09/22	BBB	5.634	1	5.204	25/3/2024	43	155
				<u>1247</u>				

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

## Rating Action

Issuer	PDS Description	Rating/Outlook	Action
Nil			

Source: RAM, MARC

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