

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries traded higher on Thursday ahead of the crucial job numbers, after a rise in oil prices resulted in a flight to safer bonds and a fall in US equity markets, with the US S&P 500 Index retreating by 1% for the day. Benchmark yields finished lower by between 2 and 4bps for the day, with the UST curve bull-flattening slightly. **The benchmark 2yr UST yield was 2bps lower for the session at 4.65%, while the benchmark 10yr UST yield was 4bps lower for the day at 4.31%.** The attention shifts over to the monthly US nonfarm employment report for March which is due for release tonight, where the market anticipates continued robust growth in the number of jobs added to the economy. Richmond Fed President Thomas Barkin, Boston Fed chief Susan Collins and Fed Governor Michelle Bowman are also scheduled to speak tonight.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.65	-2
5-yr UST	4.30	-3
10-yr UST	4.31	-4
30-yr UST	4.48	-3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.50	-1	3.46	0
5-yr	3.68	0	3.62	0
7-yr	3.81	0	3.76	-1
10-yr	3.87	0	3.88	-1
15-yr	3.98	0	3.93	-1
20-yr	4.09	1	4.11	0
30-yr	4.19	1	4.27	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.63	1
3-yr	3.63	0
5-yr	3.72	0
7-yr	3.85	1
10-yr	3.95	2

Source : Bloomberg

MGS/GII

- Local govies were little changed in trading on Thursday as activity shrank, with secondary market volume for the day falling by 27% to RM3.37bn, versus the RM4.61bn that changed hands on Wednesday. Benchmark yields closed mixed between -1 and +1 bps for the day. **The benchmark 5Y MGS 4/28 saw its yield little changed for the day at 3.68% while the benchmark 10Y MGS 11/33 was also unchanged for the day at 3.87%.** Trading interest was seen in the benchmark 5Y MGS, 7Y MGS and 10Y MGS, as well as in the off-the-run GII 8/24, MGS 9/25, MGS 11/27, MGS 7/34 and GII 3/38. The market share of GII trading rose to 37% versus the 33% share seen the previous session. Up next will be the re-opening auction of RM4.5bn of the GII 10/31 later today, which is set to take over as the 7Y GII benchmark.

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 quieter trading session on Thursday, with secondary market volume for the day plunging by 55% to RM557m, compared to RM1,247m that changed hands the previous session. Trading interest for the day was led by the AAA segment of the market. In the GG space, interest was led by DANA 10/52, which settled the day at 4.21%, unchanged versus its previously traded level. Over in the AAA segment of the market, trading interest was led by PSEP 3/28 and TNB 3/38, which ended the session at 3.75% (+4bps versus last print) and 4.05% (-7bps) respectively. Meanwhile in the AA universe, trading interest was led by KESTURI 12/24, which closed the day at 4.08%, 6bps lower compared to its last print. In the A-rated space, trading interest was led by ABMB 10/30, which settled the day at 4.16%, a whopping 43bps lower compared to where it last traded last week.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	06/24	3.331	4	3.337	04/03/2024	-1
MGS	09/24	3.223	48	3.308	04/03/2024	-9
MGS	03/25	3.353	51	3.379	04/03/2024	-3
MGS	09/25	3.384	159	3.396	04/03/2024	-1
MGS	07/26	3.435	91	3.422	04/02/2024	1
MGS	11/26	3.412	8	3.414	04/03/2024	0
MGS	05/27	3.504	34	3.518	04/03/2024	-1
MGS	11/27	3.555	161	3.528	04/03/2024	3
MGS	04/28	3.613	51	3.605	04/03/2024	1
MGS	06/28	3.615	26	3.615	04/03/2024	0
MGS	08/29	3.683	321	3.685	04/03/2024	0
MGS	04/30	3.804	112	3.800	04/03/2024	0
MGS	04/31	3.806	144	3.806	04/03/2024	0
MGS	06/31	3.816	66	3.807	04/02/2024	1
MGS	07/32	3.857	105	3.845	04/03/2024	1
MGS	04/33	3.880	1	3.877	04/03/2024	0
MGS	11/33	3.873	245	3.871	04/03/2024	0
MGS	07/34	3.881	258	3.878	04/03/2024	0
MGS	06/38	3.984	114	3.988	04/03/2024	0
MGS	05/40	4.011	75	4.011	04/03/2024	0
MGS	09/43	4.144	1	4.117	04/03/2024	3
MGS	07/48	4.191	1	4.160	04/03/2024	3
MGS	06/50	4.187	9	4.172	04/03/2024	2
MGS	03/53	4.189	42	4.176	04/03/2024	1
GII	05/24	3.367	81	3.286	04/02/2024	8
GII	08/24	3.261	320	3.274	04/02/2024	-1
GII	10/24	3.282	5	3.345	04/03/2024	-6
GII	08/25	3.350	3	3.357	04/03/2024	-1
GII	10/25	3.377	88	3.314	04/02/2024	6
GII	03/26	3.404	7	3.421	04/03/2024	-2
GII	09/27	3.499	31	3.526	04/03/2024	-3
GII	07/28	3.618	120	3.616	04/03/2024	0
GII	07/29	3.676	24	3.690	04/03/2024	-1
GII	09/30	3.763	100	3.775	04/03/2024	-1
GII	10/30	3.806	8	3.792	04/03/2024	1
GII	10/32	3.863	10	3.851	04/03/2024	1
GII	08/33	3.877	50	3.884	04/03/2024	-1
GII	08/37	3.966	10	3.944	03/27/2024	2
GII	03/38	3.927	155	3.935	04/03/2024	-1
GII	09/39	3.957	30	3.940	04/03/2024	2
GII	09/41	4.028	27	4.020	04/03/2024	1
GII	11/49	4.241	87	4.208	04/03/2024	3
GII	03/54	4.247	84	4.253	04/03/2024	-1
			3368			

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	08/38	GG	3.999	10	4.009	21/3/2024	-1	2
Lembaga Pembiayaan Perumahan Sektor Awam	09/51	GG	4.200	10	4.212	3/4/2024	-1	12
DanaInfra Nasional Berhad	03/52	GG	4.207	30	4.253	27/2/2024	-5	12
DanaInfra Nasional Berhad	10/52	GG	4.212	60	4.216	2/4/2024	0	13
TNB Northern Energy Berhad	05/24	AAA	3.740	10	2.803	20/5/2021	94	40
Cagamas Berhad	09/24	AAA	3.597	30	3.568	14/3/2024	3	26
Danum Capital Berhad	02/25	AAA	3.632	35	3.635	1/4/2024	0	29
Public Bank Berhad	04/25	AAA	3.615	5	3.645	17/1/2024	-3	28
Pengurusan Air SPV Berhad	06/26	AAA	3.737	10	3.735	5/2/2024	0	33
Cagamas Berhad	10/26	AAA	3.745	10	3.716	14/3/2024	3	24
Johor Corporation	06/27	AAA	3.992	5	3.985	3/4/2024	1	49
Petroleum Sarawak Exploration & Production	03/28	AAA	3.747	40	3.707	26/3/2024	4	16
Cagamas Berhad	10/28	AAA	3.857	10	3.827	5/3/2024	3	18
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/30	AAA	3.939	10	4.047	13/12/2023	-11	14
Danga Capital Berhad	01/33	AAA	3.973	20	3.998	3/4/2024	-3	12
West Coast Expressway Sdn Berhad	08/33	AAA	4.329	10	4.400	5/5/2021	-7	48
TNB Power Generation Sdn Berhad	03/38	AAA	4.045	40	4.110	30/1/2024	-7	6
Genting Capital Berhad	06/27	AA1	4.485	20	4.351	22/3/2024	13	98
Genting RMTN Berhad	11/34	AA1	5.002	1	5.341	3/4/2024	-34	113
YTL Power International Berhad	08/35	AA1	4.109	10	4.039	29/2/2024	7	23
Press Metal Aluminium Holdings Berhad	10/24	AA2	3.728	30	3.766	13/3/2024	-4	39
Press Metal Aluminium Holdings Berhad	08/25	AA2	3.791	30	3.794	13/3/2024	0	45
CIMB Group Holdings Berhad	12/32	AA2	3.875	20	3.886	3/4/2024	-1	2
AmBank (M) Berhad	11/33	AA3	4.087	20	4.077	19/3/2024	1	21
Konsortium Lebuhraya Utara-Timur (KL) Sdn B	12/24	AA-	4.080	50	4.139	1/4/2024	-6	74
Konsortium Lebuhraya Utara-Timur (KL) Sdn B	12/27	AA-	4.297	10	4.506	5/12/2023	-21	71
Alliance Bank Malaysia Berhad	10/30	A2	4.157	20	4.586	29/3/2024	-43	36
Affin Islamic Bank Berhad	10/18	A3	4.543	1	4.951	19/3/2024	-41	46
				557				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
KLCC Property Holdings Berhad	RM5bn Sukuk Wakalah Programme	AAA/Stable	Assigned
Benih Restu Berhad	RM2bn Sukuk Wakalah Programme	AA2/Stable	Assigned
Al Dzahab Assets Berhad	Tranche 3 RM40.0 mil Class A and RM45.0 mil Class B Sukuk Murabahah	AAA/Stable	Withdrawn

Source: RAM, MARC

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