

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were mostly lower in trading on Thursday, with the exception of shorter dated maturities, continuing the post-CPI fall in the previous session. The Fed's Susan Collins also alluded to the data possibly warranting fewer rate reductions this year, and the need for patience as disinflation may continue to be uneven. Benchmark yields were mixed by between -1 and +6bps for the day, with the UST curve bear steepening. **The benchmark 2yr UST yield was 1bp lower for the session at 4.96%, while the benchmark 10yr UST yield was 4bps higher for the day at 4.59%.** Tonight sees the release of the University of Michigan's preliminary consumer sentiment survey for April, as well as the import price index for March.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.96	-1
5-yr UST	4.63	3
10-yr UST	4.59	4
30-yr UST	4.68	6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.51	-1	3.46	-1
5-yr	3.70	-1	3.62	1
7-yr	3.81	-1	3.80	2
10-yr	3.88	-1	3.90	1
15-yr	3.97	-2	3.96	0
20-yr	4.10	0	4.00	3
30-yr	4.16	-4	4.25	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.62	-1
3-yr	3.63	-2
5-yr	3.74	-4
7-yr	3.85	-2
10-yr	3.98	-3

Source : Bloomberg

MGS/GII

- Local govies were better bid in a quieter trading session on Tuesday, amidst many market participants already being out for the Raya holidays on Wednesday and Thursday. Secondary market volume for the day plunged by 47% to RM1.94bn, versus the RM3.67bn that was traded on Monday. Benchmark yields closed mixed by between -4 and +3 bps for the day. **The benchmark 5Y MGS 4/28 saw its yield fall by 1bp for the day to 3.70% while the benchmark 10Y MGS 11/33 was also 1bp lower in yield at 3.88%.** Trading interest was seen in the benchmark 5Y MGS and 7Y MGS, as well as in the off-the-run MGS 6/24, MGS 7/26, MGS 4/30, MGS 6/31, GII 10/28 and GII 7/29. The market share of GII trading receded to 23% versus the 46% share seen the previous session. The market is expected to open with a weak tone, catching up with the sharp plunge in global bond markets post the US CPI report.

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk markets were better offered on Tuesday and had a similarly subdued trading session as was seen in the govies market, with secondary market volume for the day receding further by 42% to RM172m, compared to RM296m that traded on Monday. There were no GG trades at all for the day, with trading interest led dominated by the AAA-rated segment of the market. In the AAA space, trading interest was led by PLUS 1/37, which closed the day at 4.07%, up 3bps in yield versus its last print. Interest was also seen in JCORP 6/27, which settled the day at 4.00%, unchanged versus where it last traded. Meanwhile over in the AA universe, UEM 4/26 saw some interest and settled for the day at 3.92%, 1bp higher compared to its last traded level. In the A-rated universe, trading interest was led by MBSB 12/29, which closed the session at 4.25%, up 5bps in yield versus where it last printed.

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	06/24	3.208	214	3.219	04/05/2024	-1
MGS	07/24	3.353	17	3.251	04/02/2024	10
MGS	09/24	3.251	3	3.294	04/08/2024	-4
MGS	03/25	3.386	13	3.389	04/08/2024	0
MGS	09/25	3.373	6	3.388	04/08/2024	-1
MGS	04/26	3.412	2	3.443	04/08/2024	-3
MGS	07/26	3.485	113	3.491	04/08/2024	-1
MGS	11/26	3.448	7	3.401	04/05/2024	5
MGS	05/27	3.508	1	3.518	04/08/2024	-1
MGS	11/27	3.569	57	3.560	04/08/2024	1
MGS	04/28	3.614	13	3.632	04/08/2024	-2
MGS	06/28	3.628	20	3.607	04/05/2024	2
MGS	04/29	3.689	1	3.681	04/08/2024	1
MGS	08/29	3.699	183	3.707	04/08/2024	-1
MGS	04/30	3.785	134	3.803	04/08/2024	-2
MGS	04/31	3.814	305	3.826	04/08/2024	-1
MGS	06/31	3.831	100	3.847	04/08/2024	-2
MGS	04/32	3.860	1	3.835	04/03/2024	2
MGS	07/32	3.874	38	3.881	04/08/2024	-1
MGS	04/33	3.884	36	3.897	04/08/2024	-1
MGS	11/33	3.885	79	3.897	04/08/2024	-1
MGS	07/34	3.887	11	3.889	04/08/2024	0
MGS	05/35	3.951	21	3.935	04/08/2024	2
MGS	04/37	3.982	2	3.979	04/08/2024	0
MGS	06/38	3.971	51	3.989	04/08/2024	-2
MGS	05/40	4.003	3	4.009	04/08/2024	-1
MGS	10/42	4.098	20	4.098	04/08/2024	0
MGS	06/50	4.175	5	4.150	04/08/2024	2
MGS	03/53	4.164	36	4.202	04/08/2024	-4
GII	08/25	3.326	4	3.350	04/04/2024	-2
GII	09/26	3.458	10	3.468	04/08/2024	-1
GII	07/28	3.623	48	3.611	04/05/2024	1
GII	10/28	3.671	118	3.614	04/03/2024	6
GII	07/29	3.706	188	3.706	04/08/2024	0
GII	09/30	3.799	2	3.784	04/08/2024	2
GII	10/31	3.804	40	3.812	04/08/2024	-1
GII	08/33	3.895	30	3.889	04/08/2024	1
GII	07/36	3.939	1	3.939	04/08/2024	0
GII	09/39	3.962	8	3.957	04/08/2024	1
GII	08/43	4.004	1	3.975	04/08/2024	3
GII	05/52	4.288	4	4.291	04/08/2024	0
			1943			

## 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*
Johor Corporation	06/27	AAA	3.998	40	3.995	8/4/2024	0	49
Pengurusan Air Selangor Sdn Berhad	10/30	AAA	3.938	20	3.939	8/4/2024	0	12
Projek Lebuhraya Usahasama Berhad	01/36	AAA	4.030	10	3.999	29/2/2024	3	14
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.068	60	4.039	4/3/2024	3	8
Tenaga Nasional Berhad	08/40	AAA	4.261	1	4.200	8/4/2024	6	27
Sabah Development Bank Berhad	05/27	AA1	4.822	1	4.721	8/4/2024	10	131
UEM Edgenta Berhad	04/26	AA-	3.917	30	3.904	26/3/2024	1	50
Hong Leong Bank Berhad	11/17	A1	4.025	1	4.248	3/4/2024	-22	-7
DRB-Hicom Berhad	12/29	A+	4.965	1	4.966	5/4/2024	0	120
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/29	A3	4.251	10	4.205	27/3/2024	5	49
				172				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Guan Chong Berhad	Sukuk Programme	AA-/Negative	Revised Outlook
JB Cocoa Sdn Bhd	Sukuk Programme	A+/Negative	Revised Outlook

Source: RAM, MARC

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