

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries were sharply higher in trading on Thursday, after June CPI undershot expectations, both at the headline and core level, leading to speculation that the Fed could undertake more than two interest rate cuts this year. Benchmark yields finished lower across the curve by between 6 to 11 bps, with the UST curve bull steepening and Fed Fund futures moving swiftly to fully pricing in a cut in September. **The benchmark 2yr UST yield settled 11bps lower for the session at 4.52%, while the benchmark 10yr UST yield closed the day 7bps lower at 4.21%.** Tonight sees the scheduled release of producer prices for June, and the preliminary consumer sentiment numbers for July from the University of Michigan.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.52	-11
5-yr UST	4.14	-9
10-yr UST	4.21	-7
30-yr UST	4.42	-6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.50	0	3.42	0
5-yr	3.63	0	3.59	0
7-yr	3.78	0	3.75	1
10-yr	3.84	0	3.87	-1
15-yr	3.96	0	3.98	0
20-yr	4.10	-1	4.11	-1
30-yr	4.20	-2	4.22	-2

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.58	0
3-yr	3.57	0
5-yr	3.61	-1
7-yr	3.71	-2
10-yr	3.84	-1

Source : Bloomberg

### Upcoming Government Bond Tender

Reopening auction of RM5bn of GII 11/34 on Friday, 12 July

### MGS/GII

- Local govovies were better bid in trading on Thursday in an active session, amidst BNM leaving interest rates unchanged and maintaining a neutral tone in the accompanying Monetary Policy Statement. Secondary market volume for the day climbed by 26% to RM4.49bn, compared to the RM3.55bn that changed hands the previous session. Benchmark yields closed mixed by between -2 and +1bps for the day. **The benchmark 5Y MGS 4/28 saw its yield little changed at 3.63% while the benchmark 10Y MGS 11/33 was also flattish at 3.84%.** Trading interest was led by the benchmark 10Y MGS, while keen interest was also seen in some of the short dated off-the-runs, with GII 8/24, MGS 9/24, GII 8/25 and MGS 9/25 drawing interest, while benchmark 3Y MGS/GII and 30Y GII also saw brisk trading. Trading in GIIs as a proportion of total govvy trading receded to 36% for the day versus the 57% share seen on Wednesday. Next up domestically is the reopening auction of RM5bn of the GII 11/34, which will take over as the new 10Y GII benchmark.

### Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was also better bid in trading on Thursday in a busier session, with secondary market volume rising by 26% to RM678m versus the RM537m that traded on Wednesday. Trading interest was focused in the AA-rated segment of the market. In the GG universe, activity was led by GOVCO 3/27 which closed the day at 3.61%, 11bps lower versus its last print. Over in the AAA space, trading interest was led by CIMBI 3/34, which settled for the day at 4.02%, little changed from its previous traded level. Meanwhile, trading in the AA territory was led by the recently issued BIMB 7/31, which closed at 4.06% in its secondary market debut. In the A-rated segment, significant interest was seen in BIMB 3/30, which settled for the day at 3.86%, 14bps lower versus where the bond last traded.

## Daily Trades: Government Bond

Securities	Closing		Vol	Previous	Previous	Chg
	YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)	
MGS	09/24	3.161	430	3.175	07/10/2024	-1
MGS	03/25	3.216	98	3.274	07/10/2024	-6
MGS	09/25	3.246	229	3.275	07/10/2024	-3
MGS	04/26	3.370	8	3.360	07/09/2024	1
MGS	07/26	3.369	27	3.381	07/10/2024	-1
MGS	09/26	4.040	30	3.412	07/09/2024	63
MGS	11/26	3.391	17	3.354	07/10/2024	4
MGS	03/27	3.491	4	3.537	07/03/2024	-5
MGS	05/27	3.497	152	3.494	07/10/2024	0
MGS	11/27	3.517	39	3.514	07/10/2024	0
MGS	04/28	3.587	10	3.575	07/10/2024	1
MGS	06/28	3.594	66	3.600	07/10/2024	-1
MGS	04/29	3.628	29	3.636	07/10/2024	-1
MGS	08/29	3.630	132	3.635	07/10/2024	0
MGS	04/30	3.726	100	3.736	07/10/2024	-1
MGS	04/31	3.782	111	3.779	07/10/2024	0
MGS	07/32	3.851	10	3.845	07/10/2024	1
MGS	04/33	3.843	30	3.857	07/10/2024	-1
MGS	11/33	3.843	711	3.846	07/10/2024	0
MGS	07/34	3.858	95	3.852	07/10/2024	1
MGS	05/35	3.912	8	3.953	07/10/2024	-4
MGS	04/37	3.966	50	3.980	07/09/2024	-1
MGS	06/38	3.973	72	3.992	07/09/2024	-2
MGS	04/39	3.959	43	3.955	07/10/2024	0
MGS	05/40	4.041	41	4.060	07/10/2024	-2
MGS	10/42	4.096	40	4.106	07/10/2024	-1
MGS	09/43	4.125	5	4.148	07/10/2024	-2
MGS	05/44	4.096	81	4.110	07/10/2024	-1
MGS	06/50	4.186	68	4.214	07/10/2024	-3
MGS	03/53	4.198	123	4.221	07/10/2024	-2
GII	08/24	3.214	210	3.198	07/10/2024	2
GII	10/24	3.066	18	3.188	07/10/2024	-12
GII	08/25	3.270	205	3.227	07/10/2024	4
GII	10/25	3.271	6	3.241	07/10/2024	3
GII	09/26	3.419	260	3.422	07/10/2024	0
GII	09/27	3.497	88	3.504	07/09/2024	-1
GII	07/28	3.591	40	3.596	07/09/2024	0
GII	10/28	3.620	32	3.639	07/05/2024	-2
GII	07/29	3.632	55	3.648	07/10/2024	-2
GII	09/30	3.750	12	3.739	07/10/2024	1
GII	10/30	3.734	19	3.748	07/10/2024	-1
GII	10/31	3.771	5	3.772	07/10/2024	0
GII	10/32	3.834	25	3.844	07/10/2024	-1
GII	06/33	3.855	50	3.859	07/10/2024	0
GII	08/33	3.867	100	3.874	07/10/2024	-1
GII	07/36	3.944	5	3.947	07/05/2024	0
GII	08/37	3.985	10	3.983	07/10/2024	0
GII	09/39	3.976	130	3.980	07/10/2024	0
GII	09/41	4.056	40	4.059	07/10/2024	0
GII	08/43	4.108	95	4.119	07/10/2024	-1
GII	05/47	4.173	20	4.186	07/10/2024	-1
GII	05/52	4.241	44	4.254	07/09/2024	-1
GII	03/54	4.220	166	4.235	07/05/2024	-2
			4489			

## 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*
Prasarana Malaysia Berhad	09/24	GG	3.428	5	3.391	2/4/2024	4	14
GovCo Holdings Berhad	02/27	GG	3.612	30	3.717	21/11/2023	-11	12
Prasarana Malaysia Berhad	09/27	GG	3.612	10	3.629	28/6/2024	-2	12
DanaInfra Nasional Berhad	10/28	GG	3.710	10	3.600	15/2/2024	11	13
DanaInfra Nasional Berhad	04/29	GG	3.739	5	4.552	22/6/2022	-81	10
Perbadanan Tabung Pendidikan Tinggi Nasional	08/32	GG	3.901	10	3.911	14/6/2024	-1	9
Prasarana Malaysia Berhad	06/34	GG	3.918	25	n/a	n/a	392	7
DanaInfra Nasional Berhad	11/34	GG	3.918	10	3.938	24/6/2024	-2	7
Jambatan Kedua Sdn Berhad	07/41	GG	4.180	10	4.517	17/3/2023	-34	21
Cagamas Berhad	01/25	AAA	3.551	10	3.669	27/3/2024	-12	26
Cagamas Berhad	04/25	AAA	3.590	10	3.601	17/5/2024	-1	30
Petroleum Sarawak Exploration & Production Sdr	11/27	AAA	3.779	1	3.806	20/6/2024	-3	28
Toyota Capital Malaysia Sdn Berhad	09/28	AAA	3.897	20	3.907	5/7/2024	-1	32
EKVE Sdn Berhad	01/29	AAA	4.048	10	4.099	7/6/2024	-5	41
Tenaga Nasional Berhad	06/29	AAA	3.831	5	3.826	10/7/2024	0	20
EKVE Sdn Berhad	01/30	AAA	4.073	20	4.120	4/6/2024	-5	35
Sarawak Energy Berhad	07/30	AAA	3.898	10	3.898	1/7/2024	0	18
CIMB Islamic Bank Berhad	11/30	AAA	3.918	1	4.099	9/5/2024	-18	20
Pengurusan Air SPV Berhad	04/31	AAA	3.979	5	3.974	24/6/2024	0	20
Pengerang LNG (Two) Sdn Berhad	10/31	AAA	3.918	1	3.979	15/1/2024	-6	14
Danga Capital Berhad	09/33	AAA	3.959	5	3.958	9/7/2024	0	13
Pengurusan Air SPV Berhad	02/34	AAA	3.999	10	3.999	28/6/2024	0	15
CIMB Islamic Bank Berhad	03/34	AAA	4.019	31	4.019	10/7/2024	0	17
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	4.150	5	4.149	5/7/2024	0	18
YTL Power International Berhad	05/27	AA1	3.795	10	4.025	2/7/2024	-23	30
GENM Capital Berhad	07/28	AA1	4.281	3	4.526	10/7/2024	-25	70
YTL Power International Berhad	08/28	AA1	3.866	10	4.128	7/6/2024	-26	29
Malayan Banking Berhad	08/31	AA1	3.802	10	3.807	18/6/2024	0	2
YTL Power International Berhad	03/37	AA1	4.184	15	4.149	20/6/2024	4	22
Sime Darby Property Berhad	08/26	AA+	3.824	10	3.805	29/2/2024	2	43
Sime Darby Property Berhad	08/30	AA+	3.998	5	3.948	19/2/2024	5	28
Press Metal Aluminium Holdings Berhad	10/29	AA2	3.948	40	3.967	19/6/2024	-2	31
AmBank Islamic Berhad	05/31	AA2	4.018	10	4.023	3/7/2024	0	24
Fortune Premiere Sdn Berhad	10/25	AA	3.962	5	4.017	19/1/2024	-6	67
Kimanis Power Sdn Berhad	08/26	AA	3.754	10	3.767	19/6/2024	-1	36
Fortune Premiere Sdn Berhad	09/26	AA	4.056	7	4.216	15/9/2023	-16	66
SP Setia Berhad	06/28	AA	3.918	30	3.918	3/7/2024	0	34
BGSM Management Sdn Berhad	08/24	AA3	3.704	30	3.814	30/10/2023	-11	42
Edra Energy Sdn Berhad	01/25	AA3	3.772	1	3.777	12/6/2024	-1	48
Gamuda Land (T12) Sdn Berhad	10/28	AA3	3.967	20	4.004	9/7/2024	-4	39
Perbadanan Kemajuan Negeri Selangor	10/28	AA3	4.099	10	4.234	14/5/2024	-14	52
AEON Credit Service (M) Berhad	04/29	AA3	3.938	10	3.952	18/6/2024	-1	30
Gamuda Berhad	06/30	AA3	3.977	5	3.998	10/5/2024	-2	26
Bank Islam Malaysia Berhad	07/31	AA3	4.060	70	n/a	n/a	406	28
Malayan Banking Berhad	02/17	AA3	4.152	2	3.991	21/6/2024	16	4
LBS Bina Group Berhad	01/29	AA-	4.501	2	4.489	4/6/2024	1	87
Tanjung Bin O&M Berhad	06/29	AA-	4.050	4	4.499	28/3/2023	-45	41
Penang Port Sdn Berhad	12/31	AA-	4.129	7	4.120	14/6/2024	1	35
UMW Holdings Berhad	04/18	AA-	4.698	1	4.337	1/7/2024	36	59
Bank Islam Malaysia Berhad	03/30	A1	3.861	80	4.001	17/4/2024	-14	14
Bank Islam Malaysia Berhad	10/30	A1	3.972	4	3.990	25/6/2024	-2	25
MNRB Holdings Berhad	03/34	A1	4.118	2	4.223	27/6/2024	-11	27
Hong Leong Bank Berhad	11/17	A1	3.687	1	3.691	4/7/2024	0	-42
TG Excellence Berhad	02/20	A	4.909	4	5.630	5/7/2024	-72	80
LBS Bina Group Berhad	03/20	NR(LT)	5.371	1	5.398	9/7/2024	-3	126
LBS Bina Group Berhad	03/20	NR(LT)	5.853	1	5.366	15/4/2024	49	175
				678				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Pelaburan Hartanah Berhad	Islamic Medium-Term Notes (IMTN) Programme and Islamic Commercial Papers (ICP) (combined limit of RM5bn)	AAA/Stable/P1	Assigned
Frasers Hospitality Trust-sponsored Notes Series 2024-A by Notable Vision	Notes Series 2024-A, the third issuance under its existing RM750m Medium-Term Notes (MTN) Programme (2014/2034): Class A Class B Class C	AAA/Stable B2/Stable C3/Stable	Assigned Final Ratings

Source: RAM, MARC

**Hong Leong Bank Berhad**

Fixed Income &amp; Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damanlela

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: [HLMarkets@hibb.hongleong.com.my](mailto:HLMarkets@hibb.hongleong.com.my)**DISCLAIMER**

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