

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries traded higher on Tuesday, despite a much stronger than expected retail sales report for June, as the market dialed back on the recent Trump trades, which have seen the curve steepen in recent days with pressure on the longer dated maturities. Benchmark yields finished lower across the curve by between 4 to 9bps, with the UST curve bull flattening for the day. **The benchmark 2yr UST yield was 4bps lower for the session at 4.42%, while the benchmark 10yr UST yield closed the day 7bps lower at 4.16%.** Tonight sees the release of housing starts and building permits numbers for June, in addition to industrial production for the month. The Fed is also scheduled to release their latest Beige Book.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.42	-4
5-yr UST	4.07	-6
10-yr UST	4.16	-7
30-yr UST	4.37	-9

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.48	-1	3.41	-1
5-yr	3.59	-3	3.57	-2
7-yr	3.75	-4	3.73	-1
10-yr	3.82	-1	3.84	-1
15-yr	3.95	0	3.96	-1
20-yr	4.08	6	4.10	-1
30-yr	4.18	-1	4.21	-3

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.54	-2
3-yr	3.52	-2
5-yr	3.56	-3
7-yr	3.64	-4
10-yr	3.75	-5

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govovies were higher in trading on Tuesday, as bonds took cue from the IRS market getting given in the morning session. Secondary market volume for the day rose by 13% to RM4.56bn, compared to the RM4.03bn that traded the day before. Benchmark yields closed lower by between 0 and 4bps for the day, with the exception of the 20yr MGS which corrected from a skewed odd lot trade the day before. **The benchmark 5Y MGS 8/29 saw its yield 3bps lower for the day at 3.59% while the yield on the benchmark 10Y MGS 11/33 was 1bp lower at 3.82%.** Trading interest was led by the off-the-run GII 8/24, while keen interest was also seen in the benchmark 3Y MGS/GII, 5Y MGS, 7Y GII and 10Y MGS, as well as in the off-the-run GII 9/30 and GII 8/33. Trading in GIIs as a proportion of total govvy trading declined to 49% versus the 56% share seen on Monday. The next key releases domestically are the June external trade numbers on Thursday and advanced 2Q GDP on Friday.

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was better bid in trading on Tuesday, with secondary market volume climbing by 25% to RM461m versus the RM369m that traded on Monday. Trading interest was again led by the AAA segment of the market. In the GG universe, activity was led by LPPSA 4/33 which closed the day at 3.89%, 3bps higher versus where the bond last traded. Over in the AAA space, trading interest was led by Westports 5/39, which settled the day at 4.07%, little changed versus its previously traded level. Interest was also seen in PLUS 1/25 and JCORP 6/27, which closed at 3.59% (unchanged versus last print) and 3.93% (-1bp) respectively. Meanwhile in the AA territory, interest was seen in some of the bonds of YTL Power, with YTLP 3/37 and YTLP 8/38, which closed at 4.17% (-2bps) and 4.16% (+1bp) respectively.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/24	3.125	38	3.137	07/15/2024	-1
MGS	03/25	3.202	49	3.265	07/15/2024	-6
MGS	09/25	3.330	66	3.260	07/12/2024	7
MGS	04/26	3.392	88	3.347	07/15/2024	4
MGS	07/26	3.367	52	3.368	07/15/2024	0
MGS	11/26	3.420	52	3.372	07/15/2024	5
MGS	03/27	3.470	27	3.491	07/11/2024	-2
MGS	05/27	3.475	244	3.483	07/15/2024	-1
MGS	11/27	3.496	106	3.491	07/15/2024	0
MGS	04/28	3.558	14	3.567	07/15/2024	-1
MGS	06/28	3.594	82	3.580	07/15/2024	1
MGS	04/29	3.621	4	3.620	07/12/2024	0
MGS	08/29	3.593	442	3.619	07/15/2024	-3
MGS	04/30	3.708	22	3.719	07/15/2024	-1
MGS	04/31	3.748	64	3.790	07/15/2024	-4
MGS	06/31	3.782	20	3.786	07/15/2024	0
MGS	04/32	3.833	15	3.859	07/10/2024	-3
MGS	07/32	3.824	32	3.824	07/15/2024	0
MGS	04/33	3.837	1	3.840	07/15/2024	0
MGS	11/33	3.819	312	3.825	07/15/2024	-1
MGS	07/34	3.810	104	3.829	07/15/2024	-2
MGS	05/35	3.879	91	3.901	07/15/2024	-2
MGS	04/37	3.948	20	3.960	07/15/2024	-1
MGS	06/38	3.959	21	3.968	07/12/2024	-1
MGS	05/40	4.030	108	4.039	07/15/2024	-1
MGS	10/42	4.091	51	4.090	07/12/2024	0
MGS	05/44	4.076	80	4.018	07/15/2024	6
MGS	03/46	4.154	14	4.201	07/12/2024	-5
MGS	06/50	4.179	30	4.186	07/15/2024	-1
MGS	03/53	4.180	69	4.186	07/12/2024	-1
GII	08/24	3.208	460	3.164	07/12/2024	4
GII	10/24	3.186	150	3.139	07/15/2024	5
GII	08/25	3.220	30	3.310	07/12/2024	-9
GII	10/25	3.275	11	3.278	07/12/2024	0
GII	03/26	3.382	3	3.362	07/10/2024	2
GII	09/26	3.410	190	3.420	07/15/2024	-1
GII	07/27	3.494	20	3.525	07/03/2024	-3
GII	09/27	3.481	31	3.487	07/15/2024	-1
GII	07/28	3.572	30	3.591	07/15/2024	-2
GII	07/29	3.618	40	3.634	07/15/2024	-2
GII	09/30	3.731	190	3.736	07/15/2024	-1
GII	10/30	3.751	11	3.754	07/15/2024	0
GII	10/31	3.764	161	3.764	07/15/2024	0
GII	10/32	3.814	31	3.814	07/15/2024	0
GII	06/33	3.835	140	3.836	07/12/2024	0
GII	08/33	3.835	160	3.848	07/15/2024	-1
GII	11/34	3.807	70	3.821	07/15/2024	-1
GII	10/35	3.890	7	3.891	07/15/2024	0
GII	07/36	3.921	33	3.924	07/15/2024	0
GII	08/37	3.964	70	3.985	07/11/2024	-2
GII	09/39	3.963	132	3.976	07/15/2024	-1
GII	09/41	3.936	1	4.052	07/15/2024	-12
GII	08/43	4.102	101	4.110	07/15/2024	-1
GII	05/52	4.233	120	4.240	07/15/2024	-1
GII	03/54	4.209	51	4.238	07/15/2024	-3
			4559			

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	3.417	20	3.428	11/7/2024	-1	14
DanaInfra Nasional Berhad	11/25	GG	3.441	10	3.466	10/7/2024	-3	16
Perbadanan Tabung Pendidikan Tinggi Nasional	03/27	GG	3.540	20	n/a	n/a	354	7
Prasarana Malaysia Berhad	09/27	GG	3.574	10	3.612	11/7/2024	-4	10
Perbadanan Tabung Pendidikan Tinggi Nasional	08/32	GG	3.886	20	3.901	11/7/2024	-1	9
Lembaga Pembiayaan Perumahan Sektor Awam	04/33	GG	3.890	25	3.858	25/6/2024	3	7
DanaInfra Nasional Berhad	11/37	GG	3.969	20	4.189	5/7/2023	-22	2
Lembaga Pembiayaan Perumahan Sektor Awam	09/51	GG	4.245	10	4.245	10/7/2024	0	16
Amanat Lebuhraya Rakyat Berhad	10/24	AAA	3.457	10	3.470	9/7/2024	-1	18
Projek Lebuhraya Usahasama Berhad	01/25	AAA	3.594	20	3.590	15/7/2024	0	31
Johor Corporation	06/27	AAA	3.927	20	3.937	4/7/2024	-1	45
CIMB Islamic Bank Berhad	11/28	AAA	3.879	2	3.884	4/7/2024	0	32
Projek Lebuhraya Usahasama Berhad	01/29	AAA	3.878	10	3.884	14/6/2024	-1	31
Bank Simpanan Nasional Berhad	02/29	AAA	3.878	5	3.885	10/7/2024	-1	26
Rantau Abang Capital Berhad	03/29	AAA	3.790	10	3.820	28/6/2024	-3	17
DiGi Telecommunications Sdn Berhad	06/29	AAA	3.834	15	n/a	n/a	383	22
Danum Capital Berhad	05/30	AAA	3.880	5	3.988	3/5/2024	-11	17
DiGi Telecommunications Sdn Berhad	06/31	AAA	3.913	10	n/a	n/a	391	15
Projek Lebuhraya Usahasama Berhad	01/32	AAA	3.960	10	3.868	19/6/2024	9	19
Bank Pembangunan Malaysia Berhad	03/32	AAA	3.949	10	3.987	24/6/2024	-4	15
Tenaga Nasional Berhad	06/32	AAA	3.919	10	4.000	24/1/2024	-8	12
Projek Lebuhraya Usahasama Berhad	01/33	AAA	3.969	5	3.997	4/6/2024	-3	17
Danum Capital Berhad	02/35	AAA	4.139	5	4.009	18/6/2024	13	31
TNB Power Generation Sdn Berhad	03/38	AAA	4.082	10	4.100	29/5/2024	-2	13
Tenaga Nasional Berhad	08/38	AAA	4.100	10	4.109	25/6/2024	-1	15
Westports Malaysia Sdn Berhad	05/39	AAA	4.067	40	4.068	5/7/2024	0	12
Pengurusan Air Selangor Sdn Berhad	10/41	AAA	4.199	10	4.249	10/5/2024	-5	25
Hong Leong Bank Berhad	06/34	AA1	3.965	1	3.988	11/7/2024	-2	14
YTL Power International Berhad	03/37	AA1	4.169	10	4.184	11/7/2024	-2	22
YTL Power International Berhad	08/38	AA1	4.158	10	4.149	30/5/2024	1	21
Solarpack Suria Sungai Petani Sdn Berhad	10/29	AA2	4.181	4	n/a	n/a	418	56
SP Setia Berhad	04/27	AA	3.846	10	3.968	15/2/2024	-12	37
Tanjung Bin Energy Sdn Berhad	09/25	AA3	4.730	10	4.752	8/2/2024	-2	145
Tadau Energy Sdn Berhad	07/26	AA3	4.230	4	4.727	25/4/2022	-50	85
Gamuda Berhad	06/28	AA3	3.922	10	3.908	31/5/2024	1	36
Tadau Energy Sdn Berhad	07/32	AA3	4.551	4	5.560	13/5/2022	-101	75
Malayan Banking Berhad	02/17	AA3	3.894	10	3.878	22/3/2024	2	-20
Penang Port Sdn Berhad	12/26	AA-	3.826	10	3.865	19/6/2024	-4	44
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berh	12/27	AA-	4.260	6	4.297	4/4/2024	-4	79
Malaysian Resources Corporation Berhad	02/29	AA-	4.424	6	4.448	12/6/2024	-2	81
Quantum Solar Park (Semenanjung) Sdn Berhad	10/29	AA-	4.147	2	4.198	18/3/2024	-5	53
Quantum Solar Park (Semenanjung) Sdn Berhad	04/30	AA-	4.169	5	4.189	18/6/2024	-2	46
SHC Capital Sdn Berhad	12/36	AA-	5.490	5	n/a	n/a	549	166
Affin Bank Berhad	06/18	A3	4.935	1	4.997	3/7/2024	-6	85
WCT Holdings Berhad	03/19	A-	5.407	2	5.409	10/7/2024	0	132
				461				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Sabah Development Bank Berhad	RM3bn Commercial Papers (2021/2028)/	AA1/Stable/P1	Affirmed
	Medium-Term Notes Programme (2021/2046)	AA1/Stable	Affirmed
	RM3bn MTN Programme (2011/2036)	AA1/Stable	Affirmed
	RM1bn MTN Programme (2008/2028)	AA1/Stable	Affirmed

Source: RAM, MARC

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