

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- The US Treasuries cash market was closed for the President's Day holiday on Monday. Treasury futures slid slightly in light volume, taking cue from weakness in European government bond markets, where the 10Y Bund was higher in yield by 1bp for the day. The next key risk for the markets will be the release of the FOMC minutes, which should shed more light on the thoughts of Fed members during the last policy meeting.

MGS/GII

- Local govies were mixed in trading on Monday in a much quieter session given the US holiday, with the IRS market also finishing little changed for the day. Secondary market volume plunged by 56% to RM2.25bn versus the RM5.09bn that printed on Friday. Benchmark yields settled mixed between -1 to +1 bps, except for the 15Y MGS (-7bps), 30Y MGS (+12bps) and 30Y GII (-9bps). The outsized moves seen in the 15Y MGS and 30Y MGS were a correction of previous late odd-lot trades in them late last Friday. **The benchmark 5Y MGS 4/28 saw its yield unchanged at 3.54% while the benchmark 10Y MGS 11/33 was also unchanged in yield to close the day at 3.85%.** Strong trading interest was seen in a series of the off-the-run 24s (MGS 6/24, 7/24, 9/24 and GII 10/24), as well as the benchmark 3Y GII and 10Y MGS/GII. Trading in GIIs as a proportion of total govvy trading increased to 40% from the 33% on Friday. The next key release domestically will be the export and trade balance data scheduled for release at noon today.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.64	0
5-yr UST	4.27	0
10-yr UST	4.28	0
30-yr UST	4.44	0

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.39	0	3.41	1
5-yr	3.54	0	3.56	0
7-yr	3.70	0	3.76	-1
10-yr	3.85	0	3.85	0
15-yr	4.00	-7	3.98	0
20-yr	4.07	0	4.13	0
30-yr	4.22	12	4.19	-9

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.54	1
3-yr	3.50	0
5-yr	3.63	1
7-yr	3.75	0
10-yr	3.89	1

Source : Bloomberg

Upcoming Government Bond Tender

Re-opening of RM5bn 3Y MGS 5/27 on Wednesday, 21 Feb

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk markets were a tad quiet in trading on Monday, with secondary market volume increasing marginally by 7% to RM461m versus the RM429m that swapped hands on Friday. Trading was dominated by the GG and AA segments of the market. DANA 4/42 led trading in the GG space, settling at 4.11%, 4bps higher than its previous print. Over in the AAA segment, trading interest was seen in TOYOTA 10/24 and TNB 8/38, which closed at 3.79% (+6bps) and 4.07% (unch) respectively. PBB 4/32 led trading in the AA space, closing the day at 3.83%, 2bps lower than its previous trade, while interest was also seen in OSK 4/31, which exchanged hands at 4.09%, 11bps lower versus its last print.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	06/24	3.262	328	3.264	02/16/2024	0
MGS	07/24	3.252	100	3.238	02/16/2024	1
MGS	09/24	3.274	330	3.269	02/16/2024	0
MGS	03/25	3.297	1	3.297	02/16/2024	0
MGS	11/26	3.396	70	3.385	02/16/2024	1
MGS	03/27	3.752	50	3.424	02/16/2024	33
MGS	05/27	3.476	25	3.433	02/15/2024	4
MGS	11/27	3.489	35	3.483	02/16/2024	1
MGS	04/28	3.544	7	3.547	02/16/2024	0
MGS	06/28	3.581	0	3.568	02/16/2024	1
MGS	04/29	3.608	5	3.609	02/16/2024	0
MGS	08/29	3.624	0	3.622	02/16/2024	0
MGS	04/30	3.700	33	3.700	02/16/2024	0
MGS	04/31	3.766	42	3.767	02/16/2024	0
MGS	06/31	3.801	0	3.794	02/16/2024	1
MGS	04/32	3.804	10	3.814	02/15/2024	-1
MGS	07/32	3.863	42	3.844	02/16/2024	2
MGS	04/33	3.844	0	3.850	02/16/2024	-1
MGS	11/33	3.848	102	3.845	02/16/2024	0
MGS	07/34	3.853	5	3.854	02/16/2024	0
MGS	05/35	3.916	20	3.919	02/16/2024	0
MGS	04/37	3.966	0	3.973	02/16/2024	-1
MGS	06/38	4.004	60	4.069	02/16/2024	-7
MGS	05/40	4.017	20	4.049	02/15/2024	-3
MGS	10/42	4.072	30	4.070	02/16/2024	0
MGS	06/50	4.064	11	4.077	02/16/2024	-1
MGS	03/53	4.217	17	4.096	02/16/2024	12
GII	08/24	3.297	70	3.210	02/02/2024	9
GII	10/24	3.288	150	3.274	02/16/2024	1
GII	10/25	3.321	10	3.353	02/16/2024	-3
GII	09/26	3.414	165	3.407	02/16/2024	1
GII	07/27	3.478	20	3.478	02/16/2024	0
GII	07/28	3.562	20	3.559	02/16/2024	0
GII	10/28	3.556	1	3.565	02/16/2024	-1
GII	07/29	3.608	20	3.614	02/16/2024	-1
GII	09/30	3.757	40	3.772	02/16/2024	-1
GII	08/33	3.846	350	3.846	02/16/2024	0
GII	09/39	4.000	10	3.991	02/15/2024	1
GII	09/41	3.930	0	3.942	02/16/2024	-1
GII	08/43	4.134	40	4.137	02/16/2024	0
GII	05/52	4.185	11	4.277	02/16/2024	-9
		2251				

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*
Federal Land Development Authority	03/36	GG	4.010	20	4.003	6/2/2024	1	17
Perbadanan Tabung Pendidikan Tinggi Nasional	07/41	GG	4.119	30	4.130	16/2/2024	-1	12
DanaInfra Nasional Berhad	04/42	GG	4.106	130	4.070	2/2/2024	4	3
Toyota Capital Malaysia Sdn Berhad	10/24	AAA	3.793	20	3.738	9/1/2024	6	49
Malaysia Airport Holdings Berhad	04/27	AAA	3.686	10	3.676	16/2/2024	1	29
Toyota Capital Malaysia Sdn Berhad	01/28	AAA	3.928	10	3.984	10/1/2024	-6	44
Projek Lebuhraya Usahasama Berhad	01/29	AAA	3.889	10	3.922	14/2/2024	-3	34
Bank Simpanan Nasional	02/29	AAA	3.849	5	3.900	13/2/2024	-5	30
Malaysia Airport Holdings Berhad	11/30	AAA	3.938	10	3.990	8/2/2024	-5	17
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.099	10	4.120	15/1/2024	-2	10
Tenaga Nasional Berhad	08/38	AAA	4.069	20	4.066	8/2/2024	0	7
Sabah Credit Corporation	09/29	AA1	4.207	8	n/a	n/a	421	54
Public Bank Berhad	04/32	AA1	3.826	40	3.847	7/2/2024	-2	2
Malayan Banking Berhad	01/34	AA1	3.978	1	3.940	16/2/2024	4	14
Genting RMTN Berhad	11/34	AA1	5.244	4	5.251	13/2/2024	-1	140
Sime Darby Property Berhad	08/30	AA+	3.948	15	4.132	15/9/2023	-18	18
OSK Rated Bond Sdn Berhad	04/31	AA	4.087	30	4.198	26/1/2024	-11	32
Tanjung Bin Energy Sdn Berhad	09/27	AA3	4.948	10	5.993	1/12/2022	-105	146
Hong Leong Assurance Berhad	12/28	AA3	4.437	10	4.548	7/10/2021	-11	88
STM Lottery Sdn Berhad (fka Sports Toto Malaysi	06/25	AA-	4.655	6	4.690	21/8/2023	-4	135
UEM Sunrise Berhad	01/26	AA-	4.175	10	4.598	27/12/2023	-42	83
Malaysian Resources Corporation Berhad	10/28	AA-	4.728	10	4.728	15/2/2024	0	118
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/36	AA-	5.249	20	5.253	29/1/2024	0	125
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/37	AA-	5.329	10	5.309	7/2/2024	2	133
DRB-Hicom Berhad	08/28	A+	4.699	1	4.976	16/2/2024	-28	121
Malayan Banking Berhad	01/34	A2	4.876	1	4.668	18/1/2024	21	103
IJM Land Berhad	03/19	A2	5.272	1	4.933	10/10/2023	34	119
Tropicana Corporation Berhad	06/25	A	7.040	1	9.163	15/2/2024	-212	374
MBSB Bank Berhad (fka Asian Finance Bank Berhad	12/31	A3	4.899	1	4.399	7/2/2024	50	110
Affin Bank Berhad	06/18	A3	4.794	1	4.501	16/2/2024	29	72
Affin Islamic Bank Berhad	10/18	A3	4.436	3	4.617	8/2/2024	-18	36
DRB-Hicom Berhad	12/14	A-	5.772	1	5.394	13/2/2024	38	169
Magnum Corporation Berhad	09/24	NR(LT)	5.053	4	5.075	6/1/2020	-2	175
				461				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Pelaburan Hartanah Berhad	Corporate Credit Ratings	AAA/Stable/P1	Assigned
Kedah Cement Sdn Bhd	RM500m Sukuk Wakalah Programme (2017/2024)	AA3/Stable/P1	Withdrawn
Malayan Cement Berhad	RM5bn Sukuk Murabahah Programme (2022/2052)	AA3/Positive/P1	Outlook Revision
YTL Corporation Berhad	RM2bn Medium-Term Notes (MTN) Programme (2013/2038)	AA1	Affirmed
	RM5bn Commercial Papers Programme and MTN Programme (2019/2044)	AA1/Stable/P1	Affirmed
YTL Power International Berhad	RM5bn Medium-Term Notes Programme (2011/2036) and RM2.5bn Sukuk Murabahah Facility (2017/2027)	AA1/Stable	Affirmed
	RM7.5bn Islamic Commercial Papers Programme (2023/2030) and Perpetual Islamic Medium-Term Notes Programme	AA1/Stable/P1	Affirmed

Source: RAM, MARC

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