

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries mostly fell in trading on Thursday, amidst an NVidia led rally of equity markets, and weekly jobless claims falling to the lowest level in a month. A poor auction on 30yr TIPS added to the bearish sentiment for the day. Benchmark yields finished mixed between -2 and +5 bps for the day, as the UST curve continued its recent flattening. **The benchmark 2yr UST rose 5 bps to close at 4.71%, while the benchmark 10yr UST yield was little changed for the session at 4.32%.** In the absence of any key economic releases today, the market will continue to take the cue from the equity markets. The next key release is the January core PCE number next week.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.71	5
5-yr UST	4.33	2
10-yr UST	4.32	0
30-yr UST	4.46	-2

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.45	1	3.45	0
5-yr	3.57	-1	3.61	1
7-yr	3.77	4	3.81	4
10-yr	3.86	-1	3.89	1
15-yr	4.02	1	3.99	-2
20-yr	4.08	0	4.16	0
30-yr	4.23	0	4.32	1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.59	1
3-yr	3.56	4
5-yr	3.70	3
7-yr	3.82	3
10-yr	3.95	3

Source : Bloomberg

MGS/GII

- Local govovies were mixed in trading on Thursday, as the offerish tone was met by some bargain hunting as the day went by. The IRS market finished the day higher across the curve again. Secondary market volume dipped slightly by 7% for the day to RM3.49bn, compared to the RM3.74bn that exchanged hands the day before. Benchmark yields settled mixed between -2 to +4 bps. **The benchmark 5Y MGS 4/28 saw its yield decline by 1bp to 3.57% while the benchmark 10Y MGS 11/33 was also 1bp lower in yield to close the day at 3.86%.** Trading interest was seen in the benchmark 5Y GII, 7Y GII, 10Y MGS/GII, 20Y GII and 30Y MGS as well as the off-the-run MGS 8/29 and GII 10/32. Trading in GIIs as a proportion of total govvy trading surged to 55% from the 29% seen the previous day. The next key release for the markets will be the January CPI numbers due at noon today.

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk markets remained better bid in trading on Thursday in a quieter session, with secondary market volume plunging by 56% to RM552m versus the RM1.26bn that was traded on Wednesday. Trading was concentrated in the GG segment of the market, where trading was led by DANA 4/52 and LPPSA 8/52, which saw its yield unchanged and lower by 2bps respectively for the day, with both bonds settling the day at 4.27%. Over in the AAA space, trading interest was seen in PLUS 1/26 and PASB 1/30. The former closed the day at 3.67% (-4 bps versus last print) while the latter settled at 3.94% (+2 bps). In AA territory, the little traded SPG 10/35 saw interest, and closed the day at 4.47%, 9bps lower in yield versus its last trade nearly 3 years ago. Over in banks/financials, AAA-rated BPMB 10/30 closed at 4.00%, 28 bps lower compared to its last print, while AA-rated CIMB 9/32 swapped hands at 3.97%, a whopping 42 bps lower than its last trade.

Upcoming Government Bond Tender

Nil

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	06/24	3.094	37	3.276	02/21/2024	-18
MGS	07/24	2.970	8	3.009	02/21/2024	-4
MGS	09/25	3.353	10	3.336	02/21/2024	2
MGS	04/26	3.402	27	3.439	02/20/2024	-4
MGS	07/26	3.446	61	3.435	02/21/2024	1
MGS	11/26	3.405	15	3.393	02/21/2024	1
MGS	03/27	3.491	50	3.412	02/21/2024	8
MGS	05/27	3.504	60	3.485	02/21/2024	2
MGS	11/27	3.536	4	3.537	02/21/2024	0
MGS	04/28	3.571	118	3.583	02/21/2024	-1
MGS	06/28	3.593	52	3.593	02/21/2024	0
MGS	04/29	3.663	78	3.642	02/21/2024	2
MGS	08/29	3.661	285	3.661	02/21/2024	0
MGS	04/30	3.764	0	3.730	02/21/2024	3
MGS	04/31	3.822	80	3.809	02/21/2024	1
MGS	06/31	3.836	2	3.838	02/21/2024	0
MGS	07/32	3.870	16	3.849	02/21/2024	2
MGS	04/33	3.870	11	3.883	02/21/2024	-1
MGS	11/33	3.859	371	3.867	02/21/2024	-1
MGS	07/34	3.939	0	3.845	02/21/2024	9
MGS	04/37	3.996	0	3.978	02/21/2024	2
MGS	06/38	4.021	0	4.006	02/21/2024	1
MGS	03/46	4.184	2	4.157	02/21/2024	3
MGS	07/48	4.194	0	4.079	02/21/2024	12
MGS	06/50	4.175	3	4.199	02/21/2024	-2
MGS	03/53	4.226	282	4.223	02/21/2024	0
GII	10/24	3.293	10	3.313	02/20/2024	-2
GII	09/26	3.451	85	3.453	02/21/2024	0
GII	07/27	3.493	3	3.468	02/20/2024	2
GII	09/27	3.541	10	3.478	02/16/2024	6
GII	07/28	3.613	250	3.599	02/21/2024	1
GII	12/28	3.638	30	3.604	02/05/2024	3
GII	07/29	3.654	150	3.650	02/21/2024	0
GII	09/30	3.810	221	3.774	02/21/2024	4
GII	10/32	3.883	356	3.890	02/21/2024	-1
GII	06/33	3.903	50	3.882	02/21/2024	2
GII	08/33	3.891	480	3.879	02/21/2024	1
GII	10/35	3.940	40	3.818	02/16/2024	12
GII	07/36	4.027	0	3.988	02/21/2024	4
GII	03/38	3.992	10	4.015	02/21/2024	-2
GII	08/43	4.155	173	4.155	02/21/2024	0
GII	05/52	4.315	50	4.302	02/21/2024	1
			3491			

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*
Khazanah Nasional Berhad	03/24	GG	3.503	10	3.512	8/2/2024	-1	19
Pengurusan Air SPV Berhad	06/25	GG	3.385	30	3.486	20/12/2023	-10	7
Prasarana Malaysia Berhad	02/31	GG	3.880	10	3.999	15/11/2023	-12	8
DanaInfra Nasional Berhad	11/35	GG	3.947	5	3.959	15/12/2023	-1	7
Federal Land Development Authority	03/36	GG	4.019	20	4.015	20/2/2024	0	14
Projek Lebuhraya Usahasama Berhad	12/38	GG	4.049	20	4.050	21/2/2024	0	4
DanaInfra Nasional Berhad	04/42	GG	4.105	10	4.106	19/2/2024	0	1
Prasarana Malaysia Berhad	08/42	GG	4.132	40	4.220	8/1/2024	-9	3
DanaInfra Nasional Berhad	10/42	GG	4.107	10	4.319	21/11/2023	-21	1
DanaInfra Nasional Berhad	04/52	GG	4.265	100	4.269	21/2/2024	0	17
Lembaga Pembiayaan Perumahan Sektor Awam	08/52	GG	4.269	100	4.289	21/2/2024	-2	17
Projek Lebuhraya Usahasama Berhad	01/26	AAA	3.666	20	3.701	7/2/2024	-4	30
Small Medium Enterprise Development Bank Mal.	07/26	AAA	3.818	1	3.955	11/12/2023	-14	45
Amanat Lebuhraya Rakyat Berhad	10/26	AAA	3.727	10	3.850	2/1/2024	-12	24
Pengurusan Air SPV Berhad	10/26	AAA	3.787	10	3.794	15/2/2024	-1	30
Amanat Lebuhraya Rakyat Berhad	10/27	AAA	3.851	10	4.086	26/9/2023	-24	32
Pengurusan Air SPV Berhad	01/30	AAA	3.944	20	3.920	21/2/2024	2	25
TNB Power Generation Sdn Berhad	03/30	AAA	3.931	5	3.885	8/2/2024	5	24
Bank Pembangunan Malaysia Berhad	10/30	AAA	4.000	20	4.279	28/4/2023	-28	20
Tenaga Nasional Berhad	11/36	AAA	4.039	10	4.067	21/2/2024	-3	3
Tenaga Nasional Berhad	08/38	AAA	4.069	10	4.069	19/2/2024	0	6
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	4.099	10	4.107	8/2/2024	-1	9
GENM Capital Berhad	08/25	AA1	4.297	10	4.367	22/12/2023	-7	99
YTL Power International Berhad	05/27	AA1	5.000	1	3.827	15/2/2024	117	151
PONSB Capital Berhad	06/27	AA2	4.416	1	4.041	12/1/2024	38	93
CIMB Group Holdings Berhad	09/32	AA2	3.970	20	4.393	13/2/2024	-42	12
AmBank (M) Berhad	06/33	AA3	4.206	1	4.087	2/2/2024	12	36
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/33	AA-	4.939	6	5.050	7/2/2024	-11	106
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/34	AA-	4.979	4	5.020	21/2/2024	-4	110
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/35	AA-	5.039	2	5.151	7/2/2024	-11	116
Southern Power Generation Sdn Berhad	10/35	AA-	4.469	20	4.561	7/4/2021	-9	59
Affin Bank Berhad	07/32	A1	4.299	1	4.200	7/2/2024	10	48
MCIS Insurance Berhad	12/31	A2	4.154	1	4.876	21/2/2024	-72	33
LBS Bina Group Berhad	03/20	NR(LT)	7.220	6	5.880	22/1/2024	134	312
				552				

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

Rating Action

Issuer	PDS Description	Rating/Outlook	Action
Nil			

Source: RAM, MARC

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