

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

| UST | | |
|-----------|-------------|-----------|
| Tenure | Closing (%) | Chg (bps) |
| 2-yr UST | 4.20 | -1 |
| 5-yr UST | 4.33 | 1 |
| 10-yr UST | 4.54 | 2 |
| 30-yr UST | 4.79 | 3 |

| MGS | | GII* | | |
|--------|-------------|-----------|-------------|-----------|
| Tenure | Closing (%) | Chg (bps) | Closing (%) | Chg (bps) |
| 3-yr | 3.45 | 1 | 3.56 | 1 |
| 5-yr | 3.62 | 1 | 3.62 | 1 |
| 7-yr | 3.78 | 1 | 3.77 | 1 |
| 10-yr | 3.81 | 1 | 3.82 | 1 |
| 15-yr | 3.97 | 0 | 3.95 | 0 |
| 20-yr | 4.04 | -1 | 4.07 | 0 |
| 30-yr | 4.18 | 0 | 4.19 | 0 |

* Market indicative levels

| MYR IRS Levels | | |
|----------------|-------------|-----------|
| IRS | Closing (%) | Chg (bps) |
| 1-yr | 3.56 | 0 |
| 3-yr | 3.47 | 0 |
| 5-yr | 3.53 | 0 |
| 7-yr | 3.59 | -1 |
| 10-yr | 3.70 | -1 |

Source : Bloomberg

Upcoming Government Bond Tender

Nil

US Treasuries

- US Treasuries were mostly weaker in trading, amidst news that trade tariffs could be imposed by the new US administration over the weekend on Canada, Mexico and China. Economic data releases for the day saw US personal spending for December topped expectations while the core PCE price index for the month came out as anticipated. Benchmark yields were mixed as the UST curve steepened. **The benchmark 2Y UST yield fell by 1bp for the day to 4.20% while the benchmark 10Y UST yield advanced by 2bp to 4.54%.** The ISM manufacturing index for January is scheduled for release today and could provide more clues on how the US economy began the year, and construction spending for December is also due.

MGS/GII

- Local govies were weaker in trading on Friday in an active session after being shut on Wednesday and Thursday for the CNY holidays. Secondary market volume for the day surged by 89% to RM4.47bn from the RM2.37bn that traded on Tuesday. Overall benchmark yields ended the day mixed between -1 to +1bp (prior: -1 to +1bp). **The benchmark 5Y MGS 8/29 yield was 1bp higher for the day at 3.62% while the yield on the benchmark 10Y MGS 7/34 also rose by 1bp to 3.81%.** Trading activity for the day was led by the off-the-run MGS 9/25, while decent interest was also seen in the benchmark 3Y MGS, 5Y MGS and 7Y MGS, as well as in the off-the-run MGS 3/25, MGS 7/26 and MGS 4/33. The share of GII trading for the day plunged to 18% of overall govies trading from the 59% seen the previous session. The S&P Global Malaysia Manufacturing PMI for January is due for release today.

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Friday, with secondary market volume for the day inching lower by 9% to RM216m versus the RM238m that changed hands on Friday. Trading for the day was led by the GG segment of the market, where interest was led by DANA 11/35, which closed at 3.87%, 8bps lower versus where the bond last changed hands. In the AAA-space, PLUS 1/33 was the only bond traded for the day, settling at 3.94%, 4bps lower versus its last print. In the AA-rated universe, trading was led by JPG 9/34, which closed at 3.99%, 1bp lower versus its last print. Interest was also seen in SPSETIA 4/29, which settled the day at 3.97%, 3bps lower compared to where it last dealt.

Daily Trades: Government Bond

| Securities | Closing | | Vol | Previous | Previous | Chg |
|------------|---------|--|-------------|----------|----------------------------|-----|
| | YTM | | (RM mil) | YTM | Trade Date (dd/mm/yyyy) | |
| MGS 03/25 | 3.202 | | 329 | 3.135 | 01/28/2025 | 7 |
| MGS 09/25 | 3.187 | | 498 | 3.184 | 01/28/2025 | 0 |
| MGS 04/26 | 3.280 | | 10 | 3.246 | 01/24/2025 | 3 |
| MGS 07/26 | 3.326 | | 252 | 3.316 | 01/28/2025 | 1 |
| MGS 09/26 | 3.314 | | 3 | 3.365 | 12/16/2024 | -5 |
| MGS 11/26 | 3.332 | | 50 | 3.327 | 01/27/2025 | 0 |
| MGS 03/27 | 3.447 | | 7 | 3.434 | 01/15/2025 | 1 |
| MGS 05/27 | 3.450 | | 413 | 3.439 | 01/28/2025 | 1 |
| MGS 11/27 | 3.483 | | 5 | 3.475 | 01/28/2025 | 1 |
| MGS 04/28 | 3.534 | | 15 | 3.528 | 01/24/2025 | 1 |
| MGS 06/28 | 3.549 | | 52 | 3.551 | 01/28/2025 | 0 |
| MGS 04/29 | 3.608 | | 16 | 3.599 | 01/28/2025 | 1 |
| MGS 08/29 | 3.617 | | 348 | 3.608 | 01/28/2025 | 1 |
| MGS 04/30 | 3.677 | | 65 | 3.677 | 01/27/2025 | 0 |
| MGS 04/31 | 3.763 | | 117 | 3.763 | 01/28/2025 | 0 |
| MGS 06/31 | 3.772 | | 4 | 3.769 | 01/28/2025 | 0 |
| MGS 07/32 | 3.781 | | 439 | 3.768 | 01/28/2025 | 1 |
| MGS 04/33 | 3.830 | | 351 | 3.815 | 01/28/2025 | 2 |
| MGS 11/33 | 3.828 | | 58 | 3.809 | 01/28/2025 | 2 |
| MGS 07/34 | 3.808 | | 123 | 3.801 | 01/28/2025 | 1 |
| MGS 05/35 | 3.857 | | 12 | 3.874 | 01/28/2025 | -2 |
| MGS 04/37 | 3.939 | | 18 | 3.939 | 01/24/2025 | 0 |
| MGS 06/38 | 3.964 | | 71 | 3.951 | 01/28/2025 | 1 |
| MGS 04/39 | 3.966 | | 131 | 3.963 | 01/28/2025 | 0 |
| MGS 05/40 | 3.983 | | 52 | 3.985 | 01/28/2025 | 0 |
| MGS 10/42 | 4.040 | | 10 | 4.033 | 01/28/2025 | 1 |
| MGS 09/43 | 4.066 | | 1 | 3.957 | 01/28/2025 | 11 |
| MGS 05/44 | 4.044 | | 156 | 4.056 | 01/28/2025 | -1 |
| MGS 03/46 | 4.109 | | 2 | 4.078 | 01/23/2025 | 3 |
| MGS 07/48 | 4.127 | | 8 | 4.028 | 01/27/2025 | 10 |
| MGS 06/50 | 4.155 | | 33 | 4.149 | 01/28/2025 | 1 |
| MGS 03/53 | 4.177 | | 28 | 4.180 | 01/28/2025 | 0 |
| GII 08/25 | 3.253 | | 38 | 3.242 | 01/27/2025 | 1 |
| GII 10/25 | 3.262 | | 8 | 3.247 | 01/28/2025 | 2 |
| GII 03/26 | 3.319 | | 2 | 3.299 | 01/27/2025 | 2 |
| GII 09/26 | 3.328 | | 5 | 3.319 | 01/24/2025 | 1 |
| GII 07/27 | 3.459 | | 15 | 3.454 | 01/27/2025 | 0 |
| GII 07/28 | 3.562 | | 207 | 3.553 | 01/28/2025 | 1 |
| GII 10/28 | 3.566 | | 3 | 3.562 | 01/23/2025 | 0 |
| GII 07/29 | 3.622 | | 115 | 3.611 | 01/28/2025 | 1 |
| GII 09/30 | 3.699 | | 5 | 3.705 | 01/24/2025 | -1 |
| GII 10/30 | 3.720 | | 18 | 3.719 | 01/27/2025 | 0 |
| GII 10/31 | 3.769 | | 10 | 3.756 | 01/28/2025 | 1 |
| GII 06/33 | 3.822 | | 21 | 3.823 | 01/27/2025 | 0 |
| GII 11/34 | 3.823 | | 178 | 3.813 | 01/28/2025 | 1 |
| GII 10/35 | 3.858 | | 2 | 3.858 | 01/24/2025 | 0 |
| GII 07/36 | 3.911 | | 4 | 3.907 | 01/27/2025 | 0 |
| GII 08/37 | 3.936 | | 4 | 3.932 | 01/21/2025 | 0 |
| GII 09/39 | 3.969 | | 4 | 3.967 | 01/28/2025 | 0 |
| GII 07/40 | 3.948 | | 5 | 3.944 | 01/23/2025 | 0 |
| GII 09/41 | 4.011 | | 10 | 4.009 | 01/28/2025 | 0 |
| GII 08/43 | 4.070 | | 4 | 4.072 | 01/27/2025 | 0 |
| GII 05/52 | 4.193 | | 106 | 4.188 | 01/28/2025 | 0 |
| GII 03/54 | 4.185 | | 30 | 4.185 | 01/27/2025 | 0 |
| | | | <u>4473</u> | | | |

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* |
|---|-------|--------|----------------|-----------------|-----------------|--|-------------|------------------------|
| DanaInfra Nasional Berhad | 11/35 | GG | 3.872 | 60 | 3.948 | 9/12/2024 | -8 | 7 |
| DanaInfra Nasional Berhad | 05/36 | GG | 3.889 | 10 | 3.955 | 3/1/2025 | -7 | 8 |
| DanaInfra Nasional Berhad | 03/37 | GG | 3.919 | 20 | 3.919 | 27/1/2025 | 0 | 11 |
| DanaInfra Nasional Berhad | 05/41 | GG | 4.031 | 15 | 4.165 | 26/4/2024 | -13 | 6 |
| Projek Lebuhraya Usahasama Berhad | 01/33 | AAA | 3.943 | 20 | 3.979 | 20/1/2025 | -4 | 15 |
| YTL Power International Berhad | 03/30 | AA1 | 3.998 | 10 | 4.051 | 22/1/2025 | -5 | 38 |
| Johor Plantations Group Berhad | 09/34 | AA1 | 3.992 | 30 | 3.999 | 21/1/2025 | -1 | 19 |
| UEM Olive Capital Berhad | 10/34 | AA1 | 3.978 | 10 | 3.988 | 21/1/2025 | -1 | 17 |
| edotco Malaysia Sdn Berhad | 09/32 | AA+ | 3.988 | 10 | 3.998 | 4/12/2024 | -1 | 20 |
| PONSB Capital Berhad | 12/28 | AA2 | 3.917 | 5 | 3.944 | 22/1/2025 | -3 | 37 |
| SP Setia Berhad | 04/29 | AA | 3.968 | 20 | 3.997 | 16/12/2024 | -3 | 42 |
| MEXI Capital Berhad (formerly known as Bric | 01/37 | A1 | 5.150 | 3 | 5.150 | 23/1/2025 | 0 | 134 |
| Hong Leong Bank Berhad | 11/17 | A1 | 4.116 | 3 | 4.011 | 27/1/2025 | 11 | 6 |
| | | | | 216 | | | | |

* 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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