

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were firmer in trading on Monday, amidst a marked decline in US tech stocks after the sudden popularity of Deepseek, a Chinese artificial intelligence app, caused investors to question whether the US can maintain its dominance in AI. Benchmark yields were lower for the day, with the UST curve bull-flattening slightly. **The benchmark 2Y UST yield fell by 7bps for the day to 4.20% while the benchmark 10Y UST yield also declined by 9bps to 4.54%.** Tonight sees the release of the preliminary durable goods orders for December, as well as the latest Conference Board consumer confidence index.

MGS/GII

- Local govies were better bid in trading on Monday, in a light start to the holiday shortened week. Secondary market volume for the day inched declined by 38% to RM4.27bn from the RM6.87bn that traded on Friday. Overall benchmark yields ended the day mixed between -1 to +1bp (prior: lower by 0 to 2bps). **The benchmark 5Y MGS 8/29 yield was little changed for the day at 3.60% while the yield on the benchmark 10Y MGS 7/34 declined by 1bp to 3.80%.** Trading activity for the day was again led by the benchmark 3Y GII, while decent interest was also seen in the off-the-run MGS 3/25, GII 8/25, MGS 9/25 and MGS 11/33, as well as in the benchmark 3Y MGS and 7Y MGS. The share of GII trading for the day receded to 45% of overall govies trading from the 50% seen the day before. There are no economic releases domestically for the day ahead, with the markets out on Wednesday and Thursday for the CNY holidays.

Corp Bonds/Sukuk

- The corporate bond/sukuk market was firmer in trading on Monday, with secondary market volume for the day receding by 22% to RM392m versus the RM501m that changed hands on Friday. Trading for the day was led by the AAA-rated segment of the market. In the GG universe, interest was led by DANA 3/34 and PTPTN 3/37, which closed at 3.84% (-1bp versus last print) and 3.93% (unchanged) respectively. In the AAA-space, activity was seen in PASB 2/31, which settled the day at 3.85%, 5bps lower compared to where the bond last traded. Decent interest was also seen in PLUS 1/35 and DANUM 2/35, which closed at 3.94% (-3bps) and 3.99% (-6bps) respectively. In the AA-rated arena, trading was led by YTLP 8/29, which closed at 3.94%, 6bps higher versus its last print.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.20	-7
5-yr UST	4.34	-9
10-yr UST	4.54	-9
30-yr UST	4.77	-8

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.43	1	3.55	0
5-yr	3.60	0	3.61	-1
7-yr	3.77	-1	3.76	0
10-yr	3.80	-1	3.82	-1
15-yr	3.97	0	3.94	0
20-yr	4.06	0	4.07	0
30-yr	4.11	-7	4.19	7

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.55	-2
3-yr	3.46	-4
5-yr	3.53	-2
7-yr	3.60	-3
10-yr	3.71	-2

Source : Bloomberg

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	03/25	3.150	317	3.086	01/24/2025	6
MGS	09/25	3.161	440	3.179	01/24/2025	-2
MGS	11/26	3.327	31	3.322	01/24/2025	0
MGS	05/27	3.433	417	3.424	01/24/2025	1
MGS	11/27	3.461	40	3.475	01/24/2025	-1
MGS	06/28	3.542	90	3.542	01/24/2025	0
MGS	08/29	3.598	20	3.595	01/24/2025	0
MGS	04/30	3.677	20	3.675	01/24/2025	0
MGS	04/31	3.761	82	3.767	01/24/2025	-1
MGS	07/32	3.768	270	3.776	01/24/2025	-1
MGS	04/33	3.816	80	3.846	01/24/2025	-3
MGS	11/33	3.827	241	3.839	01/24/2025	-1
MGS	07/34	3.801	130	3.809	01/24/2025	-1
MGS	06/38	3.955	20	3.963	01/24/2025	-1
MGS	04/39	3.966	120	3.970	01/24/2025	0
MGS	07/48	4.028	1	4.021	01/22/2025	1
MGS	06/50	4.155	44	4.129	01/24/2025	3
GII	08/25	3.242	230	3.227	01/24/2025	2
GII	10/25	3.255	20	3.239	01/24/2025	2
GII	03/26	3.299	18	3.306	01/24/2025	-1
GII	07/27	3.454	40	3.427	01/22/2025	3
GII	09/27	3.465	1	3.465	01/24/2025	0
GII	07/28	3.550	692	3.553	01/24/2025	0
GII	07/29	3.613	70	3.619	01/24/2025	-1
GII	10/30	3.719	2	3.713	01/24/2025	1
GII	10/31	3.762	10	3.766	01/24/2025	0
GII	10/32	3.797	70	3.806	01/24/2025	-1
GII	06/33	3.823	40	3.829	01/24/2025	-1
GII	08/33	3.827	50	3.827	01/24/2025	0
GII	11/34	3.819	110	3.832	01/24/2025	-1
GII	07/36	3.907	40	3.915	01/24/2025	-1
GII	03/38	3.947	112	3.943	01/22/2025	0
GII	09/41	4.012	129	4.013	01/24/2025	0
GII	08/43	4.072	31	4.076	01/24/2025	0
GII	05/52	4.193	201	4.155	01/24/2025	4
GII	03/54	4.185	40	4.114	01/24/2025	7
			4268			

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	03/34	GG	3.844	30	3.855	24/1/2025	-1	3
Prasarana Malaysia Berhad	06/34	GG	3.845	10	3.856	24/1/2025	-1	3
DanaInfra Nasional Berhad	03/37	GG	3.919	20	3.949	13/1/2025	-3	11
Perbadanan Tabung Pendidikan Tinggi Nasio	03/37	GG	3.929	30	3.932	24/1/2025	0	12
Malaysia Rail Link Sdn Berhad	07/45	GG	4.115	3	5.241	28/4/2022	-113	6
Pengurusan Air SPV Berhad	06/27	AAA	3.810	15	3.814	9/1/2025	0	46
Projek Lebuhraya Usahasama Berhad	01/28	AAA	3.798	10	3.848	21/1/2025	-5	35
Toyota Capital Malaysia Sdn Berhad	01/28	AAA	3.874	10	3.907	13/12/2024	-3	43
Bank Pertanian Malaysia Berhad	11/28	AAA	3.827	10	3.849	27/12/2024	-2	28
Toyota Capital Malaysia Sdn Berhad	03/29	AAA	3.924	5	3.919	20/1/2025	0	37
Tenaga Nasional Berhad	06/29	AAA	3.855	10	3.876	17/1/2025	-2	31
Projek Lebuhraya Usahasama Berhad	01/30	AAA	3.886	5	3.918	16/1/2025	-3	27
Pengurusan Air SPV Berhad	02/31	AAA	3.845	20	3.897	17/1/2025	-5	14
Infracap Resources Sdn Berhad	04/31	AAA	3.948	5	3.966	20/1/2025	-2	25
Pelaburan Hartanah Berhad	09/31	AAA	3.943	10	3.939	13/1/2025	0	16
Tenaga Nasional Berhad	11/31	AAA	3.899	10	3.936	21/1/2025	-4	12
Tenaga Nasional Berhad	08/32	AAA	3.914	10	3.950	2/1/2025	-4	11
Sarawak Energy Berhad	07/33	AAA	3.899	5	3.929	23/1/2025	-3	10
Projek Lebuhraya Usahasama Berhad	01/35	AAA	3.939	20	3.970	23/1/2025	-3	13
Danum Capital Berhad	02/35	AAA	3.992	20	4.053	23/1/2025	-6	18
Sabah Credit Corporation	01/27	AA1	3.830	10	3.832	14/1/2025	0	48
Press Metal Aluminium Holdings Berhad	12/27	AA1	3.880	10	3.937	3/12/2024	-6	44
RHB Bank Berhad	11/28	AA1	3.858	10	3.875	16/1/2025	-2	31
YTL Power International Berhad	08/29	AA1	3.942	30	3.887	22/10/2024	6	33
Public Islamic Bank Berhad	07/32	AA1	3.839	10	4.501	18/12/2024	-66	4
UMW Holdings Berhad	11/25	AA+	3.643	8	3.646	15/1/2025	0	38
Bank Islam Malaysia Berhad	07/31	AA3	4.016	20	4.036	23/1/2025	-2	32
AmBank (M) Berhad	11/33	AA3	4.039	20	4.027	11/10/2024	1	23
Jimah East Power Sdn Berhad	06/31	AA-	4.239	10	4.248	24/1/2025	-1	54
LBS Bina Group Berhad	01/32	AA-	4.806	5	4.557	24/1/2025	25	103
Yinson Holdings Berhad	12/26	A1	4.945	1	5.030	2/10/2024	-9	159
				392				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Malaysian Industrial Development Finance Berhad	Corporate Credit Ratings	A+/Stable/MARC-1	Assigned
MIDF Amanah Investment Bank Berhad	Financial Institution Ratings	A+/Stable/MARC-1	Assigned

Source: RAM, MARC

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damanela

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: HLMarkets@hlbb.hongleong.com.my**DISCLAIMER**

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad ("HLBB") to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.