Monthly Fixed Income Perspective –

May 20 review & June 20 outlook

US Bond market

- **US Treasuries (UST's)** reversed the strength seen in recent months as May saw the US and global economy trying to emerge from the devastating impact of the COVID-19 viral outbreak. Benchmark **UST yields rose between 2-11bps in May (having also edged up between 3-6bps across the curve the prior month) with the long-end pressured.** This drove the curve steeper with the UST 2Y up by 2bps at 0.19% whilst the much-watched 10Y rose by 6bps, at 0.75%. The yield curve steepened with the 2s10s spread up from +44 to +49bps whist the 5s30s spread also widened from +92 to +110bps. The US Dollar meanwhile ended weaker against most G10 currencies again save for the Japanese Yen and pound whilst the Dollar Index ended almost unchanged at 98.3 levels and subsequently to the 97.0 levels at the time of writing.

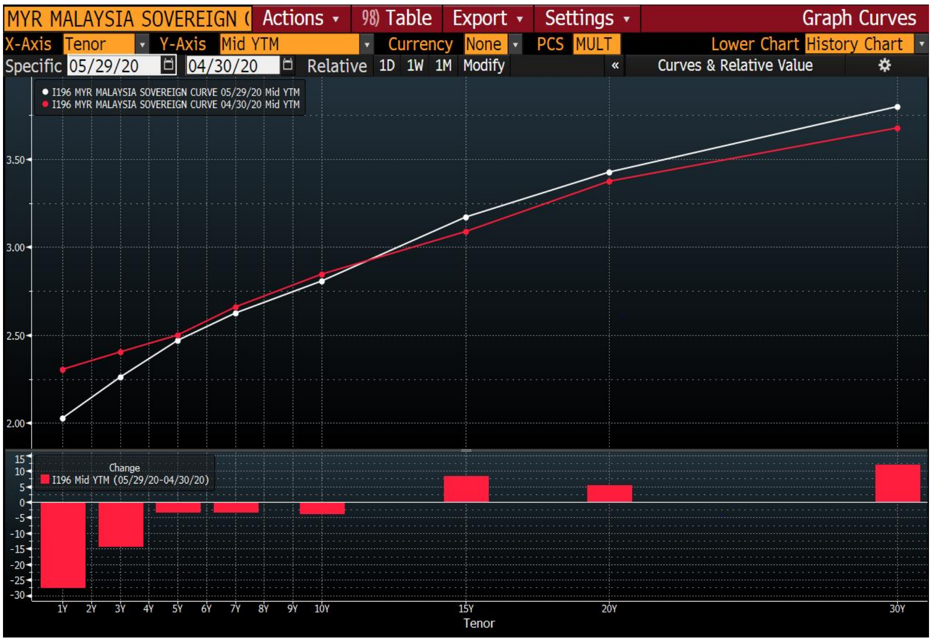
- **For June**, we expect the US economy to slowly climb back from its trough as the economy reopens following the COVID-19 virus pandemic. The Fed is expected to leave interest rates unchanged whilst maintaining its monthly purchase of UST's and MBS at $80b and $40b each. In the absence of yield curve control, **the 10-year UST is expected to be range-bound between 0.70-0.90%; finding good support at 0.90% levels. The 7Y-20Y tenures potentially offer better risk-reward posture for now.** The IG Corporate Bond space is expected to see the short-medium duration provide cushion for both credit and yield-carry potential in portfolios. We are mildly positive on **IG bond issuances in the 3-7Y tenures in sectors such as logistics, healthcare telecommunication and utilities.**

MYR Bond Market

- In May, MYR govvies saw the curve steepen with **most MGS/GII bonds yields mostly mixed-to lower between -13bps to +12bps with the longer ends** pressured. The benchmark 5Y MGS 9/25 saw yields decline 4bps at 2.47% whilst the 10Y MGS 8/29 yields also saw stronger demand resulting in a 9bps decline at 2.80%. Foreign holdings of MYR government bonds (MGS + GII + SPK) saw net inflows of RM1.4b to RM167.2b (i.e. 21.2% of net issuance outstanding). The auctions involving 15Y GII, 10Y MGS and also the recent 3Y GII re-opening and new issuance of 30Y MGS 6/50 (which were successfully completed in June) notched decent appetite with BTC ratios of 2.17x, 1.73x, 2.50x and 2.17x respectively.

- **For June, we expect range-trading** levels with both foreign and local demand support on price weakness. We expect no further OPR rate cuts going forward. **The 7-9Y and 15-20Y tenures for MGS/GII reflect decent valuations** on the curve for this month. **We expect the 10Y to range at slightly higher yield levels of between 2.90-3.10%** with strong support pegged at 3.10% levels. **We continue to like both the GG and the AA-space due to both decent liquidity and yield pick-up; especially the 7Y, 20Y GG sector** (current spreads over MGS are~ 16-26bps)**, along with the shorter 3Y, 15Y AA-rated papers (**current spreads of 50-94bps).

MYR sovereign curve (MGS)



Source : Bloomberg

NFP data for May rebounds as US economy emerges from the fury of the COVID-19 virus outbreak; UST's support gives way slightly to risk-on equities flavor…

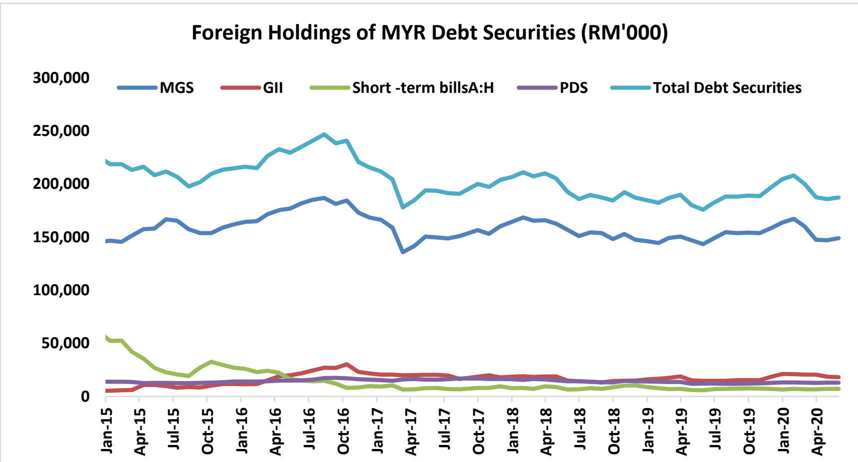
May Non-Farm Payrolls ("NFP") unexpectedly jumped by a massive 2.5m (consensus -7.5m) having notched a historical drop of 20.5m in April earlier (April numbers were revised down by 150k). When combined with the Canadian jobs report which also notched strong numbers; it is believed that economists were indeed too pessimistic about the COVID-19 shutdown. Particularly encouraging were rebound in services sectors such as leisure/hospitality and employment gains in cyclical sector such as construction. Until a vaccine becomes available to the general public, businesses will have to adapt to social distancing measures, persistent fear of contagion, and a higher propensity to save, all of which will likely restrain consumer demand, business turnover and hence capacity to hire. Unemployment rate continued to remain elevated at the double-digit of 13.3% in May (prior month: 14.7%) with the participation rate inching up 0.6ppt to 60.8% after having dropped 2.5ppt in April. Nevertheless there were no surprises on the average hourly wages which tanked at -1.0% MOM (previous month: +4.7%) and also pulled back to +6.7% YOY in May (previous month: +7.9% revised).

The Fed at its last **FOMC on 11th June left rates unchanged**; having earlier caught markets off-guard with several dramatic rate cuts totaling 150bps to-date causing the Fed Funds Rate to drop to between 0.00-0.25%. It projected a far slower economic recovery than portrayed by President Trump; painting a grim picture with millions expected jobless for several more quarters whilst GDP makes its slow ascend back from its trough. Fed Chair Powell put it at best when he stated "We're not thinking about raising rates, we're not even thinking about thinking about raising rates. That echoed an extremely dovish phrase ever uttered by a Fed leader.

Another key outcome of the meeting was the **Fed's intention to increase holdings of bonds** over the coming months' at least at the current pace to smooth markets which will consist of buying across the curve of approximately $80B a month in Treasuries and $40B a month in agency MBS. Separately, the Fed's preferred inflation measure for April was lower as expected; with personal consumption expenditure (PCE) core index which the Fed officially targets for 2.0% inching lower YOY @1.1% versus 1.7% prior month (MOM: -0.3% versus -0.1%). This core index strips out the volatile food and energy costs and is reputed to be a better gauge of underlying price trends. The **Fed's Dot plot which was not updated earlier in March is now showing the Dots pin rates at zero through 2022 whilst two dots show a lift-off in 2022. Nevertheless, data from the Fed Fund Futures reflect a 97.9% hypothetical probability of rates staying pat whilst CME FedWatch Tool has predicted a 100% chance of a rate pause in the next FOMC on 29th July.**

Foreign holdings of MYR bonds jump; albeit by relatively small margin in May as MYR weakens to ~4.3500 levels…

Foreign holdings of overall MYR bonds saw levels rose in May by RM1.5bn or a mere 0.8% to RM185.8bn. Non-resident holdings of MGS jumped by RM1.9bn from RM147.2bn to RM149.1bn in May (representing 35.9% of total outstanding) whereas total MYR Government bonds (i.e. MGS+GII+SPK) holdings similarly saw net inflows of RM1.4bn to RM167.2bn (representing 21.2% of total outstanding) amid net issuances of -RM1.87bn for May (April: net issuances of -RM5.8bn). Ignoring the current relief from the FTSE Russell WGBI review (expect announcement on the final decision in September 2020); the rise in foreign holdings for May was mainly due to some risk-on appetite for Asian FX and Rates asset classes as oil prices recovered and the anticipated flattening of the COVID-19 virus pandemic. **Overall MYR bonds saw cumulative 12-month higher rolling net foreign inflows of RM11.4b (YTD May: -RM17.4b) whilst cumulative 12-month net equity outflows was larger at RM19.6b (YTD May: -RM13.3b). We note that YTD outflows in bonds is higher than YTD outflows in equity.** On the currency side, the MYR ended weaker against USD at 4.3465 levels as at end-May. However at the time of writing, USDMYR has strengthened to 4.2780 levels amid slight risk-on mode for EM Asia due to economic kick-start from earlier lockdown across countries and recovery in oil prices.



Source: BNM, HLB Research

Barring the escalation of downside growth risks, our house view maintains for a pause in OPR as the economy slowly regains

footing

BNM didn't bat an eyelid as its monetary policy committee (MPC) delivered a 3rd OPR cut of 50bps from 2.50% to 2.00% at the 3rd MPC meeting of the year on 5th of May and also allowed banks to use local govvies to comply with SRR conditions (currently at 2.00%) effective 16th of May. The policy easing was deemed necessary as the impact of COVID-19 virus pandemic dented economic activity. With inflation in negative territory and real interest rates at unprecedented highs, there is indeed policy space for further policy easing should downside risks to growth escalate. However with the slow but sure lifting of Movement Control Order (MCO) and also its conscious decision to safeguard the interest of depositors, **we however expect an OPR pause for now after the massive 100bps cut since January, complemented by the mammoth RM295b economic stimulus packages. Our full year estimate for 2020 GDP growth remains at -4.3%** (2019A: +4.3%) **given the still adverse economic impact from the Covid-19 viral outbreak** and also other downside risks despite recovery in oil prices and the slow process in building back supply chains.

MYR government bond auctions however saw decent bidding metrics for the two (2) auctions in May…..

The two (2) government bond tenders concluded for the month of May 2020 under the auction calendar saw a slight decline in average BTC ratios which slipped below the 2.0x handle at 1.92x (April: 3.03x). Both the 15Y GII 11/34 and 10Y MGS 8/29 re-openings notched 2.17x and 1.73x respectively. Auction appetite in May was a tad weaker compared to April's stronger auction demand. At the time of writing, the recently-concluded auction of the 3Y GII 5/23 in June saw total bids amounting to RM11.3b for on a BTC on a BTC ratio of 2.50x (which was awarded at 2.306%).

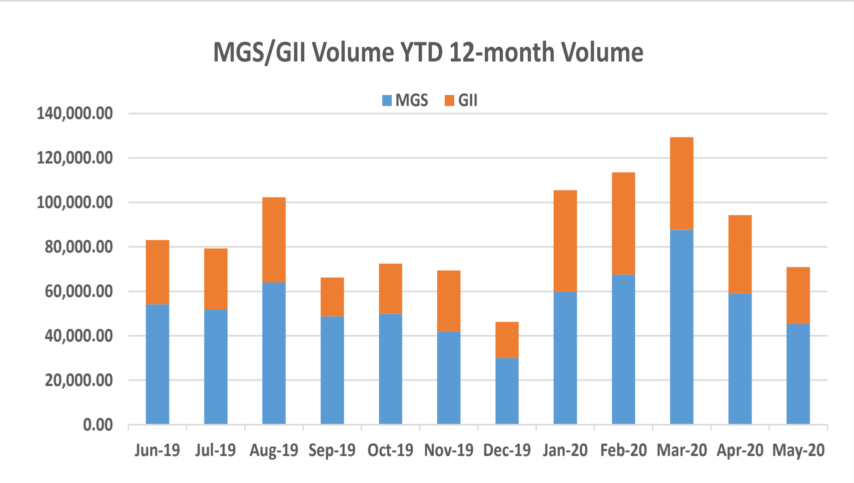
MGS/GII issuance pipeline in 2020

No	Stock	Tenure (yrs)	Tender Month	Quarter	Tender Date	Projected Issuance Size (RM mil)	Actual Auction Issuance (RM mil)	Private Placement X	Auction Amt Issued YTD	BTC (times)	Low	Average	High	Cut-off
1	7-yr reopening of MGS (Mat on 05/27)	7	Jan	Q1	8/1/2020	4,000	3,500		3,500	2.498	3.259	3.281	3.288	57.1%
2	15-yr Reopening of GII (Mat on 11/34)	15	Jan	Q1	14/1/2020	4,000	2,500	1,000	6,000	3.396	3.500	3.507	3.513	42.9%
3	3-yr Reopening of MGS (Mat on 3/23)	3	Jan	Q1	23/1/2020	3,000	3,000		9,000	2.183	2.837	2.858	2.875	80.0%
4	30-yr Reopening of GII (Mat on 11/49)	30	Feb	Q1	4/2/2020	3,000	2,500	1,500	11,500	2.328	3.747	3.780	3.792	66.7%
5	10-yr Reopening of MGS (Mat on 08/29)	10	Feb	Q1	13/2/2020	3,000	4,000		15,500	2.036	2.860	2.888	2.898	80.0%
6	5-yr Reopening of GII (Mat on 10/24)	5	Feb	Q1	20/2/2020	3,000	4,000		19,500	2.776	2.817	2.845	2.852	46.2%
7	15-yr Reopening of MGS (Mat on 07/34)	15	Mar	Q1	5/3/2020	4,000	3,500	500	23,000	2.247	3.008	3.027	3.036	80.0%
8	20-yr Reopening of GII (Mat on 09/39)	20	Mar	Q1	12/3/2020	4,000	2,800	1,500	25,800	2.182	3.295	3.344	3.373	91.7%
9	5-yr Reopening of MGS (Mat on 09/25)	5	Mar	Q1	20/3/2020	3,000	4,000		29,800	2.080	3.372	3.450	3.494	80.0%
10	7.5-yr New Issue of GII (Mat on 09/27)	7	Mar	Q1	30/3/2020	4,000	3,500	1,000	33,300	2.874	3.391	3.422	3.454	100.0%
11	20-yr Reopening of MGS (Mat on 05/40)	20	Apr	Q2	6/4/2020	4,000	3,500	1,500	36,800	1.973	3.828	3.855	3.888	14.3%
12	10.5-yr New Issue of GII (Mat on 10/30)	10	Apr	Q2	14/4/2020	5,000	4,000	1,000	40,800	3.118	3.439	3.465	3.479	13.9%
13	7-yr Reopening of MGS (Mat on 05/27)	7	Apr	Q2	29/4/2020	4,500	4,000		44,800	2.239	2.668	2.679	2.689	61.9%
14	15-yr Reopening of GII (Mat on 11/34)	15	May	Q2	14/5/2020	5,000	3,500	1,500	48,300	2.171	3.210	3.235	3.269	50.0%
15	10-yr Reopening of MGS (Mat on 08/29)	10	May	Q2	21/5/2020	4,500	4,500		52,800	1.732	2.777	2.799	2.820	43.5%
16	3-yr Reopening of GII (Mat on 05/23)	3	Jun	Q2	3/6/2020	4,500	4,500		57,300	2.502	2.285	2.306	2.318	50.0%
17	30-yr New Issue of MGS (Mat on 06/50)	30	Jun	Q2	12/6/2020	5,000	3,000	2,500	60,300	2.167	4.013	4.065	4.098	78.0%
18	20-yr Reopening GII (Mat on 09/39)	20	Jun	Q2		5,000		X						
19	3-yr Reopening of MGS (Mat on 03/23)	3	Jul	Q3		5,000								
20	10-yr Reopening of GII (Mat on 10/30)	10	Jul	Q3		5,000								
21	15-yr Reopening of MGS (Mat on 07/34)	15	Jul	Q3		5,000								
22	7-yr Reopening of GII (Mat on 09/27)	7	Aug	Q3		5,000								
23	20-yr Reopening of MGS (Mat on 05/40)	20	Aug	Q3		5,500		X						
24	15-yr Reopening of GII (Mat on 11/34)	15	Aug	Q3		5,500		X						
25	7-yr Reopening of MGS (Mat on 05/27)	7	Sep	Q3		5,000								
26	30-yr Reopening of GII (Mat on 11/49)	30	Sep	Q3		5,000		X						
27	5-yr Reopening of MGS (Mat on 09/25)	5	Sep	Q3		5,000								
28	3-yr Reopening of GII (Mat on 05/23)	3	Oct	Q4		5,000								
29	10.5-yr New Issue of MGS (Mat on 04/31)	10	Oct	Q4		5,000								
30	5-yr Reopening of GII (Mat on 03/26)	5	Oct	Q4		5,000								
31	30-yr Reopening of MGS (Mat on 06/50)	30	Nov	Q4		5,600		X						
32	7-yr Reopening of GII (Mat on 09/27)	7	Nov	Q4		5,000								
33	15-yr Reopening of MGS (Mat on 07/34)	15	Nov	Q4		5,000								
34	10-yr Reopening of GII (Mat on 10/30)	10	Dec	Q4		5,000		X						
	Gross MGS/GII supply in 2020					158,900		12,000						

Source: BNM, HLB Research

Trading volume for MGS/GII pulled back for 2nd month in a row…

Trading volume for MYR govvies i.e. MGS + GII bonds continued to ease by 24% to ~RM71.4b in May compared to prior month's RM94.2b. Interest was seen mainly across the short-end of the bellies with substantial and frequent trades done predominantly in MGS off-the-run 20-21's followed by GII (altogether RM15.3b for these tenures; thus inching up to ~21% of overall volume; despite lower than the RM16.6b transacted for the previous month. This was followed by interest in the 10Y benchmarks which churned a lower secondary market volume of RM7.6b (April: RM9.5b) whilst the short-end 3Y tenures too saw strong demand of about RM3.2b; outstripping trades in the 5Y, 7Y and 15Y which accounted for about 3.6-4.0% of overall volume for the month. The 33-34's which accounted for RM9.1b (9.7%) of total volume last month fizzled out with a mere RM2.8b (3.9%) of total trades. In short, investors were seen generally long in the short-end and also belly followed by the 5Y, 7Y and also 10Y duration; as investors valuated kinks on the curve. We opine that the secondary market volume for local govvies may maintain at current levels unlike the huge volumes seen in the 1Q2020 exceeding RM100b following cautious outlook in view of uncertainties pertaining to Interest rate outlook, COVID-19 virus pandemic updates and Forex movements. This along with some supply overhang of another RM10b arising from the latest round of Economic Recovery Plan (i.e. PENJANA) that is expected to boost the local economic climate.

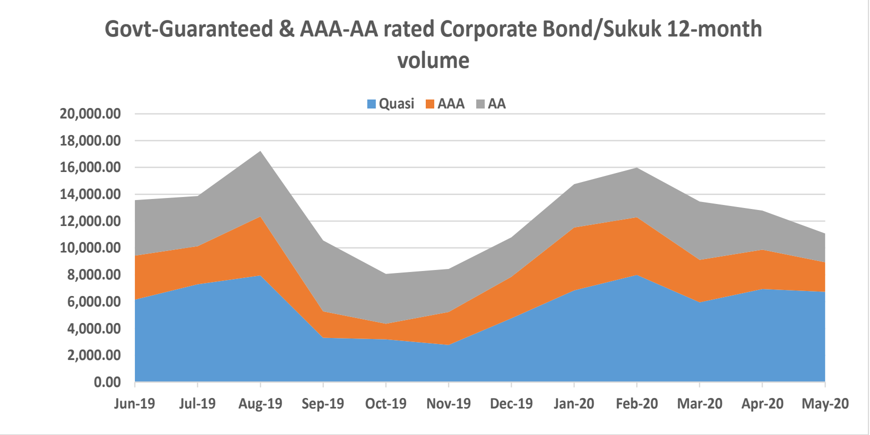


Source : BPAM, Bloomberg, HLB Research

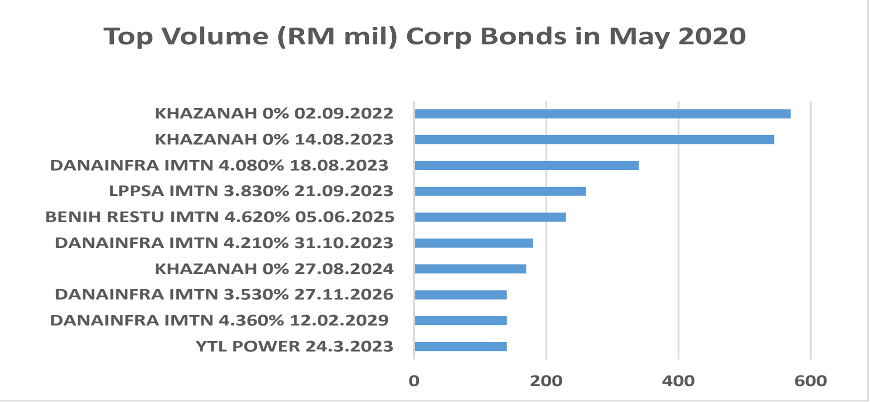
Corporate Bonds/Sukuk activity however eased in May…

Overall Corporate Bonds/Sukuk (including Govt-Guaranteed bonds) notched lower secondary market trading volume of~ RM11.7b in May (a 35% drop compared to RM17.9b in April). This was mainly due to five (5) public holidays. Nevertheless, momentum was still decent based on average daily volume of RM710m versus RM810m in April. Fund managers continued to bid for decent credits on liquid names whilst comparing credit spreads relative to MGS with yields closing lower between 4-35bps in the GG-segment, between 2-29bps for AAA-rated bonds and also between 2-26bps in the AA-segment which altogether saw the steepest decline in yields for 1-7Y tenures. Nevertheless, Corporate Bonds/Sukuk saw foreign holdings inch lower by RM30m to RM12.9b. Total transactions for GG bonds rose by 7% to form ~54% of overall volume compared to AA-rated ones which fell to form ~19% of overall secondary market volume. Bulk of investor interest in this segment was again mainly centered on DANAINFRA, PRASARANA, PASB, LPPSA, KHAZANAH and PTPTN bonds. Bonds that garnered top volume for the month were govt-guaranteed KHAZANAH 9/22 and 8/23 tranche followed by DANA 8/23.

Frequency and volume of trades in the pure credit space were seen mainly in conglomerates (i.e. DRB-HICOM 22-29's, UMW 21's and perps, MMC 20-28's, GENTING-related bonds 22-34's, DANUM 23-35 and infrastructure-related names including sub-sectors such as construction/property (i.e. PUTRAJAYA 24-37's, AMAN 22-24's, DANGA 26-33's, COUNTRY GARDEN 23-27's, UEM Sunrise 21-25's, utilities encompassing power/energy/water (i.e. AAA-rated TENAGA 26-36's, MANJUNG 21-31's, AA-rated YTL Power 21-28's, EDRA 23-28's, JEV 23-31's, SEB 21-33's), toll-operators (i.e. PLUS 24-37's, telcos i.e. TELEKOM 24-25's and also BENIH Restu 2025. The banking sector saw AmIslamic, MAYBANK, MBSB and also Muamalat names traded. We note the continued interest in odd-lot denominated trades involving unrated Mah Sing, YNH PROPERTIES Berhad, ECO World International 21-23's, Eco Capital 22-24's, Tropicana Perps and IJM land perps.



Source : BPAM, Bloomberg, HLB Research



Source : BPAM, Bloomberg, HLB Research

Primary issuance print doubled in May:

Notable issuances in May-20	Rating	Amount Issued (RM mil)
Cagamas Berhad	AAA	100
DanaInfra Nasional Berhad	GG	2,800
Danum Capital Berhad	AAA	2,000
Great Realty Sdn Berhad	AAA	50
Hap Seng Management Sdn Berhad	NR	800
Hektar Black Sdn Berhad	NR	32
Konsortium KAJV Sdn Bhd	AA3	35
KYS Assets Sdn Berhad	NR	5
Perbadanan Kemajuan Negeri Selangor	AA3	225
Radimax Group Sdn Berhad	NR	40
RHB Bank Berhad	AA3	500
Setia Fontaines Sdn Berhad (fka Setia Recreation Sdn Berhad)	NR	6
Sunway Treasury Sukuk Sdn Berhad	NR	100
SunREIT Unrated Bond Berhad	NR	100
Tradewinds Hotels & Resorts Sdn Berhad	NR	4
Tropicana Corporation Berhad	A1	200
UEM Sunrise Berhad	AA3	105
		7,102

Source : BPAM, Bloomberg, HLB Research

Total fresh issuances for all ratings of Corp Bonds/Sukuk doubled to RM7.1b (April: RM3.2b) with govt-guaranteed DANAINFRA Bhd and DANUM Capital Bhd being the more prominent issuances. DANA (GG) issued 7-30Y bonds totaling RM2.8b at coupons between 2.86% and 3.89% whilst DANUM successfully arranged 5-10Y bonds (AAA) amounting to RM2.0b at coupons between 2.97-3.29%.

Outlook for June 2020

Expect yields to remain range-bound as investors are expected to remain cautious on additional supply concerns

The MYR bond market which saw weaker bidding metrics (BTC ratio: 1.92x) in May 2020 saw better auction results in June for both the reopening of the ultra-short benchmark 3Y GII 5/23 and long bond MGS 6/50 @ 2.5x and 2.17x amid huge submission of bids amounting to between RM17-12b. This is testament to the resilience of the local govvies market. Nevertheless potential supply concerns will continue to weigh on bond price movements whilst various sectors of the economy continue to re-open following the COVID-19 virus pandemic. **The Federal Government's estimate of fiscal budget deficit which has been revised higher to 5.8-6.0% of GDP following the latest round of PENJANA package is slightly lower compared to our revised house view at between 5.9-6.4%** due to the twin effect of lower GDP output and higher deficit requiring govvies issuances to the tune of RM159.4b. The current OPR level is deemed to be at a fair level which denotes a low interest rate regiment for the local govvies and may not be compelling enough for traders and real-money investors to absorb the additional supply of MGS/GII of RM10b arising from the latest round of PENJANA stimulus. We do not expect further rate cuts in the next July MPC meeting as BNM continues to assess the full effects of the earlier three (3) rate cuts. The USDMYR pair which rose to 4.35 levels last month-end has strengthened to 4.2700 levels at the time of writing as a result of risk-on flows for EM Asia coupled with USD weakness.

Hence, we expect range-trading levels with both foreign and local demand support on price weakness. The positive interest-rate differentials may continue to attract offshore real money investors like pension funds and lifers into the sovereign debt space. **The 7-9Y and 15-20Y MGS/GII space reflect decent valuations on the curve for this month. We expect the 10Y to range at slightly higher yield levels of between 2.90-3.10%** with strong support pegged at 3.10% levels. We note that there is a smaller RM5.5b of GII maturity this month with opportunities for rollover into a larger projected RM15.0b of new MGS/GII issuances. We expect the shorter-end i.e. 21-23's and benchmark 5Y, 10Y bonds to continue to see investor/trader interest for liquidity reasons. **We continue to like both the GG and the AA-space due to both decent liquidity and yield pick-up; especially the 7Y, 20Y GG sector** (current spreads over MGS are ~ 16-26bps), **along with the shorter 3Y, 15Y AA-rated papers** (current spreads of 50-94bps**)**. Expect some continued spillover down the credit spectrum into un-rated bonds on yield-enhancement opportunities. Potential sectors to avoid include oil & gas, retail, tourism, gaming, leisure and pure-property debt issuances. We foresee toll-related concessionaires to recover as transportation of people and goods improve from the eventual lifting of the MCO.

UST's will continue to remain beneficiaries of safe-haven bids as COVID-19 fallout fears continue to haunt; expect the Fed to maintain current Fed Fund Rate

Market volatility in May was less prominent than April as several lifting of lock-downs in parts of US and Europe took place as the COVID-19 virus outbreak curve was seen flattening and oil prices recovered in anticipation of a pick-up in demand. As such yields rose slightly between 2-11bps across the yield curve with the UST 2Y yields edging up 2bps at 0.19%, 10-year rates fell by 6bps at 0.75%, and 30-year rates dropping 11bps to 1.41%. The Federal Reserve which maintained its policy rate at between 0.00- 0.25% had earlier announced a QE program encompassing a combination of fiscal and monetary packages to help support the economy and maintain liquidity in financial markets as follows:

- $7.8b emergency COVID-19 spending bill
- $500m telehealth programs by Medicare also known as Families First Coronavirus Response Act
- $2.3 trillion stimulus for tax-payers, business and revenue-starved state governments and lately

However the fear of a 2nd wave of COVID-19 virus infections may continue to keep UST's supported whilst the duration remains murky as the economic fallout from the earlier closure of businesses is likely to have an impact on financial conditions and performance of entities. However, the recent opening of various sectors of the economy in stages and recovery in oil prices may be neutralized by the simmering tensions between the US and China that could still provide safe-haven bids in the fixed income space. The surprise jump in the May jobs data (strong NFP data spiking by 2.5m) along with ISM manufacturing and non-manufacturing index rising from 41.5 and 41.8 in April to 43.1 and 45.4 respectively will however need to be monitored and remains to be seen if it will transcend down to entities and individuals.

Nevertheless we opine that rates may stay pat at the next FOMC meet on 30th July after the two (2) recent emergency cuts in March followed by its decision to stay pat in April and recently in June. The downside risks to our forecast are the finding of cures/vaccines for COVID-19 followed by the swift restoration of jobs, businesses and the global supply chain. The upside however will be the grim resurgence of a 2nd round of COVID-19 infections. In the absence of yield curve control, **the 10-year UST is expected to be range-bound between 0.70-0.90%; finding good support at 0.90% levels for this month. The 7Y-20Y tenures potentially offer better risk-reward posture for now.**

In the Credit/Corporate space, Investment grade (IG) debt issuances have spiked from $479b during the Jan-March period to $528b in both April and May. However, IG bonds have seen generic spreads narrow further from 190bps to 144bps (reference is made to the Bloomberg Barclays US Aggregate Index for Investment-Grade Corporate Bonds). Note that the Fed facilities have an estimated $750b capacity to buy corporate bonds. We continue to advocate caution following the recent credit downgrade of several brand names like Kraft Heinz, Macy's Inc and also Ford Motor Corp. Short-medium duration may cushion credit and yield-carry potential in portfolios. Hence, we are mildly positive on **IG bond issuances in the 3-7Y tenures in sectors such as logistics, healthcare telecommunication and utilities.**

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