

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries came under selling pressure following hawkish comments from Fed Waller saying there is no rush to cut rates amid sticky inflation, while final 4Q GDP print and Uni Michigan consumer sentiments were being revised higher suggesting a still resilient US economy. The curve flattened with the front end 2Y note yields adding 5bps to 4.62% while the 10s inched 1bp up to 4.20%. The ultralong end recovered slightly to 4.34% at close (-1bp), amid month-end repositioning. Market pricing for a June rate cut slipped to 57% as a result. US markets will be closed for Good Friday holiday today but all eyes will be on the scheduled release of core PCE inflation reading, along with personal income/spending data.

MGS/GII

- Local govies were better offered in trading on Wednesday ahead of the Nuzul Quran holiday in a very active session, on month-end portfolio rebalancing by benchmarked and index players. Secondary market volume surged to the highest seen so far in 2024, increasing by 134% to RM7.85bn versus the RM3.35bn that changed hands the day before. Benchmark yields closed higher by between 0 and 2bps for the day. **The benchmark 5Y MGS 4/28 saw its yield rise by 1bp to 3.59% while the benchmark 10Y MGS 11/33 was little changed for the day at 3.85%.** Trading interest seen in the off-the-run MGS 6/24, MGS 3/25, GII 10/24 and GII 9/39, as well as in the benchmark 5Y MGS, 10Y MGS, 15Y GII and 20Y GII. The market share of GII trading receded to 42% compared to the 56% share seen the day before. Next up for the markets is the reopening auction of RM5bn MGS 8/29 later today, which could be a little tricky given that many foreign investors and markets are out for Good Friday holiday.

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk markets saw a lighter trading session on Wednesday, with secondary market volume for the day falling by 57% to RM522m, compared to RM683m that traded on Tuesday. Trading interest was led by the GG segment of the market, where trading was dominated by DANA 2/25, which settled for the day at 3.36%, a whopping 103bps higher than its last trade nearly 4 years ago. Interest was also seen in PTPTN 3/39, which closed at 4.00%, down 1bp versus its last print. Over in the AAA space, trading interest was led by SEB 6/26, which settled for the day at 3.65%, down 2bps compared to its previously traded level. Meanwhile in the AA segment, trading interest was led by AEON 12/28, which closed the day at 3.98%, down by 2bps versus its last print. Elsewhere, in the A-rated universe, trading was led by MBSB 12/29 which settled the session at 4.21%, lower by 3bps compared to where it previously changed hands.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.62	5
5-yr UST	4.21	3
10-yr UST	4.20	1
30-yr UST	4.34	-1

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.49	<div><div></div></div> 1	3.45	<div><div></div></div> 0	
5-yr	3.59	<div><div></div></div> 1	3.61	<div><div></div></div> 1	
7-yr	3.77	<div><div></div></div> 2	3.75	<div><div></div></div> 0	
10-yr	3.85	<div><div></div></div> 0	3.86	<div><div></div></div> 0	
15-yr	3.98	<div><div></div></div> 0	3.94	<div><div></div></div> 0	
20-yr	4.07	<div><div></div></div> 2	4.11	<div><div></div></div> 0	
30-yr	4.19	<div><div></div></div> 1	4.27	<div><div></div></div> 0	

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.60	0
3-yr	3.56	0
5-yr	3.66	0
7-yr	3.76	-1
10-yr	3.88	0

Source : Bloomberg

Upcoming Government Bond Tender

Reopening auction of RM5bn 5Y MGS 8/29 on Friday, 29 March

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	06/24	3.301	916	3.301	03/26/2024	0
MGS	07/24	3.199	6	3.268	03/26/2024	-7
MGS	09/24	3.280	48	3.243	03/26/2024	4
MGS	03/25	3.318	799	3.329	03/26/2024	-1
MGS	09/25	3.338	152	3.331	03/26/2024	1
MGS	04/26	3.380	2	3.374	03/26/2024	1
MGS	07/26	3.427	13	3.391	03/26/2024	4
MGS	11/26	3.382	35	3.393	03/26/2024	-1
MGS	03/27	3.482	4	3.444	03/25/2024	4
MGS	05/27	3.493	77	3.484	03/26/2024	1
MGS	11/27	3.519	206	3.500	03/26/2024	2
MGS	04/28	3.586	361	3.577	03/26/2024	1
MGS	06/28	3.583	118	3.582	03/26/2024	0
MGS	04/29	3.635	30	3.646	03/25/2024	-1
MGS	08/29	3.654	78	3.660	03/26/2024	-1
MGS	04/30	3.746	222	3.690	03/26/2024	6
MGS	04/31	3.773	209	3.758	03/25/2024	2
MGS	06/31	3.770	41	3.764	03/26/2024	1
MGS	07/32	3.849	166	3.827	03/26/2024	2
MGS	04/33	3.860	6	3.850	03/26/2024	1
MGS	11/33	3.850	415	3.850	03/26/2024	0
MGS	07/34	3.867	10	3.822	03/26/2024	4
MGS	05/35	3.919	38	3.892	03/25/2024	3
MGS	04/37	3.971	57	3.958	03/26/2024	1
MGS	06/38	3.976	103	3.973	03/26/2024	0
MGS	05/40	4.013	18	4.007	03/26/2024	1
MGS	10/42	4.072	98	4.054	03/26/2024	2
MGS	09/43	4.095	3	4.013	03/21/2024	8
MGS	07/48	4.036	9	4.174	03/26/2024	-14
MGS	06/50	4.183	282	4.168	03/26/2024	1
MGS	03/53	4.188	9	4.182	03/26/2024	1
GII	05/24	3.275	22	3.109	03/26/2024	17
GII	08/24	3.297	60	3.287	03/26/2024	1
GII	10/24	3.254	444	3.247	03/26/2024	1
GII	08/25	3.336	5	3.361	03/22/2024	-3
GII	03/26	3.402	6	3.399	03/26/2024	0
GII	09/26	3.444	117	3.440	03/26/2024	0
GII	07/27	3.485	2	3.461	03/26/2024	2
GII	09/27	3.500	56	3.477	03/26/2024	2
GII	07/28	3.608	77	3.598	03/26/2024	1
GII	10/28	3.602	11	3.582	03/26/2024	2
GII	07/29	3.646	269	3.646	03/26/2024	0
GII	09/30	3.745	96	3.746	03/26/2024	0
GII	10/30	3.759	4	3.755	03/26/2024	0
GII	10/32	3.846	61	3.853	03/26/2024	-1
GII	08/33	3.860	103	3.861	03/26/2024	0
GII	08/37	3.944	10	4.020	03/26/2024	-8
GII	03/38	3.941	414	3.941	03/26/2024	0
GII	09/39	3.950	670	3.958	03/26/2024	-1
GII	09/41	4.033	121	4.032	03/26/2024	0
GII	08/43	4.105	605	4.105	03/26/2024	0
GII	05/47	4.028	2	4.127	03/19/2024	-10
GII	11/49	4.220	4	4.220	03/26/2024	0
GII	05/52	4.272	103	4.275	03/25/2024	0
GII	03/54	4.242	58	4.244	03/26/2024	0
			7852			

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	02/25	GG	3.356	90	2.326	3/8/2020	103	4
DanaInfra Nasional Berhad	11/25	GG	3.423	40	3.426	25/3/2024	0	3
Perbadanan Tabung Pendidikan Tinggi Nasional	10/30	GG	3.763	20	3.787	18/3/2024	-2	0
Turus Pesawat Sdn Berhad	03/31	GG	3.830	10	3.897	5/3/2024	-7	6
Prasarana Malaysia Berhad	03/34	GG	3.882	10	3.899	25/3/2024	-2	3
DanaInfra Nasional Berhad	03/34	GG	3.899	20	3.906	25/3/2024	-1	5
Prasarana Malaysia Berhad	08/34	GG	3.888	10	3.905	25/3/2024	-2	4
Bank Pembangunan Malaysia Berhad	09/34	GG	3.950	20	3.978	21/3/2024	-3	10
Perbadanan Tabung Pendidikan Tinggi Nasional	03/39	GG	3.999	45	4.010	22/3/2024	-1	2
Cagamas Berhad	01/25	AAA	3.669	20	3.653	27/2/2024	2	35
Sarawak Energy Berhad	06/26	AAA	3.647	30	3.669	22/3/2024	-2	25
Projek Lebuhraya Usahasama Berhad	01/27	AAA	3.735	10	3.961	8/12/2023	-23	25
Bank Pembangunan Malaysia Berhad	12/28	AAA	3.807	10	3.828	21/3/2024	-2	23
Amanat Lebuhraya Rakyat Berhad	10/32	AAA	4.008	20	4.053	19/3/2024	-4	18
TNB Power Generation Sdn Berhad	03/33	AAA	3.959	20	3.968	21/3/2024	-1	13
Amanat Lebuhraya Rakyat Berhad	10/33	AAA	4.048	10	3.979	16/2/2024	7	20
Tenaga Nasional Berhad	11/41	AAA	4.080	5	4.235	19/1/2024	-16	1
YTL Power International Berhad	05/27	AA1	3.828	2	3.779	26/3/2024	5	34
Samalaju Industrial Port Sdn Berhad	12/29	AA1	3.914	10	4.302	20/6/2023	-39	23
Public Bank Berhad	04/32	AA1	4.269	1	3.818	13/3/2024	45	47
AmBank Islamic Berhad	03/25	AA2	3.589	10	3.632	31/1/2024	-4	27
OSK Rated Bond Sdn Berhad	04/28	AA	3.883	10	3.899	12/3/2024	-2	34
AEON Credit Service (M) Berhad	12/28	AA3	3.977	30	3.992	26/3/2024	-2	40
Gamuda Berhad	06/30	AA3	3.936	10	3.959	6/3/2024	-2	25
UEM Sunrise Berhad	04/26	AA-	4.015	5	4.015	26/3/2024	0	62
Southern Power Generation Sdn Berhad	04/28	AA-	3.986	10	4.398	6/11/2023	-41	44
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/34	AA-	4.890	20	4.918	12/3/2024	-3	104
UMW Holdings Berhad	04/18	AA-	4.341	1	4.189	19/3/2024	15	27
MNRB Holdings Berhad	03/34	A1	4.013	1	4.307	25/3/2024	-29	16
Hong Leong Bank Berhad	11/17	A1	4.248	1	4.248	26/3/2024	0	18
TG Excellence Berhad	02/20	A	4.976	2	5.103	22/3/2024	-13	91
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/29	A3	4.205	20	4.230	22/3/2024	-3	52
				522				

* 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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