

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

US Treasuries were lower in trading on Thursday, as paying flows resulting from next week's significant corporate supply set the market on an offered tone, in the absence of any other significant catalyst for the day. Benchmark yields closed higher across the curve by between 2 and 4bps for the day, with the UST curve bear steepening. **The benchmark 2yr UST yield was 2bps higher for the session at 4.74%, while the benchmark 10yr UST yield climbed by 4bps for the day to 4.26%.** Today sees the release of the preliminary S&P Global US PMIs for June, as well as the existing home sales and Leading Index for the month of May.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.74	2
5-yr UST	4.28	3
10-yr UST	4.26	4
30-yr UST	4.40	4

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.53	0	3.46	-1
5-yr	3.64	-1	3.62	0
7-yr	3.79	0	3.75	0
10-yr	3.86	0	3.86	-1
15-yr	4.00	-1	4.01	0
20-yr	4.13	0	4.13	1
30-yr	4.22	-1	4.23	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.57	1
3-yr	3.55	0
5-yr	3.62	2
7-yr	3.73	3
10-yr	3.84	3

Source : Bloomberg

Upcoming Government Bond Tender

Reopening auction of RM3bn of the benchmark 30Y GII 3/54 later this morning (with an additional RM2bn to be privately placed)

MGS/GII

- Local govies were better bid in trading on Thursday, amidst exports for May coming in higher than expected, adding to evidence that the external sector will help to boost growth this year. Secondary market volume for the day receded by 26% to RM3.47bn, compared to the RM4.67bn that changed hands on Wednesday. Benchmark yields closed mixed between -1 to +1 bps for the day. **The benchmark 5Y MGS 8/29 yield was 1bp lower for the session at 3.64% while the benchmark 10Y MGS 11/33 was unchanged for the day at 3.86%.** Trading interest was seen in the benchmark 3Y MGS, 5Y GII, 7Y MGS and 10Y MGS/GII, as well as in the off-the-run GII 10/24, MGS 3/25 and GII 7/29. The market share of GII trading for the day climbed to 55% versus the 40% share seen the previous session. Domestically, today sees the reopening auction of RM3bn of the benchmark 30Y GII 3/54, with an additional RM2bn to be privately placed.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk markets were better bid in trading on Thursday, with secondary market volume for the day climbing by 14% to RM690m, compared to the RM605m that traded the day before. Trading interest for the day was led by the AA-rated segment of the market. In GG land, trading was led by PRIMA 7/27 and PTPTN 3/39, which settled for the day at 3.70% (-5bps from last print) and 4.05% (unchanged) respectively. In AAA space, PLUS 1/25 topped the volume charts, closing at 3.66%, 2bps lower compared to where the bond last traded. In AA territory, trading for the day was led by YTLP 3/36, which settled the day at 4.16%, 3bps higher from its last print. Interest was also seen in PONSB 5/31 and AMBK 6/33, which closed the day at 3.99% (unchanged) and 4.04% (-27bps) respectively. In the A-rated space, ABMB 10/35 saw changing of hands at 4.55%, little changed from where the bond last traded.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/24	3.237	110	3.262	06/19/2024	-2
MGS	03/25	3.268	351	3.270	06/19/2024	0
MGS	09/25	3.285	1	3.297	06/19/2024	-1
MGS	04/26	3.423	51	3.434	06/19/2024	-1
MGS	11/26	3.432	60	3.480	06/19/2024	-5
MGS	05/27	3.534	270	3.534	06/19/2024	0
MGS	11/27	3.536	22	3.546	06/19/2024	-1
MGS	04/28	3.608	64	3.629	06/19/2024	-2
MGS	06/28	3.599	1	3.639	06/19/2024	-4
MGS	04/29	3.637	30	3.665	06/19/2024	-3
MGS	08/29	3.637	115	3.646	06/19/2024	-1
MGS	04/30	3.728	72	3.740	06/19/2024	-1
MGS	04/31	3.786	145	3.781	06/19/2024	0
MGS	07/32	3.844	1	3.839	06/19/2024	0
MGS	11/33	3.862	170	3.860	06/19/2024	0
MGS	07/34	3.858	41	3.870	06/19/2024	-1
MGS	05/35	3.952	1	3.952	06/19/2024	0
MGS	04/37	4.001	10	4.000	06/19/2024	0
MGS	04/39	4.000	1	4.014	06/18/2024	-1
MGS	05/40	4.069	2	4.084	06/19/2024	-1
MGS	10/42	4.120	2	4.124	06/19/2024	0
MGS	09/43	4.160	1	4.042	06/13/2024	12
MGS	05/44	4.132	1	4.128	06/18/2024	0
MGS	07/48	4.209	11	4.218	06/18/2024	-1
MGS	06/50	4.221	6	4.224	06/19/2024	0
MGS	03/53	4.216	21	4.222	06/19/2024	-1
GII	08/24	3.232	50	3.228	06/19/2024	0
GII	10/24	3.240	414	3.251	06/19/2024	-1
GII	08/25	3.311	3	3.313	06/19/2024	0
GII	03/26	3.430	3	3.449	06/19/2024	-2
GII	09/26	3.458	70	3.465	06/19/2024	-1
GII	07/27	3.533	7	3.540	06/13/2024	-1
GII	09/27	3.534	60	3.535	06/19/2024	0
GII	07/28	3.617	357	3.619	06/19/2024	0
GII	12/28	3.654	20	3.668	06/19/2024	-1
GII	07/29	3.639	200	3.666	06/19/2024	-3
GII	09/30	3.748	103	3.750	06/19/2024	0
GII	10/30	3.761	10	3.760	06/18/2024	0
GII	10/31	3.792	48	3.787	06/19/2024	0
GII	10/32	3.838	4	3.852	06/19/2024	-1
GII	06/33	3.860	60	3.874	06/19/2024	-1
GII	08/33	3.864	190	3.871	06/19/2024	-1
GII	11/34	3.872	20	3.896	06/18/2024	-2
GII	10/35	3.927	50	3.938	06/18/2024	-1
GII	07/36	3.962	1	3.956	06/19/2024	1
GII	09/39	4.008	55	4.009	06/19/2024	0
GII	08/43	4.131	32	4.123	06/19/2024	1
GII	05/47	4.200	20	4.239	06/18/2024	-4
GII	11/49	4.151	5	4.121	06/19/2024	3
GII	05/52	4.268	70	4.266	06/19/2024	0
GII	03/54	4.230	62	4.232	06/19/2024	0
			3473			

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*
PR1MA Corporation Malaysia	07/27	GG	3.699	20	3.749	3/5/2024	-5	17
Prasarana Malaysia Berhad	09/27	GG	3.640	10	3.668	14/5/2024	-3	11
Perbadanan Tabung Pendidikan Tinggi Nasional	03/34	GG	3.959	5	n/a	n/a	396	9
Perbadanan Tabung Pendidikan Tinggi Nasional	03/39	GG	4.048	20	4.048	14/6/2024	0	4
Pengurusan Air SPV Berhad	06/39	GG	4.052	10	n/a	n/a	405	4
Projek Lebuhraya Usahasama Berhad	01/25	AAA	3.655	40	3.674	14/6/2024	-2	33
Small Medium Enterprise Development Bank Mali	07/26	AAA	3.798	4	3.818	22/2/2024	-2	35
Petroleum Sarawak Exploration & Production Sdr	11/27	AAA	3.806	10	3.804	25/4/2024	0	27
Projek Lebuhraya Usahasama Berhad	01/28	AAA	3.882	10	3.885	5/6/2024	0	28
Sarawak Energy Berhad	11/28	AAA	3.827	1	3.803	1/4/2024	2	23
Petroleum Sarawak Exploration & Production Sdr	05/29	AAA	3.853	20	3.869	11/6/2024	-2	21
Petroleum Sarawak Exploration & Production Sdr	02/33	AAA	3.984	20	4.003	13/6/2024	-2	14
Pengurusan Air SPV Berhad	02/34	AAA	3.999	10	4.000	19/6/2024	0	13
Sarawak Energy Berhad	06/35	AAA	4.020	20	4.080	8/5/2024	-6	15
Pengurusan Air Selangor Sdn Berhad	09/37	AAA	4.099	10	4.560	2/11/2023	-46	9
Westports Malaysia Sdn Berhad	05/39	AAA	4.089	10	4.110	31/5/2024	-2	8
Sabah Development Bank Berhad	02/25	AA1	4.046	10	4.357	7/6/2024	-31	72
Sabah Development Bank Berhad	03/25	AA1	4.049	4	4.054	19/6/2024	0	72
Sabah Development Bank Berhad	06/25	AA1	4.093	10	4.561	19/12/2023	-47	77
Sabah Development Bank Berhad	02/26	AA1	4.182	20	4.199	26/3/2024	-2	74
YTL Power International Berhad	05/27	AA1	3.760	5	4.533	19/6/2024	-77	23
Kuala Lumpur Kepong Berhad	09/29	AA1	3.868	20	3.928	7/5/2024	-6	23
Malayan Banking Berhad	01/31	AA1	3.751	3	3.750	4/6/2024	0	-4
Kuala Lumpur Kepong Berhad	03/32	AA1	3.947	10	3.990	30/5/2024	-4	12
YTL Power International Berhad	03/36	AA1	4.159	50	4.129	7/6/2024	3	29
YTL Power International Berhad	03/37	AA1	4.149	10	4.169	17/5/2024	-2	14
Imtiaz Sukuk II Berhad	10/27	AA2	3.906	10	3.926	29/3/2024	-2	37
PONSB Capital Berhad	05/31	AA2	3.991	40	3.988	14/6/2024	0	20
RHB Investment Bank Berhad	10/32	AA2	3.946	10	3.950	4/6/2024	0	12
Pac Lease Berhad	03/26	AA	3.991	10	3.985	29/2/2024	1	55
MTT Shipping Sdn Berhad	08/26	AA3	4.815	5	4.834	19/6/2024	-2	137
Affin Islamic Bank Berhad	12/26	AA3	3.926	10	3.926	5/6/2024	0	48
AmBank (M) Berhad	06/33	AA3	4.036	40	4.303	4/6/2024	-27	19
IJM Treasury Management Sdn Berhad	03/39	AA3	4.220	35	4.238	14/6/2024	-2	21
Malayan Banking Berhad	02/17	AA3	4.151	1	4.197	13/6/2024	-5	2
Anih Berhad	11/25	AA-	4.313	10	4.005	13/4/2023	31	99
UEM Sunrise Berhad	09/26	AA-	3.886	10	3.896	14/6/2024	-1	44
Eco World Capital Berhad	10/27	AA-	4.500	1	4.916	28/5/2024	-42	97
Guan Chong Berhad	01/28	AA-	4.296	30	4.580	30/10/2023	-28	70
MMC Port Holdings Sdn Berhad	04/29	AA-	3.957	20	4.048	9/5/2024	-9	31
Guan Chong Berhad	01/30	AA-	4.403	30	4.478	16/4/2024	-8	67
Jimah East Power Sdn Berhad	12/30	AA-	4.255	10	4.243	18/6/2024	1	52
Jimah East Power Sdn Berhad	06/31	AA-	4.274	10	4.310	14/6/2024	-4	49
Tan Chong Motor Holdings Berhad	06/26	A+	5.223	4	5.466	25/3/2024	-24	178
Alliance Bank Malaysia Berhad	10/35	A2	4.549	30	4.550	18/6/2024	0	68
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/29	A3	4.109	10	4.191	20/5/2024	-8	38
Bank Muamalat Malaysia Berhad	06/31	A3	4.148	1	4.198	9/5/2024	-5	36
Bank Islam Malaysia Berhad	08/21	A3	4.558	1	4.829	26/2/2024	-27	43
Tropicana Corporation Berhad	09/19	A-	7.061	1	8.970	19/6/2024	-191	293
LBS Bina Berhad	07/26	NR(LT)	5.997	1	6.086	6/6/2024	-9	255
				690				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Eco World Capital Berhad	RM3bn Islamic Medium-Term Notes (Sukuk Wakalah) Programme	AA-/Stable	Affirmed

Source: RAM, MARC

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