



# NEWS UPDATE

13 August 2024

# MARKET SUMMARY

- 1 bps = 0.01%
- Increase in Yield = Decrease in the bond price/ value

US Treasury	Yield 12 August 24	Daily Change bps	Yield 9 August 24	Weekly Change bps	Yield 5 August 24	Monthly Change bps	Yield 12 July 24	YTD Change bps	Yield 29 Dec 23
3 YEAR	3.82	-4	3.86	11	3.71	-40	4.22	-19	4.01
5 YEAR	3.75	-5	3.80	13	3.62	-35	4.10	-9	3.84
7 YEAR	3.80	-5	3.85	14	3.66	-33	4.13	-8	3.88
10 YEAR	3.90	-4	3.94	12	3.78	-28	4.18	2	3.88

MGS	Yield 12 August 24	Daily Change bps	Yield 9 August 24	Weekly Change bps	Yield 5 August 24	Monthly Change bps	Yield 12 July 24	YTD Change bps	Yield 29 Dec 23
3 YEAR	3.33	0	3.33	5	3.28	-15	3.48	-16	3.49
5 YEAR	3.49	0	3.49	1	3.48	-13	3.62	-9	3.58
7 YEAR	3.69	-1	3.70	7	3.62	-8	3.77	-2	3.71
10 YEAR	3.78	1	3.77	9	3.69	-5	3.83	4	3.74

GII	Yield 12 August 24	Daily Change bps	Yield 9 August 24	Weekly Change bps	Yield 5 August 24	Monthly Change bps	Yield 12 July 24	YTD Change bps	Yield 29 Dec 23
3 YEAR	3.31	-1	3.32	2	3.29	-10	3.41	-18	3.49
5 YEAR	3.46	0	3.46	1	3.45	-13	3.59	-15	3.61
7 YEAR	3.70	0	3.70	2	3.68	-6	3.76	-7	3.77
10 YEAR	3.78	0	3.78	4	3.74	-7	3.85	1	3.77

AAA	Yield 12 August 24	Daily Change bps	Yield 9 August 24	Weekly Change bps	Yield 5 August 24	Monthly Change bps	Yield 12 July 24	YTD Change bps	Yield 29 Dec 23
3 YEAR	3.73	-1	3.74	4	3.69	-6	3.79	-10	3.83
5 YEAR	3.79	-1	3.80	2	3.77	-10	3.89	-11	3.90
7 YEAR	3.87	0	3.87	1	3.86	-10	3.97	-10	3.97
10 YEAR	3.95	0	3.95	2	3.93	-10	4.05	-10	4.05

Source: US Treasury, BNM & BIX Malaysia

# NEWS UPDATE

---

Today's headlines of interest and summaries as extracted from the international and local media.

## **MARC Ratings affirms SHC Capital's rating at AA-<sub>IS</sub>**

MARC Ratings has affirmed its AA-<sub>IS</sub> rating on SHC Capital Sdn Bhd's RM80 million issuance under its RM200 million Islamic Medium-Term Notes (Sukuk Wakalah) Programme with a stable outlook.

SHC Capital is a wholly-owned funding vehicle of Tunas Cool Energy Sdn Bhd (TUNAS), a subsidiary of Sin Heng Chan (Malaya) Berhad. TUNAS owns a district cooling system (DCS) plant and distributes chilled water for air conditioning to four higher learning institutions within the Pagoh Education Hub (PEH) in Johor.

The rating continues to incorporate TUNAS' stable and predictable cash flows supported by its 20-year contract with Sime Darby Property Selatan Satu Sdn Bhd, where the ultimate obligor is the government via the Ministry of Education. The contract includes minimum take-or-pay and energy cost pass-through mechanisms, effectively eliminating demand risk and underpinning cash flow visibility.

The take-or-pay structure guarantees a minimum annual revenue of around RM15.02 million through 2037, producing a stable operating cash flow of around RM7.0 million to RM9.0 million a year, sufficient to meet SHC Capital's debt service under the rated programme. – MARC Ratings

Read full publication at <https://www.marc.com.my/rating-announcements/marc-ratings-affirms-shc-capitals-rating-at-aa-is/>

# NEWS UPDATE

---

Today's headlines of interest and summaries as extracted from the international and local media.

## **MARC Ratings affirms AA<sub>IS(CG)</sub> rating on VS Capital Management**

MARC Ratings has affirmed its rating of AA<sub>IS(CG)</sub> on special purpose funding vehicle VS Capital Management Sdn Bhd's Islamic Medium-Term Notes (IMTN) Programme of up to RM1.0 billion. The rating outlook is stable.

The rating reflects the credit strength of parent VS Industry Berhad (VSI) which has provided an unconditional and irrevocable guarantee on the IMTN programme. Total outstanding under the IMTN programme stood at RM500.0 million as at end-June 2024.

VSI's established track record and strong competitive position in the electronics manufacturing services (EMS) industry, healthy cash flow generation and strong balance sheet remain key drivers to the rating. These strengths are moderated by VSI's low operating margins, inherent in the EMS business, and its exposure to customer concentration risk.

VSI is one of the few vertically integrated contract manufacturers in the region, ranking third in the ASEAN region and 30th globally in 2023, by revenue. The rating agency notes that VSI has a portfolio of reputable international manufacturers of electronics and household appliances. – MARC Ratings

*Read full publication* <https://www.marc.com.my/rating-announcements/marc-ratings-affirms-aaiscg-rating-on-vs-capital-management-2/>

# NEWS UPDATE

---

Today's headlines of interest and summaries as extracted from the international and local media.

## Treasury yields trade slightly lower ahead of inflation reports

U.S. Treasury yields slipped on Monday as the market marked time for inflation data later in the week that should be pivotal for Federal Reserve policymakers to confirm if an easing at their September meeting is warranted.

Japanese markets were closed on Monday and many U.S. participants are taking August vacations. So, after the gyrations of a week ago, there was scant motivation to trade ahead of July producer price data on Tuesday and, especially, the release of the Consumer Price Index on Wednesday.


After the Treasury rally over the last week and half during which a breakout of fear about a recession pushed benchmark yields to 14-month lows, investors are now looking to lock in yields in case of a hard landing, said Robert Tipp, chief Investment Strategist at PGIM Fixed Income in Newark, New Jersey.


Most have not been impressed by soft landings during the 2000s and are thinking: "We need to get in here and lock in the long rates even though 200 basis points of cuts are priced in because the next thing you know is its going to be further than that'," Tipp said.  
– Reuters

Read full publication at <https://www.reuters.com/markets/us/treasury-yields-hold-firm-thin-holiday-trade-cpi-awaited-2024-08-12/>

# BPAM Bond Market Workshop

Diving into fixed income world with the Market  
and Economics Expert

 Date : Wednesday, 28 August 2024

 Time : 10:00 AM - 12:00 PM

Register now for **FREE** by clicking on the visual →

15 July 2024

## BPAM **Bond Market** Workshop

A Primer on Financial Markets (with bond  
focus), Economic Data and Monetary Policy

 **ONLINE** **COMPLIMENTARY**

### Wed 28th

August 2024  
10 AM - 12 PM

If you have trouble accessing, email your name and email  
address to [events@bpam.com.my](mailto:events@bpam.com.my) for confirmation.



## Scan Here

to register now

or click on the link in our description above

 **BPA**  
BOND PRICING AGENCY MALAYSIA

Registrations close on Friday, 23 August 2024



# New episode of BIX Podcast goes live!

The BIX Podcast is now available on [YouTube](#) and [Spotify](#).

The second episode features Leslie Jong Vui Min, ESG/Sustainability Consultant at MARC Solutions Sdn Bhd and moderated by Tan Jack Fong, Bond Market Department of Securities Commission Malaysia.

🖱️ Do not forget to Subscribe, Like and Share! 🖱️

The Podcast also available in BIX website by clicking on this visual →



# DISCLAIMER

---

## **No Offer**

The information provided and services described in the BIX website are of a general nature, are not offers for investment and are not intended to be personalised financial advice to investor. The information provided in the BIX website is not intended to be a substitute for professional advice. Reliance should not be placed on the BIX website, and you should seek appropriate personalised financial advice from a qualified professional to suit your individual circumstances and risk profile.

## **Website Information**

BIX website is a publisher of content supplied by third parties. While every effort is made to ensure the information on the BIX website is up-to-date and correct, the Company makes no representations or warranties of any kind, express or implied, about the accuracy, reliability, completeness, suitability or availability of the BIX website or the information provided on the BIX website from the sources. The information on the BIX website is subject to change at any time. Any reference on this BIX website to historical information and performance may not necessarily be a good guide to future performance. You are solely responsible for any actions you take or do not take by relying on such information. To the full extent legally allowable, the directors, associates, vendors and staff of the Company expressly disclaim all and any liability and responsibility to any person in respect of anything, and of the consequences of anything, done or omitted to be done by any such person in reliance, whether wholly or partially, upon the whole or any part of the contents of this BIX website.

## **Third party products and services**

Through the BIX website you may be able to link to other websites which are not under the control of the [Company](#). The Company has no knowledge of or control over the nature, content, and availability of those websites. The Company does not sponsor, recommend, or endorse anything contained on these linked websites. The Company does not accept any liability of any description for any loss suffered by you by relying on anything contained or not contained on these linked websites. The Company accept no responsibility or liability for the content, use or availability of such websites. The Company shall not be liable for any and all liability for the acts, omissions and conduct of any third parties in connection with or related to your use of this site and/or our services.



# SUBSCRIBE NOW

---

Head on to our website at [bixmalaysia.com](http://bixmalaysia.com) to learn more about Malaysia's Bond & Sukuk



**bix** Bond+Sukuk  
Information  
Exchange

**BIX MALAYSIA MOBILE APP**  
AVAILABLE FREE AT

Available on the  
App Store

Get it on  
Google Play



Scan here to download



# DOWNLOAD NOW

---

Receive updates on your bond and sukuk  
via **BIX Malaysia mobile app**

# REACH OUT TO US

---

Research & Business Development,  
BIX Malaysia

 [feedback@bixmalaysia.com](mailto:feedback@bixmalaysia.com)