

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries registered marginal gains in trading on Thursday, with advance led by the wings of the UST curve as the belly underperformed, amidst core PCE coming in as expected and a tech led rally in the equity markets which saw the NASDAQ rally 0.9% to close above the 16,000 mark. Benchmark yields finished lower between 1 and 3bps for the session. **The benchmark 2yr UST yield fell by 2bps to close at 4.65%, while the benchmark 10yr UST yield was 4bps lower for the day at 4.25%.** The focus shifts over to the ISM Manufacturing today, which will provide an early glance at manufacturing activity nationally in February.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.65	-2
5-yr UST	4.26	-1
10-yr UST	4.25	-1
30-yr UST	4.38	-3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.50	0	3.47	-2
5-yr	3.60	1	3.62	-1
7-yr	3.77	-3	3.79	1
10-yr	3.86	-2	3.86	-2
15-yr	3.99	-3	3.98	0
20-yr	4.09	-1	4.13	-2
30-yr	4.19	-2	4.29	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.63	-2
3-yr	3.59	0
5-yr	3.67	-1
7-yr	3.78	-2
10-yr	3.91	-2

Source : Bloomberg

MGS/GII

- Local govies traded higher for the most part on Thursday, amidst a decent re-opening auction of the GII 9/39 and improving sentiment on the Ringgit. Secondary market volume for the day surged by 77% to RM4.80bn, compared to the RM2.71bn that was traded on Wednesday. Benchmark yields settled mixed between -3 to +1 bps for the day. **The benchmark 5Y MGS 4/28 saw its yield rise by 1bp to 3.60% while the benchmark 10Y MGS 11/33 was 2bps lower in yield at 3.86%.** Trading for the day was led by the off-the-run MGS 9/24 and the benchmark 20Y GII 8/43, which both saw nearly RM500m changing hands each, while interest was also seen in the benchmark 7Y MGS and in the off-the-run MGS 7/26, MGS 8/29, MGS 4/30, MGS 7/32 as well as the newly reopened GII 9/39. Trading in GIIs as a proportion of total govvy trading firmed a touch to 35% from the 32% share seen on Wednesday. Today's reopening auction of the GII 9/39, which will be the new 15Y benchmark, saw solid demand with a decent BTC of 2.973x. S&P Global is scheduled to release the Malaysian manufacturing PMI for February today.

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was also generally better bid, with secondary market volumes coming off slightly by 9% to RM554m versus the RM606m that exchanged hands the previous session. Trading was again concentrated in the AAA and AA segments of the market. In the GG universe, trading was led by PTPTN 7/41, which closed the day at 4.09%, 3bps lower than its previously traded level. Over in the AAA space, trading interest was led by SMJ 10/38, which closed the day 2bps higher at 4.13%. Meanwhile, trading in the AA territory was led by PLB 3/26, which saw its secondary market trading debut, and settling the day at 3.99%. In the A-rated space, MBSB saw some trading in its 12/29 and 12/31 bonds, which settled the day at 4.05% (-10bps from last print) and 4.38% (-52bps) respectively.

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	06/24	3.236	22	3.282	02/27/2024	-5
MGS	07/24	3.153	10	3.216	02/28/2024	-6
MGS	09/24	3.064	488	3.216	02/28/2024	-15
MGS	03/25	3.372	17	3.346	02/28/2024	3
MGS	09/25	3.372	207	3.396	02/28/2024	-2
MGS	04/26	3.408	4	3.464	02/27/2024	-6
MGS	07/26	3.429	234	3.421	02/28/2024	1
MGS	11/26	3.455	14	3.456	02/27/2024	0
MGS	03/27	3.498	1	3.507	02/27/2024	-1
MGS	05/27	3.501	165	3.504	02/28/2024	0
MGS	11/27	3.523	65	3.548	02/28/2024	-2
MGS	04/28	3.597	163	3.584	02/28/2024	1
MGS	06/28	3.605	45	3.656	02/28/2024	-5
MGS	04/29	3.676	9	3.679	02/28/2024	0
MGS	08/29	3.636	255	3.655	02/28/2024	-2
MGS	04/30	3.758	324	3.769	02/28/2024	-1
MGS	04/31	3.769	224	3.800	02/28/2024	-3
MGS	06/31	3.818	15	3.820	02/28/2024	0
MGS	07/32	3.864	214	3.892	02/28/2024	-3
MGS	04/33	3.857	22	3.882	02/28/2024	-2
MGS	11/33	3.859	79	3.877	02/28/2024	-2
MGS	07/34	3.887	24	3.893	02/28/2024	-1
MGS	05/35	3.925	14	3.931	02/28/2024	-1
MGS	04/37	3.990	23	3.983	02/27/2024	1
MGS	06/38	3.994	42	4.020	02/28/2024	-3
MGS	05/40	4.036	59	4.042	02/28/2024	-1
MGS	10/42	4.086	107	4.098	02/28/2024	-1
MGS	09/43	4.132	5	4.011	02/28/2024	12
MGS	03/46	4.163	3	4.180	02/28/2024	-2
MGS	07/48	4.164	8	4.161	02/28/2024	0
MGS	06/50	4.185	50	4.172	02/28/2024	1
MGS	03/53	4.189	182	4.208	02/28/2024	-2
GII	10/24	3.154	15	3.333	02/27/2024	-18
GII	08/25	3.383	50	3.388	02/28/2024	0
GII	03/26	3.469	7	3.414	02/28/2024	5
GII	09/26	3.467	111	3.489	02/28/2024	-2
GII	06/27	3.501	2	3.498	02/08/2024	0
GII	09/27	3.527	20	3.535	02/27/2024	-1
GII	07/28	3.621	20	3.628	02/28/2024	-1
GII	07/29	3.662	90	3.668	02/28/2024	-1
GII	09/30	3.791	8	3.777	02/28/2024	1
GII	10/30	3.792	3	3.798	02/28/2024	-1
GII	10/32	3.875	35	3.876	02/28/2024	0
GII	08/33	3.861	160	3.878	02/28/2024	-2
GII	07/36	3.904	211	3.992	02/28/2024	-9
GII	08/37	3.970	10	3.989	02/27/2024	-2
GII	03/38	3.984	101	3.989	02/28/2024	0
GII	09/39	3.990	294	4.016	02/28/2024	-3
GII	09/41	4.080	50	4.092	02/28/2024	-1
GII	08/43	4.125	488	4.145	02/28/2024	-2
GII	11/49	4.135	2	4.145	02/28/2024	-1
GII	05/52	4.285	27	4.287	02/28/2024	0
			4796			

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*
Perbadanan Tabung Pendidikan Tinggi Nasional	03/32	GG	3.901	30	4.209	1/11/2023	-31	8
Perbadanan Tabung Pendidikan Tinggi Nasional	07/41	GG	4.088	50	4.119	19/2/2024	-3	9
Bank Simpanan Nasional	02/26	AAA	3.707	10	n/a	n/a	371	31
Bank Simpanan Nasional	02/27	AAA	3.781	10	n/a	n/a	378	29
Projek Lebuhraya Usahasama Berhad	01/28	AAA	3.817	20	4.248	12/4/2023	-43	27
Toyota Capital Malaysia Sdn Berhad	08/28	AAA	3.957	10	n/a	n/a	396	37
Inti Universal Holdings Berhad	11/28	AAA	4.220	20	4.307	28/12/2023	-9	63
Pengurusan Air SPV Berhad	01/30	AAA	3.888	10	3.960	28/2/2024	-7	19
Sarawak Energy Berhad	07/30	AAA	3.888	10	3.888	27/2/2024	0	19
Pengurusan Air Selangor Sdn Berhad	07/32	AAA	3.948	20	4.008	4/1/2024	-6	13
TNB Power Generation Sdn Berhad	03/33	AAA	3.949	10	3.972	14/2/2024	-2	10
Pengurusan Air SPV Berhad	02/34	AAA	4.009	15	3.998	27/2/2024	1	15
Pengurusan Air SPV Berhad	10/34	AAA	4.000	10	4.025	28/2/2024	-3	14
Projek Lebuhraya Usahasama Berhad	01/36	AAA	3.999	10	4.100	29/12/2023	-10	14
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.040	10	4.062	28/2/2024	-2	4
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	4.129	80	4.109	28/2/2024	2	13
Tenaga Nasional Berhad	08/40	AAA	4.257	4	4.079	27/2/2024	18	26
YTL Power International Berhad	10/24	AA1	3.674	10	3.823	20/12/2023	-15	36
GENM Capital Berhad	07/28	AA1	4.652	2	4.535	28/2/2024	12	110
Malayan Banking Berhad	01/31	AA1	3.711	10	3.805	2/2/2024	-9	-7
YTL Power International Berhad	08/35	AA1	4.039	10	4.018	13/2/2024	2	18
Sime Darby Property Berhad	08/26	AA+	3.805	10	3.804	28/2/2024	0	41
edotco Malaysia Sdn Berhad	09/32	AA+	4.009	20	4.098	4/1/2024	-9	16
Pac Lease Berhad	03/26	AA	3.985	50	n/a	n/a	399	59
Pelabuhan Tanjung Pelepas Sdn Berhad	08/27	AA	3.917	1	4.036	28/8/2023	-12	42
Edra Energy Sdn Berhad	01/25	AA3	3.788	1	3.798	21/2/2024	-1	47
Affin Islamic Bank Berhad	12/26	AA3	3.937	10	3.927	20/2/2024	1	44
Malayan Cement Berhad (fka Lafarge Malaysia B	10/28	AA3	4.177	22	5.077	27/10/2023	-90	59
Malayan Cement Berhad (fka Lafarge Malaysia B	12/29	AA3	4.247	20	n/a	n/a	425	55
Perbadanan Kemajuan Negeri Selangor	01/32	AA3	4.520	5	n/a	n/a	452	70
Southern Power Generation Sdn Berhad	10/26	AA-	3.876	5	4.310	5/10/2023	-43	38
Guan Chong Berhad	12/27	AA-	4.279	5	4.284	28/2/2024	0	73
MMC Port Holdings Sdn Berhad	04/29	AA-	4.099	5	4.138	14/2/2024	-4	51
Southern Power Generation Sdn Berhad	04/30	AA-	4.106	10	4.888	14/9/2022	-78	41
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/34	AA-	4.985	5	4.979	22/2/2024	1	112
Hong Leong Bank Berhad	11/17	A1	4.192	1	3.940	23/2/2024	25	10
MBSB Bank Berhad (fka Asian Finance Bank Berhad	12/29	A3	4.048	10	4.149	11/1/2024	-10	35
MBSB Bank Berhad (fka Asian Finance Bank Berhad	12/31	A3	4.380	10	4.899	19/2/2024	-52	56
Bank Muamalat Malaysia Berhad	07/32	A3	4.665	1	4.713	7/12/2023	-5	84
DRB-Hicom Berhad	12/14	A-	5.762	1	5.763	28/2/2024	0	167
Kenanga Investment Bank Berhad	08/30	NR(LT)	4.576	1	5.345	13/1/2023	-77	88
Cypark Renewable Energy	09/20	NR(LT)	6.500	1	7.202	23/2/2024	-70	241
Cypark Renewable Energy	09/20	NR(LT)	6.646	1	6.323	23/2/2024	32	256
				554				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Hextar Global Berhad	Corporate Credit Ratings	AA3/Stable/P1	Assigned

Source: RAM, MARC

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