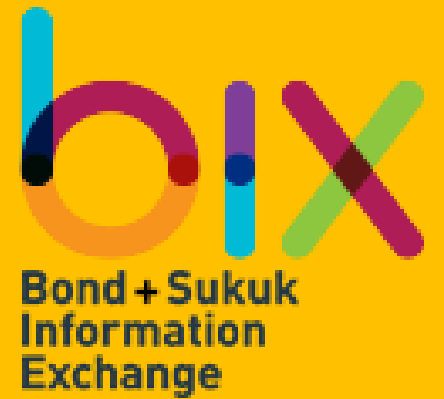


BOND+SUKUK INFORMATION EXCHANGE

BIXMALAYSIA.COM

NEWS UPDATE

18 September 2020



MARKET SUMMARY

US Treasury	Yield 17 Sep 20	Daily Change bps	Yield 16 Sep 20	Weekly Change bps	Yield 10 Sep 20	Monthly Change bps	Yield 17 Aug 20	YTD Change bps	Yield 31 Dec 19
3 YEAR	0.16	0	0.16	-1	0.17	-2	0.18	-146	1.62
5 YEAR	0.28	0	0.28	2	0.26	-1	0.29	-141	1.69
7 YEAR	0.47	0	0.47	1	0.46	-2	0.49	-136	1.83
10 YEAR	0.69	0	0.69	1	0.68	0	0.69	-123	1.92

MGS	Yield 17 Sep 20	Daily Change bps	Yield *15 Sep 20	Weekly Change bps	Yield 10 Sep 20	Monthly Change bps	Yield 17 Aug 20	YTD Change bps	Yield 31 Dec 19
3 YEAR	1.95	3	1.92	3	1.92	10	1.85	-103	2.98
5 YEAR	2.15	-2	2.17	3	2.12	9	2.06	-100	3.15
7 YEAR	2.48	6	2.42	8	2.40	27	2.21	-82	3.30
10 YEAR	2.68	6	2.62	7	2.61	18	2.50	-62	3.30

GII	Yield 17 Sep 20	Daily Change bps	Yield *15 Sep 20	Weekly Change bps	Yield 10 Sep 20	Monthly Change bps	Yield 17 Aug 20	YTD Change bps	Yield 31 Dec 19
3 YEAR	1.99	4	1.95	6	1.93	8	1.91	-107	3.06
5 YEAR	2.10	0	2.10	8	2.02	7	2.03	-109	3.19
7 YEAR	2.34	0	2.34	0	2.34	1	2.33	-96	3.30
10 YEAR	2.60	0	2.60	3	2.57	10	2.50	-82	3.42

AAA	Yield 17 Sep 20	Daily Change bps	Yield *15 Sep 20	Weekly Change bps	Yield 10 Sep 20	Monthly Change bps	Yield 17 Aug 20	YTD Change bps	Yield 31 Dec 19
3 YEAR	2.44	1	2.43	5	2.39	-4	2.48	-111	3.55
5 YEAR	2.64	2	2.62	6	2.58	0	2.64	-103	3.67
7 YEAR	2.85	2	2.83	6	2.79	9	2.76	-91	3.76
10 YEAR	3.12	3	3.09	7	3.05	14	2.98	-77	3.89

*16 September 2020 was a public holiday in Malaysia for Malaysia Day

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

Source: US Treasury, BNM & BIX Malaysia

NEWS UPDATE

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

NEW STRAITS TIMES

PetGas issues RM3.0bil sukuk to diversify funding for PLNG2

Petronas Gas Bhd's (PetGas) 65 per cent owned unit, Pengerang LNG (Two) Sdn Bhd (PLNG2) is raising RM3.0 billion sukuk for capital structure optimisation, general capital expenditure, working capital and revenue-liability hedging.

In an exchange filing today, PetGas said the issuance allows PLNG2 to diversify its funding sources for better financial flexibility by tapping the Islamic debt capital markets. With a tenure of 30 years, the sukuk programme has been assigned an indicative rating of AAA by Malaysian Rating Corporation Bhd. PetGas said the proceeds from the issuance would be utilised for the repayment of shareholders' advances and/or redemption of redeemable preference shares, payment towards prepayment of the jetty usage agreement between Pengerang Terminals (Two) Sdn Bhd and PLNG2 as well as for working capital.

The company said approvals from its sukuk programme has been obtained by the Securities Commission's Shariah Advisory Council and lodged with the commission on 17 September 2020. "Under the terms of the sukuk programme, it will be an event of default if PetGas ceases to hold at least 51 per cent of the ordinary shares in PLNG2," it said. CIMB Islamic Bank Bhd is the shariah adviser for the sukuk programme.

NEWS UPDATE

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

REUTERS

TREASURIES-Yields rise back from declines, yield curve still flatter

U.S. Treasury yields came back from declines on Thursday as stocks pared losses, but the yield curve remained flatter as investors stayed skeptical of Federal Reserve efforts to stimulate economic growth and took stock of a report showing persistently high jobless claims.

The yield on the benchmark 10-year U.S. Treasury note was down half a basis point at 0.6822% in afternoon trading after touching as low as 0.646%, the lowest since Sept. 4, on Thursday morning. The trading marked a more risk-off environment than on Wednesday afternoon, when investors seemed to accept actions described by Fed Chair Jerome Powell at an online news conference could bring about more inflation.

Wall Street's main indexes were down on Thursday on weakness in technology stocks, but back from their lowest levels earlier in the day. The stock comeback likely offset other negative factors that had served to lower yields at the start of the session, said Tom di Galoma, managing director of Seaport Global Holdings. "With some of the sell-off in equities we saw, probably there was some money leaving Treasuries to go into equities," he said.

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