

Headline	Malaysian Bond Market		
MediaTitle	The Star		
Date	03 Nov 2018	Language	English
Circulation	201,943	Readership	605,829
Section	Star BizWeek	Page No	15
ArticleSize	131 cm ²	Journalist	N/A
PR Value	RM 9,998		



Malaysian Bond Market

The local bond market continued to see subdued trading activities as sentiments remain cautious ahead of

Budget 2019 against the backdrop of a weaker ringgit. Despite volatile movements in global markets, local govies saw tepid flows skewed towards specific stocks. This was however short-lived as mid-week saw heavy bids across curve, with particular focus on the 10-year benchmarks; possibly due to index rebalancing and month-end flows. Yields shed 3-9 bps across curve before turning sideways ahead of Friday's budget.

As at Friday morning, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year benchmark MGS yields settled at 3.66%, 3.79%, 4.02%, 4.10%, 4.58%, 4.80% and 4.94% respectively.

Flows for local govies improved substantially to RM13.0bil compared with last week's RM7.0bil.

In contrast, trading activities in the secondary corporate bond space tapered off by 64% to RM1.2bil versus last week's RM3.4bil. Some 41% of trade volume came from the GG/AAA segment while 52% were attributed to AA-rated papers and the remaining 7% from the A segment.

In the GG/AAA segment, heavy interest was seen for Pelabuhan Tanjung Pelepas Sdn Bhd's 2028-2033 papers which saw RM240mil changing hands with yields closing between 4.45% and 4.89%.

Meanwhile, MKD Kencana Sdn Bhd's 02/23 and 04/23 papers both saw yields closing at 4.11% level on the back of RM50mil flows.

This is followed by Tenaga Nasional Bhd's 2023-2037 IMTNs which saw yields mixed between 4.73% and 4.91% and RM45mil traded. Lastly, interest was also seen for GENM Capital Bhd's 2022-2028 MTNs which closed between 4.61% and 4.93% with RM32mil traded.

On the AA-rated front, Fortune Premiere Sdn Bhd's 2019-2025 IMTNs saw yields closed between 4.76% and 4.99% with RM71mil changing hands. This is closely followed by YTL Power International Bhd's 2023-2027 papers which closed between 4.59% and 4.88% and a RM60.5mil trade volume. Meanwhile, Southern Power Generation Sdn Bhd's 2023-2033 papers closed firmer between 4.50% and 4.92% with RM43.6mil flows. Lastly, Sarawak Energy Bhd's 2019-2035 papers saw yields closing between 4.06% and 4.95% with RM40mil trade volume.