

Headline	Malaysian Bond Market		
MediaTitle	The Star		
Date	10 Feb 2018	Language	English
Circulation	338,368	Readership	1,032,000
Section	Star BizWeek	Page No	18
ArticleSize	142 cm ²	Journalist	N/A
PR Value	RM 21,521		



Malaysian Bond Market

Local govvnies' yields were higher across the curve, underpinned by rising global yields. Meanwhile, focus was generally on the GII 7-year new issuance as The G8/25 saw RM3bil up for auction and another RM1bil privately placed. The auction closed with a strong BTC of 2.284 times and averaged 4.128%.

At yesterday's noon pricing, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year bench-

mark Malaysian Government Securities (MGS) yields settled at 3.41%, 3.62%, 3.93%, 3.95%, 4.44%, 4.61% and 4.87% respectively.

Trading activities for the local govvnies improved after the holiday week as trading volume for the week picked up to RM9.3bil compared to RM5.4bil in the previous week.

In the case of the secondary corporate bond market, trading activities gained compared to the previous week.

Week to date, total trading volume was at RM740mil compared to previous week's RM570mil. About 34% of the trading volume came from GG/AAA while 64% was from the AA segment and the balance 2% from the A segment.

In the GG/AAA segment, notable trades included '03/24 Telekom Malaysia bond, which closed with yields 9 basis points (bps) higher at 4.39%, amounting to a trading volume of RM50mil. There was also interest in '08/37 Tenaga Nasional bond, which registered unchanged yields at 5.10% with a RM40mil changing hands.

Meanwhile, '02/21 and '02/26 Pengurusan Air SPV bonds closed 2 bps lower at 4.05% and 6 bps higher at 4.41%, respectively, amounting to a total trading volume of RM40mil.

Furthermore, some interest on the '08/21 and '12/24 Perbadanan Tabung Pendidikan Tinggi Nasional bonds was registered with mixed yields between 4.05% and 4.35% with a total trading volume of RM25mil.

Elsewhere in the AA segment, notable trades were seen in energy sector: '06/21 and '01/22 Sarawak Energy bonds recorded a total trading volume of RM60mil with higher yields at 4.41% and 4.44%, respectively.

Meanwhile, '07/19 and '07/21 CIMB Thai Bank bonds posted a trading volume of RM40mil and closed with lower yields by 4 bps to 4.85% and 32 bps to 5.08%, respectively.

Furthermore, 2028-2034 Southern Power Generation tranches recorded lower yields between 4.91% and

5.35% with a collective trading volume of RM35mil.

In addition, there was some interest in 2018-2022 BGSM Management tranches which recorded lower yields between 4.15% and 4.62% with RM34mil changing hands.