

MALAYSIAN RATING CORPORATION BERHAD
(944933) (K)

AUGUST 2019

Monthly Bond Market & Rating Snapshot

FINANCIAL VARIABLE	JUL-19	AUG-19	M-O-M CHANGE
OVERNIGHT POLICY RATE (%)	3.00	3.00	0 bp
3-YEAR BENCHMARK MGS (%)	3.27	3.12	-15 bps
10-YEAR BENCHMARK MGS (%)	3.57	3.32	-25 bps
3-YEAR IRS (%)	3.36	3.18	-18 bps
10-YEAR IRS (%)	3.57	3.33	-24 bps
RINGGIT 3-YEAR AAA (%)	3.68	3.55	-13 bps
RINGGIT 3-YEAR AA (%)	4.02	3.88	-14 bps
RINGGIT 3-YEAR A (%)	5.29	5.11	-18 bps
2-YEAR US TREASURY (%)	1.87	1.50	-37 bps
10-YEAR US TREASURY (%)	2.01	1.50	-51 bps
MYR/USD	4.1265	4.2055	-1.9%
US DOLLAR INDEX	98.5	98.9	0.4%
BRENT CRUDE (USD/BARREL)	65.2	60.4	-7.3%
GOLD SPOT (USD/OUNCE)	1,413.90	1,520.30	7.5%
KLCI Index	1,634.87	1,612.14	-1.4%
S&P 500 Index	2,980.38	2,926.46	-1.8%

Sources: Bloomberg, MARC Fixed Income Research

Global Markets

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Yields on US Treasuries (UST) eased sharply across the curve in August. The 10y2y curve had inverted during the period amid growing recessionary fears. Meanwhile in the UK, the parliamentary suspension fuelled no-deal Brexit fears, causing the 10y gilt yield to fall to its lowest level in three years. In China, the People's Bank of China (PBOC) had devalued the yuan in response to US tariffs and reformed its interest rate to stimulate the economy.

Malaysian Government Bond Market

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In August, demand for Malaysian government bonds at public auctions remains supported amid dovish tilts in global monetary policies. Meanwhile, the Malaysian Government Securities (MGS) market extended its rally as foreign demand gained traction. Demand was supported by strong 2Q2019 GDP print and heightened expectations of an overnight policy rate (OPR) cut in September.

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Foreign flows into local bonds eased off slightly in August, receding from levels seen in the last two months. Foreign selling pressure solely impacted MGS following the re-escalation of US-China trade tensions. YTD, cumulative flows into local bonds for the first eight months remained positive, having performed better than the full-year figures reported for 2016, 2017 and 2018.



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Global Markets

A quick review

US yields eased across the curve amid growing recessionary fears

In August, the Federal Reserve (Fed) chairman said that it pledged to “act as appropriate to sustain the expansion” and that the US economy has “continued to perform well overall” at the Economic Policy Symposium in Jackson Hole. Meanwhile, the latest headline inflation showed that prices rose to 1.8% y-o-y while core inflation also came in higher at 2.2% y-o-y in July. The Treasury Secretary reported that the US government is considering issuing ultra-long bonds of up to 100 years. During the month, UST yields continued to ease across the curve between 37 bps to 56 bps while the 10y/2y UST yield spread narrowed to zero bp (July: 14 bps). The 10y2y curve had inverted during the period amid growing recessionary fears.

Long-end bund yields slipped into negative region while the gilt yield curve bull flattened

In Europe, the ZEW economic sentiment in August slid to its lowest reading since end-2011, driven by a significant deterioration in the economic outlook. Bund yields bull flattened after the average yields for the long-end of the curve dipped into the negative region. In the UK, Prime Minister Boris Johnson suspended parliament for five weeks to prevent the opposition from requesting another Brexit extension from the current October 31, 2019 deadline. The UK is also looking to delay naming the next governor for the Bank of England (BOE) until after the Brexit. Over the month, the yield curve bull flattened as the 30y gilt shed 30 bps while shorter tenures shed by four bps to 13 bps. Meanwhile, the 10y yield declined to a record low of 0.48% (July: 0.61%).

Chinese yuan slides past key level as the PBOC fixed the currency lower in response to US tariffs

In China, the Chinese yuan slid past the key psychological level of 7 per USD for the first time since the Global Financial Crisis in 2008 after the People’s Bank of China (PBOC) set its daily reference rate at a weaker level. The central bank said the yuan devaluation was in response to “trade protectionism and new tariffs” imposed on China. The central bank also sought to boost the economy by reforming the interest rate that banks charge on loans. The loan prime rate (LPR) is cheaper than the benchmark lending rate and will be set on a monthly basis, instead of the current daily fixing.

Exhibit 1: Summary of US rates

US rates (%)	Jul-19	Aug-19	M-o-m change
FFR (Upper Bound)	2.25	2.25	0 bp
2y UST	1.87	1.50	-37 bps
5y UST	1.83	1.39	-44 bps
10y UST	2.01	1.50	-51 bps
30y UST	2.52	1.96	-56 bps

Sources: Bloomberg, MARC Research

Exhibit 2: UST chart

Euro rates (%)	Jul-19	Aug-19	M-o-m change
ECB Deposit Facility Rate	-0.40	-0.40	0 bp
2y Bund	-0.78	-0.93	-15 bps
5y Bund	-0.72	-0.92	-20 bps
10y Bund	-0.44	-0.70	-26 bps
30y Bund	0.12	-0.18	-30 bps

Sources: Bloomberg, MARC Research

Exhibit 3: Summary of UK rates/ gilt chart

UK rates (%)	Jul-19	Aug-19	M-o-m change
BOE Official Bank Rate	0.75	0.75	0 bp
2y Gilt	0.44	0.40	-4 bps
5y Gilt	0.38	0.33	-5 bps
10y Gilt	0.61	0.48	-13 bps
30y Gilt	1.32	1.02	-30 bps

Sources: Bloomberg, MARC Research

Exhibit 4: Summary of Japan rates/Yuan chart

Japan rates (%)	Jul-19	Aug-19	M-o-m change
BOJ Short-term Interest Rate	-0.10	-0.10	0 bp
2y JGB	-0.20	-0.30	-10 bps
5y JGB	-0.24	-0.35	-11 bps
10y JGB	-0.15	-0.27	-12 bps
30y JGB	0.35	0.16	-19 bps

Sources: Bloomberg, MARC Research

Malaysian Government Bond Market

Primary market review

Total outstanding MGS/GII lifted by higher net issuance of MGS papers

In August, total outstanding MGS/Government Investment Issue (GII) securities came up to RM768.5 billion (July: RM764.5 billion), higher by RM4.0 billion m-o-m (July: RM2.1 billion m-o-m) due to higher net issuance MGS papers. Meanwhile, overall gross issuance of MGS/GII in August weakened to RM10.0 billion (July: RM10.5 billion) as gross issuance of MGS papers slowed. GII dominated gross issuance activity at RM6.0 billion while MGS amounted to RM4.0 billion. YTD, gross issuance of MGS/GII was valued at RM87.5 billion (2018YTD: RM81.5 billion), on track to meet MARC's projection of RM110.0 billion to RM120.0 billion for 2019.

Demand for MGS/GII at public auctions remains supported amid dovish tilts in global monetary policies

The primary market for MGS/GII securities continued to garner support in August as the bid-to-cover (BTC) for public auctions conducted averaged to 3.1x (July: 3.0x). The government received total bids for RM27.9 billion (July: RM25.6 billion). The 5y GII and 20y MGS garnered strong BTC ratios of 4.1x and 3.2x. Demand for both of the notes was well received amid dovish tilts in global monetary policies. Meanwhile, the 10y GII garnered a decent BTC ratio of 2.0x, below the one-year average for GII papers. Demand for the 10y GII was mitigated by nervous sentiment on the final day of the month as US-China trade talks resumed.

Exhibit 5: Summary of Malaysian government bonds (RM billion)

	Gross issuance			Redemption			Net issuance			Total outstanding		
	MGS	GII	Total	MGS	GII	Total	MGS	GII	Total	MGS	GII	Total
Jul-19	7.0	3.5	10.5	7.3	1.1	8.4	-0.3	2.4	2.1	403.9	360.6	764.5
Aug-19	4.0	6.0	10.0	-	6.0	6.0	4.0	-	4.0	407.9	360.6	768.5
2019YTD	42.0	45.5	87.5	14.5	17.6	32.1	27.5	27.9	55.4	407.9	360.6	768.5

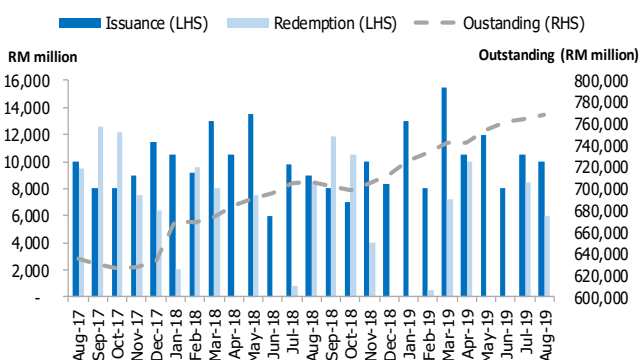
Sources: BNM Bond Info Hub, MARC Research

Exhibit 6: MGS auction results in August 2019

Issues	Tenure (years)	Issue date	Amount (RM mil)	BTC (x)	Average yield (%)
5y Reopening of MGII (Mat on 10/24)	5	9-Aug-19	3,000	4.14	3.345
20y Reopening of MGS 06/38 4.893%	20	15-Aug-19	3,000	3.15	3.753
10y Reopening of MGII (Mat on 07/29)	10	30-Aug-19	3,000	2.00	3.318

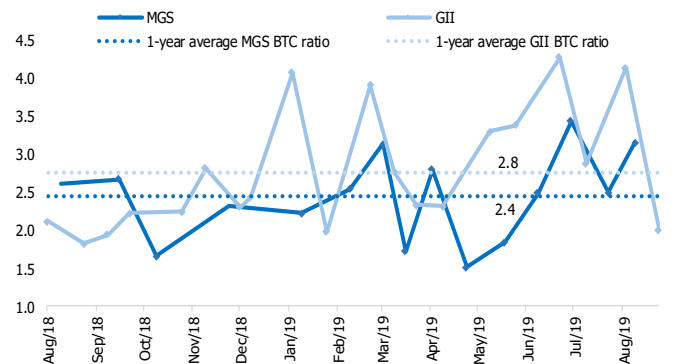
Sources: BNM Fast, MARC Research

Exhibit 7: MGS/GII papers supply



Sources: BNM Bond Info Hub, MARC Research

Exhibit 8: BTC ratios of MGS and GII papers



Sources: BNM Fast, MARC Research

Secondary market review

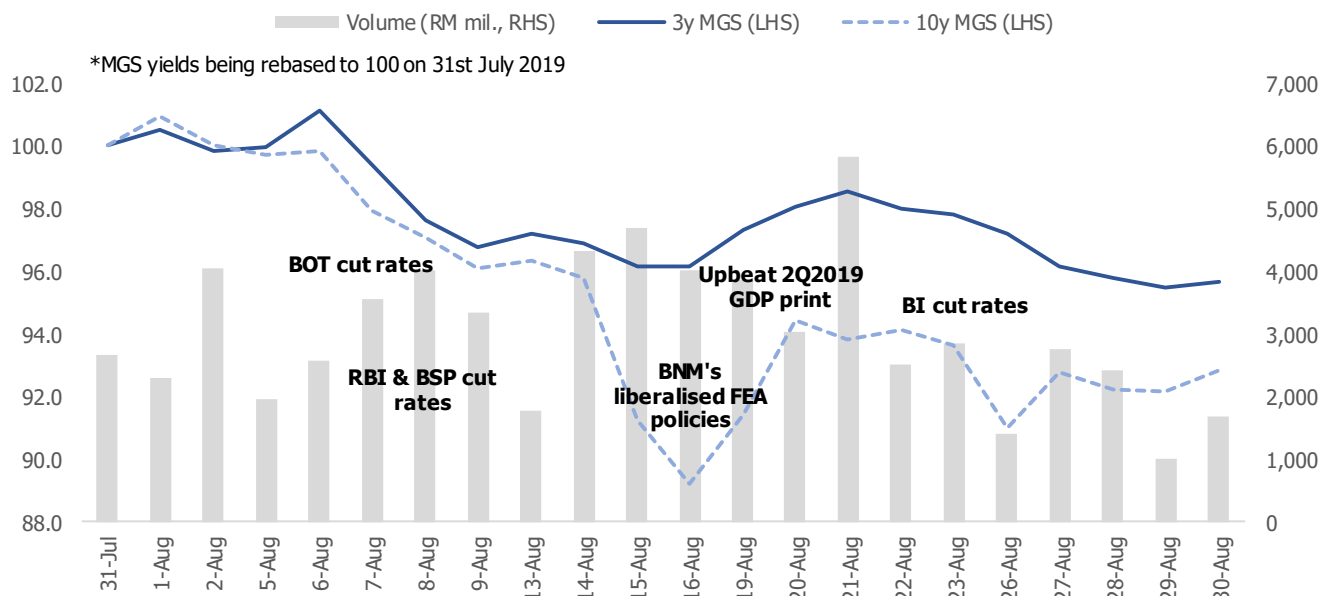
The MGS market extended its rally in August as rate cut pressure increased

In August, the MGS market continued to stage a strong rally with support came mostly from local institutional investors. Positive sentiment on MGS was aided by the strong 2Q2019 GDP print of 4.9% and the expectation of an OPR cut in September as fears of a global recession heightened. Central banks in Thailand, India, Indonesia, and the Philippines have cut their key rates in August, increasing the pressure on Bank Negara Malaysia (BNM) to follow suit. Meanwhile, BNM's announcement of new measures to further liberalise the foreign exchange administration (FEA) and positive engagement with FTSE Russell also pushed MGS yields lower.

The benchmark MGS yield curve continued to flatten as long-end yields fell sharply

Gains were led by the back-end of the curve with both the 15y and 20y yields tightening significantly by 32 bps and 42 bps to 3.48% (July: 3.80%) and 3.55% (July: 3.97%), flattening the yield curve. Both the 10y/2y and 20y/2y MGS yields spreads narrowed to 20 bps (July: 30 bps) and 43 bps (July: 70 bps). Meanwhile, the 10y MGS settled 25 bps lower at 3.32% (July: 3.57%) while shorter tenured notes shed by 15 bps to 28 bps. The monthly trade momentum improved to RM63.9 billion (July: RM51.8 billion).

Exhibit 9: Daily performance of three- and 10-year MGS yields throughout August 2019



Sources: Bloomberg, BPAM, MARC Fixed Research

Exhibit 10: MGS benchmark yields

MGS yields (%)	Jul-19	Aug-19	M-o-m change
3y MGS	3.27	3.12	-15 bps
5y MGS	3.43	3.23	-20 bps
7y MGS	3.55	3.27	-28 bps
10y MGS	3.57	3.32	-25 bps
20y MGS	3.97	3.55	-42 bps

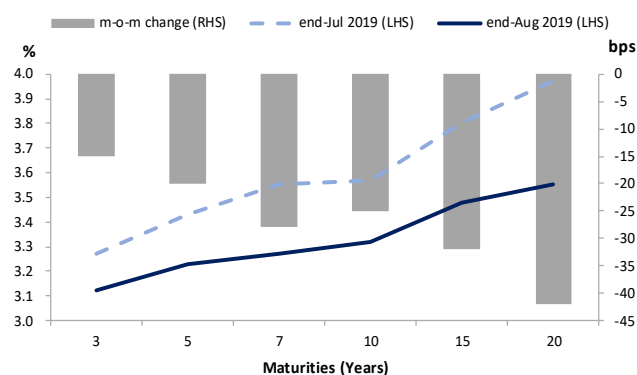
Sources: Bloomberg, MARC Fixed Research

Exhibit 11: OPR and IRS rates

Rates (%)	Jul-19	Aug-19	M-o-m change
OPR	3.00	3.00	0 bp
1y IRS	3.36	3.19	-17 bps
3y IRS	3.36	3.18	-16 bps
5y IRS	3.41	3.22	-19 bps
10y IRS	3.57	3.33	-24 bps

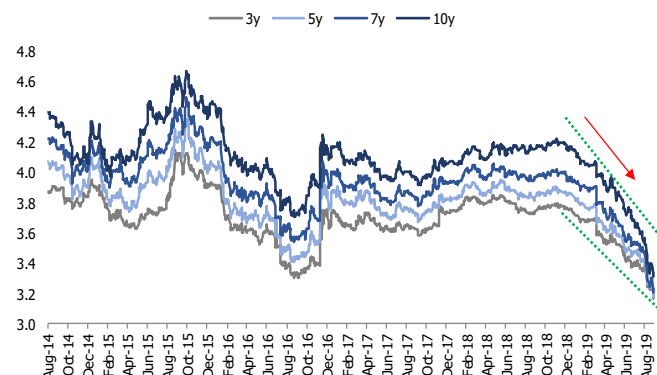
Sources: Bloomberg, MARC Fixed Research

Exhibit 12: MGS yield curves



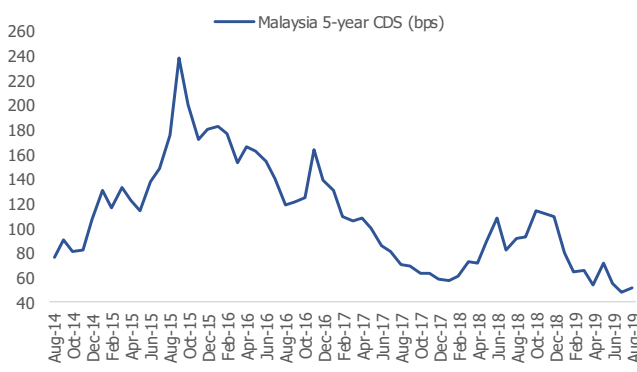
Sources: Bloomberg, MARC Research

Exhibit 13: MYR IRS curves



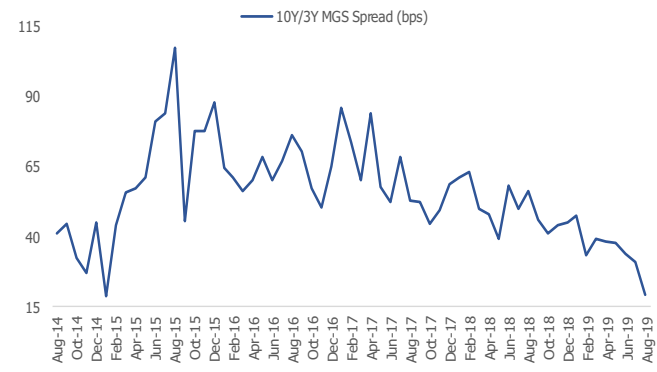
Sources: Bloomberg, MARC Research

Exhibit 14: Malaysia's 5Y Credit Default Swap (CDS) curve



Sources: Bloomberg, MARC Research

Exhibit 15: 10Y/3Y MGS spread



Sources: Bloomberg, MARC Research

Exhibit 16: Top five local govies trades for August 2019

Security	Traded amount (RM mil)	Remaining tenure	Last traded yield (%)
MGS 1/2019 3.906% 15.07.2026	5,015	7 years	3.27%
MGS 1/2017 3.882% 10.03.2022	4,687	3 years	3.12%
GII MURABAHAH 4/2019 3.655% 15.10.2024	4,567	5 years	3.25%
MGS 3/2019 3.478% 14.06.2024	4,452	5 years	3.23%
GII MURABAHAH 4/2018 3.729% 31.03.2022	3,521	3 years	3.13%

Sources: BPAM, MARC Research

Exhibit 17: Summary of MGS trading volume (RM million) based on maturity profile

	< 3M	3M-6M	6M-1Y	1Y-2Y	2Y-3Y	3Y-5Y	5Y-7Y	7Y-10Y	> 10Y
Jul-19	7,315	1,334	4,102	4,719	4,997	6,425	4,688	4,028	14,188
Aug-19	6,330	-	3,089	5,500	9,529	8,732	9,200	6,735	14,818
M-o-m change	-985	-1,334	-1,013	781	4,533	2,307	4,512	2,707	630

Sources: BPAM, MARC Research

Malaysian Corporate Bond Primary Market

Long-term corporate bond issuances slow down for the third consecutive month in August

Long-term corporate bond issuances continued to decline in August, amounting to RM4.6 billion (July: RM7.5 billion). Issuance activity of long-term corporate bonds slowed down for the third consecutive month in August since Urusharta Jamaah Sdn Bhd's (Urusharta) one-off RM27.6 billion unrated sukuk issuance. The decline in new issuances of long-term rated and unrated corporate bonds underpinned the slowdown in August. Intensified global uncertainties amid a re-escalation of trade tensions had dampened issuers' appetite to raise their debt levels. YTD, long-term corporate bond issuances came up to RM90.5 billion (2018YTD: RM68.5 billion). Among the top issuers YTD were Urusharta (RM27.6 billion), DanaInfra Nasional Bhd (RM6.8 billion) and Pengurusan Air SPV Sdn Bhd (RM4.6 billion).

Exhibit 18: Summary of corporate bond issuance in August 2019 (RM billion)

Year	Unrated corporate	Quasi-government	Total unrated	Rated corporate	Cagamas	Total rated	Total corporate bonds
Jul-19	2.7	-	2.7	4.7	0.1	4.8	7.5
Aug-19	1.3	0.9	2.2	1.2	1.2	2.5	4.6
M-o-m change	-1.4	0.9	-0.5	-3.5	1.1	-2.4	-2.9

Sources: BPAM, MARC Research

Exhibit 19: Historical trend of bond issuance by category (RM billion)

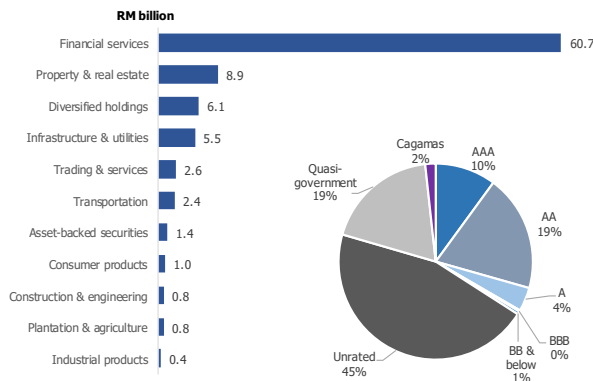
Year	Unrated corporate	Quasi Government	Total unrated	Rated corporate	Cagamas	Total rated	Total corporate bonds
2014	8.0	21.9	29.9	52.7	3.3	55.9	85.9
2015	14.0	15.6	29.6	51.5	3.8	55.3	85.0
2016	13.2	28.1	41.3	39.3	4.1	43.4	84.8
2017	20.7	37.6	58.3	55.8	8.7	64.6	122.9
2018	13.9	28.7	42.6	52.4	9.0	61.3	103.9
Jan-Aug 2018	9.5	19.0	28.5	35.1	5.0	40.0	68.5
Jan-Aug 2019	41.1	17.0	58.2	30.8	1.6	32.4	90.5

Sources: BPAM, MARC Research

Exhibit 20: Top corporate bond issuers in August 2019 (issue size RM1.0 billion and above)

Issuer	Industry	Category	Principle	No. of issues	Amount (RM bil)	Tenure (years)	Coupon (%)
Cagamas Bhd	Financial services	Cagamas	Conventional & Islamic	3	1.3	1 - 3	3.40 – 3.50

Sources: BPAM, MARC Research

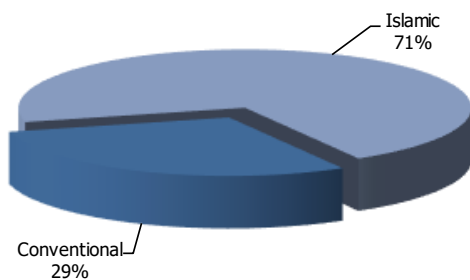
Exhibit 21: Corporate bond issuance composition by sector and ratings in August 2019


Sources: BPAM, MARC Research

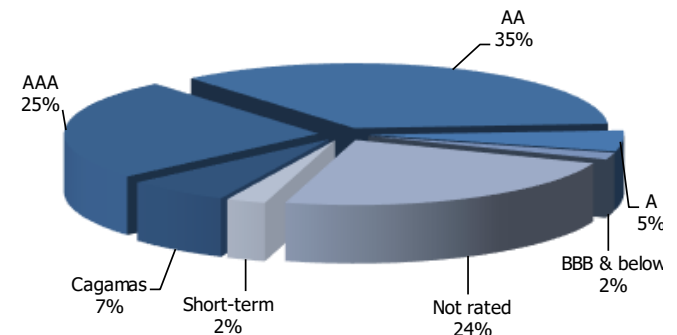
Exhibit 22: Outstanding size of Cagamas and corporate bonds as of August 2019 (RM billion)

Asset class	Conventional	Islamic	Total
Cagamas	19.1	14.0	33.1
Corporate Bonds	138.5	331.5	470.1
Corporate	57.8	250.4	308.2
Corporate guaranteed	21.6	49.6	71.2
Financial	51.6	27.4	79.0
ABS	7.6	4.1	11.7

Sources: BPAM, MARC Research

Exhibit 23: Corporate bonds outstanding: Conventional & Islamic


Sources: BPAM, MARC Research

Exhibit 24: Corporate bonds outstanding: Distribution by rating band


Sources: BPAM, MARC Research

Exhibit 25: AAA corporate benchmark yields

AAA (%)	Jul-19	Aug-19	M-o-m change
3-year	3.68	3.55	-13 bps
5-year	3.84	3.65	-19 bps
7-year	3.98	3.77	-21 bps
10-year	4.11	3.90	-21 bps

Sources: Bloomberg, MARC Research

Exhibit 26: AA corporate benchmark yields

AA (%)	Jul-19	Aug-19	M-o-m change
3-year	4.03	3.88	-15 bps
5-year	4.19	4.01	-18 bps
7-year	4.35	4.15	-20 bps
10-year	4.51	4.30	-21 bps

Sources: Bloomberg, MARC Research

Exhibit 27: A corporate benchmark yields

A (%)	Jul-19	Aug-19	M-o-m change
3-year	5.19	5.06	-13 bps
5-year	5.52	5.42	-10 bps
7-year	5.84	5.75	-9 bps
10-year	6.21	6.22	1 bp

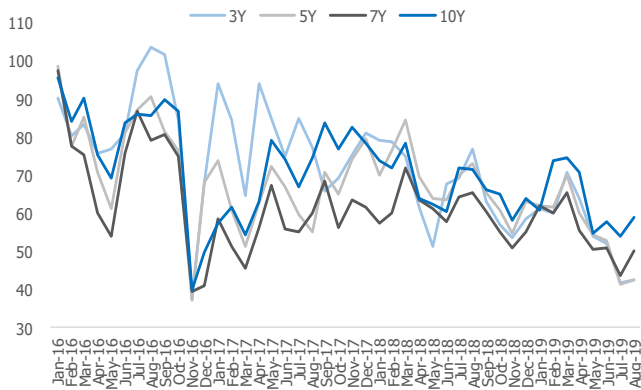
Sources: Bloomberg, MARC Research

Exhibit 28: AAA, AA & A blended credit spreads

AAA, AA & A (%)	Jul-19	Aug-19	M-o-m change
3-year	121	122	1 bp
5-year	129	134	5 bps
7-year	139	151	12 bps
10-year	161	175	14 bps

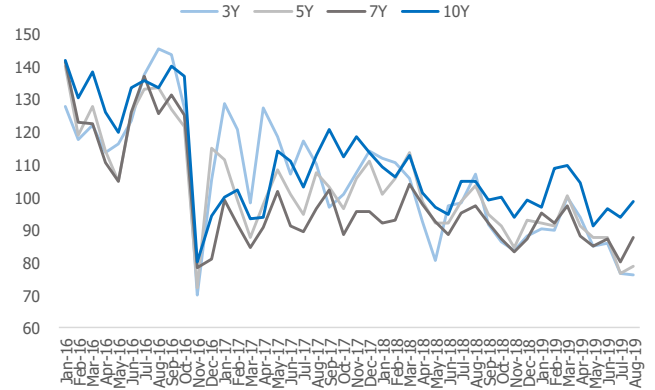
Sources: Bloomberg, MARC Research

Exhibit 29: AAA corporate bonds yield spread (bps)



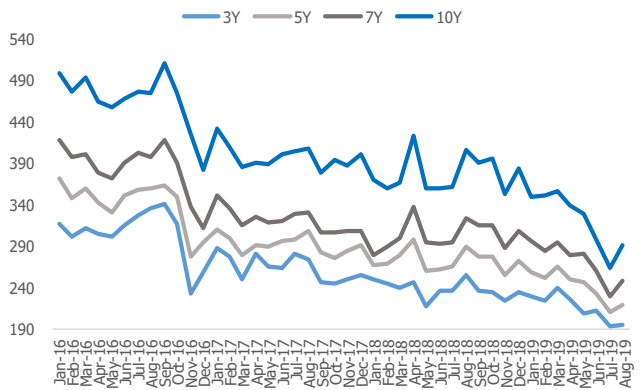
Sources: Bloomberg, MARC Research

Exhibit 30: AA/AA2 corporate bonds yield spread (bps)



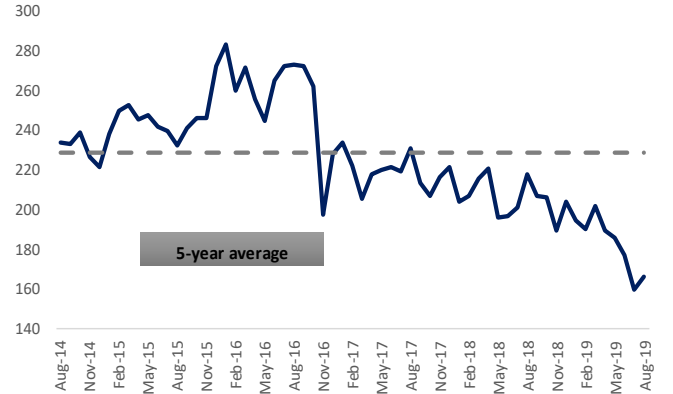
Sources: Bloomberg, MARC Research

Exhibit 31: A/A2 corporate bonds yield spread (bps)



Sources: Bloomberg, MARC Research

Exhibit 32: 5y blended credit spread (bps)



Sources: Bloomberg, MARC Research

Exhibit 33: Secondary market volume (RM billion)

Asset class	Jul-19	Aug-19	M-o-m change
MGS/GII	79.3	102.3	23.0
Cagamas	0.1	1.3	1.2
FI corporate	1.0	1.0	-0.1
Non-FI corporate	6.4	8.2	1.8

Sources: BPAM, MARC Research

Exhibit 34: Non-FI corporate traded by rating band (RM billion)

Rating band	Jul-19	Aug-19	M-o-m change
AAA	2.4	3.0	0.6
AA	3.3	4.2	0.9
A	0.5	0.4	-0.1
BBB and below	-	-	-
Short-term	0.2	0.2	-

Sources: BPAM, MARC Research

MARC Rating Activities

MARC assigned one FI rating and one preliminary rating in August

In August, MARC assigned a financial institution (FI) rating of AAA to Small Medium Enterprise Development Bank Malaysia Bhd (SME Bank) with a stable outlook. MARC also assigned a preliminary rating of A with a stable outlook to WCT Holding's proposed Perpetual Sukuk Musharakah Programme of up to RM1.0 billion.

In August, MARC affirmed nine issue ratings and one sovereign rating

In the same month, MARC affirmed a total of nine issue ratings under seven issuers. MARC also affirmed the State of Kuwait's foreign currency sovereign rating of AAA with a stable outlook. MARC revised the rating outlook on WCT Holdings Bhd's existing RM1.5 billion senior sukuk and RM1.0 billion debt programmes to stable from negative. The outlook revision factors in the expected improvement in WCT Holdings' leverage and liquidity positions through the issuance of the proposed Perpetual Sukuk.

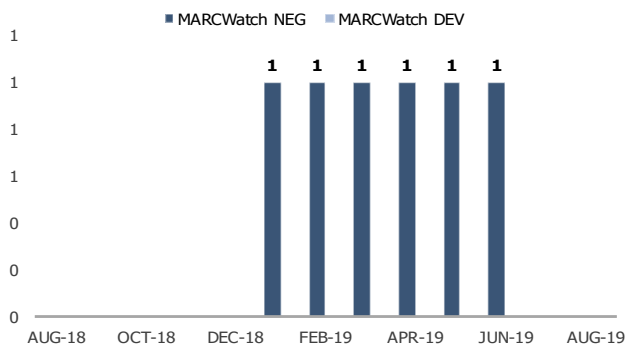
Meanwhile, there were no rating migration activities, and neither were there any new issues placed under MARCWatch in August.

Exhibit 35: List of rating actions in August 2019

Principle	Category	Main sector	Issuer	Date announced	Rating action	Rating outlook	Long-term rating		Short-term rating		Issue size (RM mil)	Credit enhancement
							Before	After	Before	After		
Islamic	Corporate Debt	Infrastructure & Utilities	BEWG (M) Sdn Bhd	29-Aug-19	AFFIRMED	STA	AA	AA	-	-	400	-
Islamic	Project Finance	Infrastructure & Utilities	Ranhill Powertron II Sdn Bhd	29-Aug-19	AFFIRMED	STA	AA	AA	-	-	360	-
Islamic	Project Finance	Infrastructure & Utilities	Ranhill Powertron II Sdn Bhd	29-Aug-19	AFFIRMED	STA	AAA	AAA	-	-	350	fg
-	Financial Strength	Finance	Small Medium Enterprise Development Bank Malaysia Bhd (SME Bank)	28-Aug-19	INITIAL	STA	AAA	AAA	-	-	-	-
Conventional	Corporate Debt	Construction	WCT Holdings Berhad	28-Aug-19	AFFIRMED	STA	AA-	AA-	-	-	1,000	-
Islamic	Corporate Debt	Construction	WCT Holdings Berhad	28-Aug-19	AFFIRMED	STA	AA-	AA-	-	-	1,500	-
Islamic	Corporate Debt	Construction	WCT Holdings Berhad	28-Aug-19	PRELIMINARY	STA	A	A	-	-	1,000	-
-	Sovereign Rating	Country	Kuwait	26-Aug-19	AFFIRMED	STA	AAA	AAA	-	-	-	-
Islamic	Structured Finance	Property	Aman Sukuk Bhd	20-Aug-19	AFFIRMED	STA	AAA	AAA	-	-	10,000	-
Islamic	Project Finance	Infrastructure & Utilities	Southern Power Generation Sdn Bhd	9-Aug-19	AFFIRMED	STA	AA-	AA-	-	-	4,000	-
Islamic	Corporate Debt	Industrial Products	Malaysia Steel Works (KL) Bhd	6-Aug-19	AFFIRMED	STA	AAA	AAA	-	-	130	fg
Islamic	Project Finance	Infrastructure & Utilities	Sinar Kamiri Sdn Bhd	6-Aug-19	AFFIRMED	STA	AA-	AA-	-	-	245	-

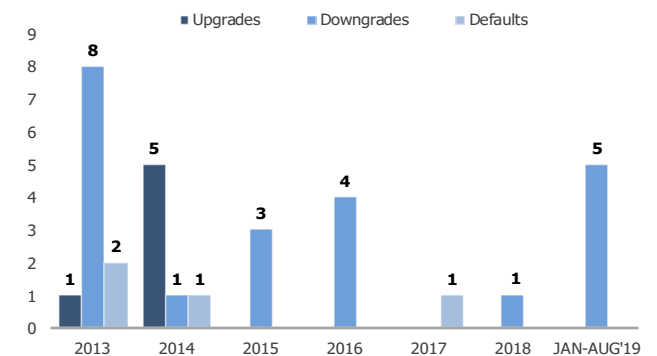
Source: MARC Research

Exhibit 36: MARCWatch placements, by issue count



Source: MARC Research

Exhibit 37: MARC rating migrations, by issue count



Source: MARC Research

Foreign Holdings of Local Bonds

Foreign flows into local bonds tapered off in August

In August, foreign holdings of local bonds eased slightly, breaking the upwards trend in foreign ownership seen in the last two months. The local bond market recorded a total net foreign outflow of RM0.9 billion (July: +RM5.8 billion). Meanwhile, total foreign holdings of local bonds stood at RM188.2 billion (July: RM188.3 billion), representing 12.6% of total outstanding.

Foreign selling pressure solely impacted MGS following the re-escalation of US-China trade tensions

The fall in foreign holdings of MGS contributed most of the outflow while other instrument types registered positive foreign flows. Total foreign holdings of MGS declined to RM153.7 billion (July: RM154.7 billion) while foreign share of the total outstanding fell to 37.7% (July: 38.3%). The decline in foreign appetite for MGS was due to the re-escalation of US-China trade tensions as both parties announced additional tariffs on each other's goods. BNM's latest announcement on the further liberalisation of onshore markets had helped to ease off some of the foreign selling pressure.

Jan-Aug '19 cumulative foreign flows into local bonds remained positive

YTD, cumulative flows into local bonds for the first eight months remained positive at RM3.4 billion (2018 YTD: -RM19.3 billion), better than the full-year figures reported for 2016, 2017 and 2018. By instrument, cumulative foreign flows into MGS stood at RM7.6 billion (2018YTD: -RM10.6 billion) while other instrument types continued to be in negative territory.

Exhibit 38: Summary of foreign holdings in local bonds

Category	Foreign holdings (RM mil)		Composition (%)		Foreign flows (RM mil)	
	Jul-19	Aug-19	Jul-19	Aug-19	Jul-19	Aug-19
MGS	154,702	153,738	38.3	37.7	5,575	-964
GII	14,746	15,276	4.4	4.6	87	531
Treasury bills	1,981	2,306	26.4	30.7	168	325
BNM notes	5,000	5,000	46.7	41.3	-	-
Corporate bonds	11,872	11,892	1.7	1.7	-105	19
Total	188,301	188,212	12.6	12.6	5,725	-89

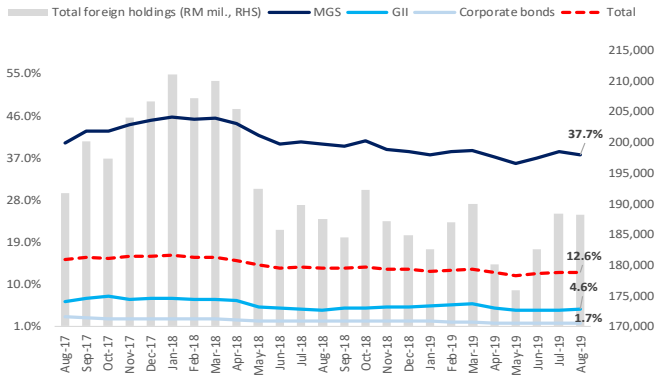
Sources: BNM, MARC Research

Exhibit 39: Historical trend of foreign flows in local bonds (RM million)

Year	MGS	GII	Treasury bills	Sukuk Perumahan Kerajaan (SPK)	BNM notes	Corporate bonds	Total
2014	8,207	1,857	-966	610	-16,728	-530	-7,550
2015	16,834	6,480	3,029	-605	-36,878	73	-11,067
2016	6,334	9,899	-1,559	-5	-15,636	1,792	826
2017	-4,041	-3,032	1,555	-	-3,724	300	-8,943
2018	-18,287	-2,603	401	-	650	-2,026	-21,865
Jan-Aug 2018	-10,551	-5,281	-1,311	-	650	-2,762	-19,256
Jan-Aug 2019	7,586	-616	-1,427	-	-	-2,156	3,387

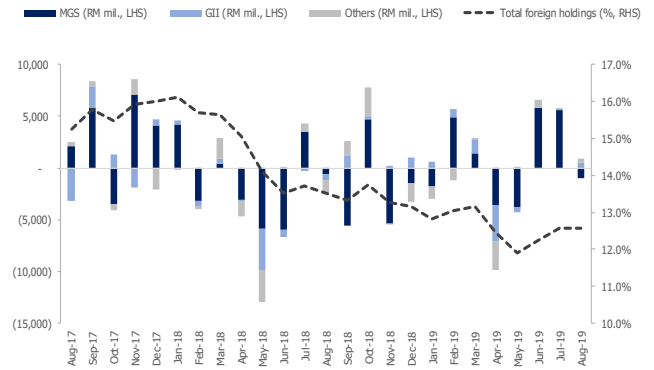
Sources: BNM, MARC Research

Exhibit 40: Foreign holdings of ringgit bonds as percentage of total outstanding



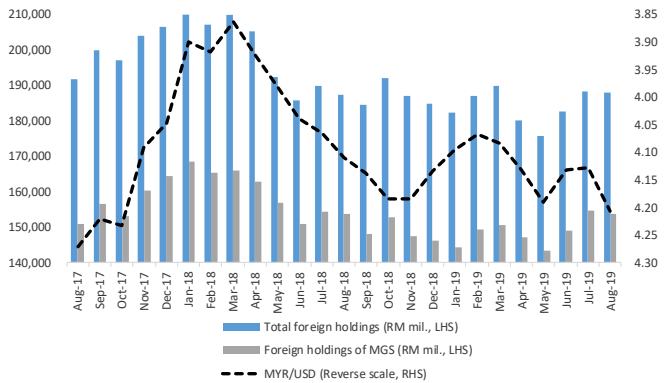
Sources: BNM, BPAM, MARC Research

Exhibit 41: Monthly foreign flows and total foreign holdings of local bonds



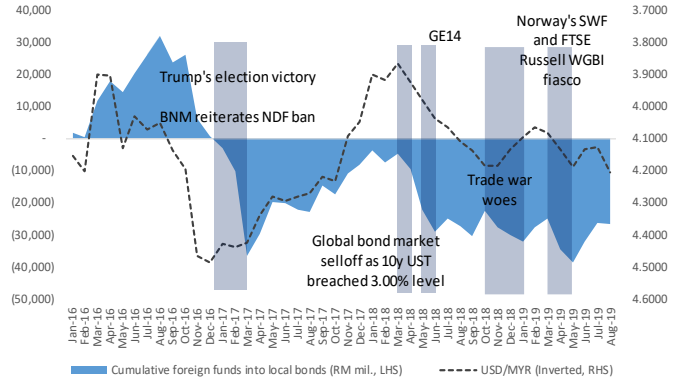
Sources: BNM, BPAM, MARC Research

Exhibit 42: Monthly performance of the ringgit versus total foreign holdings of local bonds and MGS



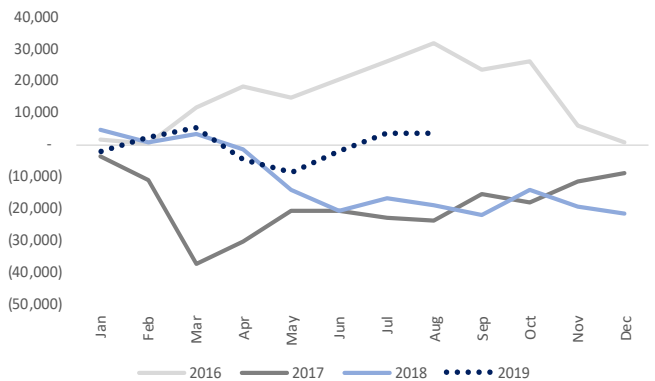
Sources: BNM, Bloomberg, MARC Research

Exhibit 43: Cumulative foreign flows into local bonds since January 2016



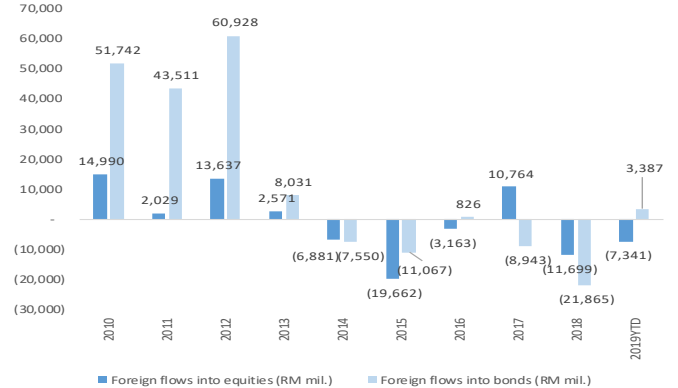
Sources: BNM, Bloomberg, MARC Research

Exhibit 44: Yearly cumulative foreign flows in local bonds performance comparison



Sources: BNM, Bloomberg, MARC Research

Exhibit 45: Total yearly foreign flows for both Malaysian bond and equity markets



Sources: BNM, Bloomberg, MARC Research

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