

Monthly Credit View

Thursday, 03 November 2016

Monthly Themes

- Externalities continue to influence credit markets as central bank actions made market participants hesitant in the month of October. China's golden week holidays invited a pause in activity but the overall theme seemed to be the counterbalancing forces between the rush to issue ahead of the impending rate hike (increasing supply) and investors juggling the desire to wait with the need to put money to work. Fundamental concerns also remain ahead of event risks for the remainder of 2016. This, together with the residual effects of a strong technical environment in prior months, resulted in order books for Asia ex-Japan dollar bonds reportedly falling in October for a second straight month as investors became more discerning. This was reflected in a divergence in the performance of the JACI IG and JACI HY corporates with the spread on JACI IG corporates falling from 207bps at the beginning of the month to 205bps at the end of October while the yield on JACI HY corporates increased by 15bps from 6.48% to 6.63%.
- The SGD space continues to be muted with only three issues in the month of October, all by financials-related issuers. This was headlined by Julius Baer Group Ltd.'s (JBG) second Additional Tier 1 issue in Singapore, a SGD325mn non-callable for 5.5-year bond at 5.75%. Singapore has proved to be a solid issue location for Julius Baer given Asia is considered JBG's second home with JBG's strong presence in Singapore and the SGD market continuing to be a relatively deep market for issuance of bank capital.
- In stark contrast, there continues to be a lack of investor appetite for, and supply from, other sectors in the SGD space most obviously the offshore oil and gas sector which had arguably its busiest and perhaps roughest months to date. Swissco Holdings Ltd continued to generate negative headlines throughout the month following its appointment of Ernst and Young to assist in the refinancing and restructuring of its SGD100mn bond and Perisai Petroleum Teknologi Bhd ("PPT") announced mid-month that it received a notice from the bond trustee that an event of default has occurred due to the failure of PPT to make principal and interest payments on its bonds due on 03/10/16. This necessitated another round of consent solicitations at Ezra Holdings Ltd due to potential impairments arising from PPT's default coupled with the still challenging environment¹. In between these developments was the successful completion of the consent solicitation by Marco Polo Marine Ltd, Pacific Radiance Ltd successfully negotiating with bank lenders to refinance and renew existing bank facilities, on-going restructuring activities at Rickmers Maritime and the successful redemption of Otto Marine Ltd.'s bond. Troubles in the oil and gas space have cast a pall over the SGD bond market and likely changed the risk perception of the SGD space as well as increased the yields that investors require for new issues, possibly above issuer's comfort levels. We think this has generally influenced the lack of new issues since July, when problems at Swiber Holdings' Ltd first came to light.
- October saw the start of earnings season for Singapore corporates and financials. In general, Singapore financials continue to manage what they can control to mitigate the somewhat uncontrollable impacts from falling interest rates and rising credit costs. Cost to income ratios have fallen noticeably and earnings generation continues to be solid. That said, profit growth remains

Treasury Advisory

Corporate FX & Structured Products

Tel: 6349-1888 / 1881

Interest Rate Derivatives

Tel: 6349-1899

Investments & Structured Products

Tel: 6349-1886

GT Institutional Sales

Tel: 6349-1810

Andrew Wong

+65 6530 4736

WongVKAM@ocbc.com

Nick Wong Liang Mian, CFA

+65 6530 7348

NickWong@ocbc.com

Ezien Hoo, CFA

+65 6722 2215

EzienHoo@ocbc.com

Wong Hong Wei

+65 6722 2533

wonghongwei@ocbc.com

¹ OCBC Asia Credit - Ezra Credit Update (20 Oct 2016) & OCBC Asia Credit - Ezra Credit Update (25 Oct 2016)

muted given the need to increase allowances to meet weakening loan quality. Loan loss coverage ratios have fallen as a result but improved capital ratios from retained earnings, scrip election for dividends and capital issuance continue to act as a buffer for bank's credit profiles.

- Vacancy pressures and negative rental reversions continue to feature in the Singapore industrial property space. Nevertheless, aggregate leverage levels and interest coverage of the REITs under our coverage remained steady versus the immediately preceding quarter. Median debt duration for REITs remained stable at 3.5 years (30 June 2016: 3.4 years). Financial flexibility for Industrial REITs is healthy, with financing markets (including equity) remaining open for the REITs under our coverage, despite sectoral headwinds, which is likely to continue into 2017, in our view.

Issuer Profile Changes / Updates

- Gallant Venture Ltd ("GALV"): On the back of GALV's announcement that the Singapore Accounting Corporate Regulatory Authority ("ACRA") had on 10 October 2016 issued an Advisory Letter to the board requiring the company to re-state and re-audit its historical consolidated financial statements for FY2014 and FY2015, we had issued an Underweight call on all 3 bonds. We continue to maintain our Negative issuer profile on the issue.
- VIVA Industrial Trust ("VIT"): We have reviewed VIT's latest financials and developments. We think that over a 6-month period and to the extent the existing bond is concerned, VIT's credit profile will improve to be in line with peers. As such, we have upgraded VIT's issuer profile to Neutral from Negative. We continue to be Overweight VITSP 4.1 18s.
- Central China Real Estate Ltd ("CENCHI"): CENCHI is marketing a 5NC3 USD bond (to be listed on the SGX). Gross proceeds of such USD bonds will be used to redeem/repurchased existing SGD bonds on issue (ie: the CENCHI 6.5 '17s). We are lowering our Overweight on the SGD bonds to Neutral given the company's intentions and keeping our issuer profile on the company at Neutral.
- Mapletree Greater China Commercial Trust ("MAGIC"): We initiated coverage on MAGIC on 31/10/16 with a Neutral issuer profile. While we like the good performance by MAGIC's largest asset (Festival Walk) since its IPO in 2013, recent results are dragged down by headwinds in the Beijing office market. Nevertheless, credit metrics remains manageable with debt/assets at 0.40x.
- Wharf Holdings Ltd ("WHARF"): On 06/10/16, we upgraded Wharf's Issuer Profile from Neutral to Positive. Net gearing and gross debt levels have been declining since 1H13 due to a prudent land banking strategy coupled with strong execution in property sales. With high income visibility from investment properties and sale of Wharf T&T, we expect the balance sheet to further strengthen.
- On 21/10/16, Otto Marine Ltd. ("OTML") announced that it has successfully redeemed all of the OTMLSP'16 bond issue outstanding, and that the early consent fee or normal consent fee payable as part of its consent solicitation earlier this year has been paid. As OTML no longer has any bonds outstanding, we will be ceasing coverage on OTML. (Company, OCBC)
- Please note that due to OCBC's engagement in other business activities, we have suspended our coverage on the following names until these activities are completed: ASL Marine Holdings Ltd, The Bank of East Asia Ltd.
- Following a number of restructurings in the offshore & marine sector through the month (e.g. Ezra/Perisai, Swissco), we have made updates to the Issuer Profile Ratings and bond recommendations. Please refer to the tables on pg. 4-6 for the full list of bond recommendations.

Trade Ideas

- Yields have tightened significantly on several PREHSP bonds in the '18s and '20s since our upgrade to OW last month. While we still see relative value in PREHSP 4.65 '18s and PREHSP 4.55 '20s, we are downgrading our Overweight recommendation on PREHSP 4.25 '18s to Neutral as it has tightened more than the rest.
- We upgrade CREITSP '18s to Overweight as the paper now yields 50 bps higher than ARTSP '18s. While both REITs operate in different sectors, both are rated at Baa3 by Moody's, with further downside risk on the ARTSP until such time its financing plans for the Cairnhill property is resolved.

Upcoming Bond Maturities – November 2016

Issuer Name	Ticker	Amount (SGD mn)	Maturity/Call Date*
SUMITOMO MITSUI BKG/SG	SUMIBK 1.45	12	11/7/2016
ASCOTT CAPITAL PTE LTD	CAPLSP 3.8	200	11/10/2016
HENDERSON LAND MTN S	HENLND 3.865	200	11/11/2016
SUMITOMO MITSUI BKG/SG	SUMIBK 1.62	50	11/14/2016
CAPITALAND LTD	CAPLSP 2.1	184	11/15/2016
NEPTUNE ORIENT LINES LTD	NOLSP 4.4	300	11/16/2016*
BANK OF CHINA/HONG KONG	BCHINA 1.25	20	11/17/2016
VALLIANZ HOLDINGS LTD	VALZSP 7.25	60	11/22/2016
KOREA DEVELOPMENT BANK	KDB 1.86	33	11/22/2016
MIDAS HOLDINGS LTD	MDASP 6	75	11/28/2016

Current / Recent Reports From OCBC Credit Research

- Mapletree Greater China Commercial Trust: Initiation (31 October 2016)
- VIVA Industrial Trust: Credit Update (31 October 2016)
- GuocoLand Ltd – Credit Update (27 October 2016)
- Ezra Holdings Limited Credit Update (25 October 2016)
- Ezra Holdings Limited: Credit Update (20 October 2016)
- Gallant Venture Ltd: Credit Update (14 October 2016)
- Gallant Venture Ltd: Credit Update (11 October 2016)
- Wharf Holdings Ltd: Credit Update (6 October 2016)
- Swissco Holdings Limited: Credit Update (5 October 2016)
- China Property Sector Update (4 October 2016)
- Deutsche Bank AG: Status Update (29 September 2016)
- Century Sunshine Group: Credit Update (29 September 2016)
- Olam International Ltd: Credit Update (13 September 2016)
- Industrial REIT Sector Update (6 September 2016)
- Sembcorp Industries Ltd: Credit Update (17 August 2016)
- Keppel Corporation Ltd: Credit Update (10 August 2016)
- Soilbuild Business Space REIT: Credit Update (1 August 2016)
- CapitaLand Commercial Trust: Credit Update (28 July 2016)
- First REIT: Credit Update (27 July 2016)
- CapitaLand Mall Trust: Credit Update (22 July 2016)
- Ezra Holdings Limited: Credit Update (21 July 2016)
- Singapore Mid-Year Credit Outlook (11 July 2016)

Issuer	Issuer Profile	Issue				Bond Ratings	Recommendation	
			Maturity	Ask Price	Ask YTW		Current	Previous

China/HK property

Central China Real Estate	N	CENCHI 6.5 '17	5/26/2017	101.65	3.46	B+/Ba3/NR	N	OW
CK Hutchison Holdings Ltd	N	CHEUNG 3.408 '18	7/20/2018	102.38	1.97	A-/A3/A- (Issuer)	N	N
China Vanke Co Ltd	N	VANKE 3.275 '17	11/6/2017	100.85	2.42	BBB+/Baa1/BBB+ (Issuer)	N	N
Henderson Land Development	N	HENLND 4 '18	9/19/2018	103.60	2.02	NR/NR/NR	N	N
Hongkong Land Holdings	Pos	HKLSP 3.86 '17	12/29/2017	103.00	1.21	A/A2/NR	UW	UW
Hongkong Land Holdings	Pos	HKLSP 3.43 '20	5/14/2020	104.25	2.17	A/A2/NR	N	N
Wharf Holdings Ltd/The	Pos	WHARF 4.3 '18	10/28/2018	104.75	1.84	NR/NR/A- (Issuer)	N	N
Wharf Holdings Ltd/The	Pos	WHARF 4.5 '21	7/20/2021	107.50	2.79	NR/NR/A- (Issuer)	N	N
Wheelock & Co Ltd	Pos	WHEELK 4.5 '21	9/2/2021	107.00	2.93	NR/NR/NR	N	N
Wing Tai Properties Ltd	Pos	WINGTA 4.25 '22	11/29/2022	102.00	3.88	NR/NR/NR	OW	OW
Yanlord Land Group Ltd	N	YLLGSP 6.2 '17	5/8/2017	101.68	2.72	BB-/Ba3/NR	N	N
First Sponsor Group Ltd	N	FSGSP 4.0 '18	6/4/2018	96.00	6.72	NR/NR/NR	OW	OW
Perennial Real Estate Holdings Ltd	N	PREHSP 4.25 '18	3/16/2018	100.85	3.63	NR/NR/NR	N	OW
Perennial Real Estate Holdings Ltd	N	PREHSP 4.65 '18	10/23/2018	99.80	4.76	NR/NR/NR	OW	OW
Perennial Real Estate Holdings Ltd	N	PREHSP 4.90 '19	3/18/2019	101.50	4.22	NR/NR/NR	N	N
Perennial Real Estate Holdings Ltd	N	PREHSP 4.55 '20	4/29/2020	99.38	4.75	NR/NR/NR	OW	OW

Singapore property developers

CapitaLand Ltd	Pos	CAPLSP 3.78 '19	8/16/2019	104.45	2.12	NR/NR/NR	N	N
CapitaLand Ltd	Pos	CAPLSP 4.35 '19	10/31/2019	106.35	2.14	NR/NR/NR	N	N
CapitaLand Ltd	Pos	CAPLSP 4.3 '20	8/31/2020	106.80	2.42	NR/NR/NR	N	N
CapitaLand Ltd	Pos	CAPLSP 3.8 '24	8/28/2024	104.85	3.10	NR/NR/NR	N	N
City Developments Ltd	Pos	CITSP 1.75 '17	2/18/2017	100.35	0.49	NR/NR/NR	UW	UW
City Developments Ltd	Pos	CITSP 2.45 '18	3/14/2018	101.12	1.61	NR/NR/NR	UW	UW
City Developments Ltd	Pos	CITSP 3.38 '19	3/20/2019	103.50	1.86	NR/NR/NR	UW	UW
City Developments Ltd	Pos	CITSP 3.00 '20	4/2/2020	102.10	2.35	NR/NR/NR	N	N
City Developments Ltd	Pos	CITSP 3.75 '22	7/6/2022	104.75	2.84	NR/NR/NR	N	N
City Developments Ltd	Pos	CITSP 3.48 '23	03/04/2023	103.00	2.96	NR/NR/NR	N	N
City Developments Ltd	Pos	CITSP 3.78 '24	10/21/2024	104.35	3.16	NR/NR/NR	N	N
GuocoLand Ltd	N	GUOLSP 3.6 '17	8/7/2017	101.00	2.25	NR/NR/NR	N	N
GuocoLand Ltd	N	GUOLSP 3.4 '18	9/4/2018	101.00	2.83	NR/NR/NR	N	OW
GuocoLand Ltd	N	GUOLSP 3.95 '19	4/1/2019	102.30	2.95	NR/NR/NR	N	OW
GuocoLand Ltd	N	GUOLSP 4.1 '20	5/13/2020	102.50	3.34	NR/NR/NR	N	N
Hong Fok Corp Ltd	Neg	HFCSP 4.75 '18	1/24/2018	100.30	4.54	NR/NR/NR	OW	OW
Hong Fok Corp Ltd	Neg	HFCSP 4.75 '19	3/22/2019	101.15	4.23	NR/NR/NR	N	N
Hotel Properties Ltd	N	HPLSP 3.5 '18	1/15/2018	101.35	2.35	NR/NR/NR	N	N
Hotel Properties Ltd	N	HPLSP 3.95 '19	9/13/2019	102.85	2.90	NR/NR/NR	OW	OW
Hotel Properties Ltd	N	HPLSP 3.88 '20	4/8/2020	102.75	3.03	NR/NR/NR	N	N
Hotel Properties Ltd	N	HPLSP 3.85 '21	5/27/2021	102.75	3.20	NR/NR/NR	N	N
OUE Ltd	N	OUESP 4.95 '17	2/1/2017	100.65	2.12	NR/NR/NR	N	N
OUE Ltd	N	OUESP 4.25 '19c16	10/30/2019	101.50	3.71	NR/NR/NR	OW	OW
OUE Ltd	N	OUESP 3.8 '20	4/15/2020	100.25	3.72	NR/NR/NR	OW	OW
Wing Tai Holdings Ltd	N	WINGTA 4.0 '21	10/7/2021	103.15	3.30	NR/NR/NR	OW	OW
Wing Tai Holdings Ltd	N	WINGTA 4.5 '22	9/26/2022	105.00	3.55	NR/NR/NR	OW	OW
Wing Tai Holdings Ltd	N	WINGTA 4.25 '23	3/15/2023	103.05	3.71	NR/NR/NR	OW	OW
Wing Tai Holdings Ltd	N	WINGTA 4.7 '24	2/28/2024	104.85	3.93	NR/NR/NR	OW	OW
Aspial Corp. Ltd	Neg	ASPSP 4.50 '17	1/23/2017	100.50	2.06	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg	ASPSP 5.50 '18	11/27/2018	96.00	7.64	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg	ASPSP 5.05 '19	6/12/2019	92.75	8.21	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg	ASPSP 5.30 '20	4/1/2020	91.95	8.05	NR/NR/NR	UW	UW
Aspial Corp. Ltd	Neg	ASPSP 5.25 '20	8/28/2020	91.36	7.92	NR/NR/NR	UW	UW

Indicative prices from Bloomberg as of 3 November 2016

Issuer	Issuer Profile	Issue	Maturity	Ask Price	Ask YTW	Bond Ratings	Recommendation	
							Current	Previous

REITS

AIMS AMP REIT	N	AAREIT 3.8 '19	5/21/2019	101.31	3.25	BBB-/NR/NR (Issuer)	N	N
AIMS AMP REIT	N	AAREIT 4.35 '19	12/5/2019	101.90	3.69	BBB-/NR/NR (Issuer)	N	N
Ascendas REIT	N	AREIT 2.5 '19	5/16/2019	101.58	1.86	NR/A3/NR	UW	UW
Ascendas REIT	N	AREIT 2.95 '20	8/3/2020	103.05	2.10	NR/A3/NR	UW	N
Ascendas REIT	N	AREIT 4 '22	2/3/2022	107.75	2.42	NR/A3/NR	N	N
Ascendas REIT	N	AREIT 3.2 '22	6/3/2022	103.85	2.46	NR/A3/NR	N	N
Ascott Residence Trust	N	ARTSP 4.3 '18	11/30/2018	104.20	2.20	NR/Baa3/NR	UW	N
Ascott Residence Trust	N	ARTSP 4.205 '22	11/23/2022	106.30	3.06	NR/Baa3/NR	UW	N
Cambridge Industrial Trust	N	CREISP 3.5 '18	11/5/2018	101.55	2.70	NR/Baa3/NR	OW	N
Cambridge Industrial Trust	N	CREISP 4.1 '20	4/29/2020	102.90	3.21	NR/Baa3/NR	N	N
Cambridge Industrial Trust	N	CREISP 3.95 '20	21/05/2020	102.35	3.24	NR/Baa3/NR	N	N
Cambridge Industrial Trust	N	CREISP 3.95 '23	09/05/2023	101.64	3.84	NR/Baa3/NR	N	UW
CapitaCommercial Trust	N	CCTSP 2.96 '21	8/13/2021	103.05	2.28	NR/A3/NR	UW	N
CapitaCommercial Trust	N	CCTSP 2.77 '22	7/4/2022	101.45	2.49	A-/NR/NR	N	N
CapitaMall Trust	N	CAPITA 3.85 '17	3/15/2017	101.10	0.68	NR/A2/NR	UW	UW
CapitaMall Trust	N	CAPITA 3.55 '17	9/1/2017	102.05	1.02	NR/A2/NR	UW	UW
CapitaMall Trust	N	CAPITA 3.15 '20	12/18/2020	103.75	2.19	NR/A2/NR	N	N
CapitaMall Trust	N	CAPITA 3.75 '24	8/2/2024	107.10	2.73	NR/A2/NR	UW	UW
CapitaMall Trust	N	CAPITA 3.48 '24	8/6/2024	104.80	2.79	NR/A2/NR	UW	UW
CapitaMall Trust	N	CAPITA 3.35 '31	7/7/2031	102.50	3.14	NR/A2/NR	UW	UW
First REIT	N	FIRTSP 4.125 '18	5/22/2018	101.60	3.05	NR/NR/NR	UW	N
Frasers Centrepoint Trust	N	FCTSP 2.9 '19	4/10/2019	100.75	2.58	BBB+/NR/NR	OW	OW
Frasers Centrepoint Trust	N	FCTSP 3 '20	1/21/2020	100.25	2.92	BBB+/NR/NR	OW	OW
Mapletree Commercial Trust	N	MCTSP 2.65 '19	11/7/2019	102.00	1.96	NR/Baa1/NR	UW	UW
Mapletree Commercial Trust	N	MCTSP 3.6 '20	8/24/2020	105.05	2.20	NR/Baa1/NR	UW	UW
Mapletree Commercial Trust	N	MCTSP 3.2 '21	4/12/2021	103.25	2.42	NR/Baa1/NR	UW	UW
Mapletree Commercial Trust	N	MCTSP 3.25 '23	2/3/2023	103.15	2.70	NR/Baa1/NR	UW	UW
Mapletree Greater China Commercial Trust	N	MAGIC 3.2 '21	9/8/2021	101.00	2.98	NR/Baa1/NR	N	-
Mapletree Greater China Commercial Trust	N	MAGIC 3.43 '22	3/9/2022	101.75	3.07	NR/Baa1/NR	N	-
Mapletree Industrial Trust	N	MINTSP 3.75 '19	3/8/2019	103.22	2.33	NR/NR/BBB+	N	N
Mapletree Industrial Trust	N	MINTSP 3.65 '22	9/7/2022	103.75	2.95	NR/NR/BBB+	N	N
Mapletree Industrial Trust	N	MINTSP 3.79 '26	3/2/2026	104.14	3.27	NR/NR/BBB+	UW	UW
Sabana Industrial REIT	Neg	SSREIT 4.00 '18	3/19/2018	98.88	4.91	NR/NR/NR	OW	OW
Sabana Industrial REIT	Neg	SSREIT 4.00 '18	4/3/2019	96.56	5.80	NR/NR/NR	OW	OW
Soilbuild Business Space REIT	N	SBREIT 3.45 '18	5/21/2018	100.65	3.01	NR/Baa3/NR (Issuer)	OW	OW
Soilbuild Business Space REIT	N	SBREIT 3.6 '21	4/8/2021	100.25	3.54	NR/Baa3/NR	OW	OW
Starhill Global REIT	N	SGREIT 3.5 '21	2/26/2021	103.50	2.63	BBB+/NR/NR	N	N
Starhill Global REIT	N	SGREIT 3.4 '23	5/26/2023	102.75	2.94	BBB+/NR/NR	N	N
Suntec REIT	N	SUNSP 2.83 '18	11/12/2018	102.10	1.76	NR/Baa2/NR	UW	UW
Suntec REIT	N	SUNSP 3.35 '20	2/10/2020	103.00	2.39	NR/Baa2/NR	N	N
VIVA Industrial Trust	N	VITSP 4.15 '18	9/19/2018	99.80	4.26	BB+/NR/NR	OW	OW

Offshore & Marine and Logistics

Ezion Holdings Ltd	Neg	EZISP 4.7 '19	5/22/2019	77.00	16.11	NR/NR/NR	N	N
Ezion Holdings Ltd	Neg	EZISP 4.875 '21	6/11/2021	70.00	15.37	NR/NR/NR	N	N
Ezion Holdings Ltd (CF by DBS)	Neg	EZISP 3.65 '20	8/5/2020	99.00	3.93	NR/NR/NR	N	N
Ezra Holdings Ltd	Neg	EZRASP 4.875 '18	4/24/2018	50.00	71.06	NR/NR/NR	N	OW
Keppel Corp Ltd	N	KEPSP 3.1 '20	10/12/2020	101.50	2.69	NR/NR/NR	UW	UW
Keppel Corp Ltd	N	KEPSP 3.145 '22	2/14/2022	100.10	3.12	NR/NR/NR	N	N
Keppel Corp Ltd	N	KEPSP 3.725 '23	11/30/2023	102.25	3.36	NR/NR/NR	UW	UW
Keppel Corp Ltd	N	KEPSP 3.8 '27c22	4/23/2027	102.10	3.38	NR/NR/NR	UW	N
Keppel Corp Ltd	N	KEPSP 4 '42	9/7/2042	100.00	4.00	NR/NR/NR	UW	N
Nam Cheong Ltd	Neg	NCLSP 5 '17	8/28/2017	52.00	138.21	NR/NR/NR	N	N
Nam Cheong Ltd	Neg	NCLSP 6.5 '18	7/23/2018	48.00	67.23	NR/NR/NR	N	N
Nam Cheong Ltd	Neg	NCLSP 5.05 '19	8/26/2019	52.00	32.39	NR/NR/NR	N	N
Neptune Orient Lines Ltd	N	NOLSP 5.75 '17	4/26/2017	98.75	8.54	NR/NR/NR	OW	OW
Neptune Orient Lines Ltd	N	NOLSP 4.4 '19c17	11/8/2019	77.50	15.57	NR/NR/NR	OW	OW
Neptune Orient Lines Ltd	N	NOLSP 4.65 '20c15	9/9/2020	67.00	16.61	NR/NR/NR	N	N
Neptune Orient Lines Ltd	N	NOLSP 4.4 '21c16	6/22/2021	61.25	16.78	NR/NR/NR	N	N
Pacific Radiance Ltd	Neg	PACRA 4.3 '18	8/29/2018	60.00	36.38	NR/NR/NR	N	N
Sembcorp Industries Ltd	N	SCISP 3.7325 '20	4/9/2020	102.35	3.00	NR/NR/NR	UW	N
Sembcorp Industries Ltd	N	SCISP 3.64 '24	5/27/2024	100.40	3.58	NR/NR/NR	UW	UW
Sembcorp Industries Ltd	N	SCISP 3.593 '26	11/26/2026	98.65	3.76	NR/NR/NR	UW	UW
Singapore Post Ltd	N	SPOST 3.5 '20	3/30/2020	105.65	1.78	A-/NR/NR	UW	UW
Swissco Holdings Ltd	Neg	SWCHSP 5.7 '18	4/16/2018	10.00	429.37	NR/NR/NR	WD	N

Indicative prices from Bloomberg as of 3 November 2016

Issuer	Issuer Profile	Issue				Bond Ratings	Recommendation	
			Maturity	Ask Price	Ask YTW		Current	Previous

Others

Golden Agri-Resources Ltd	Neg	GGRSP 4.2 '17	4/30/2017	99.63	4.99	NR/NR/NR	N	N
Golden Agri-Resources Ltd	Neg	GGRSP 5.5 '18	4/27/2018	99.50	5.86	NR/NR/NR	N	N
CITIC Envirotech Ltd	N	CELSP 4.7 '18	4/29/2018	100.61	4.27	NR/NR/NR	N	N
Gallant Venture Ltd	Neg	GALVSP 5.90 '17	5/12/2017	97.00	12.41	NR/NR/NR	UW	N
Gallant Venture Ltd	Neg	GALVSP 7 '17	8/2/2017	96.00	13.19	NR/NR/NR	UW	N
Gallant Venture Ltd	Neg	GALVSP 7 '18	4/6/2018	90.00	15.64	NR/NR/NR	UW	N
CWT Ltd	N	CWTSP 4 '17	3/13/2017	100.30	3.10	NR/NR/NR	N	N
CWT Ltd	N	CWTSP 3.9 '19	4/18/2019	98.75	4.45	NR/NR/NR	N	N
CWT Ltd	N	CWTSP 4.8 '20	3/18/2020	99.75	4.88	NR/NR/NR	N	N
Century Sunshine Group	N	CENSUN 7.2 '18	6/4/2018	101.00	6.51	NR/NR/NR	OW	OW
Olam International Ltd	N	OLAMSP 6.00 '18	8/10/2018	106.00	2.48	NR/NR/NR	UW	UW
Olam International Ltd	N	OLAMSP 5.80 '19	7/17/2019	105.00	3.82	NR/NR/NR	UW	UW
Olam International Ltd	N	OLAMSP 4.25 '19	7/22/2019	101.00	3.85	NR/NR/NR	UW	UW
Olam International Ltd	N	OLAMSP 6.00 '22	10/25/2022	103.00	5.40	NR/NR/NR	N	N

Financial Institutions - Senior Issues

Australia & New Zealand Banking Group Ltd	N	ANZ 4 '25	2/12/2025	106.00	3.26	AA-/Aa2/NR	N	N
Bank of China Ltd/Singapore*	N	BCHINA 2.75 '19	6/30/2019	101.68	2.13	NR/A1/A	N	N
Bank of Communications Co Ltd/Hong Kong*	N	BOCOM 2.1 '17	7/24/2017	100.50	1.57	NR/A2/NR	N	N
CIMB Bank Bhd/Singapore*	N	CIMBMK 2.12 '18	6/30/2018	100.29	2.07	NR/A3/NR	N	N
DBS Group Holdings Ltd	N	DBSSP 2.78 '21	1/11/2021	102.51	2.20	NR/Aa2/AA-	N	N
Malayan Banking Bhd	N	MAYMK 1.9 '17	4/10/2017	100.25	1.85	NR/A3/A-	N	N
Malayan Banking Bhd	N	MAYMK 2.1 '18	6/26/2018	100.58	1.89	NR/A3/NR	N	N
Westpac Banking Corp	N	WSTP 4.1 '25	4/15/2025	109.72	2.85	NR/Aa2/NR	N	N

*Branch issuer profile ratings are equal to parent issuer profile ratings

Issuer	Issuer Profile	Issue				Bond Ratings	Recommendation	
			First Call	Ask Price	YTC		Current	Previous

Corporate perpetuals

Ascendas REIT	N	AREIT 4.75 '49	10/14/2020	105.25	3.32	NR/Baa2/NR	N	N
Ascott Residence Trust	N	ARTSP 5 '49	10/27/2019	103.65	3.69	NR/Baa3/NR (Issuer)	N	N
Ascott Residence Trust	N	ARTSP 4.68 '49	6/30/2020	102.95	3.80	NR/Baa3/NR (Issuer)	N	N
Ezion Holdings Ltd	Neg	EZISP 7 '49	11/19/2018	73.00	26.19	NR/NR/NR	N	N
First REIT	N	FIRTSP 5.68 '49	7/8/2021	100.35	5.59	NR/NR/NR	N	N
Fraser Hospitality Trust	N	FHREIT 4.45 '49	5/12/2021	101.35	4.11	NR/NR/NR	N	N
Genting Singapore Plc	Pos	GENSP 5.125 '49	9/12/2017	101.20	3.66	NR/Baa2/BBB	N	N
Hotel Properties Ltd	N	HPLSP 6.125 '49	5/4/2017	102.50	1.00	NR/NR/NR	N	N
Keppel REIT	N	KREITS 4.98 '49	11/2/2020	105.00	3.62	NR/Baa3/NR (Issuer)	UW	N
Mapletree Logistics Trust	N	MLTSP 5.375 '49	9/19/2017	103.15	1.70	NR/Baa3/NR	UW	N
Mapletree Logistics Trust	N	MLTSP 4.18 '49	11/25/2021	100.65	4.04	NR/Baa1/NR (Issuer)	OW	OW
Sembcorp Industries Ltd	N	SCISP 5 '49	8/21/2018	101.00	4.40	NR/NR/NR	N	N
Sembcorp Industries Ltd	N	SCISP 4.75 '49	5/20/2020	100.05	4.73	NR/NR/NR	N	N
Singapore Post Ltd	N	SPOST 4.25 '49	3/2/2022	105.50	3.12	BBB+ /NR/NR	UW	UW
Olam International Ltd	N	OLAMSP 7.00 '49	3/1/2017	101.00	3.78	NR/NR/NR	N	OW

Financial Institutions - Capital Instruments

Australia & New Zealand Banking Group Ltd	N	ANZ 3.75 '27	3/23/2022	101.35	3.50	BBB+/A3/A+	N	N
DBS Bank Ltd	N	DBSSP 3.3 '22	2/21/2017	100.60	1.41	A+/Aa3/A+	N	N
DBS Bank Ltd	N	DBSSP 3.1 '23	2/14/2018	101.80	1.73	A+/Aa3/A+	N	N
DBS Bank Ltd	N	DBSSP 4.7 '49	11/22/2020	106.50	3.17	BBB/A3/BBB	N	N
DBS Group Holdings Ltd	N	DBSSP 3.8 '28	1/20/2023	105.80	2.81	NR/A2/A+	N	N
DBS Group Holdings Ltd	N	DBSSP 4.7 '49	6/3/2019	104.35	2.98	NR/A3/BBB	N	N
DBS Capital Funding II Corp	N	DBSSP 5.75 '49	6/15/2018	105.15	2.52	BBB/A3/BBB	N	N
Dah Sing Bank Ltd	N	DAHSIN 4.875 '22	2/9/2017	100.92	1.58	NR/Baa1/BBB	N	N
Malayan Banking Bhd	N	MAYMK 6.0 '49	8/11/2018	104.90	3.25	BB+/Baa2/BB+	N	N
National Australia Bank Ltd	N	NAB 4.15 '28	5/19/2023	103.30	3.60	BBB+/A3/A+	N	N
United Overseas Bank Ltd	N	UOBSP 4.9 '49	7/23/2018	103.40	2.97	BBB-/A3/BBB	N	N
United Overseas Bank Ltd	N	UOBSP 3.5 '26	5/22/2020	104.00	2.37	BBB+/A2/A+	N	N
United Overseas Bank Ltd	N	UOBSP 3.15 '22	7/11/2017	101.00	1.71	A+/Aa3/A+	N	N
United Overseas Bank Ltd	N	UOBSP 4.75 '49	11/19/2019	104.70	3.16	BBB-/A3/BBB	N	N
United Overseas Bank Ltd	N	UOBSP 4.0 '49	5/18/2021	103.00	3.32	NR/A3/BBB	N	N
Westpac Banking Corp	N	WSTP 4.0 '27	8/12/2022	102.75	3.49	BBB+/A3/A+	N	N

Upgrades

Downgrades

New

Indicative prices from Bloomberg as of 3 November 2016

Explanation of Issuer Profile Rating

Positive (“Pos”) – The issuer’s credit profile is either strong on an absolute basis, or expected to improve over the next six months.

Neutral (“N”) – The issuer’s credit profile is fair on an absolute basis, or expected to improve / deteriorate to a fair level over the next six months.

Negative (“Neg”) – The issuer’s credit profile is either poor on an absolute basis, or expected to deteriorate to a poor level over the next six months.

Explanation of Bond Recommendation

Overweight (“OW”) – The performance of the issuer’s specific bond is expected to outperform the issuer’s other bonds, or the bonds of other issuers either operating in the same sector or in a different sector but with similar tenor over the next six months.

Neutral (“N”) – The performance of the issuer’s specific bond is expected to perform in line with the issuer’s other bonds, or the bonds of other issuers either operating in the same sector or in a different sector but with similar tenor over the next six months.

Underweight (“UW”) – The performance of the issuer’s specific bond is expected to underperform the issuer’s other bonds, or the bonds of other issuers either operating in the same sector or in a different sector but with similar tenor over the next six months.

Other

Suspension – We may suspend our issuer rating and bond level recommendation on specific issuers from time to time when OCBC is engaged in other business activities with the issuer. Examples of such activities include acting as a joint lead manager or book runner in a new issue or as an agent in a consent solicitation exercise. We will resume our coverage once these activities are completed.

Withdrawal (“WD”) – We may withdraw our issuer rating and bond level recommendation on specific issuers from time to time when corporate actions are announced but the outcome of these actions are highly uncertain. We will resume our coverage once there is sufficient clarity in our view on the impact of the proposed action.

This publication is solely for information purposes only and may not be published, circulated, reproduced or distributed in whole or in part to any other person without our prior written consent. This publication should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this publication is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this publication may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate. This publication may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, they should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation or particular needs before you make a commitment to purchase the investment product.

OCBC and/or its related and affiliated corporations may at any time make markets in the securities/instruments mentioned in this publication and together with their respective directors and officers, may have or take positions in the securities/instruments mentioned in this publication and may be engaged in purchasing or selling the same for themselves or their clients, and may also perform or seek to perform broking and other investment or securities-related services for the corporations whose securities are mentioned in this publication as well as other parties generally.

Co.Reg.no.:193200032W