

Monthly Credit View

Friday, 02 March 2018

Monthly Themes

- After a feverish start in 2018, markets turned cautious in February. SGD secondary markets traded softer, with bonds within our coverage falling m/m by an average of 0.72 pts, driven by rates movement and wider spreads. In our view, the pullback from exuberance is a healthy one. Investors can expect higher returns from higher yields, with pockets of opportunities (refer to our trade ideas in the below sections) emerging from the movement in prices. This was in contrast to 2017's broad-based chase for yield. In the primary market, issuance slowed with only SGD610mn raised (Feb 2017: SGD3.1bn). Three IG SGD REIT issuers (SGD560mn) contributed the bulk of the issuances, which priced bonds at a "take it or leave it" basis in February, which is seldom seen in the SGD market. Perhaps as an indication that the arrangers provided a backstop, more than 30% of the issuances were placed with agencies/banks.
- Going into March, we think investors should be more discerning in credit selection and demand wider new issue concessions against existing curves. Aside from the [EZISP perpetuals which underwent restructuring](#), for the first time, the SGD market saw an issuer opting to defer redemption on subordinated paper. On 27 Feb 2018, Hyflux Ltd announced its intention to defer redemption on its preference shares come April 2018, opting to pay the 200bps step-up instead. A sell-off of the Hyflux curve in the weeks leading up to this announcement was observed, which has largely been idiosyncratic with little immediate spill-over thus far to the broader market. However, it remains to be seen if going forward, investors will continue to take for granted that perpetuals would be redeemed at first call. Even without a distress scenario, in general, we think risks are higher that more perpetuals may not redeem at first call due to movements in rates (10yr USTs climbed to 2.86% by end Feb) and widening spreads.
- Investors have become increasingly cautious over longer dated papers and are demanding to be compensated for taking duration risk. While prices have already softened, momentum may continue to drive widening spreads between seniors and subordinated papers (reversing back to 100-150bps). We reiterate our recommendation in our [2018 Credit Outlook](#) for investors to seek short to medium term issues (up to 3Y) and avoid duration with rates on the rise. Investors hunting for yield in the longer dated papers should consider staying selective.
- While companies are still reporting full year 2017 results, growth appears to have picked up with stronger earnings growth from the financial and property sectors. This lends support to the expectation of continued growth in 2018, with [our economist forecasting Singapore's GDP to grow by 2-4%](#). However, the offshore sector may remain the laggard, with [Pacific Radiance Ltd](#) joining the list of companies under restructuring. The road to recovery looks long-drawn without a more substantial increase in oil prices, though signs of green shoots have perhaps emerged with [Keppel Corp Ltd announcing the first order win for a semisubmersible drilling rig in a long while](#). Although we expect the property sector to remain firm, counter intuitively, we expect credit profiles to deteriorate as companies aggressively stock up on land bank, thereby pushing net gearing higher.

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

Issuer Profile Changes / Updates

- 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: Perennial Real Estate Holdings Limited.
- Conversely, we have resumed coverage on the following companies following the completion of OCBC's engagement: GuocoLand Limited, Heeton Holdings Limited, Oxley Holdings Ltd and Golden-Agri Resources Ltd.

Trade Ideas

- Recent bank earnings announcements support our view that the credit profiles of banks are on a strengthening trend through strategic repositioning and a favorable economic outlook. Banks are now better capitalized and hold more liquidity than the past to face any stress. With this in mind and a steepening yield curve, we continue to favor bank capital instruments for the yield with relatively shorter calls. This continues to be JBG's AT1s (BAERVX 5.90%-PERPc20s and BAERVX 5.75%- PERPc22s) and other select European names in the Tier 2 space.
- We have moved the FPLSP 4.15% '27s to Overweight. The bond currently provides a YTM of 4.16%, or a spread of 171bps above swaps. We believe this bond to be better value than the junior subordinated FPLSP 4.38%-perp. Though the YTC of the perp is slightly higher at 4.37% for 5-year first call, we would caution that the reset for the perp would only be at the 10-year mark. In the event that the perp calls only upon reset, the spread would fall to 188bps, just 19bps higher than the senior unsecured FPLSP 4.15% '27s. for a comparable tenure.
- Although prices of GEMAU 5.5% '19s have come off, we downgrade our recommendation to Underweight. Though headline credit ratios (e.g. net debt/EBITDA at 1.5x) looks healthy, this does not factor AUD629.1mn in non-cancellable lease (vs AUD303.5mn in debt). We expect credit metrics to deteriorate with G8 targeting to open 30 new greenfield centres while we see operational headwinds in the Australian day care centres given significant oversupply. Investors chasing for yield can consider switching to HTONSP 6.08% '21s.
- We rate the recent HTONSP 6.08% '21s with an Overweight recommendation. Net gearing remains manageable at 0.8x, backed by recurring income and hard assets including Tampines Mart, Sun Plaza and a portfolio of hotels. Offering the highest yield (5.88%) in the SGD property sector space, we see significant room for yield compression given where its peers with higher net gearing are trading, such as CHIPEN 4.75% '21s (3.90%) and OHLSP 5.7% '22s (5.81%).
- While we remain comfortable with GuocoLand Ltd's ("GUOL") credit profile, we Underweight GUOLSP 4.6% PERP (4.6% YTC) as it looks rich compared to peers with healthier balance sheet such as EREIT 4.6% PERP (5.08% YTC) and CACHE 5.5% PERP (5.21% YTC). Investors who like GUOL can consider GUOLSP 4% '22s (3.87%).
- We think there is better value in Ascendas REIT's AREIT '20s (2.39% YTM with a 55 bps spread) versus the AREIT 4.75%-PERP (YTW of 2.83% in October 2020 with a 96 bps spread). We see fair value of the AREIT 4.75%-PERP at 60 bps wider to compensate for the subordination risk. We are Overweight the AREIT'20s and Underweight the AREIT 4.75%-PERP.
- At the short-end, we are Overweight ESR-REIT's EREIT'18s (2.6% YTM with a 113 bps spread) and think this bond provides better value over Ascott Residence Trust' ART'18s (2.0% YTM with a 54 bps spread), which we have an Underweight bond rating. Both bonds mature in November 2018 and we

have their issuer profiles at Neutral (4).

- We are Underweight Olam's perpetuals, the OLAMSP 5.5%-PERP with a YTW of 5.56% with a 348bps and think there is further downside as investors pare back on the long-end. We see fair value of the perpetuals at YTC 6% (widening of another 45bps).
- Notwithstanding our Negative(6) issuer profile on CWT International Limited, we hold CWTSP'19s on Overweight. We think at these pricing levels, the risk-reward is favourable for a short term bond, for investors less concerned about liquidity and able to hold to maturity. The CWTSP'19s is trading at a YTW of 14.4% and provides higher pick-up against its parent HNA's existing HNA curve. While CWT International Limited is a smaller company, bondholders of CWT Ltd sit nearer to operating assets which is helpful in a worst-case-scenario.

Upcoming Bond Maturities – March 2018

Issuer Name	Ticker	Amount (SGD mn)	Maturity/Call Date*
Mapletree Treasury Services Ltd	MAPLSP	90	07/03/2018
Cagamas Global Sukuk Bhd	CAGA	50	13/03/2018
City Developments Ltd	CITSP	100	14/03/2018
Perennial Treasury Pte Ltd	PREHSP	100	16/03/2018
Q&M Dental Group Singapore Ltd	QNMSP	60	19/03/2018
Sabana Sukuk Pte Ltd	SSREIT	90	19/03/2018
Rowsley Ltd	ROWSSP	100	27/03/2018
Perennial Somerset Investors Pte Ltd	PERSOM	229	31/03/2018
Neptune Orient Lines Ltd/Singapore	NOLSP	300	20/03/2018*

(OCBC, Company, Bloomberg)

Current / Recent Reports From OCBC Credit Research

[Research Archive: <http://www.ocbc.com/group/research/index.html>]

- Heeton Holdings Ltd: Credit Update (28 Feb 2018)
- Pacific Radiance Ltd: Credit Update (28 Feb 2018)
- GuocoLand Ltd: Credit Update (22 Feb 2018)
- Oxley Holdings Ltd: Credit Update (14 Feb 2018)
- Ezion Holdings Ltd: Credit Update (08 Feb 2018)
- Pacific Radiance Ltd: Credit Update (07 Feb 2018)
- Lai Fung Holdings Ltd: Recent Issue View (01 Feb 2018)
- BreadTalk Group Ltd: Credit Update (31 January 2018)
- ESR-REIT / Viva Industrial Trust: Credit Update (30 January 2018)
- First REIT: Credit Update (24 January 2018)
- Wharf Real Estate Investment Co Ltd - New Issue View (11 January 2018)
- Singapore Credit Outlook 2018 (9 January 2018)
- Nam Cheong Limited: Credit Update (6 December 2017)
- PSA International Pte Ltd: Credit Overview (1 November 2017)
- SGD Corporate Perpetual Bonds: Still worthwhile? (31 October 2017)
- Ezion Holdings Ltd: Credit Update (24 October 2017)
- Soilbuild REIT: Credit Update (23 October 2017)
- Mapletree Logistics Trust: Credit Update (16 October 2017)
- CWT Limited: Credit Update (11 October 2017)
- Nam Cheong Limited: Credit Update (2 October 2017)
- Century Sunshine Group: Credit Update (13 September 2017)
- Singapore Airlines Ltd: Credit Update (12 September 2017)
- An introduction to SGD Corporate Perpetual Bonds (8 September 2017)
- Wharf Holdings Ltd: Credit Update (28 August 2017)
- CK Hutchison Holdings Ltd: Credit Update (28 August 2017)
- Heeton Holdings Ltd: New Credit Review (18 August 2017)
- Nam Cheong Limited: Credit Update (17 August 2017)
- Sabana Shari'ah Compliant Industrial REIT / ESR-REIT: Credit Update (11 August 2017)
- Century Sunshine Group: Credit Update (17 July 2017)
- Singapore Mid-Year 2017 Credit Outlook (8 July 2017)

China/HK property

CK Hutchison Holdings Ltd	Pos (2)	CKHH 3.408 '18	20/07/2018	100.7	1.50	A-/A2/A- (Guarantor)	N	N
Henderson Land Development	N (3)	HENLND 4 '18	19/09/2018	101.10	1.95	NR/NR/NR	UW	OW
Hongkong Land Holdings	Pos (2)	HKLS 3.43 '20	14/05/2020	102.55	2.23	A/A2/NR	UW	UW
Wharf Holdings Ltd/The	N (3)	WHARF 4.3 '18	28/10/2018	101.45	2.03	NR/NR/BBB (Issuer)	UW	N
Wharf Holdings Ltd/The	N (3)	WHARF 4.5 '21	20/07/2021	105.975	2.64	NR/NR/BBB	UW	UW
Wheelock & Co Ltd	Pos (2)	WHEELK 4.5 '21	02/09/2021	106.00	2.69	NR/NR/NR	N	N
Wing Tai Properties Ltd	N (4)	WINGTA 4.25 '22	29/11/2022	103.50	3.44	NR/NR/NR	OW	OW

Singapore property developers

CapitaLand Ltd	N (3)	CAPLSP 3.78 '19	16/08/2019	102.20	2.22	NR/NR/NR	N	OW
CapitaLand Ltd	N (3)	CAPLSP 4.35 '19	31/10/2019	103.20	2.36	NR/NR/NR	N	UW
CapitaLand Ltd	N (3)	CAPLSP 4.3 '20	31/08/2020	104.10	2.59	NR/NR/NR	N	UW
CapitaLand Ltd	N (3)	CAPLSP 3.8 '24	28/08/2024	104.10	3.10	NR/NR/NR	N	N
CapitaLand Ltd	N (3)	CAPLSP 3.08 '27	19/10/2027	97.70	3.36	NR/NR/NR	N	N
City Developments Ltd	Pos (2)	CITSP 3.38 '19	20/03/2019	101.25	2.16	NR/NR/NR	N	OW
City Developments Ltd	Pos (2)	CITSP 3.00 '20	02/04/2020	101.30	2.35	NR/NR/NR	UW	N
City Developments Ltd	Pos (2)	CITSP 2.93 '21	24/03/2021	101.50	2.42	NR/NR/NR	UW	N
City Developments Ltd	Pos (2)	CITSP 3.75 '22	06/07/2022	104.60	2.62	NR/NR/NR	UW	UW
City Developments Ltd	Pos (2)	CITSP 3.48 '23	03/04/2023	103.50	2.74	NR/NR/NR	UW	UW
City Developments Ltd	Pos (2)	CITSP 3.78 '24	21/10/2024	104.64	3.00	NR/NR/NR	N	N
City Developments Ltd	Pos (2)	CITSP 3.48 '26	15/06/2026	101.90	3.22	NR/NR/NR	N	N
Chip Eng Seng Corporation Ltd	Neg (6)	CHIPEN 4.75 '21	14/06/2021	102.58	3.90	NR/NR/NR	N	N
Chip Eng Seng Corporation Ltd	Neg (6)	CHIPEN 4.9 '22	19/05/2022	102.75	4.18	NR/NR/NR	N	N
Frasers Property Ltd	N (4)	FPLSP 3.95 '21	07/10/2021	102.80	3.12	NR/NR/NR	N	N
Frasers Property Ltd	N (4)	FPLSP 4.25 '26	21/04/2026	102.25	3.92	NR/NR/NR	N	N
Frasers Property Ltd	N (4)	FPLSP 4.15 '27	23/02/2027	99.95	4.16	NR/NR/NR	OW	N
GuocoLand Ltd	N (5)	GUOLSP 3.95 '19	01/04/2019	100.88	3.13	NR/NR/NR	N	-
GuocoLand Ltd	N (5)	GUOLSP 4.1 '20	13/05/2020	101.60	3.33	NR/NR/NR	N	-
GuocoLand Ltd	N (5)	GUOLSP 3.62 '21	30/03/2021	100.10	3.58	NR/NR/NR	N	-
GuocoLand Ltd	N (5)	GUOLSP 4 '22	31/01/2022	100.45	3.87	NR/NR/NR	OW	-
GuocoLand Ltd	N (5)	GUOLSP 3.85 '23	15/02/2023	99.80	3.89	NR/NR/NR	N	-
Heaton Holdings Ltd	N (5)	HTONSP 6.1 '20	08/05/2020	100.59	5.80	NR/NR/NR	OW	-
Heaton Holdings Ltd	N (5)	HTONSP 6.08 '21	19/07/2021	100.60	5.88	NR/NR/NR	OW	-
Hong Fok Corp Ltd	N (5)	HFCSP 4.75 '19	22/03/2019	101.00	3.80	NR/NR/NR	OW	OW
Hotel Properties Ltd	N (4)	HPLSP 3.95 '19	13/09/2019	102.20	2.47	NR/NR/NR	N	N
Hotel Properties Ltd	N (4)	HPLSP 3.88 '20	08/04/2020	102.50	2.64	NR/NR/NR	N	N
Hotel Properties Ltd	N (4)	HPLSP 3.85 '21	27/05/2021	103.00	2.87	NR/NR/NR	N	N
OUE Ltd	N (4)	OUESP 4.25 '19c16	30/10/2019	101.10	3.36	NR/NR/NR	OW	OW
OUE Ltd	N (4)	OUESP 3.8 '20	15/04/2020	100.90	3.35	NR/NR/NR	OW	OW
OUE Ltd	N (4)	OUESP 3.75 '22	17/04/2022	100.20	3.70	NR/NR/NR	OW	OW
OUE Ltd	N (4)	OUESP 3.55 '23	10/05/2023	99.50	3.66	NR/NR/NR	N	N
Oxley Holdings Ltd	Neg (6)	OHLSP 5 '19	05/11/2019	100.03	4.98	NR/NR/NR	N	-
Oxley Holdings Ltd	Neg (6)	OHLSP 5.15 '20	18/05/2020	100.16	5.07	NR/NR/NR	UW	-
Oxley Holdings Ltd	Neg (6)	OHLSP 5.7 '22	31/01/2022	99.60	5.81	NR/NR/NR	UW	-
Wing Tai Holdings Ltd	N (4)	WINGTA 4.0 '21	07/10/2021	104.05	2.81	NR/NR/NR	N	N
Wing Tai Holdings Ltd	N (4)	WINGTA 4.5 '22	26/09/2022	105.90	3.10	NR/NR/NR	N	N
Wing Tai Holdings Ltd	N (4)	WINGTA 4.25 '23	15/03/2023	103.90	3.40	NR/NR/NR	OW	OW
Wing Tai Holdings Ltd	N (4)	WINGTA 4.7 '24	28/02/2024	106.10	3.56	NR/NR/NR	OW	OW
UOL Group Ltd	N (3)	UOLSP 2.5 '20	29/09/2020	100.00	2.50	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg (6)	ASPSP 5.50 '18	27/11/2018	100.47	4.89	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg (6)	ASPSP 5.05 '19	12/06/2019	99.75	5.25	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg (6)	ASPSP 5.30 '20	01/04/2020	99.22	5.70	NR/NR/NR	N	UW
Aspial Corp. Ltd	Neg (6)	ASPSP 5.25 '20	28/08/2020	99.40	5.51	NR/NR/NR	UW	UW

Indicative prices from Bloomberg as of 2 March 2018

Issuer	Issuer Profile	Issue	Maturity	Ask Price	Ask YTW	Bond Ratings S&P / Moody's / Fitch	Recommendation	
							Current	Previous

247

REITS

AIMS AMP REIT	N (4)	AAREIT 4.35 '19	05/12/2019	100.00	4.35	BBB-/NR/NR	OW	OW
Ascendas Hospitality Trust	N (4)	ASCHTS 3.3 '20	07/04/2020	101.60	2.51	NR/NR/NR	UW	UW
Ascendas REIT	N (3)	AREIT 2.5 '19	16/05/2019	100.35	2.20	NR/A3/NR	OW	N
Ascendas REIT	N (3)	AREIT 2.95 '20	03/08/2020	101.30	2.39	NR/A3/NR	N	N
Ascendas REIT	N (3)	AREIT 2.655 '21	07/04/2021	100.30	2.55	NR/A3/NR	N	N
Ascendas REIT	N (3)	AREIT 4 '22	03/02/2022	104.75	2.71	NR/A3/NR	UW	UW
Ascendas REIT	N (3)	AREIT 3.2 '22	03/06/2022	102.00	2.70	NR/A3/NR	UW	UW
Ascendas REIT	N (3)	AREIT 2.47 '23	10/08/2023	98.50	2.77	NR/A3/NR	UW	UW
Ascott Residence Trust	N (4)	ARTSP 4.3 '18	30/11/2018	101.65	2.03	NR/Baa3/BBB	UW	N
Ascott Residence Trust	N (4)	ARTSP 4.205 '22	23/11/2022	105.20	3.01	NR/Baa3/BBB	OW	N
Ascott Residence Trust	N (4)	ARTSP 4 '24	22/03/2024	104.50	3.18	NR/Baa3/BBB	UW	N
CapitaLand Commercial Trust	N (3)	CCTSP 2.96 '21	13/08/2021	100.90	2.68	BBB+/Baa2/NR	UW	UW
CapitaLand Commercial Trust	N (3)	CCTSP 2.77 '22	04/07/2022	99.35	2.93	BBB+/Baa2/NR	N	UW
CapitaLand Commercial Trust	N (3)	CCTSP 3.17 '24	05/03/2024	100.43	3.09	BBB+/Baa2/NR	N	-
CapitaLand Mall Trust	N (3)	CAPITA 3.15 '20	18/12/2020	102.40	2.26	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 2.8 '23	13/03/2023	100.52	2.69	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 3.48 '24	06/08/2024	103.11	2.94	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 3.5 '26	25/02/2026	102.98	3.08	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 2.88 '27	10/11/2027	97.44	3.19	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 3.35 '31	07/07/2031	98.78	3.46	NR/A2/NR	UW	UW
ESR REIT	N (4)	EREIT 3.5 '18	05/11/2018	100.60	2.60	NR/Baa3/NR	OW	OW
ESR REIT	N (4)	EREIT 4.1 '20	29/04/2020	101.56	3.34	NR/Baa3/NR	OW	OW
ESR REIT	N (4)	EREIT 3.95 '20	21/05/2020	101.10	3.43	NR/Baa3/NR	OW	OW
First REIT	N (5)	FIRTSP 4.125 '18	22/05/2018	100.50	1.70	NR/NR/NR	N	UW
Frasers Centrepoint Trust	N (3)	FCTSP 2.9 '19	10/04/2019	100.90	2.07	BBB+/NR/NR	UW	UW
Frasers Centrepoint Trust	N (3)	FCTSP 3 '20	21/01/2020	101.20	2.34	BBB+/NR/NR	UW	N
Frasers Centrepoint Trust	N (3)	FCTSP 2.645 '22	06/06/2022	99.33	2.81	BBB+/NR/NR	N	N
Frasers Centrepoint Trust	N (3)	FCTSP 2.77 '24	08/11/2024	98.30	3.05	BBB+/NR/NR	N	N
Frasers Commercial Trust	N (4)	FCOTSP 2.625 '20	28/02/2020	100.35	2.44	BBB+/NR/NR	N	OW
Frasers Commercial Trust	N (4)	FCOTSP 2.835 '21	11/08/2021	100.14	2.79	BBB+/NR/NR	N	N
Frasers Hospitality Trust	N (3)	FHREIT 2.63 '22	06/07/2022	99.36	2.79	NR/Baa2/NR	N	N
Frasers Hospitality Trust	N (3)	FHREIT 3.08 '24	08/11/2024	99.40	3.18	NR/Baa2/NR	N	N
Keppel REIT	N (4)	KREITS 3.275 '24	08/04/2024	101.08	3.08	NR/NR/NR	N	N
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 4.5 '18	23/11/2018	100.75	3.45	NR/Baa3/NR (Issuer)	OW	OW
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 4.1 '20	22/06/2020	100.60	3.82	NR/Baa3/NR (Issuer)	OW	OW
Mapletree Commercial Trust	N (3)	MCTSP 2.65 '19	07/11/2019	100.75	2.19	NR/Baa1/NR	UW	UW
Mapletree Commercial Trust	N (3)	MCTSP 3.6 '20	24/08/2020	102.70	2.47	NR/Baa1/NR	N	UW
Mapletree Commercial Trust	N (3)	MCTSP 3.2 '21	12/04/2021	101.90	2.56	NR/Baa1/NR	UW	UW
Mapletree Commercial Trust	N (3)	MCTSP 3.25 '23	03/02/2023	101.90	2.83	NR/Baa1/NR	N	N
Mapletree Commercial Trust	N (3)	MCTSP 3.11 '26	24/08/2026	99.70	3.15	NR/Baa1/NR	N	UW
Mapletree Commercial Trust	N (3)	MCTSP 3.045 '27	27/08/2027	98.45	3.24	NR/Baa1/NR	N	UW
Mapletree Greater China Commercial Trust	N (4)	MAGIC 3.2 '21	08/09/2021	101.90	2.63	NR/Baa1/NR	UW	UW
Mapletree Greater China Commercial Trust	N (4)	MAGIC 3.43 '22	09/03/2022	102.67	2.72	NR/Baa1/NR	UW	UW
Mapletree Industrial Trust	N (3)	MINTSP 3.75 '19	08/03/2019	101.61	2.13	NR/NR/BBB+	N	UW
Mapletree Industrial Trust	N (3)	MINTSP 3.65 '22	07/09/2022	103.89	2.73	NR/NR/BBB+	UW	N
Mapletree Industrial Trust	N (3)	MINTSP 3.02 '23	11/05/2023	100.49	2.92	NR/NR/BBB+	N	N
Mapletree Industrial Trust	N (3)	MINTSP 3.16 '24	28/03/2024	100.25	3.11	NR/NR/BBB+	N	N
Sabana Industrial REIT	N (5)	SRREIT 4.00 '18	19/03/2018	100.09	1.12	NR/NR/NR	N	N
Soilbuild Business Space REIT	N (4)	SBREIT 3.45 '18	21/05/2018	100.35	1.72	NR/NR/NR	N	UW
Soilbuild Business Space REIT	N (4)	SBREIT 3.6 '21	08/04/2021	99.05	3.93	NR/NR/NR	OW	OW
Starhill Global REIT	N (4)	SGREIT 3.5 '21	26/02/2021	102.65	2.57	BBB+/NR/NR	UW	N
Starhill Global REIT	N (4)	SGREIT 3.4 '23	26/05/2023	102.00	2.98	BBB+/NR/NR	N	N
Starhill Global REIT	N (4)	SGREIT 3.14 '26	03/10/2026	101.35	2.96	BBB+/NR/NR	UW	UW
Suntec REIT	N (4)	SUNSP 2.83 '18	12/11/2018	100.65	1.88	NR/Baa3/NR	N	OW
Suntec REIT	N (4)	SUNSP 3.35 '20	10/02/2020	101.95	2.31	NR/Baa3/NR	UW	N
Suntec REIT	N (4)	SUNSP 3.025 '23	16/03/2023	101.24	2.70	NR/Baa3/NR	UW	N
Suntec REIT	N (4)	SUNSP 2.85 '22	02/08/2022	99.50	2.95	NR/Baa3/NR	N	N
VIVA Industrial Trust	N (5)	VITSP 4.15 '18	19/09/2018	100.45	3.32	BB+/Baa2/NR	OW	OW

Offshore & Marine and Logistics

ASL Marine Holdings Ltd	Neg (6)	ASLSP 4.75 '20	28/03/2020	50.43	49.65	NR/NR/NR	N	N
ASL Marine Holdings Ltd	Neg (6)	ASLSP 5.35 '21	01/10/2021	50.43	34.12	NR/NR/NR	N	N
CMA CGM (Parent of Neptune Orient Lines)	N (4)	NOLSP 4.65 '20c15	09/09/2020	98.24	5.41	NR/NR/NR	OW	OW
CMA CGM (Parent of Neptune Orient Lines)	N (4)	NOLSP 4.4 '21c16	22/06/2021	96.38	5.61	NR/NR/NR	OW	OW
Ezion Holdings Ltd	Neg (7)	EZISP 4.7 '19	22/05/2019	N/A	N/A	NR/NR/NR	WD	WD
Ezion Holdings Ltd	Neg (7)	EZISP 4.875 '21	11/06/2021	N/A	N/A	NR/NR/NR	WD	WD
Keppel Corp Ltd	N (3)	KEPSP 3.1 '20	12/10/2020	101.50	2.50	NR/NR/NR	UW	UW
Keppel Corp Ltd	N (3)	KEPSP 3.145 '22	14/02/2022	100.90	2.90	NR/NR/NR	UW	UW
Keppel Corp Ltd	N (3)	KEPSP 3.725 '23	30/11/2023	103.00	3.15	NR/NR/NR	N	UW
Keppel Corp Ltd	N (3)	KEPSP 3.8 '27c22	23/04/2027	102.75	3.09	NR/NR/NR	UW	UW
Keppel Corp Ltd	N (3)	KEPSP 4 '42	07/09/2042	98.20	4.12	NR/NR/NR	N	UW
Nam Cheong Ltd	Neg (7)	NCLSP 5 '17	28/08/2017	N/A	N/A	NR/NR/NR	WD	WD
Nam Cheong Ltd	Neg (7)	NCLSP 6.5 '18	23/07/2018	N/A	N/A	NR/NR/NR	WD	WD
Nam Cheong Ltd	Neg (7)	NCLSP 5.05 '19	26/08/2019	N/A	N/A	NR/NR/NR	WD	WD
Pacific Radiance Ltd	Neg (7)	PACRA 4.3 '18	29/08/2018	N/A	N/A	NR/NR/NR	WD	WD
Sembcorp Industries Ltd	N (4)	SCISP 3.7325 '20	09/04/2020	102.30	2.60	NR/NR/NR	UW	UW
Sembcorp Industries Ltd	N (4)	SCISP 3.64 '24	27/05/2024	100.70	3.51	NR/NR/NR	N	UW
Sembcorp Industries Ltd	N (4)	SCISP 3.593 '26	26/11/2026	100.14	3.57	NR/NR/NR	UW	UW
Singapore Post Ltd	N (3)	SPOST 3.5 '20	30/03/2020	102.60	2.21	BBB+/NR/NR	UW	UW

Indicative prices from Bloomberg as of 2 March 2018

Issuer	Issuer Profile	Issue	Maturity	Ask Price	Ask YTW	Bond Ratings S&P / Moody's / Fitch	Recommendation	
							Current	Previous

Others

Banyan Tree Holdings Ltd	N (5)	BTHSP 5.75 '18	31/07/2018	101.11	2.92	NR/NR/NR	UW	UW
Banyan Tree Holdings Ltd	N (5)	BTHSP 5.35 '18	26/11/2018	101.14	3.77	NR/NR/NR	UW	UW
Banyan Tree Holdings Ltd	N (5)	BTHSP 4.875 '19	03/06/2019	100.80	4.20	NR/NR/NR	UW	N
BreadTalk Group Ltd	N (5)	BREAD 4.6 '19	01/04/2019	102.00	2.70	NR/NR/NR	N	N
BreadTalk Group Ltd	N (5)	BREAD 4 '23	17/01/2023	100.60	3.86	NR/NR/NR	N	N
Century Sunshine Group	N (5)	CENSUN 7 '20	03/07/2020	99.25	7.35	NR/NR/NR	OW	OW
China Eastern Airlines	N (4)	CHIEAS 2.8 '20	16/11/2020	99.56	2.97	NR/NR/NR	OW	OW
CITIC Envirotech Ltd	N (4)	CELSP 4.7 '18	29/04/2018	100.35	2.26	NR/NR/NR	N	N
CWT International Limited	Neg (6)	CWTSP 3.9 '19	18/04/2019	90.00	14.36	NR/NR/NR	OW	N
CWT International Limited	Neg (6)	CWTSP 4.8 '20	18/03/2020	89.00	10.98	NR/NR/NR	N	N
Fraser and Neave Ltd	N (4)	FNNSP 3.09 '22	23/03/2022	100.85	2.87	NR/NR/NR	N	N
Fraser and Neave Ltd	N (4)	FNNSP 2.8 '22	22/08/2022	99.40	2.94	NR/NR/NR	N	N
Fraser and Neave Ltd	N (4)	FNNSP 3.8 '27	21/04/2027	101.60	3.59	NR/NR/NR	N	N
G8 Education Ltd	N (5)	GEMAU 5.5 '19	18/05/2019	99.00	6.37	NR/NR/NR	UW	N
Golden Agri-Resources Ltd	N (5)	GGRSP 5.5 '18	27/04/2018	100.20	3.98	NR/NR/NR	N	-
Golden Agri-Resources Ltd	N (5)	GGRSP 4.75 '21	25/01/2021	99.50	4.94	NR/NR/NR	N	-
Keppel T&T	N (4)	KPTTSP 2.85 '24	05/09/2024	98.43	3.23	NR/NR/NR	N	N
Olam International Ltd	N (5)	OLAMSP 6.00 '18	10/08/2018	101.58	2.27	NR/NR/NR	UW	UW
Olam International Ltd	N (5)	OLAMSP 5.80 '19	17/07/2019	102.46	3.92	NR/NR/NR	UW	N
Olam International Ltd	N (5)	OLAMSP 4.25 '19	22/07/2019	100.47	3.90	NR/NR/NR	UW	N
Olam International Ltd	N (5)	OLAMSP 6.00 '22	25/10/2022	104.04	5.01	NR/NR/NR	N	N
Singapore Airlines	N (3)	SIASP 3.22 '20	09/07/2020	102.25	2.23	NR/NR/NR	N	N
Singapore Airlines	N (3)	SIASP 3.145 '21	08/04/2021	101.90	2.50	NR/NR/NR	N	N
Singapore Airlines	N (3)	SIASP 3.75 '24	08/04/2024	105.30	2.80	NR/NR/NR	UW	UW
Singapore Airlines	N (3)	SIASP 3.035 '25	11/04/2025	99.85	3.06	NR/NR/NR	UW	UW
Singapore Airlines	N (3)	SIASP 3.13 '26	17/11/2026	99.85	3.15	NR/NR/NR	UW	N
Singapore Airlines	N (3)	SIASP 3.13 '27	23/08/2027	99.80	3.15	NR/NR/NR	UW	UW
Singapore Telecommunications Ltd	Pos (2)	STSP 3.4875 '20	08/04/2020	102.92	2.13	A+/A1/NR	N	N
Singapore Telecommunications Ltd	Pos (2)	STSP 2.58 '20	24/09/2020	100.99	2.18	A+/A1/NR	N	N
Singapore Telecommunications Ltd	Pos (2)	STSP 2.72 '21	03/09/2021	101.35	2.31	A+/A1/NR	N	N
StarHub Ltd	N (3)	STHSP 3.08 '22	12/09/2022	101.75	2.67	NR/NR/NR	UW	UW
StarHub Ltd	N (3)	STHSP 3.55 '26	08/06/2026	103.90	3.01	NR/NR/NR	UW	N

Financial Institutions - Senior Issues

Australia & New Zealand Banking Group Ltd	Pos (2)	ANZ 4 '25	12/02/2025	105.00	3.22	AA-/Aa3/NR	N	N
Bank of China Ltd/Singapore*	N (4)	BCHINA 2.75 '19	30/06/2019	100.60	2.32	NR/A1/A	N	N
BNP Paribas SA	N (3)	BNP 2.765 '20	03/08/2020	101.09	2.38	NR/NR/A+	N	N
BPCE SA*	N (4)	BPCEGP 2.305 '18	22/06/2018	100.32	1.69	A/A2/NR	N	N
CIMB Bank Bhd/Singapore*	N (4)	CIMBMK 2.12 '18	30/06/2018	100.10	1.95	NR/A3/NR	N	N
DBS Group Holdings Ltd	Pos (2)	DBSSP 2.78 '21	11/01/2021	100.72	2.56	NR/Aa2/AA-	N	N
Malayan Banking Bhd	N (3)	MAYMK 2.08 '18	26/06/2018	100.12	1.87	NR/A3/NR	N	N
Westpac Banking Corp	Pos (2)	WSTP 4.11 '25	15/04/2025	107.37	2.98	NR/Aa3/NR	N	N

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

Indicative prices from Bloomberg as of 2 March 2018

Issuer	Issuer Profile	Issue	First Call	Ask Price	YTC	Bond Ratings S&P / Moody's / Fitch	Recommendation	
							Current	Previous

Corporate Perpetuals

Ascendas REIT	N (3)	AREIT 4.75 '49	14/10/2020	105.85	2.42	NR/Baa2/NR	UW	UW
Ascott Residence Trust	N (4)	ARTSP 5 '49	27/10/2019	102.80	3.23	NR/Baa3/BBB (Issuer)	N	UW
Ascott Residence Trust	N (4)	ARTSP 4.68 '49	30/06/2020	101.70	3.91	NR/Baa3/BBB (Issuer)	N	N
Ezion Holdings Ltd	Neg (7)	EZISP 7 '49	19/11/2018	N/A	N/A	NR/NR/NR	WD	WD
First REIT	N (5)	FIRTSP 5.68 '49	08/07/2021	101.80	5.09	NR/NR/NR	UW	UW
Frasers Hospitality Trust	N (3)	FHREIT 4.45 '49	12/05/2021	101.20	4.05	NR/Baa2/NR (Issuer)	OW	OW
Frasers Property Ltd	N (4)	FPLSP 4.88 '49	24/09/2019	101.10	4.15	NR/NR/NR	OW	OW
Frasers Property Ltd	N (4)	FPLSP 5 '49	09/03/2020	100.90	4.54	NR/NR/NR	OW	OW
Frasers Property Ltd	N (4)	FPLSP 3.95 '49	05/10/2022	97.3	4.61	NR/NR/NR	N	-
Frasers Property Ltd	N (4)	FPLSP 4.38 '49	17/01/2023	100.05	4.37	NR/NR/NR	N	N
GuocoLand Ltd	N (5)	GUOLSP 4.6 '49	23/01/2023	100.00	4.60	NR/NR/NR	UW	-
Hotel Properties Ltd	N (4)	HPLSP 4.65 '49	05/05/2022	101.50	4.26	NR/NR/NR	N	N
Keppel REIT	N (4)	KREITS 4.98 '49	02/11/2020	103.20	3.71	NR/NR/NR	OW	OW
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 7 '49	27/09/2021	104.10	5.72	NR/Baa3/NR (Issuer)	OW	OW
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 6.6 '49	19/12/2022	102.63	5.96	NR/Baa3/NR (Issuer)	OW	OW
Mapletree Logistics Trust	N (4)	MLTSP 4.18 '49	25/11/2021	102.30	3.52	NR/Baa1/NR (Issuer)	N	N
Mapletree Logistics Trust	N (4)	MLTSP 3.65 '49	28/03/2023	99.80	3.70	NR/Baa1/NR (Issuer)	N	N
ESR REIT	N (4)	EREIT 4.6 '49	03/11/2022	98.05	5.08	NR/Baa3/NR (Issuer)	OW	OW
CITIC Envirotech Ltd	N (4)	CELSP 3.9 '49	19/10/2020	99.20	4.23	NR/NR/NR	N	N
Olam International Ltd	N (5)	OLAMSP 5.5 '49	11/07/2022	99.77	5.56	NR/NR/NR	UW	N
Singapore Post Ltd	N (3)	SPOST 4.25 '49	02/03/2022	103.80	3.22	BBB+ /NR/NR	N	UW
Sembcorp Industries Ltd	N (4)	SCISP 5 '49	21/08/2018	101.10	2.61	NR/NR/NR	N	N
Sembcorp Industries Ltd	N (4)	SCISP 4.75 '49	20/05/2020	101.80	3.90	NR/NR/NR	N	N
Sembcorp Industries Ltd	N (4)	SCISP 3.7 '49	22/06/2020	99.40	3.98	NR/NR/NR	UW	N
StarHub Ltd	N (3)	STHSP 3.95 '49	16/06/2022	100.20	3.90	NR/NR/NR	N	N
Wing Tai Holdings Ltd	N (4)	WINGTA 4.08 '49	28/06/2022	99.70	4.16	NR/NR/NR	N	N
Wing Tai Properties Ltd	N (4)	WINGTA 4.35 '49	24/08/2020	99.55	4.55	NR/NR/NR	N	N

Financial Institutions - Capital Instruments

ABN AMRO Bank NV	N (3)	ABNAV 4.75 '26	01/04/2021	104.45	3.26	BBB/Baa2/A-	OW	OW
Australia & New Zealand Banking Group Ltd	Pos (2)	ANZ 3.75 '27	23/03/2022	102.75	3.05	BBB/Baa1/A+	N	N
Barclays PLC	N (4)	BACR 3.75 '30	23/05/2025	100.40	3.70	NR/Baa3/A-	UW	N
BNP Paribas SA	N (3)	BNP 4.3 '25	03/12/2020	103.10	3.15	BBB+/Baa2/A	N	N
BPCE SA*	N (4)	BPCEGP 4.45 '25	17/12/2020	103.25	3.24	BBB/Baa3/A-	N	N
BPCE SA*	N (4)	BPCEGP 4.5 '26	03/06/2021	103.25	3.45	BBB/Baa3/A-	OW	OW
Commerzbank AG	N (4)	CMZB 4.875 '27	01/03/2022	103.90	3.83	BBB-/NR/BBB	OW	OW
DBS Bank Ltd*	Pos (2)	DBSSP 4.7 '49	22/11/2020	107.50	2.57	BBB/Baa1/BBB	N	N
DBS Group Holdings Ltd	Pos (2)	DBSSP 3.8 '28	20/01/2023	105.10	2.70	NR/A3/A+	N	N
DBS Group Holdings Ltd	Pos (2)	DBSSP 4.7 '49	03/06/2019	102.50	2.72	NR/Baa1/BBB	N	N
DBS Capital Funding II Corp*	Pos (2)	DBSSP 5.75 '49	15/06/2018	101.05	2.26	BBB/Baa1/BBB	N	N
HSBC Holdings PLC	Pos (2)	HSBC 4.7 '49	08/06/2022	101.70	4.28	NR/Baa3/BBB	N	N
Julius Baer Group Ltd	N (3)	BAERVX 5.9 '49	18/11/2020	103.80	4.44	NR/Baa3/NR	OW	OW
Julius Baer Group Ltd	N (3)	BAERVX 5.75 '49	20/04/2022	104.70	4.52	NR/Baa3/NR	OW	N
Landesbank Baden-Wuerttemberg	N (4)	LBBW 3.75 '27	18/05/2022	101.20	3.47	NR/Baa2/BBB	N	N
Malayan Banking Bhd	N (3)	MAYMK 6.0 '49	11/08/2018	101.60	2.49	BB+/Baa2/BB+	N	N
National Australia Bank Ltd	Pos (2)	NAB 4.15 '28	19/05/2023	104.10	3.31	BBB/Baa1/A+	N	N
Societe Generale SA	N (4)	SOCGEN 4.3 '26	19/05/2021	102.70	3.44	BBB/Baa3/A-	N	N
Standard Chartered Bank*	N (4)	STANLN 5.25 '23	10/04/2018	100.40	2.14	BBB/Baa1/A-	N	N
Standard Chartered PLC	N (4)	STANLN 4.4 '26	23/01/2021	101.60	3.85	BBB-/Baa1/A-	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4.9 '49	23/07/2018	101.00	2.47	BBB-/Baa1/BBB	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 3.5 '26	22/05/2020	102.40	2.43	BBB+/A3/A+	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4.75 '49	19/11/2019	103.40	2.76	BBB-/Baa1/BBB	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4.0 '49	18/05/2021	101.90	3.41	NR/Baa1/BBB	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 3.5 '29	27/02/2024	103.10	2.95	NR/A3/A+	N	N
Westpac Banking Corp	Pos (2)	WSTP 4.0 '27	12/08/2022	103.90	3.08	BBB/Baa1/A+	N	N

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

Upgrades
Downgrades
New / Resume Coverage

Indicative prices from Bloomberg as of 2 March 2018

Explanation of Issuer Profile Rating / Issuer Profile Score

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

To better differentiate relative credit quality of the issuers under our coverage, we have further sub-divided our Issuer Profile Ratings into a 7 point Issuer Profile Score scale.

IPR	Positive		Neutral			Negative	
IPS	1	2	3	4	5	6	7

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.

This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "**Relevant Materials**") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "**Relevant Entity**") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("**MiFID**") and the EU's Markets in Financial Instruments Regulation (600/2014) ("**MiFIR**") (together referred to as "**MiFID II**"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).