

## Monthly Credit View

Tuesday, 10 January 2017

### Monthly Themes

- An overall seasonality slowdown in December was marked by still uncertain effects of a potentially more hawkish FOMC and possible game-changing policies that could be brought about by US president-elect Trump. Global markets were intercepted by an eventful December where concerns over China's macroeconomic risk renewed afresh and bond market movements which saw 10 year China government bond yields spiking to 3.4% (from 2.9% at the beginning of December) before moderating downwards to 3.2%. On 14 December, FOMC members unanimously decided to raise its benchmark rate by 25bps, to a new range of 0.5-0.75%, in line with market expectations.
- Into the second week of the New Year, the market has started coming back to life, though we have yet to see significant yield widening in the Asiadollar space. This was reflected in the performance of the JACI IG Corporates and JACI HY Corporates. Between 15 December 2016 (immediately post-December FOMC) and 9 January 2017, JACI IG Corporates was flat while JACI HY Corporates narrowed 11 bps.
- In the SGD market, strategies and positions were assessed over December, amidst uncertainty brought about by possible directional change in the US (including impacts to EM) and low liquidity typically present during the year end. With the US reflationary story gaining strength and the US dollar likely to gain further momentum, we expect to see outflow from EM bonds although relatively speaking we think the negative impact on the SGD bond market will be muted. Systematic risks in the SGD bond market, including the Singapore dollar are by and large more knowable and therefore likely to be more controllable (from the point of view of an investor). While broadening expectations of higher rate hikes are likely to pose short term market volatility, we do not expect to see large persistent sell-offs in the SGD bond market in the coming months.
- As investors' "seek for yield" is unlikely to abate and liquidity is still ample, we think price weakness should attract investor interest, in particular, those who have SGD as a natural currency. Furthermore, with valuations in US equity and 10 Year bonds still at high levels compared to the average levels observed over 2007-2016 (Equity: Shiller CAPE ratio at 28x vs. 22-23x, Bonds: 10 Year Yields at 2.4% vs. 2.8%), these markets may be at their tipping points and susceptible to pull-back on any less than stellar news supporting current buying. Such considerations are likely to weigh upon investor considerations, thus supportive of a floor for SGD bonds. That being said, we are likely to see investors more credit discerning following maturation of the sector and lessons of 2016. We are likely to see market participants being more disciplined on pricing unlike the exuberance experienced between 2Q2016 and 3Q2016.

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## Issuer Profile Changes / Updates

We have initiated coverage or made the following issuer profile changes since the December Monthly Credit View. Please see the Singapore 2017 Credit Outlook, published 6 January 2017, for the detailed issuer profile changes.

Issuer Name	Issuer Profile	
	Previous	Current
GuocoLand Ltd	Neutral	Negative
Mapletree Logistics Trust	Neutral	Negative
Yanlord Land Group Ltd	Neutral	Negative

- **Chip Eng Seng Corp Ltd (“CHIP”)**: We initiated coverage on CHIP with a Neutral issuer profile. CHIP is a Singapore property developer and contractor. Although CHIP has a good track record on property sales while building up a recurring income stream, this has been accompanied by a growing balance sheet that is funded by debt.
- **G8 Education Ltd (“G8”)**: We initiated coverage on G8 with a Neutral issuer profile. G8 is the largest for profit child care centre operator in Australia. Leverage at 0.59x as of 1H2016 is expected to stop rising after a rapid acquisition phase. While the child care centres in Western Australia are not doing well, G8 is diversified across Australia with government regulations supportive of the childcare sector.
- **French Banks**: We initiated coverage on BNP Paribas S.A, Groupe BPCE, and Société Générale with Neutral issuer profiles. The earnings outlook for all three is improving from recovering operating conditions in France and Europe. This compliments their strong market positions, particularly in France, and relatively low risk business structures.
- **Julius Baer Group Ltd (“JBG”)**: We initiated coverage on JBG with a Neutral issuer profile. JBG’s business structure is unique amongst our coverage as the only pure play private bank and its credit profile benefits from its solid market position and brand and well-funded balance sheet. Growth ambitions will need to be watched given the potential impact on capital ratios which have recently weakened.

## Trade Ideas

- Despite the rising interest rate environment, we like LMRTSP’49c21, which offers the highest yield in the S-REIT universe. With a reset every 5Y at SOR + 524.5bps, interest rate risks are partially mitigated. LMRT has been delivering consistent results with retail growth in Indonesia.
- Yields on the FREIT’18 look tight and for investors comfortable with exposures in Indonesia, bonds of its sister company such as the LMRTSP’18 can be considered.
- For investors preferring a more geographically diversified REIT, we prefer FHREIT’49c21 versus the KREIT’49c20 for a yield pick-up of 40bps. While the Singapore hospitality market is expected to be weaker in 2017, the REIT has diversified into Australia since IPO. We estimate that leverage has fallen post the fully equity-funded acquisition in October.
- We believe that duration concerns would continue to weigh on the performance of CAPITA’31. At swaps + 48bps, the bond is trading tighter than bonds on the shorter end of the CAPITA curve. For a similar profile with exposure to retail properties in Singapore, we prefer FCTSP’20 which is trading at a spread of c.100bps over swaps.

## Trade Ideas (cont.)

- Though the acquisition of NOL has been a drag on CMACGM's balance sheet and performance, CMACGM has been active in deleveraging and has paid down its acquisition bridge loan via the sale-and-leaseback of vessels. Expecting the proceeds from the on-going sale of NOL's terminals to further deleverage CMACGM, we are Overweight on NOLSP'19.
- We are Underweight ASPSP'20 due to the elevated net gearing at 3.34x despite the high yield. For investors in ASPSP'17 who are comfortable with ASPSP, ASPSP'18 offers 109bps pickup over ASPSP'20 for 1.75 years shorter maturity with higher cashflow visibility in the near-term.
- We continue to like the ANZ'27c22 given its better value in the Aussie T2 space. Management continues to execute on its restructuring with potential fundamental upside from improved returns and a slightly stronger balance likely to mitigate on-going restructuring and soft operating conditions.
- Fundamentals are improving for all the French banks we initiated coverage on. While BNPP benefits from scale and better ratings, the spread compression makes the BNP'25c20 a little tight compared to SGD T2 papers from French peers in our view. Instead, BPCE papers offer good value, in particular the BPCEGP'26c21.

## Upcoming Bond Maturities – January 2017

Issuer Name	Ticker	Amount (SGD mn)	Maturity/Call Date*
TAN CHONG INTERNATIONAL	TCHONG 2.8	118	09/01/2017
SINGHAIYI GROUP LTD	SHGSP 5.25	100	10/01/2017
FRAGRANCE GROUP LTD	FRAG 3.75	85	16/01/2017
CATHAY PAC MTN FINANCING	CATHAY 3.25	50	20/01/2017
ASPIAL CORP LTD	ASPSP 4.5	80	23/01/2017
CROESUS RETAIL TRUST	CROESP 4.6	100	23/01/2017
WILMAR INTERNATIONAL LTD	WILSP 3.5	250	25/01/2017
UNITED ENGINEERS LIMITED	UEMSP 4.2	250	26/01/2017
NEPTUNE ORIENT LINES LTD	NOLSP 4.4	300	06/01/2017*
CAPITAMALLS ASIA TREASUR	CMASP 3.8	400	12/01/2017*
HYFLUX LTD	HYFSP 5.75	300	23/01/2017*
ASCENDAS INDIA TRUST	AITSP 3.8	65	23/01/2017*
ROWSLEY LTD	ROWSSP 6.5	100	23/01/2017*

## Current / Recent Reports From OCBC Credit Research

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

- Singapore 2017 Credit Outlook (6 January 2017)
- ASL Marine Holdings Ltd Credit Update (3 January 2016)
- Ezra Holdings Limited Credit Update (1 December 2016)
- Croesus Retail Trust: New Credit Review (14 November 2016)
- Lippo Malls Indonesia Retail Trust: New Credit Review (11 November 2016)
- Frasers Hospitality Trust: Credit Update (11 November 2016)
- Breadtalk Group Ltd: New Credit Review (7 November 2016)
- Industrial REIT Sector Update (4 November 2016)
- Mapletree Greater China Commercial Trust: New Credit Review (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)
- Swiseco Holdings Limited: Credit Update (5 October 2016)
- China Property Sector Update (4 October 2016)

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

#### China/HK property

Central China Real Estate	N	CENCHI 6.5 '17	5/26/2017	101.15	3.33	B+/Ba3/NR	N	N
CK Hutchison Holdings Ltd	N	CKHH 3.408 '18	7/20/2018	101.90	2.13	A-/A3/A- (Guarantor)	N	N
<b>China Vanke Co Ltd</b>	<b>N</b>	<b>VNKRLE 3.275 '17</b>	<b>11/6/2017</b>	<b>100.70</b>	<b>2.42</b>	<b>BBB+/Baa1/BBB+ (Issuer)</b>	<b>N</b>	<b>UW</b>
Henderson Land Development	N	HENLND 4 '18	9/19/2018	103.15	2.09	NR/NR/NR	N	N
Hongkong Land Holdings	Pos	HKLSP 3.86 '17	12/29/2017	102.50	1.25	A/A2/NR	UW	UW
Hongkong Land Holdings	Pos	HKLSP 3.43 '20	5/14/2020	102.75	2.56	A/A2/NR	N	N
Wharf Holdings Ltd/The	Pos	WHARF 4.3 '18	10/28/2018	104.00	2.02	NR/NR/A- (Issuer)	N	N
Wharf Holdings Ltd/The	Pos	WHARF 4.5 '21	7/20/2021	107.25	2.78	NR/NR/A- (Issuer)	N	N
Wheelock & Co Ltd	Pos	WHEELK 4.5 '21	9/2/2021	105.90	3.12	NR/NR/NR	N	N
Wing Tai Properties Ltd	Pos	WINGTA 4.25 '22	11/29/2022	102.00	3.87	NR/NR/NR	OW	OW
<b>Yanlord Land Group Ltd</b>	<b>Neg</b>	<b>YLLGSP 6.2 '17</b>	<b>5/8/2017</b>	<b>101.18</b>	<b>2.46</b>	<b>BB-/Ba3/NR</b>	<b>N</b>	<b>N</b>
First Sponsor Group Ltd	N	FSGSP 4.0 '18	6/4/2018	96.00	7.06	NR/NR/NR	OW	OW
Perennial Real Estate Holdings Ltd	N	PREHSP 4.25 '18	3/16/2018	100.60	3.75	NR/NR/NR	N	N
Perennial Real Estate Holdings Ltd	N	PREHSP 4.65 '18	10/23/2018	99.67	4.84	NR/NR/NR	OW	OW
Perennial Real Estate Holdings Ltd	N	PREHSP 4.90 '19	3/18/2019	101.45	4.19	NR/NR/NR	N	N
Perennial Real Estate Holdings Ltd	N	PREHSP 4.55 '20	4/29/2020	98.07	5.19	NR/NR/NR	OW	OW

#### Singapore property developers

CapitalLand Ltd	Pos	CAPLSP 3.78 '19	8/16/2019	103.75	2.28	NR/NR/NR	N	N
CapitalLand Ltd	Pos	CAPLSP 4.35 '19	10/31/2019	105.30	2.38	NR/NR/NR	N	N
CapitalLand Ltd	Pos	CAPLSP 4.3 '20	8/31/2020	105.55	2.69	NR/NR/NR	N	N
CapitalLand Ltd	Pos	CAPLSP 3.8 '24	8/28/2024	102.95	3.36	NR/NR/NR	N	N
City Developments Ltd	Pos	CITSP 2.45 '18	3/14/2018	100.50	2.02	NR/NR/NR	N	N
City Developments Ltd	Pos	CITSP 3.38 '19	3/20/2019	102.55	2.18	NR/NR/NR	N	N
City Developments Ltd	Pos	CITSP 3.00 '20	4/2/2020	101.60	2.48	NR/NR/NR	OW	OW
City Developments Ltd	Pos	CITSP 3.75 '22	7/6/2022	104.05	2.94	NR/NR/NR	N	N
City Developments Ltd	Pos	CITSP 3.48 '23	03/04/2023	102.05	3.11	NR/NR/NR	N	N
<b>City Developments Ltd</b>	<b>Pos</b>	<b>CITSP 3.78 '24</b>	<b>10/21/2024</b>	<b>103</b>	<b>3.34</b>	<b>NR/NR/NR</b>	<b>OW</b>	<b>N</b>
<b>Chip Eng Seng Corporation Ltd</b>	<b>N</b>	<b>CHIPEN 4.75 '21</b>	<b>6/14/2021</b>	<b>99.5</b>	<b>4.88</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>-</b>
<b>GuocoLand Ltd</b>	<b>Neg</b>	<b>GUOLSP 3.6 '17</b>	<b>8/7/2017</b>	<b>100.80</b>	<b>2.18</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>N</b>
<b>GuocoLand Ltd</b>	<b>Neg</b>	<b>GUOLSP 3.4 '18</b>	<b>9/4/2018</b>	<b>100.95</b>	<b>2.81</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>N</b>
<b>GuocoLand Ltd</b>	<b>Neg</b>	<b>GUOLSP 3.95 '19</b>	<b>4/1/2019</b>	<b>102.20</b>	<b>2.92</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>N</b>
<b>GuocoLand Ltd</b>	<b>Neg</b>	<b>GUOLSP 4.1 '20</b>	<b>5/13/2020</b>	<b>102.60</b>	<b>3.27</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>N</b>
Hong Fok Corp Ltd	Neg	HFCSP 4.75 '18	1/24/2018	100.50	4.29	NR/NR/NR	OW	OW
Hong Fok Corp Ltd	Neg	HFCSP 4.75 '19	3/22/2019	100.25	4.63	NR/NR/NR	OW	OW
Hotel Properties Ltd	N	HPLSP 3.5 '18	1/15/2018	101.00	2.50	NR/NR/NR	N	N
<b>Hotel Properties Ltd</b>	<b>N</b>	<b>HPLSP 3.95 '19</b>	<b>9/13/2019</b>	<b>102.50</b>	<b>2.97</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>OW</b>
Hotel Properties Ltd	N	HPLSP 3.88 '20	4/8/2020	102.00	3.22	NR/NR/NR	N	N
Hotel Properties Ltd	N	HPLSP 3.85 '21	5/27/2021	101.75	3.42	NR/NR/NR	N	N
OUE Ltd	N	OUESP 4.25 '19c16	10/30/2019	102.10	2.89	NR/NR/NR	N	N
<b>OUE Ltd</b>	<b>N</b>	<b>OUESP 3.8 '20</b>	<b>4/15/2020</b>	<b>101.30</b>	<b>3.37</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>OW</b>
Wing Tai Holdings Ltd	N	WINGTA 4.0 '21	10/7/2021	102.60	3.40	NR/NR/NR	N	N
Wing Tai Holdings Ltd	N	WINGTA 4.5 '22	9/26/2022	104.40	3.64	NR/NR/NR	N	N
Wing Tai Holdings Ltd	N	WINGTA 4.25 '23	3/15/2023	103.00	3.70	NR/NR/NR	N	N
Wing Tai Holdings Ltd	N	WINGTA 4.7 '24	2/28/2024	104.50	3.97	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg	ASPSP 5.50 '18	11/27/2018	94.50	8.74	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg	ASPSP 5.05 '19	6/12/2019	92.00	8.80	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg	ASPSP 5.30 '20	4/1/2020	93.60	7.57	NR/NR/NR	UW	UW
Aspial Corp. Ltd	Neg	ASPSP 5.25 '20	8/28/2020	92.53	7.64	NR/NR/NR	UW	UW

Indicative prices from Bloomberg as of 9 January 2017

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	101.02	3.34	BBB-/NR/NR (Issuer)	N	N
AIMS AMP REIT	N	AAREIT 4.35 '19	12/5/2019	101.90	3.65	BBB-/NR/NR (Issuer)	N	N
Ascendas REIT	N	AREIT 2.5 '19	5/16/2019	101.01	2.06	NR/A3/NR	UW	N
Ascendas REIT	N	AREIT 2.95 '20	8/3/2020	101.20	2.59	NR/A3/NR	N	N
Ascendas REIT	N	AREIT 4 '22	2/3/2022	105.50	2.83	NR/A3/NR	N	N
Ascendas REIT	N	AREIT 3.2 '22	6/3/2022	101.55	2.89	NR/A3/NR	N	N
Ascott Residence Trust	N	ARTSP 4.3 '18	11/30/2018	104.10	2.07	NR/Baa3/NR	UW	UW
Ascott Residence Trust	N	ARTSP 4.205 '22	11/23/2022	104.90	3.28	NR/Baa3/NR	UW	UW
Cambridge Industrial Trust	N	CREISP 3.5 '18	11/5/2018	100.90	2.98	NR/Baa3/NR	OW	OW
Cambridge Industrial Trust	N	CREISP 4.1 '20	4/29/2020	101.20	3.71	NR/Baa3/NR	OW	OW
Cambridge Industrial Trust	N	CREISP 3.95 '20	21/05/2020	100.85	3.68	NR/Baa3/NR	OW	OW
Cambridge Industrial Trust	N	CREISP 3.95 '23	09/05/2023	98.01	4.31	NR/Baa3/NR	N	N
CapitaLand Commercial Trust	N	CCTSP 2.96 '21	8/13/2021	100.70	2.80	NR/A3/NR	N	N
CapitaLand Commercial Trust	N	CCTSP 2.77 '22	7/4/2022	98.95	2.98	A-/NR/NR	OW	OW
CapitaLand Mall Trust	N	CAPITA 3.55 '17	9/1/2017	101.40	1.33	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N	CAPITA 3.15 '20	12/18/2020	103.00	2.35	NR/A2/NR	N	N
CapitaLand Mall Trust	N	CAPITA 3.75 '24	8/2/2024	104.50	3.08	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N	CAPITA 3.48 '24	8/6/2024	102.50	3.11	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N	CAPITA 3.35 '31	7/7/2031	99.35	3.41	NR/A2/NR	UW	UW
Croesus Retail Trust	N	CROESP 5 '20	4/13/2020	100.50	4.83	NR/NR/NR	OW	OW
First REIT	N	FIRTSP 4.125 '18	5/22/2018	101.15	3.25	NR/NR/NR	UW	UW
Frasers Centrepoint Trust	N	FCTSP 2.9 '19	4/10/2019	100.60	2.62	BBB+/NR/NR	OW	OW
Frasers Centrepoint Trust	N	FCTSP 3 '20	1/21/2020	100.15	2.95	BBB+/NR/NR	OW	OW
Lippo Malls Indonesia Retail Trust	N	LMRTSP 4.48 '17	11/28/2017	100.60	3.81	NR/NR/NR	N	N
Lippo Malls Indonesia Retail Trust	N	LMRTSP 4.5 '18	11/23/2018	100.50	4.22	NR/NR/NR	OW	OW
Lippo Malls Indonesia Retail Trust	N	LMRTSP 4.1 '20	6/22/2020	98.15	4.69	NR/NR/NR	OW	OW
Mapletree Commercial Trust	N	MCTSP 2.65 '19	11/7/2019	100.70	2.39	NR/Baa1/NR	N	N
Mapletree Commercial Trust	N	MCTSP 3.6 '20	8/24/2020	103.75	2.51	NR/Baa1/NR	N	N
Mapletree Commercial Trust	N	MCTSP 3.2 '21	4/12/2021	101.75	2.76	NR/Baa1/NR	N	UW
Mapletree Commercial Trust	N	MCTSP 3.25 '23	2/3/2023	101.65	2.95	NR/Baa1/NR	UW	UW
Mapletree Greater China Commercial Trust	N	MAGIC 3.2 '21	9/8/2021	100.00	3.20	NR/Baa1/NR	N	N
Mapletree Greater China Commercial Trust	N	MAGIC 3.43 '22	3/9/2022	100.25	3.38	NR/Baa1/NR	N	N
Mapletree Industrial Trust	N	MINTSP 3.75 '19	3/8/2019	103.55	2.05	NR/NR/BBB+	UW	UW
Mapletree Industrial Trust	N	MINTSP 3.65 '22	9/7/2022	103.21	3.03	NR/NR/BBB+	N	N
Mapletree Industrial Trust	N	MINTSP 3.79 '26	3/2/2026	101.59	3.58	NR/NR/BBB+	UW	UW
Sabana Industrial REIT	Neg	SSREIT 4.00 '18	3/19/2018	98.05	5.81	NR/NR/NR	UW	OW
Sabana Industrial REIT	Neg	SSREIT 4.25 '19	4/3/2019	95.04	6.68	NR/NR/NR	UW	OW
Soilbuild Business Space REIT	N	SBREIT 3.45 '18	5/21/2018	99.95	3.49	NR/Baa3/NR (Issuer)	OW	OW
Soilbuild Business Space REIT	N	SBREIT 3.6 '21	4/8/2021	98.25	4.05	NR/Baa3/NR	OW	OW
Starhill Global REIT	N	SGREIT 3.5 '21	2/26/2021	103.00	2.73	BBB+/NR/NR	N	N
Starhill Global REIT	N	SGREIT 3.4 '23	5/26/2023	101.50	3.14	BBB+/NR/NR	N	N
Suntec REIT	N	SUNSP 2.83 '18	11/12/2018	101.30	2.10	NR/Baa2/NR	UW	UW
Suntec REIT	N	SUNSP 3.35 '20	11/2/2020	101.85	2.72	NR/Baa2/NR	N	N
VIVA Industrial Trust	N	VITSP 4.15 '18	9/19/2018	99.85	4.24	BB+/Ba2/NR	OW	OW

#### Offshore & Marine and Logistics

ASL Marine Holdings Ltd	Neg	ASLSP 4.75 '17	3/28/2017	70.00	211.20	NR/NR/NR	N	WD
ASL Marine Holdings Ltd	Neg	ASLSP 5.35 '18	10/1/2018	65.00	33.80	NR/NR/NR	N	WD
CMA CGM (Parent of Neptune Orient Lines)	N	NOLSP 5.75 '17	4/26/2017	100.00	5.68	NR/NR/NR	OW	OW
CMA CGM (Parent of Neptune Orient Lines)	N	NOLSP 4.4 '19c17	11/8/2019	86.00	11.88	NR/NR/NR	OW	OW
CMA CGM (Parent of Neptune Orient Lines)	N	NOLSP 4.65 '20c15	9/9/2020	78.00	12.29	NR/NR/NR	N	N
CMA CGM (Parent of Neptune Orient Lines)	N	NOLSP 4.4 '21c16	6/22/2021	72.00	12.87	NR/NR/NR	N	N
Ezion Holdings Ltd	Neg	EZISP 4.7 '19	5/22/2019	70.00	21.59	NR/NR/NR	N	N
Ezion Holdings Ltd	Neg	EZISP 4.875 '21	6/11/2021	55.00	22.67	NR/NR/NR	N	N
Ezion Holdings Ltd (CF by DBS)	Neg	EZISP 3.65 '20	8/5/2020	100.00	3.65	NR/NR/NR	N	N
Ezra Holdings Ltd	Neg	EZRASP 4.875 '18	4/24/2018	50.00	82.37	NR/NR/NR	N	N
Keppel Corp Ltd	N	KEPSP 3.1 '20	10/12/2020	100.25	3.03	NR/NR/NR	UW	UW
Keppel Corp Ltd	N	KEPSP 3.145 '22	2/14/2022	100.00	3.14	NR/NR/NR	UW	UW
Keppel Corp Ltd	N	KEPSP 3.725 '23	11/30/2023	101.35	3.50	NR/NR/NR	UW	UW
Keppel Corp Ltd	N	KEPSP 3.8 '27c22	4/23/2027	101.00	3.59	NR/NR/NR	UW	UW
Keppel Corp Ltd	N	KEPSP 4 '42	9/7/2042	95.15	4.31	NR/NR/NR	N	UW
Nam Cheong Ltd	Neg	NCLSP 5 '17	8/28/2017	52.00	199.13	NR/NR/NR	N	N
Nam Cheong Ltd	Neg	NCLSP 6.5 '18	7/23/2018	50.00	70.96	NR/NR/NR	N	N
Nam Cheong Ltd	Neg	NCLSP 5.05 '19	8/26/2019	52.00	34.21	NR/NR/NR	N	N
Pacific Radiance Ltd	Neg	PACRA 4.3 '18	8/29/2018	52.00	51.16	NR/NR/NR	N	N
Sembcorp Industries Ltd	N	SCISP 3.7325 '20	4/9/2020	101.50	3.24	NR/NR/NR	N	N
Sembcorp Industries Ltd	N	SCISP 3.64 '24	5/27/2024	99.20	3.76	NR/NR/NR	N	UW
Sembcorp Industries Ltd	N	SCISP 3.593 '26	11/26/2026	95.50	4.15	NR/NR/NR	N	N
Singapore Post Ltd	N	SPOST 3.5 '20	3/30/2020	103.85	2.25	BBB+ /NR/NR	UW	UW

Indicative prices from Bloomberg as of 9 January 2017

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

#### Others

BreadTalk Group Ltd	N	BREAD 4.6 '19	4/1/2019	103.00	3.19	NR/NR/NR	OW	OW
<b>Golden Agri-Resources Ltd</b>	<b>Neg</b>	<b>GGRSP 4.2 '17</b>	<b>4/30/2017</b>	<b>100.00</b>	<b>4.17</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>OW</b>
<b>Golden Agri-Resources Ltd</b>	<b>Neg</b>	<b>GGRSP 5.5 '18</b>	<b>4/27/2018</b>	<b>100.50</b>	<b>5.09</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>UW</b>
CITIC Envirotech Ltd	N	CELSP 4.7 '18	4/29/2018	100.50	4.29	NR/NR/NR	N	N
Gallant Venture Ltd	Neg	GALVSP 5.90 '17	5/12/2017	94.55	23.53	NR/NR/NR	UW	UW
Gallant Venture Ltd	Neg	GALVSP 7 '17	8/2/2017	86.00	40.67	NR/NR/NR	UW	UW
Gallant Venture Ltd	Neg	GALVSP 7 '18	4/6/2018	85.00	22.62	NR/NR/NR	UW	UW
<b>G8 Education Ltd</b>	<b>N</b>	<b>GEMAU 5.5 '19</b>	<b>5/18/2019</b>	<b>99.75</b>	<b>5.61</b>	<b>NR/NR/NR</b>	<b>OW</b>	<b>-</b>
<b>CWT Ltd</b>	<b>N</b>	<b>CWTSP 4 '17</b>	<b>3/13/2017</b>	<b>100.40</b>	<b>1.54</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>UW</b>
CWT Ltd	N	CWTSP 3.9 '19	4/18/2019	99.65	4.06	NR/NR/NR	N	N
CWT Ltd	N	CWTSP 4.8 '20	3/18/2020	100.50	4.63	NR/NR/NR	N	N
Century Sunshine Group	N	CENSUN 7.2 '18	6/4/2018	100.50	6.81	NR/NR/NR	OW	OW
Olam International Ltd	N	OLAMSP 6.00 '18	8/10/2018	105.50	2.42	NR/NR/NR	UW	UW
Olam International Ltd	N	OLAMSP 5.80 '19	7/11/2019	105.00	3.70	NR/NR/NR	UW	UW
Olam International Ltd	N	OLAMSP 4.25 '19	7/22/2019	101.00	3.83	NR/NR/NR	UW	UW
Olam International Ltd	N	OLAMSP 6.00 '22	10/25/2022	103.00	5.39	NR/NR/NR	N	N

#### Financial Institutions - Senior Issues

Australia & New Zealand Banking Group Ltd	N	ANZ 4 '25	2/12/2025	106.00	3.25	AA-/Aa2/NR	N	N
Bank of China Ltd/Singapore*	N	BCHINA 2.75 '19	6/30/2019	100.90	2.46	NR/A1/A	N	N
Bank of Communications Co Ltd/Hong Kong*	N	BOCOM 2.1 '17	7/24/2017	100.45	1.48	NR/A2/NR	N	N
Bank of East Asia/Singapore	N	BNKEA 2.0 '17	7/10/2017	100.30	1.69	A/NR/NR	N	N
<b>BNP Paribas SA</b>	<b>N</b>	<b>BNP 2.765 '20</b>	<b>8/3/2020</b>	<b>101.05</b>	<b>2.56</b>	<b>NR/NR/A+</b>	<b>N</b>	<b>-</b>
<b>BPCE SA*</b>	<b>N</b>	<b>BPCEGP 2.305 '18</b>	<b>6/22/2018</b>	<b>100.70</b>	<b>2.01</b>	<b>A/A2/NR</b>	<b>N</b>	<b>-</b>
CIMB Bank Bhd/Singapore*	N	CIMBMK 2.12 '18	6/30/2018	100.05	2.33	NR/A3/NR	N	N
DBS Group Holdings Ltd	N	DBSSP 2.78 '21	1/11/2021	100.95	2.59	NR/Aa2/AA-	N	N
Malayan Banking Bhd	N	MAYMK 1.85 '17	4/10/2017	100.25	1.85	NR/A3/A-	N	N
Malayan Banking Bhd	N	MAYMK 2.08 '18	6/26/2018	100.50	1.99	NR/A3/NR	N	N
Westpac Banking Corp	N	WSTP 4.11 '25	4/15/2025	105.32	3.41	NR/Aa2/NR	N	N

\* Issuer profile ratings are equal to parent issuer profile ratings

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

#### Corporate perpetuals

<b>Ascendas REIT</b>	<b>N</b>	<b>AREIT 4.75 '49</b>	<b>10/14/2020</b>	<b>103.65</b>	<b>3.70</b>	<b>NR/Baa2/NR</b>	<b>UW</b>	<b>N</b>
Ascott Residence Trust	N	ARTSP 5 '49	10/27/2019	102.45	4.06	NR/Baa3/NR (Issuer)	N	N
Ascott Residence Trust	N	ARTSP 4.68 '49	6/30/2020	101.15	4.32	NR/Baa3/NR (Issuer)	N	N
Ezion Holdings Ltd	Neg	EZISP 7 '49	11/19/2018	75.00	24.63	NR/NR/NR	N	N
First REIT	N	FIRTSP 5.68 '49	7/8/2021	99.05	5.93	NR/NR/NR	N	N
<b>Fraser's Hospitality Trust</b>	<b>Pos</b>	<b>FHREIT 4.45 '49</b>	<b>5/12/2021</b>	<b>100.25</b>	<b>4.39</b>	<b>NR/NR/NR</b>	<b>OW</b>	<b>N</b>
Genting Singapore Plc	Pos	GENSSP 5.125 '49	9/12/2017	100.30	4.65	NR/Baa2/BBB	OW	OW
Hotel Properties Ltd	N	HPLSP 6.125 '49	5/4/2017	100.75	3.69	NR/NR/NR	OW	OW
Keppel REIT	N	KREITS 4.98 '49	11/2/2020	103.60	3.95	NR/Baa3/NR (Issuer)	UW	UW
Lippo Malls Indonesia Retail Trust	N	LMRTSP 7 '49	9/27/2021	100.55	6.86	NR/NR/NR	OW	OW
<b>Mapletree Logistics Trust</b>	<b>Neg</b>	<b>MLTSP 5.375 '49</b>	<b>9/19/2017</b>	<b>101.85</b>	<b>2.66</b>	<b>NR/Baa3/NR</b>	<b>N</b>	<b>N</b>
<b>Mapletree Logistics Trust</b>	<b>Neg</b>	<b>MLTSP 4.18 '49</b>	<b>11/25/2021</b>	<b>100.94</b>	<b>3.97</b>	<b>NR/Baa1/NR (Issuer)</b>	<b>UW</b>	<b>OW</b>
<b>Sembcorp Industries Ltd</b>	<b>N</b>	<b>SCISP 5 '49</b>	<b>8/21/2018</b>	<b>101.30</b>	<b>4.14</b>	<b>NR/NR/NR</b>	<b>UW</b>	<b>N</b>
Sembcorp Industries Ltd	N	SCISP 4.75 '49	5/20/2020	100.00	4.75	NR/NR/NR	N	N
Singapore Post Ltd	N	SPOST 4.25 '49	3/2/2022	105.25	3.14	BBB+ /NR/NR	UW	UW
Olam International Ltd	N	OLAMSP 7.00 '49	3/1/2017	101.00	-0.37	NR/NR/NR	N	N

#### Financial Institutions - Capital Instruments

Australia & New Zealand Banking Group Ltd	N	ANZ 3.75 '27	3/23/2022	100.80	3.65	BBB+/A3/A+	N	N
Bank of East Asia Ltd/The	N	BNKEA 4.25 '22	9/13/2017	101.50	2.19	A-/Baa3/NR	N	N
<b>BNP Paribas SA</b>	<b>N</b>	<b>BNP 4.3 '25</b>	<b>12/3/2020</b>	<b>102.50</b>	<b>3.71</b>	<b>BBB+/Baa3/A</b>	<b>N</b>	<b>-</b>
<b>BPCE SA*</b>	<b>N</b>	<b>BPCEGP 4.45 '25</b>	<b>12/17/2020</b>	<b>101.50</b>	<b>4.17</b>	<b>BBB/Baa3/A-</b>	<b>N</b>	<b>-</b>
<b>BPCE SA*</b>	<b>N</b>	<b>BPCEGP 4.5 '26</b>	<b>6/3/2021</b>	<b>101.00</b>	<b>4.37</b>	<b>BBB/Baa3/A-</b>	<b>N</b>	<b>-</b>
DBS Bank Ltd	N	DBSSP 3.3 '22	2/21/2017	100.25	1.47	A+/Aa3/A+	N	N
DBS Bank Ltd	N	DBSSP 3.1 '23	2/14/2018	101.25	2.05	A+/Aa3/A+	N	N
DBS Bank Ltd	N	DBSSP 4.7 '49	11/22/2020	106.00	3.17	BBB/A3/BBB	N	N
DBS Group Holdings Ltd	N	DBSSP 3.8 '28	1/20/2023	103.00	3.31	NR/A2/A+	N	N
DBS Group Holdings Ltd	N	DBSSP 4.7 '49	6/3/2019	103.35	3.34	NR/A3/BBB	N	N
DBS Capital Funding II Corp	N	DBSSP 5.75 '49	6/15/2018	104.30	2.83	BBB/A3/BBB	N	N
Dah Sing Bank Ltd	N	DAHSIN 4.875 '22	2/9/2017	100.40	0.52	NR/Baa1/BBB	N	N
<b>Julius Baer Group Ltd</b>	<b>N</b>	<b>BAERVX 5.9 '49</b>	<b>11/18/2020</b>	<b>101.10</b>	<b>5.63</b>	<b>NR/Baa3/NR</b>	<b>N</b>	<b>-</b>
<b>Julius Baer Group Ltd</b>	<b>N</b>	<b>BAERVX 5.75 '49</b>	<b>4/20/2022</b>	<b>100.65</b>	<b>5.66</b>	<b>NR/Baa3/NR</b>	<b>N</b>	<b>-</b>
Malayan Banking Bhd	N	MAYMK 6.0 '49	8/11/2018	104.25	3.38	BB+/Baa2/BB+	N	N
National Australia Bank Ltd	N	NAB 4.15 '28	5/19/2023	102.15	3.79	BBB+/A3/A+	N	N
<b>Societe Generale SA</b>	<b>N</b>	<b>SOCGEN 4.3 '26</b>	<b>5/19/2021</b>	<b>101.65</b>	<b>3.96</b>	<b>BBB/Baa3/A-</b>	<b>N</b>	<b>-</b>
United Overseas Bank Ltd	N	UOBSP 4.9 '49	7/23/2018	102.50	3.31	BBB-/A3/BBB	N	N
United Overseas Bank Ltd	N	UOBSP 3.5 '26	5/22/2020	102.00	2.97	BBB+/A2/A+	N	N
United Overseas Bank Ltd	N	UOBSP 3.15 '22	7/11/2017	100.67	2.01	A+/Aa3/A+	N	N
United Overseas Bank Ltd	N	UOBSP 4.75 '49	11/19/2019	103.80	3.44	BBB-/A3/BBB	N	N
United Overseas Bank Ltd	N	UOBSP 4.0 '49	5/18/2021	101.00	3.79	NR/A3/BBB	N	N
Westpac Banking Corp	N	WSTP 4.0 '27	8/12/2022	102.35	3.60	BBB+/A3/A+	N	N

\* Issuer profile ratings are equal to parent issuer profile ratings

Upgrades
Downgrades
New

Indicative prices from Bloomberg as of 9 January 2017



### 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.

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