

## Monthly Credit View

Wednesday, 04 April 2018

### Monthly Themes

- March was a time of reckoning for investors that were exposed to duration. Uncertainty over interest rate trajectories continued to weigh on credit markets, particularly leading up to the US Fed meeting. Benchmark Asia dollar issues of longer duration that were priced late last year, such as the BABA 3.4% '27s, continued to trade at sharp discounts (the BABA bonds fell below 94c). 10Y treasury yields were trend-bound between 2.8% and 2.9% during the first 3 weeks of March, though yields spiked briefly above 2.93% intraday during the Fed meeting. Yields subsequently crashed lower on less hawkish guidance by the Fed as well as trade tensions leading to safe haven bids. This helped the secondary market recover slightly by quarter end. Interest rate volatility, coupled with general risk aversion (the MSCI World index was down 1.2% for the month) impacted issuance with AxJ G3 currency bond issuance for March totalling USD24.3bn, slumping sharply from the previous year's USD38.2bn. Mega deals were still printed, such as ChemChina's six tranche issue aggregating ~USD6.4bn. Like February, most deals however had to provide attractive new issue concessions.
- Pricing concessions contributed to secondary markets trading weaker, with investors preferring new issues for the concessions versus the existing curves. Dealers also had to mark their inventories lower when the new deals priced wider. The story was slightly different in the SGD corporate bond space. New issuance was SGD3.2bn for March 2018, sharply higher than the SGD1.3bn seen a year back. That being said, SGD2.3bn worth was effectively quasi-government (HDB, LTA, SMRT). Excluding these deals, issuance would have been comparable. Like the deals printed in February, new issues by CCT and MCT had to come in at generous concessions, which in turn affected the secondary market. The sole SGD denominated HY issue was the SGD300mn ARASP 5.65-perp. Interestingly, the new ARASP-perp subsequently traded much wider than the older ARASP 5.2-perp given the longer reset date (10-year versus 6-year), when previously corporate perpetuals were traded based on first call. This may imply that the market is starting to price certain perpetual securities to reset. [This is consistent with our recent report on how investors should be cautious when pricing perpetual securities based on first call.](#)
- Looking forward, though the pace of spread widening looks to have slowed, we believe that bond investors will remain defensive, tactically clipping new issue concessions while waiting for signs of market turbulence easing. It is unlikely that spreads would compress from current levels as investors may leverage on risk reversals to reposition their portfolios. The pricing and performance of looming new issues would be crucial. Heading into earnings season, Main Street looks more optimistic. [According to URA flash estimates, Singapore private property prices rose 3.1% q/q in 1Q2018.](#) The strong recovery in the domestic residential market could help mitigate execution risk given the record prices for land paid by developers, as well as allow developers to more profitably monetize their inventory. That being said, the potential credit negative could be more aggressive land banking by developers which could stretch balance sheets.

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## 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.

## Trade Ideas

- The correction in bond prices during March has thrown up some buying opportunities in our view. The cash price for the BNP 4.30% '25c20 Tier 2 paper has fallen further than peers and now looks to be decent value against other Tier 2 names, in particular the BPCE Tier 2s. As such, we are overweight on the BNP Tier 2s. BNP's scale and diversity is a key support to its credit profile with strong domestic retail market positions and international retail operations mitigating the low interest rate environment and weak performance in the bank's corporate & institutional segment in its recent FY2017 results. The operating environment remains solid and loan quality trends are improving with the reported doubtful loans to gross outstandings ratio improving to 3.3% for FY2017.
- Similarly, the cash price for the ABNANV 4.75% '26c21 Tier 2s has also corrected and continues to look attractive, particularly considering the reset spread of 2.71% against the current spread of ~138bps. Recent FY2017 results were solid with operating income up due to growth in net interest income (net interest margin and volume growth) and lower restructuring and impairment charges, which evidences solid domestic market conditions. Capital ratios also improved due to a higher rise in capital from earnings against the rise in risk weighted assets and issuance of a EUR1bn AT1 instrument in September and settled in October. As such, we re-iterate our overweight recommendation on the ABNANV Tier 2s.
- Following Aspiat Corp Ltd's ("ACL") offer to exchange the existing ASPSP 5.5% '18s for a SGD-denominated 5.9% note due in 2021, we Overweight ASPSP 5.5% '18s as we believe that ACL is motivated to refinance the '18s and [we had discussed that ACL has the liquidity to do so](#). Conversely, we do not find the proposed '21s to be attractive as net gearing levels of ACL remain elevated.
- Following Moody's downgrade and withdrawal of ratings for Lippo Malls Indonesia Retail Trust, LMRTSP 7% PERP prices have fallen. As fundamentals remain unchanged while the likelihood to call is high, in our view, we continue to reiterate our Overweight recommendation.
- We have lifted Golden-Agri Resources' GGRSP 4.75% '21s to Overweight from Neutral. GGRSP's ask yield to maturity is at 4.98% (301bps). Following the sale completion of its underperforming Tianjin oilseeds business and the SGD150mn bond raising in January 2018, the company's immediate refinancing risk for its April 2018 bond maturity has been removed.
- Notwithstanding our view that the CWTSP curve pays more than bonds on the HNA curve, we have downgraded the CWTSP'19s to Neutral and CWT'20s to Underweight due to heightened event risk at the parent company, namely CWT International Ltd ("CWTI"). CWTI took on acquisition debt to fund the purchase of CWT Limited (now known as CWT Pte. Limited and its subsidiaries ("CWT SG")). The two SGD bonds are issued at the CWT SG level. CWTI faces USD300mn in acquisition debt due in May 2018 and USD261mn in acquisition debt due in September 2018. We understand that CWTI is in the midst of negotiating refinancing of the debt though as yet there is no certainty that it will be able to achieve this on a timely basis. We maintain CWTI's issuer profile at Negative (6).

## Upcoming Bond Maturities – April 2018

Issuer Name	Ticker	Amount (SGD mn)	Maturity/Call Date*
Cagamas Global PLC	CAGA	100	12/04/2018
RCI Banque SA	RENAUL	48	16/04/2018
UOL Treasury Services Pte Ltd	UOLSP	175	20/04/2018
Indus Gas Ltd	INDILN	100	23/04/2018
Golden Assets International Investments	GGRSP	200	27/04/2018
CITIC Envirotech Ltd	CELSP	225	29/04/2018
Citigroup	C	100	09/04/2018*
Standard Chartered Bank	STANLN	450	10/04/2018*
Neptune Orient Lines Ltd	NOLSP	300	13/04/2018*
ARMF Whitesands Pte Ltd	ARMFSG	111	29/04/2018*
Ascendas India Trust	AITSP	65	30/04/2018*
OUE Ltd	OUESP	200	30/04/2018*
Hyflux Ltd	HYFSP	400	30/04/2018*

(OCBC, Company, Bloomberg)

## Current / Recent Reports From OCBC Credit Research

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

- SGD Corporate Perpetual Bonds (9 Mar 2018)
- 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)

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

#### China/HK property

CK Hutchison Holdings Ltd	Pos (2)	CKHH 3.408 '18	20/07/2018	100.5	1.60	N	N
Hongkong Land Holdings	Pos (2)	HKLSP 3.43 '20	14/05/2020	102.353	2.28	UW	UW
Wharf Holdings Ltd/The	N (3)	WHARF 4.5 '21	20/07/2021	105.517	2.73	UW	UW
Wheelock & Co Ltd	Pos (2)	WHEELK 4.5 '21	02/09/2021	105.80	2.71	N	N
Wing Tai Properties Ltd	N (4)	WINGTA 4.25 '22	29/11/2022	102.90	3.57	OW	OW

#### Singapore property developers

CapitaLand Ltd / Ascott Capital Pte Ltd	N (3)	CAPLSP 3.78 '19	16/08/2019	101.90	2.34	N	N
CapitaLand Ltd	N (3)	CAPLSP 4.35 '19	31/10/2019	103.00	2.38	N	N
CapitaLand Ltd	N (3)	CAPLSP 4.3 '20	31/08/2020	104.00	2.57	N	N
CapitaLand Ltd	N (3)	CAPLSP 3.8 '24	28/08/2024	103.85	3.13	N	N
CapitaLand Ltd	N (3)	CAPLSP 3.08 '27	19/10/2027	97.20	3.43	N	N
City Developments Ltd	Pos (2)	CITSP 3.38 '19	20/03/2019	101.20	2.10	N	N
<b>City Developments Ltd</b>	<b>Pos (2)</b>	<b>CITSP 3.00 '20</b>	<b>02/04/2020</b>	<b>101.00</b>	<b>2.48</b>	<b>N</b>	<b>UW</b>
City Developments Ltd	Pos (2)	CITSP 2.93 '21	24/03/2021	101.30	2.47	UW	UW
<b>City Developments Ltd</b>	<b>Pos (2)</b>	<b>CITSP 3.75 '22</b>	<b>06/07/2022</b>	<b>103.60</b>	<b>2.84</b>	<b>N</b>	<b>UW</b>
<b>City Developments Ltd</b>	<b>Pos (2)</b>	<b>CITSP 3.48 '23</b>	<b>03/04/2023</b>	<b>102.00</b>	<b>3.04</b>	<b>N</b>	<b>UW</b>
City Developments Ltd	Pos (2)	CITSP 3.78 '24	21/10/2024	103.25	3.22	N	N
City Developments Ltd	Pos (2)	CITSP 3.48 '26	15/06/2026	99.90	3.49	N	N
Chip Eng Seng Corporation Ltd	Neg (6)	CHIPEN 4.75 '21	14/06/2021	102.51	3.90	N	N
Chip Eng Seng Corporation Ltd	Neg (6)	CHIPEN 4.9 '22	19/05/2022	102.65	4.19	N	N
Frasers Property Ltd	N (4)	FPLSP 3.95 '21	07/10/2021	102.50	3.19	N	N
<b>Frasers Property Ltd</b>	<b>N (4)</b>	<b>FPLSP 4.25 '26</b>	<b>21/04/2026</b>	<b>100.50</b>	<b>4.18</b>	<b>OW</b>	<b>N</b>
Frasers Property Ltd	N (4)	FPLSP 4.15 '27	23/02/2027	99.00	4.29	OW	OW
GuocoLand Ltd	N (5)	GUOLSP 3.95 '19	01/04/2019	100.98	2.95	N	N
GuocoLand Ltd	N (5)	GUOLSP 4.1 '20	13/05/2020	101.60	3.30	N	N
GuocoLand Ltd	N (5)	GUOLSP 3.62 '21	30/03/2021	99.90	3.66	N	N
GuocoLand Ltd	N (5)	GUOLSP 4 '22	31/01/2022	100.40	3.88	OW	OW
GuocoLand Ltd	N (5)	GUOLSP 3.85 '23	15/02/2023	99.60	3.94	N	N
Heeton Holdings Ltd	N (5)	HTONSP 6.1 '20	08/05/2020	100.70	5.74	OW	OW
Heeton Holdings Ltd	N (5)	HTONSP 6.08 '21	19/07/2021	100.29	5.98	OW	OW
Hong Fok Corp Ltd	N (5)	HFCSP 4.75 '19	22/03/2019	101.10	3.59	OW	OW
Hotel Properties Ltd	N (4)	HPLSP 3.95 '19	13/09/2019	102.10	2.45	N	N
Hotel Properties Ltd	N (4)	HPLSP 3.88 '20	08/04/2020	102.20	2.74	N	N
Hotel Properties Ltd	N (4)	HPLSP 3.85 '21	27/05/2021	102.25	3.09	N	N
QUE Ltd	N (4)	QUESP 4.25 '19c16	30/10/2019	101.15	3.13	OW	OW
QUE Ltd	N (4)	QUESP 3.8 '20	15/04/2020	100.50	3.54	OW	OW
QUE Ltd	N (4)	QUESP 3.75 '22	17/04/2022	100.20	3.70	OW	OW
QUE Ltd	N (4)	QUESP 3.55 '23	10/05/2023	99.50	3.66	N	N
Oxley Holdings Ltd	Neg (6)	OHLSP 5 '19	05/11/2019	99.88	5.08	N	N
Oxley Holdings Ltd	Neg (6)	OHLSP 5.15 '20	18/05/2020	102.30	4.00	UW	UW
Oxley Holdings Ltd	Neg (6)	OHLSP 5.7 '22	31/01/2022	99.75	5.77	UW	UW
Wing Tai Holdings Ltd	N (4)	WINGTA 4.0 '21	07/10/2021	103.39	2.97	N	N
Wing Tai Holdings Ltd	N (4)	WINGTA 4.5 '22	26/09/2022	105.09	3.27	N	N
<b>Wing Tai Holdings Ltd</b>	<b>N (4)</b>	<b>WINGTA 4.25 '23</b>	<b>15/03/2023</b>	<b>104.20</b>	<b>3.32</b>	<b>N</b>	<b>OW</b>
Wing Tai Holdings Ltd	N (4)	WINGTA 4.7 '24	28/02/2024	105.80	3.60	OW	OW
UOL Group Ltd	N (3)	UOLSP 2.5 '20	29/09/2020	99.90	2.54	N	N
<b>Aspial Corp. Ltd</b>	<b>Neg (6)</b>	<b>ASPSP 5.50 '18</b>	<b>27/11/2018</b>	<b>100.10</b>	<b>5.40</b>	<b>OW</b>	<b>N</b>
Aspial Corp. Ltd	Neg (6)	ASPSP 5.05 '19	12/06/2019	98.75	6.16	N	N
Aspial Corp. Ltd	Neg (6)	ASPSP 5.30 '20	01/04/2020	99.58	5.52	N	N
Aspial Corp. Ltd	Neg (6)	ASPSP 5.25 '20	28/08/2020	99.12	5.64	UW	UW

*Indicative prices from Bloomberg as of 4 April 2018*

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

#### REITS

AIMS AMP REIT	N (4)	AAREIT 4.35 '19	05/12/2019	100.00	4.35	OW	OW
<b>Ascendas Hospitality Trust</b>	<b>N (4)</b>	<b>ASCHTS 3.3 '20</b>	<b>07/04/2020</b>	<b>101.20</b>	<b>2.68</b>	<b>N</b>	<b>UW</b>
<b>Ascendas REIT</b>	<b>N (3)</b>	<b>AREIT 2.5 '19</b>	<b>16/05/2019</b>	<b>100.25</b>	<b>2.27</b>	<b>N</b>	<b>OW</b>
Ascendas REIT	N (3)	AREIT 2.95 '20	03/08/2020	101.00	2.50	N	N
Ascendas REIT	N (3)	AREIT 2.655 '21	07/04/2021	99.85	2.71	N	N
Ascendas REIT	N (3)	AREIT 4 '22	03/02/2022	104.25	2.82	UW	UW
<b>Ascendas REIT</b>	<b>N (3)</b>	<b>AREIT 3.2 '22</b>	<b>03/06/2022</b>	<b>101.25</b>	<b>2.88</b>	<b>N</b>	<b>UW</b>
<b>Ascendas REIT</b>	<b>N (3)</b>	<b>AREIT 2.47 '23</b>	<b>10/08/2023</b>	<b>97.70</b>	<b>2.94</b>	<b>N</b>	<b>UW</b>
Ascott Residence Trust	N (4)	ARTSP 4.3 '18	30/11/2018	101.55	1.87	UW	UW
Ascott Residence Trust	N (4)	ARTSP 4.205 '22	23/11/2022	105.25	2.98	OW	OW
Ascott Residence Trust	N (4)	ARTSP 4 '24	22/03/2024	104.25	3.21	UW	UW
<b>CapitaLand Commercial Trust</b>	<b>N (3)</b>	<b>CCTSP 2.96 '21</b>	<b>13/08/2021</b>	<b>100.45</b>	<b>2.82</b>	<b>N</b>	<b>UW</b>
CapitaLand Commercial Trust	N (3)	CCTSP 2.77 '22	04/07/2022	99.20	2.97	N	N
CapitaLand Commercial Trust	N (3)	CCTSP 3.17 '24	05/03/2024	100.45	3.09	N	N
<b>CapitaLand Commercial Trust</b>	<b>N (3)</b>	<b>CCTSP 3.327 '25</b>	<b>21/03/2025</b>	<b>100.50</b>	<b>3.25</b>	<b>N</b>	<b>-</b>
<b>CapitaLand Mall Trust</b>	<b>N (3)</b>	<b>CAPITA 3.15 '20</b>	<b>18/12/2020</b>	<b>101.60</b>	<b>2.53</b>	<b>N</b>	<b>UW</b>
CapitaLand Mall Trust	N (3)	CAPITA 2.8 '23	13/03/2023	100.11	2.78	UW	UW
<b>CapitaLand Mall Trust</b>	<b>N (3)</b>	<b>CAPITA 3.48 '24</b>	<b>06/08/2024</b>	<b>102.43</b>	<b>3.05</b>	<b>N</b>	<b>UW</b>
<b>CapitaLand Mall Trust</b>	<b>N (3)</b>	<b>CAPITA 3.5 '26</b>	<b>25/02/2026</b>	<b>101.86</b>	<b>3.23</b>	<b>N</b>	<b>UW</b>
<b>CapitaLand Mall Trust</b>	<b>N (3)</b>	<b>CAPITA 2.88 '27</b>	<b>10/11/2027</b>	<b>96.14</b>	<b>3.35</b>	<b>N</b>	<b>UW</b>
<b>CapitaLand Mall Trust</b>	<b>N (3)</b>	<b>CAPITA 3.35 '31</b>	<b>07/07/2031</b>	<b>97.42</b>	<b>3.60</b>	<b>N</b>	<b>UW</b>
ESR REIT	N (4)	EREIT 3.5 '18	05/11/2018	100.35	2.90	OW	OW
ESR REIT	N (4)	EREIT 3.95 '20	21/05/2020	101.25	3.33	OW	OW
First REIT	N (5)	FIRTSP 4.125 '18	22/05/2018	100.40	0.72	N	N
Frasers Centrepoint Trust	N (3)	FCTSP 2.9 '19	10/04/2019	100.75	2.15	UW	UW
<b>Frasers Centrepoint Trust</b>	<b>N (3)</b>	<b>FCTSP 3 '20</b>	<b>21/01/2020</b>	<b>100.90</b>	<b>2.48</b>	<b>N</b>	<b>UW</b>
Frasers Centrepoint Trust	N (3)	FCTSP 2.645 '22	06/06/2022	98.84	2.94	N	N
Frasers Centrepoint Trust	N (3)	FCTSP 2.77 '24	08/11/2024	97.70	3.16	N	N
Frasers Commercial Trust	N (4)	FCOTSP 2.625 '20	28/02/2020	100.03	2.61	N	N
Frasers Commercial Trust	N (4)	FCOTSP 2.835 '21	11/08/2021	99.89	2.87	N	N
Frasers Hospitality Trust	N (3)	FHREIT 2.63 '22	06/07/2022	98.35	3.05	N	N
<b>Frasers Hospitality Trust</b>	<b>N (3)</b>	<b>FHREIT 3.08 '24</b>	<b>08/11/2024</b>	<b>99.00</b>	<b>3.25</b>	<b>UW</b>	<b>N</b>
Keppel REIT	N (4)	KREITS 3.275 '24	08/04/2024	100.57	3.17	N	N
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 4.5 '18	23/11/2018	101.05	2.81	OW	OW
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 4.1 '20	22/06/2020	100.00	4.10	OW	OW
<b>Mapletree Commercial Trust</b>	<b>N (3)</b>	<b>MCTSP 2.65 '19</b>	<b>07/11/2019</b>	<b>100.40</b>	<b>2.39</b>	<b>N</b>	<b>UW</b>
Mapletree Commercial Trust	N (3)	MCTSP 3.6 '20	24/08/2020	102.25	2.62	N	N
<b>Mapletree Commercial Trust</b>	<b>N (3)</b>	<b>MCTSP 3.2 '21</b>	<b>12/04/2021</b>	<b>101.05</b>	<b>2.83</b>	<b>N</b>	<b>UW</b>
<b>Mapletree Commercial Trust</b>	<b>N (3)</b>	<b>MCTSP 3.25 '23</b>	<b>03/02/2023</b>	<b>100.60</b>	<b>3.11</b>	<b>OW</b>	<b>N</b>
<b>Mapletree Commercial Trust</b>	<b>N (3)</b>	<b>MCTSP 3.28 '24</b>	<b>23/09/2024</b>	<b>100.05</b>	<b>3.27</b>	<b>OW</b>	<b>-</b>
Mapletree Commercial Trust	N (3)	MCTSP 3.11 '26	24/08/2026	97.85	3.41	N	N
Mapletree Commercial Trust	N (3)	MCTSP 3.045 '27	27/08/2027	96.90	3.43	N	N
Mapletree Greater China Commercial Trust	N (4)	MAGIC 3.2 '21	08/09/2021	100.85	2.94	UW	UW
Mapletree Greater China Commercial Trust	N (4)	MAGIC 3.43 '22	09/03/2022	101.84	2.93	UW	UW
<b>Mapletree Industrial Trust</b>	<b>N (3)</b>	<b>MINTSP 3.75 '19</b>	<b>08/03/2019</b>	<b>101.39</b>	<b>2.22</b>	<b>UW</b>	<b>N</b>
Mapletree Industrial Trust	N (3)	MINTSP 3.65 '22	07/09/2022	103.27	2.86	UW	UW
<b>Mapletree Industrial Trust</b>	<b>N (3)</b>	<b>MINTSP 3.02 '23</b>	<b>11/05/2023</b>	<b>100.10</b>	<b>3.00</b>	<b>UW</b>	<b>N</b>
<b>Mapletree Industrial Trust</b>	<b>N (3)</b>	<b>MINTSP 3.16 '24</b>	<b>28/03/2024</b>	<b>100.02</b>	<b>3.16</b>	<b>UW</b>	<b>N</b>
Soilbuild Business Space REIT	N (4)	SBREIT 3.45 '18	21/05/2018	100.25	1.26	N	N
Soilbuild Business Space REIT	N (4)	SBREIT 3.6 '21	08/04/2021	98.90	3.99	OW	OW
Starhill Global REIT	N (4)	SGREIT 3.5 '21	26/02/2021	102.25	2.68	UW	UW
Starhill Global REIT	N (4)	SGREIT 3.4 '23	26/05/2023	101.50	3.08	N	N
<b>Starhill Global REIT</b>	<b>N (4)</b>	<b>SGREIT 3.14 '26</b>	<b>03/10/2026</b>	<b>98.26</b>	<b>3.38</b>	<b>N</b>	<b>UW</b>
Suntec REIT	N (4)	SUNSP 2.83 '18	12/11/2018	100.50	1.99	N	N
Suntec REIT	N (4)	SUNSP 3.35 '20	10/02/2020	101.65	2.43	UW	UW
Suntec REIT	N (4)	SUNSP 3.025 '22	16/03/2022	100.67	2.84	UW	UW
Suntec REIT	N (4)	SUNSP 2.85 '23	02/08/2023	99.10	3.03	N	N
VIVA Industrial Trust	N (5)	VITSP 4.15 '18	19/09/2018	100.45	3.12	OW	OW

#### Offshore & Marine and Logistics

ASL Marine Holdings Ltd	Neg (6)	ASLSP 4.75 '20	28/03/2020	50.46	49.88	N	N
ASL Marine Holdings Ltd	Neg (6)	ASLSP 5.35 '21	01/10/2021	50.46	33.78	N	N
CMA CGM (Parent of Neptune Orient Lines)	N (4)	NOLSP 4.65 '20c15	09/09/2020	97.06	5.97	OW	OW
CMA CGM (Parent of Neptune Orient Lines)	N (4)	NOLSP 4.4 '21c16	22/06/2021	94.87	6.19	OW	OW
Ezion Holdings Ltd	Neg (7)	EZISP 4.7 '19	22/05/2019	N/A	N/A	WD	WD
Ezion Holdings Ltd	Neg (7)	EZISP 4.875 '21	11/06/2021	N/A	N/A	WD	WD
Keppel Corp Ltd	N (3)	KEPSP 3.1 '20	12/10/2020	101.10	2.64	UW	UW
<b>Keppel Corp Ltd</b>	<b>N (3)</b>	<b>KEPSP 3.145 '22</b>	<b>14/02/2022</b>	<b>100.20</b>	<b>3.09</b>	<b>N</b>	<b>UW</b>
Keppel Corp Ltd	N (3)	KEPSP 3.725 '23	30/11/2023	101.20	3.49	N	N
<b>Keppel Corp Ltd</b>	<b>N (3)</b>	<b>KEPSP 3.8 '27c22</b>	<b>23/04/2027</b>	<b>100.70</b>	<b>3.61</b>	<b>N</b>	<b>UW</b>
<b>Keppel Corp Ltd</b>	<b>N (3)</b>	<b>KEPSP 4 '42</b>	<b>07/09/2042</b>	<b>98.20</b>	<b>4.12</b>	<b>UW</b>	<b>N</b>
Nam Cheong Ltd	Neg (7)	NCLSP 5 '17	28/08/2017	N/A	N/A	WD	WD
Nam Cheong Ltd	Neg (7)	NCLSP 6.5 '18	23/07/2018	N/A	N/A	WD	WD
Nam Cheong Ltd	Neg (7)	NCLSP 5.05 '19	26/08/2019	N/A	N/A	WD	WD
Pacific Radiance Ltd	Neg (7)	PACRA 4.3 '18	29/08/2018	N/A	N/A	WD	WD
Sembcorp Industries Ltd	N (4)	SCISP 3.725 '20	09/04/2020	102.20	2.60	UW	UW
<b>Sembcorp Industries Ltd</b>	<b>N (4)</b>	<b>SCISP 2.94 '21</b>	<b>26/11/2021</b>	<b>98.70</b>	<b>3.32</b>	<b>N</b>	<b>-</b>
Sembcorp Industries Ltd	N (4)	SCISP 3.64 '24	27/05/2024	100.70	3.51	N	N
<b>Sembcorp Industries Ltd</b>	<b>N (4)</b>	<b>SCISP 4.25 '25</b>	<b>30/08/2025</b>	<b>102.70</b>	<b>3.83</b>	<b>N</b>	<b>-</b>
Sembcorp Industries Ltd	N (4)	SCISP 3.593 '26	26/11/2026	98.72	3.77	UW	UW
Singapore Post Ltd	N (3)	SPOST 3.5 '20	30/03/2020	102.30	2.30	UW	UW

Indicative prices from Bloomberg as of 4 April 2018

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

#### Others

Banyan Tree Holdings Ltd	N (5)	BTHSP 5.75 '18	31/07/2018	100.86	2.93	UW	UW
Banyan Tree Holdings Ltd	N (5)	BTHSP 5.35 '18	26/11/2018	100.85	4.01	UW	UW
Banyan Tree Holdings Ltd	N (5)	BTHSP 4.875 '19	03/06/2019	100.51	4.41	UW	UW
BreadTalk Group Ltd	N (5)	BREAD 4.6 '19	01/04/2019	102.00	2.53	N	N
BreadTalk Group Ltd	N (5)	BREAD 4 '23	17/01/2023	100.50	3.88	N	N
Century Sunshine Group	N (5)	CENSUN 7 '20	03/07/2020	99.25	7.36	OW	OW
China Eastern Airlines	N (4)	CHIEAS 2.8 '20	16/11/2020	99.45	3.02	OW	OW
CWT International Limited	Neg (6)	CWTSP 3.9 '19	18/04/2019	90.00	15.2	N	OW
CWT International Limited	Neg (6)	CWTSP 4.8 '20	18/03/2020	88.00	11.9	UW	N
Fraser and Neave Ltd	N (4)	FNNSP 3.09 '22	23/03/2022	100.50	2.95	N	N
Fraser and Neave Ltd	N (4)	FNNSP 2.8 '22	22/08/2022	99.20	3.00	N	N
Fraser and Neave Ltd	N (4)	FNNSP 3.8 '27	21/04/2027	101.50	3.60	N	N
G8 Education Ltd	N (5)	GEMAU 5.5 '19	18/05/2019	98.75	6.68	UW	UW
Golden Agri-Resources Ltd	N (5)	GGRSP 4.75 '21	25/01/2021	99.40	4.98	OW	N
Keppel T&T	N (4)	KPTTSP 2.85 '24	05/09/2024	97.79	3.39	OW	N
Olam International Ltd	N (5)	OLAMSP 6.00 '18	10/08/2018	101.24	2.28	UW	UW
Olam International Ltd	N (5)	OLAMSP 5.80 '19	17/07/2019	102.30	3.92	UW	UW
Olam International Ltd	N (5)	OLAMSP 4.25 '19	22/07/2019	100.51	3.84	UW	UW
Olam International Ltd	N (5)	OLAMSP 6.00 '22	25/10/2022	103.63	5.09	N	N
Singapore Airlines	N (3)	SIASP 3.22 '20	09/07/2020	101.90	2.35	UW	N
Singapore Airlines	N (3)	SIASP 3.145 '21	08/04/2021	101.25	2.71	N	N
Singapore Airlines	N (3)	SIASP 3.75 '24	08/04/2024	104.10	3.00	UW	UW
Singapore Airlines	N (3)	SIASP 3.035 '25	11/04/2025	99.00	3.20	UW	UW
Singapore Airlines	N (3)	SIASP 3.13 '26	17/11/2026	99.20	3.24	UW	UW
Singapore Airlines	N (3)	SIASP 3.13 '27	23/08/2027	99.00	3.25	UW	UW
Singapore Telecommunications Ltd	Pos (2)	STSP 3.4875 '20	08/04/2020	102.50	2.20	N	N
Singapore Telecommunications Ltd	Pos (2)	STSP 2.58 '20	24/09/2020	100.73	2.27	N	N
Singapore Telecommunications Ltd	Pos (2)	STSP 2.72 '21	03/09/2021	100.75	2.49	N	N
StarHub Ltd	N (3)	STHSP 3.08 '22	12/09/2022	101.10	2.81	UW	UW
StarHub Ltd	N (3)	STHSP 3.55 '26	08/06/2026	102.00	3.27	UW	UW

#### Financial Institutions - Senior Issues

Australia & New Zealand Banking Group Ltd	Pos (2)	ANZ 4 '25	12/02/2025	104.09	3.35	N	N
Bank of China Ltd/Singapore*	N (4)	BCHINA 2.75 '19	30/06/2019	100.65	2.27	N	N
BNP Paribas SA	N (3)	BNP 2.765 '20	03/08/2020	100.74	2.52	N	N
BPCE SA*	N (4)	BPCEGP 2.305 '18	22/06/2018	100.28	1.64	N	N
CIMB Bank Bhd/Singapore*	N (4)	CIMBMK 2.12 '18	30/06/2018	100.02	2.19	N	N
DBS Group Holdings Ltd	Pos (2)	DBSSP 2.78 '21	11/01/2021	100.64	2.58	N	N
Malayan Banking Bhd	N (3)	MAYMK 2.08 '18	26/06/2018	100.08	1.97	N	N
Westpac Banking Corp	Pos (2)	WSTP 4.11 '25	15/04/2025	107.56	2.94	N	N

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

Indicative prices from Bloomberg as of 4 April 2018



Issuer	Issuer Profile	Issue				Recommendation	
			First Call	Ask Price	YTW	Current	Previous

#### Corporate perpetuals

Ascendas REIT	N (3)	AREIT 4.75 '49	14/10/2020	104.80	2.94	UW	UW
Ascott Residence Trust	N (4)	ARTSP 5 '49	27/10/2019	102.20	3.53	N	N
<b>Ascott Residence Trust</b>	<b>N (4)</b>	<b>ARTSP 4.68 '49</b>	<b>30/06/2020</b>	<b>101.50</b>	<b>3.97</b>	<b>OW</b>	<b>N</b>
Ezion Holdings Ltd	Neg (7)	EZISP 7 '49	19/11/2018	N/A	N/A	WD	WD
First REIT	N (5)	FIRTSP 5.68 '49	08/07/2021	101.25	5.26	UW	UW
Frasers Hospitality Trust	N (3)	FHREIT 4.45 '49	12/05/2021	100.50	4.28	OW	OW
Frasers Property Ltd	N (4)	FPLSP 4.88 '49	24/09/2019	101.10	4.08	OW	OW
Frasers Property Ltd	N (4)	FPLSP 5 '49	09/03/2020	100.80	4.55	OW	OW
<b>Frasers Property Ltd</b>	<b>N (4)</b>	<b>FPLSP 3.95 '49</b>	<b>05/10/2022</b>	<b>95.25</b>	<b>5.15</b>	<b>OW</b>	<b>N</b>
Frasers Property Ltd	N (4)	FPLSP 4.38 '49	17/01/2023	99.70	4.42	N	N
GuocoLand Ltd	N (5)	GUOLSP 4.6 '49	23/01/2023	99.10	4.76	UW	UW
<b>Hotel Properties Ltd</b>	<b>N (4)</b>	<b>HPLSP 4.65 '49</b>	<b>05/05/2022</b>	<b>100.75</b>	<b>4.45</b>	<b>OW</b>	<b>N</b>
Keppel REIT	N (4)	KREITS 4.98 '49	02/11/2020	102.80	3.83	OW	OW
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 7 '49	27/09/2021	103.00	6.02	OW	OW
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 6.6 '49	19/12/2022	101.38	6.26	OW	OW
<b>Mapletree Logistics Trust</b>	<b>N (4)</b>	<b>MLTSP 4.18 '49</b>	<b>25/11/2021</b>	<b>102.10</b>	<b>3.56</b>	<b>UW</b>	<b>N</b>
<b>Mapletree Logistics Trust</b>	<b>N (4)</b>	<b>MLTSP 3.65 '49</b>	<b>28/03/2023</b>	<b>99.50</b>	<b>3.76</b>	<b>UW</b>	<b>N</b>
ESR REIT	N (4)	EREIT 4.6 '49	03/11/2022	97.31	5.27	OW	OW
CITIC Envirotech Ltd	N (4)	CELSP 3.9 '49	19/10/2020	98.51	4.53	N	N
<b>Olam International Ltd</b>	<b>N (5)</b>	<b>OLAMSP 5.5 '49</b>	<b>11/07/2022</b>	<b>99.25</b>	<b>5.70</b>	<b>N</b>	<b>UW</b>
Singapore Post Ltd	N (3)	SPOST 4.25 '49	02/03/2022	103.50	3.28	N	N
Sembcorp Industries Ltd	N (4)	SCISP 5 '49	21/08/2018	101.00	2.29	N	N
Sembcorp Industries Ltd	N (4)	SCISP 4.75 '49	20/05/2020	101.40	4.06	N	N
Sembcorp Industries Ltd	N (4)	SCISP 3.7 '49	22/06/2020	99.00	3.96	UW	UW
StarHub Ltd	N (3)	STHSP 3.95 '49	16/06/2022	99.50	4.02	N	N
<b>Wing Tai Holdings Ltd</b>	<b>N (4)</b>	<b>WINGTA 4.08 '49</b>	<b>28/06/2022</b>	<b>98.40</b>	<b>4.50</b>	<b>OW</b>	<b>N</b>
Wing Tai Properties Ltd	N (4)	WINGTA 4.35 '49	24/08/2020	97.45	4.69	N	N

#### Financial Institutions - Capital Instruments

ABN AMRO Bank NV	N (3)	ABNANV 4.75 '26	01/04/2021	103.91	3.46	OW	OW
Australia & New Zealand Banking Group Ltd	Pos (2)	ANZ 3.75 '27	23/03/2022	101.70	3.34	N	N
Barclays PLC	N (4)	BACR 3.75 '30	23/05/2025	97.20	4.23	UW	UW
<b>BNP Paribas SA</b>	<b>N (3)</b>	<b>BNP 4.3 '25</b>	<b>03/12/2020</b>	<b>102.65</b>	<b>3.33</b>	<b>OW</b>	<b>N</b>
BPCE SA*	N (4)	BPCEGP 4.45 '25	17/12/2020	103.25	3.20	N	N
<b>BPCE SA*</b>	<b>N (4)</b>	<b>BPCEGP 4.5 '26</b>	<b>03/06/2021</b>	<b>103.25</b>	<b>3.42</b>	<b>N</b>	<b>OW</b>
Commerzbank AG	N (4)	CMZB 4.875 '27	01/03/2022	102.60	4.20	OW	OW
DBS Bank Ltd*	Pos (2)	DBSSP 4.7 '49	22/11/2020	105.90	2.56	N	N
DBS Group Holdings Ltd	Pos (2)	DBSSP 3.8 '28	20/01/2023	105.10	2.68	N	N
DBS Group Holdings Ltd	Pos (2)	DBSSP 4.7 '49	03/06/2019	102.40	2.70	N	N
DBS Capital Funding II Corp*	Pos (2)	DBSSP 5.75 '49	15/06/2018	100.75	1.93	N	N
HSBC Holdings PLC	Pos (2)	HSBC 4.7 '49	08/06/2022	101.00	4.50	N	N
Julius Baer Group Ltd	N (3)	BAERVX 5.9 '49	18/11/2020	104.05	4.35	OW	OW
Julius Baer Group Ltd	N (3)	BAERVX 5.75 '49	20/04/2022	104.60	4.56	OW	OW
Landesbank Baden-Wuerttemberg	N (4)	LBBW 3.75 '27	18/05/2022	100.20	3.73	N	N
Malayan Banking Bhd	N (3)	MAYMK 6.0 '49	11/08/2018	101.30	2.30	N	N
National Australia Bank Ltd	Pos (2)	NAB 4.15 '28	19/05/2023	103.50	3.44	N	N
Societe Generale SA	N (4)	SOCGEN 4.3 '26	19/05/2021	101.90	3.72	N	N
Standard Chartered Bank*	N (4)	STANLN 5.25 '23	10/04/2018	100.11	0.42	N	N
Standard Chartered PLC	N (4)	STANLN 4.4 '26	23/01/2021	101.60	3.83	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4.9 '49	23/07/2018	100.85	2.24	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 3.5 '26	22/05/2020	101.80	2.75	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4.75 '49	19/11/2019	103.35	2.73	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4.0 '49	18/05/2021	102.30	3.28	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 3.5 '29	27/02/2024	102.70	3.04	N	N
Westpac Banking Corp	Pos (2)	WSTP 4.0 '27	12/08/2022	103.70	3.11	N	N

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

Upgrades
Downgrades
New / Resume Coverage

Indicative prices from Bloomberg as of 4 April 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.



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