

## Monthly Credit View

Thursday, 01 February 2018

### Monthly Themes

- It has been a feverish start to 2018 for the SGD corporate bond market, with SGD2.2bn issued across 12 deals during January 2018 (as of 26/01/18). Comparatively, January 2017 saw just SGD920mn issued across 3 deals. The new issues covered a broad spectrum, from quasi-sovereign (SGD515mn HDBSP 2.32% 2028) to high yield (SGD150mn GGRSP 4.75% 2021), from seniors (SGD150mn KPLDSP 2.68% 2023) to perpetual securities (SGD300mn FCLSP 4.38%-perp). Primary markets had been supported by flushed liquidity (from both bond redemptions and fund inflows) while issuers scrambled to raise funds before rates rise further, as well as to avoid the quiet period leading to 4Q2017 results announcements. Higher yielding issuers had also ridden on stronger investor risk appetite to tap the market. Property related issuers continue to dominate (9 issues, SGD1950mn in aggregate), raising capital for both refinancing needs as well as for growth capital (given the recovery in Singapore's residential and commercial real estate markets).
- Activity in the Asia ex-Japan dollar space was similarly strong with YTD issuance of USD31.5bn (+47% y/y) and issuers seeing certain deals more than 5x oversubscribed. Issuance in January had been a record, driven by supportive global economic conditions, increasing clarity about the rates outlook, and the absence of event risks. In a continuation of 2017 trends, issuance so far was driven by Chinese issuers with Tencent Holdings Ltd's sizeable USD5bn issue of note. Stronger risk appetite had also spurred demand for high yield paper. Indonesian names seem to be the flavour of the moment (such as the USD500mn MEDIJ 6.75% 2025 and the USD200mn SOCIJ 8.375% 2023) as an alternative for yield hungry investors who have perhaps over indulged on Chinese names.
- Despite a strong start in primary markets, secondary trading performance was more mixed due to sharp moves in rates. In the month of January 2018 alone, 10Y Treasury yields had increased by ~30bps. 10Y SGD swaps have widened as well, increasing by ~20bps with the bulk of the move from mid-January onwards. This caused rates sensitive paper, such as the newly issued HDBSP 2.32% 2028, to trade a point lower on the sharp steepening of the yield curve. On the dollar side, we saw the USD2bn 10Y Philippine sovereigns plunge 3 points since pricing on 18/01/18. Somewhat shell-shocked bond investors have now retreated, licking their wounds, while awaiting signs of the new equilibrium in rates before committing more capital.
- As mentioned in our [2018 Credit Outlook](#), we had opined that the lush technical environment seen in 2017 for the SGD corporate bond market is unlikely to persist through 2018. With the rising rate environment, coupled with full valuations, we continue to expect more market volatility and higher investor activity given shifting macro expectations. Balancing the technical signs of a toppish market would be the general consensus that the economic environment remains benign. This, coupled with current prevalent liquidity, will help provide a floor to secondary prices. That being said, both primary and secondary activities will likely slow heading into Chinese New Year.

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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: GuocoLand Limited, Heeton Holdings Limited, Perennial Real Estate Holdings Limited, Oxley Holdings Ltd, Golden-Agri Resources Ltd.
- Conversely, we have resumed coverage on the following companies following the completion of OCBC's engagement: First Real Estate Investment Trust (Neutral (5)), BreadTalk Group Limited (Neutral (5)) and Frasers Centrepoint Limited (Neutral (4)).

## Trade Ideas

- For investors comfortable with loss absorbing capital instruments, JBG's AT1s still look attractive in the AT1 space on a carry basis against other SGD AT1s. We tend to favour the BAERVX 5.90%-PERPc20s (offer YTC 3.96%) given the shorter tenor compared to the BAERVX 5.75%- PERPc22s. JBG's business structure is unique amongst our coverage as the only pure play private bank. Its solid franchise and scale, which is mostly in Europe and growing in Asia, provides diversification and support to its credit profile (which otherwise is susceptible to high market risk).
- Commerzbank AG's underlying fundamentals are improving. With the move in spreads, we now think the CMZB Tier 2 4.875% '27c22s offer decent value against the LBBW Tier 2 3.75% '27c22s and advocate a switch between the two German peers.
- Rental income of FIRT is concentrated with its Sponsor, Lippo Karawaci ("LK") and we see heightened counterparty credit risk at FIRTSP. In FY2016, more than 80% of rental income was derived from LK and we think this was similar in FY2017. LK's credit rating was downgraded in December 2017 by Standard & Poor's to "B", after being placed on Credit Watch since August 2017. Additionally, due to the lack of comparable market transactions, we recognize higher uncertainty over FIRT's asset value compared to traditional REITs under our coverage. At the current YTC of 4.68%, we see better value elsewhere from a risk-adjusted return basis. As such, investors could consider trading out of FIRTSP 5.68%-PERP.
- The big move in rates has driven bonds cheaper, particularly on the short end. The CAPLSP'19s and CITSP'19s are being offered at YTM of 2.1-2.2% for 1-1.5 year paper. These two bonds are actually trading wide compared to the longer ends of their curve, making them attractive.
- We like the proposed merger of ESR-REIT and Viva Industrial Trust and are Overweight the EREIT'18s, EREIT 4.1%'20s, EREIT 3.95%'20s and EREIT 4.6%-PERP. We recommend a switch from the SUNSP'20s into the EREIT'20s which allows a pick-up of 40bps. If successful, the merger would create the fourth largest Industrial REIT by total assets and may re-rate closer to the large cap S-REITs. Under our base case scenario, our indicative issuer profile of the combined entities is likely to be at Neutral (4) though we will only assign a final issuer profile at a later stage when definitive details are provided. Given that the VITSP'18s only have six months to maturity, we hold this bond at Neutral.

## Upcoming Bond Maturities – February 2018

Issuer Name	Ticker	Amount (SGD mn)	Maturity/Call Date*
OUE Lippo Healthcare Ltd	IHCSP	500	06/01/2018
Rowsley Ltd	ROWSSP	100	30/02/2018*
Ascendas India Trust	AITSP	65	30/02/2018*
KrisEnergy Ltd	KRISSP	200	22/02/2018*

(OCBC, Company, Bloomberg)

## Current / Recent Reports From OCBC Credit Research

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

- 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)

Issuer	Issuer Profile	Issue				Bond Ratings	Recommendation	
			Maturity	Ask Price	Ask YTW		Current	Previous
China/HK property								
CK Hutchison Holdings Ltd	Pos (2)	CKHH 3.408 '18	20/07/2018	100.70	1.83	A-/A2/A- (Guarantor)	N	N
Henderson Land Development	N (3)	HENLND 4 '18	19/09/2018	101.20	2.05	NR/NR/NR	OW	N
Hongkong Land Holdings	Pos (2)	HKLSP 3.43 '20	14/05/2020	103.35	1.91	A/A2/NR	UW	N
Wharf Holdings Ltd/The	N (3)	WHARF 4.3 '18	28/10/2018	101.83	1.75	NR/NR/A- (Issuer)	N	N
Wharf Holdings Ltd/The	N (3)	WHARF 4.5 '21	20/07/2021	106.80	2.44	NR/NR/A- (Issuer)	UW	N
Wheelock & Co Ltd	Pos (2)	WHEELK 4.5 '21	02/09/2021	106.95	2.46	NR/NR/NR	N	N
Wing Tai Properties Ltd	N (4)	WINGTA 4.25 '22	29/11/2022	103.95	3.35	NR/NR/NR	OW	OW

**Singapore property developers**

<b>CapitaLand Ltd</b>	<b>N (3)</b>	<b>CAPLSP 3.78 '19</b>	<b>16/08/2019</b>	<b>102.25</b>	<b>2.27</b>	<b>NR/NR/NR</b>	<b>OW</b>	<b>UW</b>
CapitaLand Ltd	N (3)	CAPLSP 4.35 '19	31/10/2019	103.75	2.13	NR/NR/NR	UW	UW
CapitaLand Ltd	N (3)	CAPLSP 4.3 '20	31/08/2020	104.95	2.30	NR/NR/NR	UW	UW
CapitaLand Ltd	N (3)	CAPLSP 3.8 '24	28/08/2024	105.70	2.84	NR/NR/NR	N	N
CapitaLand Ltd	N (3)	CAPLSP 3.08 '27	19/10/2027	100.10	3.07	NR/NR/NR	N	N
<b>City Developments Ltd</b>	<b>Pos (2)</b>	<b>CITSP 3.38 '19</b>	<b>20/03/2019</b>	<b>101.30</b>	<b>2.20</b>	<b>NR/NR/NR</b>	<b>OW</b>	<b>N</b>
City Developments Ltd	Pos (2)	CITSP 3.00 '20	02/04/2020	101.35	2.35	NR/NR/NR	N	N
City Developments Ltd	Pos (2)	CITSP 2.93 '21	24/03/2021	101.50	2.43	NR/NR/NR	N	N
City Developments Ltd	Pos (2)	CITSP 3.75 '22	06/07/2022	105.47	2.44	NR/NR/NR	UW	UW
City Developments Ltd	Pos (2)	CITSP 3.48 '23	03/04/2023	104.48	2.55	NR/NR/NR	UW	UW
City Developments Ltd	Pos (2)	CITSP 3.78 '24	21/10/2024	106.14	2.77	NR/NR/NR	N	N
City Developments Ltd	Pos (2)	CITSP 3.48 '26	15/06/2026	103.17	3.05	NR/NR/NR	N	N
Chip Eng Seng Corporation Ltd	Neg (6)	CHIPEN 4.75 '21	14/06/2021	102.75	3.87	NR/NR/NR	N	N
Chip Eng Seng Corporation Ltd	Neg (6)	CHIPEN 4.9 '22	19/05/2022	102.96	4.14	NR/NR/NR	N	N
Frasers Centrepoint Ltd	N (4)	FCLSP 3.95 '21	07/10/2021	103.50	2.94	NR/NR/NR	N	N
Frasers Centrepoint Ltd	N (4)	FCLSP 4.25 '26	21/04/2026	103.50	3.75	NR/NR/NR	N	N
Frasers Centrepoint Ltd	N (4)	FCLSP 4.15 '27	23/02/2027	101.90	3.90	NR/NR/NR	N	N
Hong Fok Corp Ltd	N (5)	HFCSP 4.75 '19	22/03/2019	102.00	2.94	NR/NR/NR	OW	OW
<b>Hotel Properties Ltd</b>	<b>N (4)</b>	<b>HPLSP 3.95 '19</b>	<b>13/09/2019</b>	<b>102.53</b>	<b>2.33</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>UW</b>
Hotel Properties Ltd	N (4)	HPLSP 3.88 '20	08/04/2020	102.50	2.68	NR/NR/NR	N	N
Hotel Properties Ltd	N (4)	HPLSP 3.85 '21	27/05/2021	103.10	2.86	NR/NR/NR	N	N
QUE Ltd	N (4)	OUESP 4.25 '19c16	30/10/2019	101.45	2.48	NR/NR/NR	OW	OW
QUE Ltd	N (4)	OUESP 3.8 '20	15/04/2020	101.70	2.99	NR/NR/NR	OW	OW
QUE Ltd	N (4)	OUESP 3.75 '22	17/04/2022	101.1	3.46	NR/NR/NR	OW	OW
<b>QUE Ltd</b>	<b>N (4)</b>	<b>OUESP 3.55 '23</b>	<b>10/05/2023</b>	<b>100.00</b>	<b>3.55</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>OW</b>
Wing Tai Holdings Ltd	N (4)	WINGTA 4.0 '21	07/10/2021	104.05	2.83	NR/NR/NR	N	N
Wing Tai Holdings Ltd	N (4)	WINGTA 4.5 '22	26/09/2022	106.00	3.10	NR/NR/NR	N	N
Wing Tai Holdings Ltd	N (4)	WINGTA 4.25 '23	15/03/2023	104.00	3.39	NR/NR/NR	OW	OW
Wing Tai Holdings Ltd	N (4)	WINGTA 4.7 '24	28/02/2024	106.75	3.46	NR/NR/NR	OW	OW
UOL Group Ltd	N (3)	UOLSP 2.5 '20	29/09/2020	100.59	2.27	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg (6)	ASPSP 5.50 '18	27/11/2018	100.53	4.87	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg (6)	ASPSP 5.05 '19	12/06/2019	100.03	5.02	NR/NR/NR	N	N
Aspial Corp. Ltd	Neg (6)	ASPSP 5.30 '20	01/04/2020	99.74	5.43	NR/NR/NR	UW	UW
Aspial Corp. Ltd	Neg (6)	ASPSP 5.25 '20	28/08/2020	99.17	5.60	NR/NR/NR	UW	UW

Indicative prices from Bloomberg as of 1 February 2018

Issuer	Issuer Profile	Issue	Maturity	Ask Price	Ask YTW	Bond Ratings	Recommendation	
							Current	Previous
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	102.05	2.32	NR/NR/NR	UW	UW
Ascendas REIT	N (3)	AREIT 2.5 '19	16/05/2019	100.50	2.10	NR/A3/NR	N	UW
Ascendas REIT	N (3)	AREIT 2.95 '20	03/08/2020	101.65	2.26	NR/A3/NR	N	UW
Ascendas REIT	N (3)	AREIT 2.655 '21	07/04/2021	101.00	2.33	NR/A3/NR	N	UW
Ascendas REIT	N (3)	AREIT 4 '22	03/02/2022	106.40	2.31	NR/A3/NR	UW	UW
Ascendas REIT	N (3)	AREIT 3.2 '22	03/06/2022	103.55	2.33	NR/A3/NR	UW	UW
Ascendas REIT	N (3)	AREIT 2.47 '23	10/08/2023	100.15	2.44	NR/A3/NR	UW	UW
Ascott Residence Trust	N (4)	ARTSP 4.3 '18	30/11/2018	101.70	2.19	NR/Baa3/BBB	N	UW
Ascott Residence Trust	N (4)	ARTSP 4.205 '22	23/11/2022	106.70	2.71	NR/Baa3/BBB	N	N
Ascott Residence Trust	N (4)	ARTSP 4 '24	22/03/2024	106.00	2.92	NR/Baa3/BBB	N	N
CapitaLand Commercial Trust	N (3)	CCTSP 2.96 '21	13/08/2021	102.10	2.33	Baa2/BBB+/NR	UW	UW
CapitaLand Commercial Trust	N (3)	CCTSP 2.77 '22	04/07/2022	102.00	2.29	Baa2/BBB+/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 3.15 '20	18/12/2020	102.60	2.21	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 2.8 '23	13/03/2023	101.37	2.51	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 3.48 '24	06/08/2024	103.88	2.82	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 3.5 '26	25/02/2026	104.77	2.83	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 2.88 '27	10/11/2027	99.30	2.96	NR/A2/NR	UW	UW
CapitaLand Mall Trust	N (3)	CAPITA 3.35 '31	07/07/2031	100.62	3.29	NR/A2/NR	UW	UW
ESR REIT	N (4)	EREIT 3.5 '18	05/11/2018	100.70	2.56	NR/Baa3/NR	OW	OW
ESR REIT	N (4)	EREIT 4.1 '20	29/04/2020	102.18	3.08	NR/Baa3/NR	OW	N
ESR REIT	N (4)	EREIT 3.95 '20	21/05/2020	102.25	2.92	NR/Baa3/NR	OW	N
First REIT	N (5)	FIRTSP 4.125 '18	22/05/2018	100.50	2.35	NR/NR/NR	UW	UW
Frasers Centrepoint Trust	N (3)	FCTSP 2.9 '19	10/04/2019	101.25	1.82	BBB+/NR/NR	UW	N
Frasers Centrepoint Trust	N (3)	FCTSP 3 '20	21/01/2020	101.20	2.37	BBB+/NR/NR	N	N
Frasers Centrepoint Trust	N (3)	FCTSP 2.645 '22	06/06/2022	100.17	2.60	BBB+/NR/NR	N	N
Frasers Centrepoint Trust	N (3)	FCTSP 2.77 '24	08/11/2024	99.80	2.80	BBB+/NR/NR	N	OW
Frasers Commercial Trust	N (4)	FCOTSP 2.625 '20	28/02/2020	100.35	2.45	BBB+/NR/NR	OW	N
Frasers Commercial Trust	N (4)	FCOTSP 2.835 '21	11/08/2021	101.02	2.53	BBB+/NR/NR	N	N
Frasers Hospitality Trust	N (3)	FHREIT 2.63 '22	06/07/2022	100.14	2.60	NR/Baa2/NR	N	UW
Frasers Hospitality Trust	N (3)	FHREIT 3.08 '24	08/11/2024	100.70	2.96	NR/Baa2/NR	N	N
Keppel REIT	N (4)	KREITS 3.275 '24	08/04/2024	101.74	2.96	NR/NR/NR	N	N
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 4.5 '18	23/11/2018	101.30	2.85	NR/Baa3/NR (Issuer)	OW	OW
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 4.1 '20	22/06/2020	100.20	4.01	NR/Baa3/NR (Issuer)	OW	OW
Mapletree Commercial Trust	N (3)	MCTSP 2.65 '19	07/11/2019	101.60	1.72	NR/Baa1/NR	UW	N
Mapletree Commercial Trust	N (3)	MCTSP 3.6 '20	24/08/2020	103.75	2.08	NR/Baa1/NR	UW	UW
Mapletree Commercial Trust	N (3)	MCTSP 3.2 '21	12/04/2021	103.10	2.19	NR/Baa1/NR	UW	N
Mapletree Commercial Trust	N (3)	MCTSP 3.25 '23	03/02/2023	103.15	2.57	NR/Baa1/NR	N	N
Mapletree Commercial Trust	N (3)	MCTSP 3.11 '26	24/08/2026	102.50	2.78	NR/Baa1/NR	UW	UW
Mapletree Commercial Trust	N (3)	MCTSP 3.045 '27	27/08/2027	101.00	2.92	NR/Baa1/NR	UW	N
Mapletree Greater China Commercial Trust	N (4)	MAGIC 3.2 '21	08/09/2021	103.20	2.27	NR/Baa1/NR	UW	N
Mapletree Greater China Commercial Trust	N (4)	MAGIC 3.43 '22	09/03/2022	104.38	2.30	NR/Baa1/NR	UW	N
Mapletree Industrial Trust	N (3)	MINTSP 3.75 '19	08/03/2019	101.99	1.89	NR/NR/BBB+	UW	UW
Mapletree Industrial Trust	N (3)	MINTSP 3.65 '22	07/09/2022	104.67	2.56	NR/NR/BBB+	N	N
Mapletree Industrial Trust	N (3)	MINTSP 3.02 '23	11/05/2023	101.53	2.71	NR/NR/BBB+	N	N
Mapletree Industrial Trust	N (3)	MINTSP 3.16 '24	28/03/2024	101.70	2.86	NR/NR/BBB+	N	OW
Sabana Industrial REIT	N (5)	SSREIT 4.00 '18	19/03/2018	100.18	2.40	NR/NR/NR	N	N
Soilbuild Business Space REIT	N (4)	SBREIT 3.45 '18	21/05/2018	100.65	1.15	NR/NR/NR	UW	N
Soilbuild Business Space REIT	N (4)	SBREIT 3.6 '21	08/04/2021	99.84	3.65	NR/NR/NR	OW	OW
Starhill Global REIT	N (4)	SGREIT 3.5 '21	26/02/2021	103.45	2.32	BBB+/NR/NR	N	N
Starhill Global REIT	N (4)	SGREIT 3.4 '23	26/05/2023	103.25	2.74	BBB+/NR/NR	N	N
Starhill Global REIT	N (4)	SGREIT 3.14 '26	03/10/2026	101.50	2.94	BBB+/NR/NR	UW	UW
Suntec REIT	N (4)	SUNSP 2.83 '18	12/11/2018	100.63	2.00	NR/Baa3/NR	OW	N
Suntec REIT	N (4)	SUNSP 3.35 '20	10/02/2020	102.06	2.29	NR/Baa3/NR	N	UW
Suntec REIT	N (4)	SUNSP 3.025 '22	16/03/2022	101.80	2.56	NR/Baa3/NR	N	N
Suntec REIT	N (4)	SUNSP 2.85 '23	02/08/2023	100.55	2.74	NR/Baa3/NR	N	N
VIVA Industrial Trust	N (5)	VITSP 4.15 '18	19/09/2018	100.45	3.43	BB+/Ba2/NR	OW	OW

#### Offshore & Marine and Logistics

ASL Marine Holdings Ltd	Neg (6)	ASLSP 4.75 '20	28/03/2020	50.00	44.60	NR/NR/NR	N	N
ASL Marine Holdings Ltd	Neg (6)	ASLSP 5.35 '21	01/10/2021	50.00	30.30	NR/NR/NR	N	N
CMA CGM (Parent of Neptune Orient Lines)	N (4)	NOLSP 4.65 '20c15	09/09/2020	99.87	4.70	NR/NR/NR	OW	OW
CMA CGM (Parent of Neptune Orient Lines)	N (4)	NOLSP 4.4 '21c16	22/06/2021	98.00	5.05	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
Ezion Holdings Ltd (CF by DBS)	Neg (7)	EZISP 3.65 '20	05/08/2020	90.00	8.16	NR/NR/NR	WD	WD
Keppel Corp Ltd	N (3)	KEPSP 3.1 '20	12/10/2020	101.60	2.48	NR/NR/NR	UW	UW
Keppel Corp Ltd	N (3)	KEPSP 3.145 '22	14/02/2022	101.90	2.64	NR/NR/NR	UW	UW
<b>Keppel Corp Ltd</b>	<b>N (3)</b>	<b>KEPSP 3.725 '23</b>	<b>30/11/2023</b>	<b>103.70</b>	<b>3.03</b>	<b>NR/NR/NR</b>	<b>UW</b>	<b>N</b>
Keppel Corp Ltd	N (3)	KEPSP 3.8 '27c22	23/04/2027	102.90	3.06	NR/NR/NR	UW	UW
Keppel Corp Ltd	N (3)	KEPSP 4 '42	07/09/2042	100.70	3.94	NR/NR/NR	UW	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	103.00	2.31	NR/NR/NR	UW	UW
Sembcorp Industries Ltd	N (4)	SCISP 3.64 '24	27/05/2024	102.50	3.20	NR/NR/NR	UW	UW
Sembcorp Industries Ltd	N (4)	SCISP 3.593 '26	26/11/2026	100.89	3.47	NR/NR/NR	UW	UW
Singapore Post Ltd	N (3)	SPOST 3.5 '20	30/03/2020	103.10	2.02	BBB+/NR/NR	UW	UW

Indicative prices from Bloomberg as of 1 February 2018

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

#### Others

Banyan Tree Holdings Ltd	N (5)	BTHSP 5.75 '18	31/07/2018	101.38	2.83	NR/NR/NR	UW	UW
Banyan Tree Holdings Ltd	N (5)	BTHSP 5.35 '18	26/11/2018	101.28	3.74	NR/NR/NR	UW	UW
<b>Banyan Tree Holdings Ltd</b>	<b>N (5)</b>	<b>BTHSP 4.875 '19</b>	<b>03/06/2019</b>	<b>100.50</b>	<b>4.48</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>UW</b>
BreadTalk Group Ltd	N (5)	BREAD 4.6 '19	01/04/2019	102.55	2.35	NR/NR/NR	N	N
<b>BreadTalk Group Ltd</b>	<b>N (5)</b>	<b>BREAD 4 '23</b>	<b>17/01/2023</b>	<b>101.00</b>	<b>3.78</b>	<b>NR/NR/NR</b>	<b>N</b>	
Century Sunshine Group	N (5)	CENSUN 7 '20	03/07/2020	99.50	7.23	NR/NR/NR	OW	OW
<b>China Eastern Airlines</b>	<b>N (4)</b>	<b>CHIEAS 2.8 '20</b>	<b>16/11/2020</b>	<b>99.62</b>	<b>2.94</b>	<b>NR/NR/NR</b>	<b>OW</b>	<b>N</b>
CITIC Envirotech Ltd	N (4)	CELSA 4.7 '18	29/04/2018	100.45	2.66	NR/NR/NR	N	N
CWT International Limited	Neg (6)	CWTSP 3.9 '19	18/04/2019	91.20	5.86	NR/NR/NR	N	N
CWT International Limited	Neg (6)	CWTSP 4.8 '20	18/03/2020	91.50	7.33	NR/NR/NR	N	N
Fraser and Neave Ltd	N (4)	FNNSP 3.09 '22	23/03/2022	101.85	2.61	NR/NR/NR	N	N
Fraser and Neave Ltd	N (4)	FNNSP 2.8 '22	22/08/2022	100.45	2.69	NR/NR/NR	N	N
Fraser and Neave Ltd	N (4)	FNNSP 3.8 '27	21/04/2027	103.50	3.35	NR/NR/NR	N	N
G8 Education Ltd	N (5)	GEMAU 5.5 '19	18/05/2019	99.60	5.82	NR/NR/NR	N	N
Keppel T&T	N (4)	KPTTSP 2.85 '24	05/09/2024	99.13	3.05	NR/NR/NR	N	N
Olam International Ltd	N (5)	OLAMSP 6.00 '18	10/08/2018	101.73	2.56	NR/NR/NR	UW	UW
Olam International Ltd	N (5)	OLAMSP 5.80 '19	17/07/2019	102.50	3.99	NR/NR/NR	N	N
<b>Olam International Ltd</b>	<b>N (5)</b>	<b>OLAMSP 4.25 '19</b>	<b>22/07/2019</b>	<b>100.48</b>	<b>3.90</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>UW</b>
<b>Olam International Ltd</b>	<b>N (5)</b>	<b>OLAMSP 6.00 '22</b>	<b>25/10/2022</b>	<b>105.60</b>	<b>4.66</b>	<b>NR/NR/NR</b>	<b>N</b>	<b>UW</b>
Singapore Airlines	N (3)	SIASP 3.22 '20	09/07/2020	103.05	1.92	NR/NR/NR	N	N
Singapore Airlines	N (3)	SIASP 3.145 '21	08/04/2021	103.10	2.13	NR/NR/NR	N	N
Singapore Airlines	N (3)	SIASP 3.75 '24	08/04/2024	106.50	2.60	NR/NR/NR	UW	UW
Singapore Airlines	N (3)	SIASP 3.035 '25	11/04/2025	101.50	2.80	NR/NR/NR	UW	UW
Singapore Airlines	N (3)	SIASP 3.13 '26	17/11/2026	101.25	2.97	NR/NR/NR	N	N
Singapore Airlines	N (3)	SIASP 3.13 '27	23/08/2027	101.35	2.97	NR/NR/NR	UW	UW
Singapore Telecommunications Ltd	Pos (2)	STSP 3.4875 '20	08/04/2020	103.45	1.86	A+/A1/NR	N	N
Singapore Telecommunications Ltd	Pos (2)	STSP 2.58 '20	24/09/2020	101.61	1.95	A+/A1/NR	N	N
Singapore Telecommunications Ltd	Pos (2)	STSP 2.72 '21	03/09/2021	101.95	2.15	A+/A1/NR	N	N
StarHub Ltd	N (3)	STHSP 3.08 '22	12/09/2022	103.10	2.36	A+/A1/NR	UW	UW
StarHub Ltd	N (3)	STHSP 3.55 '26	08/06/2026	104.53	2.93	A+/A1/NR	N	N

#### Financial Institutions - Senior Issues

Australia & New Zealand Banking Group Ltd	Pos (2)	ANZ 4 '25	12/02/2025	106.54	2.99	AA-/Aa3/NR	N	N
Bank of China Ltd/Singapore*	N (4)	BCHINA 2.75 '19	30/06/2019	100.97	2.11	NR/A1/A	N	N
BNP Paribas SA	N (3)	BNP 2.765 '20	03/08/2020	101.29	2.28	NR/NR/A+	N	N
BPCE SA*	N (4)	BPCEGP 2.305 '18	22/06/2018	100.34	1.70	A/A2/NR	N	N
CIMB Bank Bhd/Singapore*	N (4)	CIMBMK 2.12 '18	30/06/2018	100.15	1.87	NR/A3/NR	N	N
DBS Group Holdings Ltd	Pos (2)	DBSSP 2.78 '21	11/01/2021	101.57	2.33	NR/Aa2/AA-	N	N
Malayan Banking Bhd	N (3)	MAYMK 2.08 '18	26/06/2018	100.16	1.78	NR/A3/NR	N	N
Westpac Banking Corp	Pos (2)	WSTP 4.11 '25	15/04/2025	109.02	2.74	NR/Aa3/NR	N	N

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

Indicative prices from Bloomberg as of 1 February 2018

Issuer	Issuer Profile	Issue	First Call	Ask Price	YTC	Bond Ratings	Recommendation	
							Current	Previous
Corporate perpetuals								
Ascendas REIT	N (3)	AREIT 4.75 '49	14/10/2020	105.85	2.48	NR/Baa2/NR	UW	UW
Ascott Residence Trust	N (4)	ARTSP 5 '49	27/10/2019	103.50	2.90	NR/Baa3/BBB (Issuer)	UW	UW
Ascott Residence Trust	N (4)	ARTSP 4.68 '49	30/06/2020	102.70	3.50	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	103.15	4.68	NR/NR/NR	UW	N
Frasers Hospitality Trust	N (3)	FHREIT 4.45 '49	12/05/2021	102.30	3.70	NR/Baa2/NR (Issuer)	OW	N
Frasers Centrepoint Ltd	N (4)	FCLSP 4.88 '49	24/09/2019	101.45	3.96	NR/NR/NR	OW	OW
Frasers Centrepoint Ltd	N (4)	FCLSP 5 '49	09/03/2020	101.70	4.15	NR/NR/NR	OW	OW
Frasers Centrepoint Ltd	N (4)	FCLSP 4.38 '49	17/01/2023	100.70	4.23	NR/NR/NR	N	-
Hotel Properties Ltd	N (4)	HPLSP 4.65 '49	05/05/2022	102.65	3.97	NR/NR/NR	N	N
Keppel REIT	N (4)	KREITS 4.98 '49	02/11/2020	103.90	3.48	NR/NR/NR	OW	OW
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 7 '49	27/09/2021	105.20	5.41	NR/Baa3/NR (Issuer)	OW	OW
Lippo Malls Indonesia Retail Trust	N (5)	LMRTSP 6.6 '49	19/12/2022	104.10	5.63	NR/Baa3/NR (Issuer)	OW	OW
Mapletree Logistics Trust	N (4)	MLTSP 4.18 '49	25/11/2021	103.10	3.31	NR/Baa1/NR (Issuer)	N	N
Mapletree Logistics Trust	N (4)	MLTSP 3.65 '49	28/03/2023	100.40	3.57	NR/Baa1/NR (Issuer)	N	N
ESR REIT	N (4)	EREIT 4.6 '49	03/11/2022	98.91	4.86	NR/Baa3/NR (Issuer)	OW	N
CITIC Envirotech Ltd	N (4)	CELSP 3.9 '49	19/10/2020	99.71	4.01	NR/NR/NR	N	N
Olam International Ltd	N (5)	OLAMSP 5.5 '49	11/07/2022	100.21	5.45	NR/NR/NR	N	N
Singapore Post Ltd	N (3)	SPOST 4.25 '49	02/03/2022	105.10	2.91	BBB+ /NR/NR	UW	UW
Sembcorp Industries Ltd	N (4)	SCISP 5 '49	21/08/2018	101.50	2.17	NR/NR/NR	N	OW
Sembcorp Industries Ltd	N (4)	SCISP 4.75 '49	20/05/2020	102.40	3.65	NR/NR/NR	N	N
Sembcorp Industries Ltd	N (4)	SCISP 3.7 '49	22/06/2020	99.70	3.83	NR/NR/NR	N	N
StarHub Ltd	N (3)	STHSP 3.95 '49	16/06/2022	101.12	3.67	A+/A1/NR	N	N
Wing Tai Holdings Ltd	N (4)	WINGTA 4.08 '49	28/06/2022	100.50	3.96	NR/NR/NR	N	N
Wing Tai Properties Ltd	N (4)	WINGTA 4.35 '49	24/08/2020	99.92	4.37	NR/NR/NR	N	N

#### Financial Institutions - Capital Instruments

<b>ABN AMRO Bank NV</b>	<b>N (3)</b>	<b>ABNANV 4.75 '26</b>	<b>01/04/2021</b>	<b>105.37</b>	<b>3.01</b>	<b>BBB/Baa2/A-</b>	<b>OW</b>	<b>N</b>
Australia & New Zealand Banking Group Ltd	Pos (2)	ANZ 3.75 '27	23/03/2022	103.40	2.90	BBB/Baa1/A+	N	N
Barclays PLC	N (4)	BACR 3.75 '30	23/05/2025	102.00	3.45	NR/Baa3/A-	N	N
BNP Paribas SA	N (3)	BNP 4.3 '25	03/12/2020	103.80	2.91	BBB+/Baa2/A	N	N
BPCE SA*	N (4)	BPCEGP 4.45 '25	17/12/2020	103.50	3.23	BBB/Baa3/A-	N	N
BPCE SA*	N (4)	BPCEGP 4.5 '26	03/06/2021	103.50	3.43	BBB/Baa3/A-	OW	OW
<b>Commerzbank AG</b>	<b>N (4)</b>	<b>CMZB 4.875 '27</b>	<b>01/03/2022</b>	<b>104.70</b>	<b>3.65</b>	<b>BBB-/NR/BBB</b>	<b>OW</b>	<b>N</b>
DBS Bank Ltd*	Pos (2)	DBSSP 3.1 '23	14/2/2018	100.05	2.93	A+/A1/A+	N	N
DBS Bank Ltd*	Pos (2)	DBSSP 4.7 '49	22/11/2020	106.00	2.66	BBB/Baa1/BBB	N	N
DBS Group Holdings Ltd	Pos (2)	DBSSP 3.8 '28	20/01/2023	105.50	2.63	NR/A3/A+	N	N
DBS Group Holdings Ltd	Pos (2)	DBSSP 4.7 '49	03/06/2019	102.95	2.53	NR/Baa1/BBB	N	N
DBS Capital Funding II Corp*	Pos (2)	DBSSP 5.75 '49	15/06/2018	101.23	2.46	BBB/Baa1/BBB	N	N
HSBC Holdings PLC	Pos (2)	HSBC 4.7 '49	08/06/2022	104.30	3.64	NR/Baa3/BBB	N	N
<b>Julius Baer Group Ltd</b>	<b>N (3)</b>	<b>BAERVX 5.9 '49</b>	<b>18/11/2020</b>	<b>105.20</b>	<b>3.93</b>	<b>NR/Baa3/NR</b>	<b>OW</b>	<b>N</b>
Julius Baer Group Ltd	N (3)	BAERVX 5.75 '49	20/04/2022	106.10	4.17	NR/Baa3/NR	N	N
<b>Landesbank Baden-Wuerttemberg</b>	<b>N (4)</b>	<b>LBBW 3.75 '27</b>	<b>18/05/2022</b>	<b>101.80</b>	<b>3.31</b>	<b>NR/Baa2/BBB</b>	<b>N</b>	<b>OW</b>
<b>Malayan Banking Bhd</b>	<b>N (3)</b>	<b>MAYMK 6.0 '49</b>	<b>11/08/2018</b>	<b>101.60</b>	<b>2.89</b>	<b>BB+/Baa2/BB+</b>	<b>N</b>	<b>UW</b>
National Australia Bank Ltd	Pos (2)	NAB 4.15 '28	19/05/2023	104.90	3.16	BBB/Baa1/A+	N	N
Societe Generale SA	N (4)	SOCGEN 4.3 '26	19/05/2021	103.50	3.22	BBB/Baa3/A-	N	N
Standard Chartered Bank*	N (4)	STANLN 5.25 '23	10/04/2018	100.73	1.65	BBB/Baa1/A-	N	N
Standard Chartered PLC	N (4)	STANLN 4.4 '26	23/01/2021	102.00	3.79	BBB-/Baa1/A-	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4.9 '49	23/07/2018	101.25	2.40	BBB-/Baa1/BBB	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 3.5 '26	22/05/2020	102.60	2.38	BBB+/A3/A+	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4.75 '49	19/11/2019	103.50	2.80	BBB-/Baa1/BBB	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4.0 '49	18/05/2021	102.60	3.18	NR/Baa1/BBB	N	N
United Overseas Bank Ltd	Pos (2)	UOBSP 3.5 '29	27/02/2024	103.35	2.91	NR/A3/A+	N	N
Westpac Banking Corp	Pos (2)	WSTP 4.0 '27	12/08/2022	104.50	2.96	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 1 February 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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