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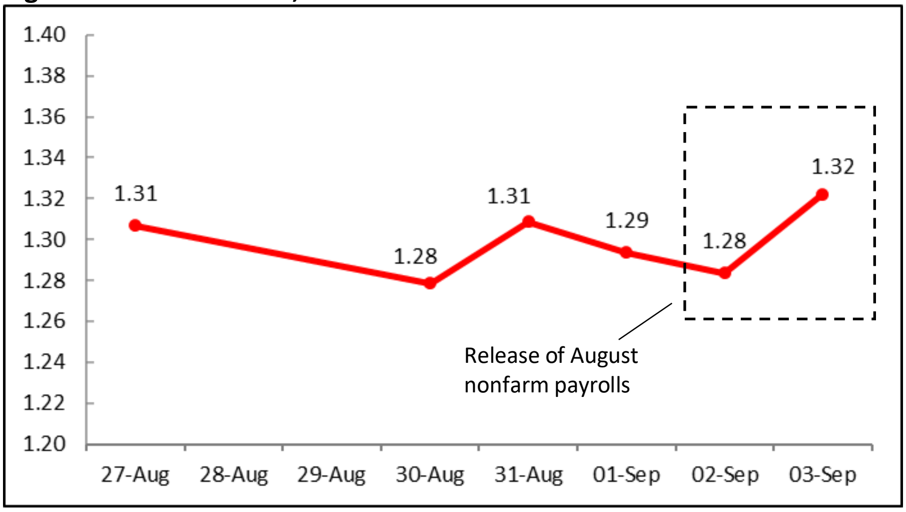
# Credit Week in Brief

## Markets

**Figure 1: 10Y UST Yields, %**




Source: Bloomberg

**Yields rise despite lower-than-expected jobs data possibly on reduced supply**

- On Monday, UST 10Y Yields fell 3bps to 1.28% as investors repositioned their portfolio before the release of last week's key economic data. On Tuesday, UST 10Y Yields rose 3bps to close at 1.31% amidst hawkish comments from several ECB officials following a decade-high Eurozone inflation reading and the June S&P/Case-Shiller Home Price Index showing a record high for home prices in the US. UST 10Y Yields then fell 2bps to 1.29% on Wednesday amidst lower-than-expected jobs data numbers released by HR firm ADP. Private payrolls increased by 374,000, significantly lower than Dow Jones' estimate of 600,000. On Thursday, 10Y UST Yields traded 1bps lower to 1.28% amidst the release of better-than-expected weekly initial jobless claims by the US Department of Labour. Jobless claims came in at 340,000, lower than the consensus of 345,000 forecasted by economists and was the lowest since the start of the pandemic. UST 10Y Yields rose 4bps to 1.32% on Friday amidst the release of lower-than-expected August nonfarm payroll numbers. August jobs total came in at 235,000, significantly lower than economist's consensus of 720,000 and is the lowest since the start of the year.
- W/w, 10Y UST Yields rose 1bps from 1.31% to 1.32%. (Bloomberg, OCBC)

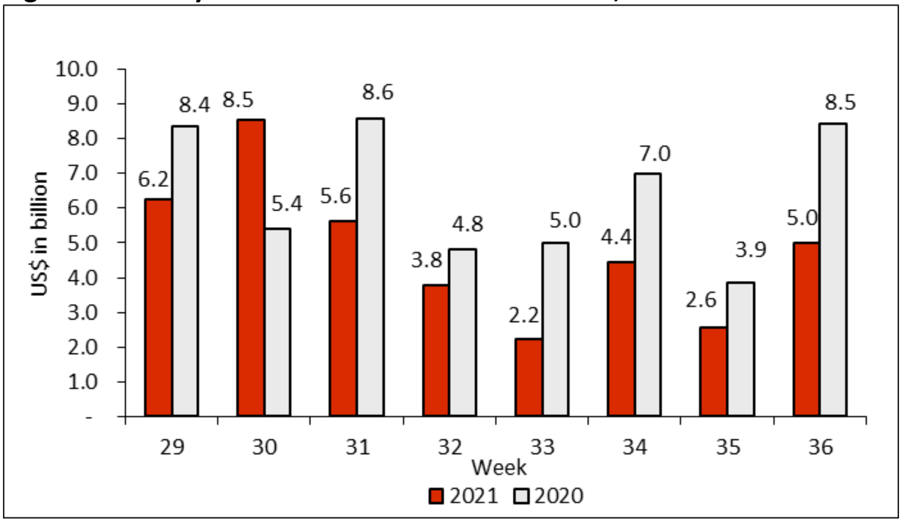
**Weak supply in the primary market**

- The IG space saw issuance fall to USD3.75bn from 3 issuers last week, increasing 25% from USD3.0bn in the prior week. According to Bloomberg, option adjusted spreads for investment grade bonds remained unchanged w/w.
  - The US investment grade primary market is undergoing a period of relative inactiveness as Labour Day concludes in the US, as seen from issuances falling from the August peak of USD40.8 billion just three weeks prior. Looking ahead to this week, Bloomberg mentioned that syndicate desks are expecting ~USD40bn to USD45bn to be priced.

- The biggest deal of the week came from Skandinaviska Enskilda Banken AB as it priced a USD750mn 3-year senior unsecured bond at T+30bps and a USD750 5-year senior unsecured bond at T+45bps. The Swedish corporate bank had an orderbook of USD2.9bn, ~ 1.9x the deal size and is lower than the month's average of deals being ~2.9x oversubscribed. Proceeds from the deal is expected to be used for general corporate purposes.
- The second largest deal came from Allianz SE which priced a USD1.25bn perpNC6 unsecured resettable restricted Tier 1 bond at 3.2%, tightening from an IPT of 3.625% area. The German financial services company saw its orderbooks swell to USD6.3bn, ~5x its total deal size. Proceeds are expected to be used for general corporate purposes. (Bloomberg, OCBC)

- HY issuance rose to USD1.88bn from 4 issuers last week, increasing 70% from USD1.1bn in the prior week. According to Bloomberg, option adjusted spreads for high-yield bonds tightened w/w.
  - Similar to the investment grade market, high-yield primary market issuances for the week are expected to rebound significantly with an estimated ~USD35bn to USD60bn to be priced. According to Bloomberg, if the high end of projections is met, this would make September the busiest month of the year thus far.
  - The largest deal of the week came from Adani Green Energy Ltd which priced a USD750mn 3-year senior secured green bond at 4.375%, tightening from an IPT of 4.7% area. According to Bloomberg, the placement was ~5x oversubscribed and received more than USD3.5bn of orders. The renewable power producer will use proceeds to cover the equity portion of the capital expenditure for ongoing renewable energy projects.
  - The second largest deal of the week came from Axis Bank Ltd/Gift City which priced a USD600mn perpNC5 subordinated unsecured Additional Tier 1 sustainability bond at 4.1%, tightening from an IPT of 4.4% area. Proceeds from the deal will be allocated towards eligible green project categories and eligible social project categories set out in the issuer's sustainable financing framework. (Bloomberg, OCBC)

**Figure 2: Weekly Asiadollar bond issuance volume, USDbn**



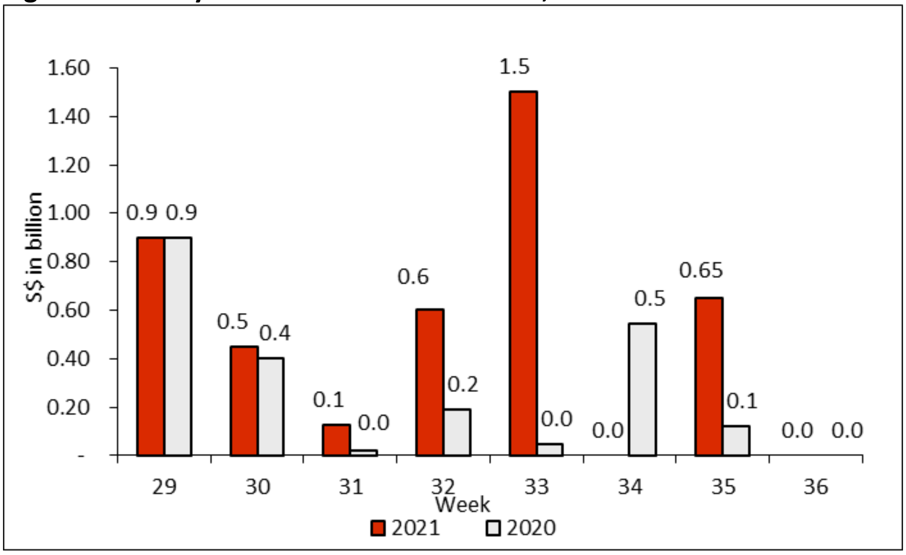

Source: Bloomberg

**Jitters from very high yield bonds in Asiadollar:**

- Issuance volume last week rose to USD5.0bn after a soft week the previous week (only USD2.6bn then). A variety of Chinese issuers came to market, where the largest deals were out of India. Adani Green Energy Ltd priced USD750mn in a 3Y green bond at 4.375% at a healthy orderbook of USD3.5bn while Axis Bank Ltd issued a USD600mn sustainable Additional Tier 1, the first of its kind out of India where proceeds can go towards both green and social uses.
- Other notable issuers included China Development Bank/Hong Kong Branch, Contemporary Ruiding Development Ltd (Guarantor: the investment grade battery maker Contemporary Amperex Technology Co. ("CATL")) and State Grid Overseas Investment (BVI) (Guarantor: State Grid Corp of China).
- Where information was available, deals on average compressed by 38bps from initial price guidance. Orderbooks saw a large variance of as high as 12.6x on CATL's USD500mn 5Y bond and 2.5x on Changchun city-owned Chang Development International Ltd (Guarantor: Changchun Urban Development & Investment Holdings Group Co Ltd)'s USD230mn 3Y bond. Among sovereigns, Maldives priced a USD200mn 5Y sukuk.
- The high yield space continues to be plagued by concerns over China Evergrande Group ("EVERRE"). Last week the company announced its 1H2021 financial results which saw 1H2021 profit before tax of HKD17.9bn (1H2020: HKD36.8bn), where it also raised the possibility of a default on borrowings and cases of litigation outside of its normal course of business, resulting in successive lower bond prices in the secondary market for both its USD and RMB-denominated bonds. Reportedly at least two non-bank creditors have accelerated payment on certain loans while as of writing, an international rating agency has cut EVERRE's credit rating further. Mounting concerns over liquidity have spilled over to parts of the high yield Chinese property bond segment.
- Outside of high yield, the market has been holding up and should continue to be a source of primary issuances this week. In other corporate developments, Alibaba Group announced that it will invest ~USD15.5bn by 2025 in support of common prosperity (30 June 2021 cash balance per Bloomberg data: USD74.9bn). This announcement follows other similar pledges made in recent

weeks by China based corporates. (Bloomberg, Reuters, OCBC)

**Figure 3: Weekly SGD bond issuance volume, SGDbn**




Source: Bloomberg

**Mix of old and new in a resumption of activity in the Singapore bond market:**

- The National Environment Agency (NEA) has priced a SGD350mn 10-year senior unsecured green bond at 1.67%, and a SGD1.3bn 30-year senior unsecured green bond at 2.5%. This is the environmental agency's maiden green bond issuance and marks the largest inaugural bond issuance by a Singapore statutory board. Proceeds is expected to fund the construction of NEA's sustainable waste management infrastructure, beginning with the Tuas Nexus waste management facility.
- Starhill Global REIT ("SGREIT", Neutral (4)) priced a SGD125mn 7-year senior unsecured bond at 2.23%, tightening from an initial price guidance of 2.35% area. The use of proceeds for the bond is for refinancing of existing debt, capital expenditures and working capital.
- 11 SGX-listed REITS have been included in the FTSE EPRA NAREIT Global Real Estate Index series after its quarterly index review. The REITs that have been included are: AIMS APAC REIT (coverage temporarily suspended due to OCBC other business), ARA Logos Logistics Trust ("ALOG", Neutral (4)), Cromwell European REIT, ESR-REIT, Far East Hospitality Trust, Keppel Pacific Oak US REIT, Lendlease Global Commercial REIT, OUE Commercial REIT, Prime US REIT, SPH REIT ("SPHR", Neutral (4)) and Starhill Global REIT ("SGREIT", Neutral (4)). These REITS have seen heavy trading since their inclusion into the global REITs index.
- SingTel's 35%-owned associate PT Telekomunikasi Selular Telkomsel has signed a sale and purchase agreement with PT Dayamitra Telekomunikasi Mitratel for the sale of 4,000 telecommunication towers for IDR6.2tn (~SGD580mn). Any proceeds from the divestment would be credit positive for SingTel, especially considering a possible subscription to Bharti Airtel Ltd's USD2.9bn 1-for-14 rights issue, that may translate into pressure on SingTel's credit ratings.
- In broader developments, en-blocs appear to be making a comeback, with the International Plaza commercial property at Tanjong Pagar being put for sale with a reserve price of SGD2.7bn, followed by Peace Centre/Peace Mansion yesterday at a SGD650mn reserve price. In August 2021, owners of at least two

other long standing commercial properties in Singapore had started the process towards launching potential en-blocs.
- With 1H2021 results announcements seasons concluded, primary markets should continue to stay busy this week. (Company, Business Times, Bloomberg, OCBC)

**Defining the path in Malaysia:**
- Recent developments look to put Malaysia on a clearer path to recovery. The 2022 budget is scheduled to be tabled to parliament on 29th October (its 2022 pre-budget document was released last week) while new prime minister Datuk Seri Ismail Sabri Yaakob will be tabling the 12th Malaysian Plan in parliament on 27th September. PM Ismail Sabri mentioned that the government has set up a special committee on pandemic management that will include members of the opposition. Meanwhile, Malaysia's attorney general said that the appointment of the PM is legitimate and does not require further validation.
- The MYR continued to strengthen to end the week at MYR4.15 (from MYR4.19 in the prior week) while the 10-year govvies closed the week at 3.19% and the key equity market index FTSE Bursa Malaysia KLCI Index continued to rise, albeit at a moderated pace increasing 0.22% w/w.
- The upcoming 2022 federal budget will focus on the pandemic recovery as well as rebuilding national resilience and catalyzing reforms according to Malaysia’s Ministry of Finance with varying support for various sectors in the economy. Tourism continues to be hard hit - Malaysia plans to reopen Langkawi Island to domestic travellers under a travel bubble from 16th September. Financial services while resilient also face impacts - CIMB Group Holdings Bhd announced a 4x y/y rise in net income from stronger operating income and lower provisions but highlighted that prolonged lockdowns may impact top line growth momentum from slower loan growth and reduced capital market activity while asset quality may also face challenges.
- There was one new issue in the MYR corporate bond market aside from the sovereign with real estate company Tumpuan Azam Sdn. Bhd (50%-indirectly owned by IJM Corporation Bhd and 50%-owned by Perennial Penang Pte Ltd (in turn an indirect wholly-owned subsidiary of Singapore-based Perennial Real Estate Holdings Limited)) issuing MYR3.76bn across four tranches.
- RAM Ratings released their 1H2021 Corporate Default and Rating Transition Study with key findings including (1) Relatively better performance through lockdowns for large corporates vs small and medium-sized enterprises due to better financials from earnings in previous years and the accommodative financing environment; (2) Resilient balance sheets from conservative leverage and adequate liquidity from access to financing and low interest rates: and (3) varying sector impacts to sectors including healthcare and technology that outperformed peers from better demand and faster digitalisation while the property, construction and transportation, sectors underperformed through extended lockdowns. In addition, domestic bond market activity has recovered in 1H2021 and the ratings agency expects issuance volumes to be at the top end of their forecast of MYR100-110bn for 2021 (MYR59.5bn in 1H2021) on an economic recovery, low interest rates and the use of proceeds for large infrastructure projects. Finally, while rating actions remain largely negative, there were no defaults in 1H2021. (RAM Ratings, Bloomberg, Company, OCBC)

**Supportive trends for Indonesia:**

- Indonesia's IDR21tn bond auction met its target last week with incoming bids of IDR116.1tn the highest since February 2020 according to Bloomberg. This indicates fairly supportive sentiment towards Indonesia with inflation data for August in line with market expectation and August manufacturing PMI of 43.7 up from 40.1 in July despite staying in contraction territory.
- To improve the financing environment, Bank Indonesia released a new rule on macroprudential inclusive financing to boost loans disbursement toward micro-SMEs. Under the new rule, commercial and Shariah lenders would have to gradually ramp up their financing ratios, starting from at least 20% of total loans in 2022 to 30% by 2024. The Financial Services Authority has also extended the restructuring period for pandemic impacted loans until 31 March 2023. As at the end of July 2021, the outstanding amount of restructured loans was IDR778.9tr to 5mn borrowers, 71.5% of which were micro, small and medium enterprises.
- The government also cut the income tax rate on bond interest income to a record-low 10% from 15% for domestic investors to be effective from 30th August and in line with the rate for foreign investors that was reduced since 1st August. The move is to develop and deepen Indonesia's bond market as well as level the investing environment for domestic and foreign investors.
- As vaccination rates rise and daily cases fall, the economy looks set to reopen. Together with ongoing government support as above and volatility towards China high yield, Indonesian credit may continue to benefit as seen in the recent increased activity within the Indonesian bond market. Per Bloomberg, IDR4.6tr in corporate bonds were priced last week in the Indonesian bond market compared with none in the previous week. Lenders PT Bank KB Bukopin, PT Bank Sulut and PT Bank UOB Indonesia, energy company PT Medco Energi Internasional Tbk and quasi-sovereign construction company PT Hutama Karya all issued as did PT Polytama Propindo, a subsidiary of state-owned oil and gas company PT Pertamina (Persero).
- Another state-owned construction firm PT Waskita Karya (Persero) Tbk("Waskita") is looking to raise up to IDR2.6tr in September to repay maturing bonds and for working capital for the Kayu Agung project. This follows the recent restructuring of its loans with seven banks. (Bloomberg, OCBC)

**Mostly quiet week in China:**

- Excluding CDs, last week's issuance was RMB305.3bn, declining w/w by 3.4%. Issuance was dispersed versus the previous two weeks. The China 10Y government bond yield tightened 4bps w/w, ending the week at 2.83%.
- Per data from the National Bureau of Statistics, the official manufacturing Purchasing Manager's Index ("PMI") declined to 50.1 in August 2021 from 50.4 in July 2021 and below analyst expectations. The non-manufacturing PMI which captures the services sector saw a sharper drop of 47.5 in August 2021 versus 53.3 in July 2021. As captured in our China Economist's Greater China – Week in Review, the drop in non-manufacturing PMI was not a surprise given sporadic pandemic outbreaks in August.
- On the regulatory front, the China Banking and Insurance Regulatory Commission ("CBIRC") issued draft guidelines aimed at improving regulations on insurance companies such as requiring insurance groups to have a clear and transparent shareholding structure and enhance oversight of non-insurance

subsidiaries. For example, insurance giant Ping An Insurance Group Co Ltd is a significant property investor though per the company it focuses on generating rental income from the investments.

- Three of China's big banks reported a y/y rise in their 1H2021 profits. The Industrial and Commercial Bank of China ("ICBC") reported a 9.9% y/y growth in net profit while the Bank of Communications saw profits increased by 15.1% y/y. China Construction Bank ("CCB", Issuer profile: Neutral (3)) saw an 11.4% y/y increase. All three reported a fall in non-performing loans. (Bloomberg, Reuters, AsianInvestor, OCBC)

**Staying the course in Australia:**

- Issuance volumes by amount fell w/w to AUD2.98bn (prior week AUD3.75bn) but there was a material rise in the number of issues, with average ticket sizes of AUD250mn. Financial services were sizeable issuers with Toyota Finance Australia Ltd issuing AUD700mn across two tranches and New York Life Global Funding (Funding Agreement Provider: New York Life Insurance Company) issuing AUD375mn while rail freight operator Pacific National Holdings Pty Ltd (through Pacific National Finance Pty Ltd) issued AUD400mn.
- The biggest deal of the week however was by NBN Co Ltd's ("NBN") two tranche 3yr AUD825mn deal. The government owned broadband network provider priced a AUD425mn floating rate note at 3mth BBSW +40bps and a AUD400mn fixed rate tranche at 0.75%. NBN recently announced that it will no longer issue multi-year financial forecasts in its annual corporate plan in case it faces litigation for missing its targets, reporting instead a single year forecast for the financial year ahead. NBN's forecasts for FY2022 (ending June 2022) revenue and EBITDA of AUD5bn-AUD5.2bn and AUD3b-AUD3.2bn respectively are below those presented in its 2021 plan (AUD5.3bn and AUD3.3bn).
- Australia's lockdowns are ongoing however given the rising vaccination rates, there is more discussion around easing of restrictions to get economies open again. The Reserve Bank of Australia ("RBA") remains confident that the economy can bounce back from lockdowns and confirmed in this week's meeting to continue with plans to reduce its bond buying stimulus to AUD4bn per week from AUD5bn per week currently.
- The Australian Prudential Regulation Authority ("APRA") stated its desire to see Australian banks improve their climate risk management capabilities following APRA's climate vulnerability assessment program including an understanding of exposure to weather damage and stranded assets from low-carbon transition activities. On the flipside, certain politicians expressed concern at major bank plans to reduce their exposure to carbon-heavy industries given its impact on export industries although bank CEOs highlighted the potential impact to its external funding should the banks continue funding these industries.
- Last week, S&P/ASX 200 rose 0.5% w/w to 7522.91 pts while 10Y Australian Yields rose 3bps w/w to 1.22%, with the AUD gaining 2.0% w/w to 0.7460. (Bloomberg, AFR, OCBC).

**Arduous Journey to Net Zero:**

- PropertyGuru Group announced the launch of its proprietary Green Score metric, created to inform buyers of the sustainability ratings of condominiums and HDBs. Since its soft launch in February 2021, nearly 2 million property seekers have viewed the Green Score.

- Sembcorp Industries ("SCI") announced that it has set up a sustainable financing framework which would allow SCI to issue sustainability-linked bonds and other sustainability-linked instruments. Earlier in May 2021, SCI launched a green financing framework and raised green bonds in June 2021.
- In an editorial piece written by more than 230 medical journals, it warns governments that they should not wait for the pandemic to tide over before embarking on drastic climate action. The piece highlights numerous health consequences of global warming and pointed out that many governments dealt with COVID-19 with "unprecedented funding" and called for "a similar emergency response" to the environmental crisis.
- In a report released by the World Wildlife Fund (WWF), it is estimated that the cost of pollution, emissions and clean-up of plastic manufactured in 2019 amounted to USD3.7tn, more than the gross domestic product of India. It is forecasted that unless there is coordinated effort to reduce plastic production, this cost will rise further to USD7.1tn by 2040 as plastic production doubles.
- An update of the International Union for the Conservation of Nature (IUCN) Red List of Threatened Species stated that ~28 percent of the 138,000 species assessed by the IUNC were in danger of extinction. However, not all is gloom as the report also showed how concerted regulation efforts by governments has allowed several species of fished tunas to repopulate.
- The United Nations has urged the Australian government to reduce its reliance on coal as the aftereffects of climate change will place a heavier burden on the country's economy. The UN has called for phasing out coal by 2030 in Organisation for Economic Co-operation and Development countries, which include Australia. In a separate report, Australia's Resource Minister Keith Pitt responded by stating that "the reports of coal's impending death are greatly exaggerated, and its future is assured well beyond 2030", clearly indicating that Australia will continue to rely on coal as a resource.
- IFM Investors, one of Australia's biggest infrastructure investors, has set a 2030 interim emissions reduction target of more than 1Mt carbon dioxide equivalent for its infrastructure asset class in its bid to be carbon-neutral by 2050. This represents a reduction in carbon emissions of IFM's existing infrastructure portfolio by 40% from 2019 levels. The investment management company will also seek to exit thermal coal, targeting for zero coal exposure to its existing portfolio by 2030.
- Government officials and environmental activists in Indonesia are calling for the extension of a ban on new license issuances for oil palm plantations as the current moratorium is scheduled to expire in September 2021. Indonesia is the world's biggest producer of palm oil, accounting for ~57 percent of palm oil production in 2018.
- Lastly, green, social, sustainability and sustainability-linked bond sales from governments and corporates so far this year total USD670bn, already higher than the USD480bn issued in all of 2020. Of that, green bond sales total about USD324bn. (ESG Today, The Straits Times, Bloomberg, Singapore Business Review, OCBC)

**Key Market Movements**

| | 7-Sep | 1W chg (bps) | 1M chg (bps) |
|---|---|---|---|
| **iTraxx Asiax IG** | 65 | -1 | -25 |
| **iTraxx SovX APAC** | 24 | 0 | -4 |
| **iTraxx Japan** | 43 | -1 | -4 |
| **iTraxx Australia** | 57 | -1 | -4 |
| **CDX NA IG** | 47 | 0 | -3 |
| **CDX NA HY** | 110 | 0 | 1 |
| **iTraxx Eur Main** | 44 | 0 | -2 |
| **US 10Y Yield** | 1.34% | 3 | 4 |
| **Singapore 10Y Yield** | 1.41% | 1 | 16 |
| **Malaysia 10Y Yield** | 3.22% | 3 | -1 |
| **Indonesia 10Y Yield** | 6.10% | 4 | -20 |
| **China 10Y Yield** | 2.84% | -1 | 2 |
| **Australia 10Y Yield** | 1.28% | 12 | 9 |
| **USD Swap Spread 10Y** | 1 | 0 | 0 |
| **USD Swap Spread 30Y** | -27 | 0 | 1 |
| **Malaysia 5Y CDS** | 43 | -2 | -9 |
| **Indonesia 5Y CDS** | 67 | -1 | -10 |
| **China 5Y CDS** | 33 | 1 | -6 |
| **Australia 5Y CDS** | 14 | 0 | 0 |

| | 7-Sep | 1W chg | 1M chg |
|---|---|---|---|
| **Brent Crude Spot ($/bbl)** | 72.43 | -0.77% | 2.45% |
| **Gold Spot ($/oz)** | 1825.94 | 0.68% | 5.55% |
| **CRB** | 220.11 | 0.43% | 2.62% |
| **CPO** | 4435.00 | -2.74% | 0.34% |
| **GSCI** | 531.87 | 0.41% | 1.83% |
| **VIX** | 16.41 | 0.12% | 1.61% |
| **SGD/USD** | 0.75 | -0.24% | -1.18% |
| **MYR/USD** | 0.24 | -0.17% | -1.91% |
| **IDR/USD** | 0.07 | -0.25% | -1.53% |
| **CNY/USD** | 0.15 | -0.06% | -0.46% |
| **AUD/USD** | 0.74 | 1.82% | 1.58% |
| **DJIA** | 35369 | -0.24% | 0.46% |
| **SPX** | 4535 | 0.58% | 2.23% |
| **MSCI Asiax** | 850 | 1.45% | 2.22% |
| **HSI** | 26353 | 1.83% | 0.66% |
| **STI** | 3091 | 1.19% | -2.70% |
| **KLCI** | 1582 | -1.20% | 6.20% |
| **JCI** | 6123 | -0.45% | -1.30% |
| **CSI300** | 4940 | 2.80% | 0.37% |
| **ASX200** | 7503 | -0.43% | -0.47% |

*Source: Bloomberg*

# Treasury Research & Strategy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**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 bond represents **better relative value** compared to other bonds from the same issuer, or bonds of other issuers with similar tenor and comparable risk profile.

**Neutral ("N") –** The represents **fair relative value** compared to other bonds from the same issuer, or bonds of other issuers with similar tenor and comparable risk profile.

**Underweight ("UW") –** The represents **weaker relative value** compared to other bonds from the same issuer, or bonds of other issuers with similar tenor and comparable risk profile.

**Please note that Bond Recommendations are dependent on a bond's price, underlying risk-free rates and an implied credit spread that reflects the strength of the issuer's credit profile. Bond Recommendations may not be relied upon if one or more of these factors change.**

**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. We may also suspend our issuer rating and bond level recommendation in the ordinary course of business if (1) we believe the current issuer profile is incorrect and we have incomplete information to complete a review; or (2) where evolving circumstances and increasingly divergent outcomes for different investors results in less conviction on providing a bond level recommendation.

**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.

**Analyst Declaration**

The analyst(s) who wrote this report and/or her or his respective connected persons held financial interests in the following above-mentioned issuers or companies as at the time of the publication of this report: Singapore Airlines Ltd, GuocoLand Ltd, Oxley Holdings Ltd, Suntec Real Estate Investment, Mapletree Commercial Trust, Frasers Hospitality Trust, United Overseas Bank Ltd, CapitaLand Integrated Commercial Trust, Aims APAC REIT, and Ascott Residence Trust.



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