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Monthly Credit View

Monthly Themes

- Credit markets ended 2020 on a constructive note with y/y movements in credit indices hiding unprecedented developments in credit markets. With rates plunging and substantial government support, the search for yield drove credit spreads south despite prevailing pandemic developments. Spread movements were also driven by lower y/y supply in the SGD corporate bond market by number of issues and issuance size that reflected a worsened business environment, weaker corporate fundamentals as well as the uncertain outlook connected with the pandemic. In the SGD space, we saw total new issuances in 2020 down 38% y/y to SGD17.5bn across 79 issues compared to SGD24.1bn across 89 issues in 2019.
- These trends frame our expectations for credit markets in 2021 as mentioned in our recently published [Singapore Credit Outlook 2021](#). Looking towards 2021, we expect growth to remain under some pressure in 1H2021 with the global economy expected to return to normalcy through 2H2021 on the back of positive economic developments and deployment of vaccines. Key themes for credit in 2021 include:
 - **A K-shaped recovery** with recovery from the unprecedented economic shock of the coronavirus to be tenuous and inconsistent across countries, regions and sectors;
 - **Expiring Government Stimulus** which, along with geopolitical tensions, trade disputes and spats over technology may lead to bond price volatility in 2021;
 - **Acceleration of Digitalisation** which will drive continued investment in new technologies and capabilities and accelerate changes in certain sectors; and
 - **Continued Rise of Environmental, Social Responsibility and Governance (“ESG”) Issues** as environmental considerations likely drive revenue and investment in 2021 toward sectors with low environmental impact and away from sectors that are involved in carbon-intensive activities.
- In particular, the direction of ESG investment is looking more and more like a one way street as the passage of time and the COVID-19 pandemic has addressed certain questions that existed 12 months ago or made them obsolete. There is an increasingly explicit cost of failing in ESG targets in addition to the previously existing implicit ones. This continues to raise the overall quantum of operating risks for issuers as awareness of ESG issues by various stakeholders continues to grow. To this end, we have included in an appendix of the Singapore Credit Outlook 2021 the key ESG influences for the companies we cover based on their disclosures. We hope this enables a better understanding of where these issuers are along the ESG journey given we expect more SGD corporates to raise green capital as investors factor ESG elements into investment considerations. While the Monetary Authority of Singapore (“MAS”) guidelines focus on “E” for now, we expect investors to also increasingly focus on social issues pertaining to occupational, health and safety, labour rights, and human rights issues in 2021.
- Amongst the above influences, we see a challenging environment for Bonds as current low rates have thrown up various investing challenges including a lack of yield to cover future income needs and the threat of future inflation and rate rises. In this context and against a challenging technical backdrop characterized by low expected total returns and small upticks in interest rate expectation possibly leading to capital losses on very high grade long dated bonds, we think investors can push out along the risk spectrum to chase returns. From a duration perspective, a negative rate environment and rising short end rates is not in our base case so we advocate a focus on the shorter-to-belly part of the yield curve over taking duration risk. We think investors should consider select “crossover” bonds and subordinated securities with higher credit spreads to compensate for the elevated risk that an interest rate increase will lead to a fall in bond prices.

- That said, technical considerations should not dominate decision making, and fundamentals continue to remain key given the still fluid COVID-19 situation and stretched valuations. System-wide credit risk remains elevated and this should limit appetite among market participants for true high yield issuers (with a knock on impact on secondary market liquidity). As such we do not advocate a solely true high yield portfolio as the returns in our view do not justify the risks.

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: **StarHub Ltd.**
- Please note that due to the completion of OCBC's engagement in other business activities, we have resumed our coverage on the following names: **CapitaLand Integrated Commercial Trust, China Aoyuan Group Limited.**
- We are ceasing coverage on Aspial Corp Ltd and Perennial Real Estate Holdings Ltd given the low amount of outstanding bonds and delisting for these issuers respectively.

Trade Ideas

- **FNNSP 3.8 '27s:** FNNSP '27s provide good value given its wide spreads. FNN is also a rare beverages issuer, which provide diversification for SGD bond investors. FNN has not been negatively impacted much despite the outbreak of COVID-19.
- **GUOLSP 3.4 '25s:** Given the resilient Singapore property market, we think GUOL's results may remain supported. We Overweight GUOLSP 3.4% '25 given its wide spreads over peers.
- **SUNSP 3.8 'PERPc25s:** SUNSP 3.8% 'PERP is interesting for investors at a yield of 3.79%. The perpetual security is trading at a senior-sub spread of over 100bps which we think more than compensates for the subordinating risk.
- **METRO 4.3 '24s:** We think METRO'24s look interesting as it is offering an attractive yield of around 4% for a slightly over 3 years tenor. We are overweight on parts of the SUNSP curve. We like the 22s, 25s and the PERP.
- **CS 5.625 'PERPc24s:** Operating conditions in 2021 favoured swiss banks through their high quality exposures and markets businesses. With a recovery expected in 2021, we are OW the AT1s of swiss banks amongst a constructive view for bank capital.

Upcoming Bond Maturities – January 2021

Issuer Name	Ticker	Amount (SGDmn)	Maturity / Call Date*
DBS Group Holdings Ltd	DBSSP	480	11/01/2021
Great Eastern Life Assurance Co/Ltd The	GESP	400	19/01/2021*
Standard Chartered PLC	STANLN	700	23/01/2021*
Golden Assets International Investment Pte Ltd	GGRSP	150	25/01/2021

Source: OCBC Credit Research, Bloomberg

Current / Recent Reports from OCBC Credit Research

Click [Here](#) to access the latest reports from OCBC Credit Research

- Singapore Credit Outlook 2021 (4 January 2021)
- AIMS APAC REIT: SGD Credit Initiation (16 December 2020)
- City Developments Ltd: New Issue View (8 December 2020)
- First Real Estate Investment Trust: Credit Update (2 December 2020)
- Mapletree Logistics Trust: Credit Update (25 November 2020)
- Singapore – Banks – 3Q2020 Review: Credit Update (19 November 2020)
- Frasers Property Limited: Credit Update (13 November 2020)
- Ascendas Real Estate Investment Trust: Credit Update (11 November 2020)
- Singapore Retail REITs - Where are we headed? Special Interest Commentary (11 November 2020)
- Singapore Airlines Ltd: Credit Update (11 November 2020)
- HSBC Holdings PLC: Credit Update (10 November 2020)
- CapitaLand Integrated Commercial Trust: Credit Update (6 November 2020)
- Lippo Malls Indonesia Retail Trust: Credit Update (5 November 2020)
- Frasers Hospitality Trust: Credit Update (2 November 2020)
- ARA LOGOS Logistics Trust: Credit Update (29 October 2020)
- ENN Energy Holdings Ltd: USD Credit Initiation (21 October 2020)
- Jollibee Foods Corp: USD Credit Initiation (21 October 2020)
- Keppel REIT: Credit Update (20 October 2020)
- Heeton Holdings Ltd: Credit Update (5 October 2020)
- Temasek Holdings Pte Ltd: Recent Issue View (30 September 2020)
- Keppel Corporation Limited: Credit Update (30 September 2020)
- Mapletree Investments Pte Ltd: Credit Initiation (28 September 2020)
- Ascendas Real Estate Investment Trust: Credit Update (25 September 2020)
- Shangri-La Asia Limited: Credit Update (24 September 2020)
- OUE Limited: Credit Update (16 September 2020)
- CapitaLand Ltd: New Issue View (14 September 2020)
- Golden Agri-Resources Ltd: Credit Update (11 September 2020)
- Perpetual Series 6 – Picking up nickels: Special Interest Commentary (11 September 2020)
- Non-Traditional REITs: Special Interest Commentary (10 September 2020)
- Wesfarmers Limited: Credit Update (2 September 2020)
- Qantas Airways Ltd: Credit Update (31 August 2020)
- Scentre Group: Credit Update (26 August 2020)
- SG Banks: Credit Update (24 August 2020)
- Hotel Properties Ltd: Credit Update (18 August 2020)
- OUE Commercial REIT: Special Interest Commentary (18 August 2020)
- City Developments Ltd: Credit Update (17 August 2020)
- Olam International Ltd: New Issue View (17 August 2020)
- Frasers Hospitality Trust: Credit Update (14 August 2020)
- Ascott Residence Trust: Credit Update (13 August 2020)
- Keppel Corporation Limited: Credit Update (7 August 2020)
- Aspiat Corp Ltd: Credit Update (7 August 2020)
- AIMS APAC REIT: New Issue View (6 August 2020)
- COVID-19: Liquidity Risk II (23 July 2020)
- Century Sunshine Group Holdings Limited: Special Interest Commentary (9 July 2020)
- Singapore Technologies Engineering Ltd: Special Interest Commentary (8 July 2020)
- Singapore Mid-Year 2020 Outlook (4 July 2020)

Links to other OCBC Resources and OCBC Insights Podcast

Media	Link
OCBC Bank Website	www.ocbc.com
Facebook	facebook.com/OCBC.Singapore
LinkedIn	linkedin.com/company/ocbc-bank
Twitter	twitter.com/OCBCBank
Instagram	instagram.com/OCBCBank
Anchor	anchor.fm/ocbc
Spotify	sptfy.com/ocbc

Issuer	Issuer Profile	Issue	Maturity	Ask Price	Ask YTW	Recommendation	
						Current	Previous
China/HK property							
Hongkong Land Holdings Ltd	Pos (2)	HKLSP 3.45 '39	3/12/2039	106.96	2.97	N	N
Metro Holdings Ltd	N (4)	METRO 4 '21	25/10/2021	100.86	2.93	OW	OW
Metro Holdings Ltd	N (4)	METRO 4.3 '24	2/4/2024	100.95	3.98	OW	OW
Wharf Holdings Ltd/The	N (3)	WHARF 4.5 '21	20/7/2021	102.09	0.61	N	N
Wing Tai Properties Ltd	N (4)	WINGTP 4.25 '22	29/11/2022	103.00	2.62	OW	OW
Singapore property developers							
CapitaLand Ltd	N (3)	CAPLSP 3.8 '24	28/8/2024	108.05	1.52	N	N
CapitaLand Ltd	N (3)	CAPLSP 3.08 '27	19/10/2027	106.10	2.11	N	N
CapitaLand Ltd	N (3)	CAPLSP 3.15 '29	29/8/2029	105.80	2.40	N	N
CapitaLand Ltd	N (3)	CAPLSP 2.9 '32	21/9/2032	102.15	2.68	N	N
City Developments Ltd	N (4)	CITSP 3.75 '22	6/7/2022	103.85	1.16	UW	UW
City Developments Ltd	N (4)	CITSP 3.48 '23	3/4/2023	104.55	1.41	N	UW
City Developments Ltd	N (4)	CITSP 3 '24	17/1/2024	103.80	1.71	N	N
City Developments Ltd	N (4)	CITSP 3.9 '24	21/3/2024	106.80	1.71	N	N
City Developments Ltd	N (4)	CITSP 3.78 '24	21/10/2024	107.20	1.81	N	N
City Developments Ltd	N (4)	CITSP 2.7 '25	23/1/2025	103.25	1.86	UW	N
City Developments Ltd	N (4)	CITSP 2.3 '25	21/5/2025	103.25	1.86	UW	N
City Developments Ltd	N (4)	CITSP 3.48 '26	15/6/2026	107.85	1.95	UW	N
City Developments Ltd	N (4)	CITSP 2 '26	16/6/2026	100.15	1.97	UW	N
Frasers Property Ltd	N (5)	FPLSP 3.65 '22	22/5/2021	100.85	2.34	N	OW
Frasers Property Ltd	N (5)	FPLSP 3.95 '21	7/10/2021	102.25	0.96	N	N
Frasers Property Ltd	N (5)	FPLSP 4.25 '26	21/4/2026	104.65	3.29	N	N
Frasers Property Ltd	N (5)	FPLSP 4.15 '27	23/2/2027	104.20	3.39	N	N
GuocoLand Ltd	N (5)	GUOLSP 3.62 '21	30/3/2021	100.65	0.82	UW	UW
GuocoLand Ltd	N (5)	GUOLSP 4 '22	31/1/2022	102.45	1.69	UW	N
GuocoLand Ltd	N (5)	GUOLSP 3.85 '23	15/2/2023	102.60	2.58	OW	OW
GuocoLand Ltd	N (5)	GUOLSP 3.4 '25	10/8/2025	101.80	2.98	OW	OW
Heeton Holdings Ltd	Neg (6)	HTONSP 6.08 '21	19/7/2021	92.10	23.75	OW	OW
Hong Fok Corp Ltd	N (5)	HFCSP 4.2 '22	28/3/2022	100.80	3.56	OW	
Hotel Properties Ltd	N (5)	HPLSP 3.85 '21	27/5/2021	100.35	2.93	OW	OW
Hotel Properties Ltd	N (5)	HPLSP 3.8 '25	2/6/2025	99.82	3.85	N	N
Mapletree Investments Pte Ltd	N (4)	MAPLSP 2.888 '21	21/6/2021	101.02	0.68	N	N
Mapletree Investments Pte Ltd	N (4)	MAPLSP 2.85 '25	29/8/2025	105.35	1.65	N	N
Mapletree Investments Pte Ltd	N (4)	MAPLSP 3.4 '26	3/9/2026	108.41	1.83	N	N
Mapletree Investments Pte Ltd	N (4)	MAPLSP 3.58 '29	13/3/2029	109.85	2.26	N	N
OUE Ltd	N (5)	OUESP 3.75 '22	17/4/2022	100.88	3.04	UW	UW
OUE Ltd	N (5)	OUESP 3.55 '23	10/5/2023	100.65	3.26	UW	UW
Oxley Holdings Ltd	Neg (6)	OHLSP 5.7 '22	31/1/2022	85.40	22.80	OW	OW
Oxley Holdings Ltd	Neg (6)	OHLSP 6.5 '23	28/2/2023	76.03	20.88	OW	OW
Wing Tai Holdings Ltd	N (4)	WINGTA 4 '21	7/10/2021	102.65	0.48	UW	UW
Wing Tai Holdings Ltd	N (4)	WINGTA 4.5 '22	26/9/2022	104.30	1.95	OW	N
Wing Tai Holdings Ltd	N (4)	WINGTA 4.25 '23	15/3/2023	104.30	2.23	OW	N
Wing Tai Holdings Ltd	N (4)	WINGTA 4.7 '24	28/2/2024	105.50	2.86	OW	OW
Wing Tai Holdings Ltd	N (4)	WINGTA 3.68 '30	16/1/2025	101.32	3.75	OW	OW

Indicative prices from Bloomberg as of 4 January 2021

Issuer	Issuer Profile	Issue	Maturity	Ask Price	Ask YTW	Recommendation	
						Current	Previous
REITS							
AIMS APAC REIT	N (4)	AAREIT 3.6 '22	22/3/2022	97.65	5.73	OW	
AIMS APAC REIT	N (4)	AAREIT 3.6 '24	12/11/2024	100.28	3.52	OW	
Ascendas REIT	N (3)	AREIT 4 '22	3/2/2022	103.81	0.47	UW	UW
Ascendas REIT	N (3)	AREIT 3.2 '22	3/6/2022	103.56	0.66	UW	UW
Ascendas REIT	N (3)	AREIT 2.47 '23	10/8/2023	104.08	0.88	UW	N
Ascendas REIT	N (3)	AREIT 3.14 '25	2/3/2025	107.83	1.21	UW	N
Ascendas REIT	N (3)	AREIT 2.65 '30	26/8/2030	106.04	1.96	N	N
Ascott Residence Trust	N (5)	ARTSP 4.205 '22	23/11/2022	105.02	1.49	UW	UW
Ascott Residence Trust	N (5)	ARTSP 3.523 '23	9/11/2023	105.33	1.60	UW	UW
Ascott Residence Trust	N (5)	ARTSP 4 '24	22/3/2024	107.11	1.72	UW	UW
CapitaLand Integrated Commercial Trust	N (3)	CCTSP 2.96 '21	13/8/2021	101.60	0.31	N	
CapitaLand Integrated Commercial Trust	N (3)	CCTSP 2.77 '22	4/7/2022	102.20	1.28	N	
CapitaLand Integrated Commercial Trust	N (3)	CAPITA 2.8 '23	13/3/2023	103.84	1.02	UW	
CapitaLand Integrated Commercial Trust	N (3)	CAPITA 3.2115 '23	9/11/2023	105.80	1.13	UW	
CapitaLand Integrated Commercial Trust	N (3)	CCTSP 3.17 '24	5/3/2024	105.60	1.36	N	
CapitaLand Integrated Commercial Trust	N (3)	CAPITA 3.48 '24	6/8/2024	107.72	1.27	UW	
CapitaLand Integrated Commercial Trust	N (3)	CCTSP 3.327 '25	21/3/2025	106.95	1.61	N	
CapitaLand Integrated Commercial Trust	N (3)	CAPITA 3.2 '25	21/8/2025	107.37	1.54	N	
CapitaLand Integrated Commercial Trust	N (3)	CAPITA 3.15 '26	11/2/2026	107.15	1.68	N	
CapitaLand Integrated Commercial Trust	N (3)	CAPITA 3.5 '26	25/2/2026	108.95	1.68	N	
CapitaLand Integrated Commercial Trust	N (3)	CAPITA 2.88 '27	10/11/2027	106.35	1.89	N	
CapitaLand Integrated Commercial Trust	N (3)	CAPITA 2.15 '32	7/12/2032	100.20	2.13	N	
CapitaLand Retail China Trust	N (4)	CRCTSP 3.25 '22	4/7/2022	102.45	1.59	N	OW
Frasers Centrepoint Trust	N (4)	FCTSP 3.2 '23	11/5/2023	104.06	1.43	N	N
Frasers Centrepoint Trust	N (4)	FCTSP 2.77 '24	8/11/2024	103.40	1.85	N	OW
Frasers Hospitality Trust	N (5)	FHREIT 2.63 '22	6/7/2022	101.12	1.87	N	OW
Frasers Hospitality Trust	N (5)	FHREIT 3.08 '24	8/11/2024	102.48	2.40	N	N
Keppel REIT	N (4)	KREITS 3.275 '24	8/4/2024	103.25	2.24	OW	OW
Mapletree Commercial Trust	N (3)	MCTSP 3.25 '23	3/2/2023	103.93	1.33	N	N
Mapletree Commercial Trust	N (3)	MCTSP 3.28 '24	23/9/2024	106.25	1.54	N	N
Mapletree Commercial Trust	N (3)	MCTSP 3.11 '26	24/8/2026	107.15	1.77	N	N
Mapletree Commercial Trust	N (3)	MCTSP 3.045 '27	27/8/2027	107.35	1.86	N	N
Mapletree Commercial Trust	N (3)	MCTSP 3.05 '29	22/11/2029	106.60	2.23	N	N
Mapletree Industrial Trust	N (3)	MINTSP 3.65 '22	7/9/2022	103.60	1.46	OW	N
Mapletree Industrial Trust	N (3)	MINTSP 3.02 '23	11/5/2023	103.50	1.50	N	N
Mapletree Industrial Trust	N (3)	MINTSP 3.16 '24	28/3/2024	105.00	1.57	N	N
Mapletree Industrial Trust	N (3)	MINTSP 3.58 '29	26/3/2029	108.00	2.50	OW	OW
Mapletree North Asia Commercial Trust	N (4)	MAGIC 3.2 '21	8/9/2021	101.67	0.72	N	N
Mapletree North Asia Commercial Trust	N (4)	MAGIC 3.43 '22	9/3/2022	102.35	1.41	OW	OW
Starhill Global REIT	N (4)	SGREIT 3.4 '23	26/5/2023	104.00	1.68	N	N
Starhill Global REIT	N (4)	SGREIT 3.15 '25	5/6/2025	104.78	2.01	N	N
Starhill Global REIT	N (4)	SGREIT 3.14 '26	3/10/2026	100.80	2.99	OW	OW
Suntec REIT	N (4)	SUNSP 3.025 '22	16/3/2022	101.10	2.10	OW	OW
Suntec REIT	N (4)	SUNSP 3.4 '23	10/5/2023	102.93	2.11	N	OW
Suntec REIT	N (4)	SUNSP 2.85 '23	2/8/2023	101.82	2.12	N	OW
Suntec REIT	N (4)	SUNSP 3.355 '25	7/2/2025	103.30	2.50	OW	OW
Suntec REIT	N (4)	SUNSP 2.95 '27	5/2/2027	100.58	2.85	N	N

Indicative prices from Bloomberg as of 4 January 2021

Issuer	Issuer Profile	Issue	Maturity	Ask Price	Ask YTW	Recommendation		
						Current	Previous	
Others								
Fraser and Neave Ltd	N (4)	FNNSP 3.09 '22	23/3/2022	101.80	1.59	N	N	
Fraser and Neave Ltd	N (4)	FNNSP 2.8 '22	22/8/2022	101.70	1.74	N	N	
Fraser and Neave Ltd	N (4)	FNNSP 3.8 '27	21/4/2027	105.75	2.80	OW	OW	
Keppel Corp Ltd	N (4)	KEPSP 3.145 '22	14/2/2022	102.15	1.20	N	UW	
Keppel Corp Ltd	N (4)	KEPSP 3.8 '27	23/4/2022	104.40	0.40	UW	OW	
Keppel Corp Ltd	N (4)	KEPSP 3.725 '23	30/11/2023	105.43	1.80	N	N	
Keppel Corp Ltd	N (4)	KEPSP 3 '24	7/5/2024	103.55	1.90	N	N	
Keppel Corp Ltd	N (4)	KEPSP 3 '26	1/10/2026	102.85	2.46	OW	OW	
Keppel Corp Ltd	N (4)	KEPSP 3.66 '29	7/5/2029	106.72	2.75	N	N	
Keppel Corp Ltd	N (4)	KEPSP 4 '42	7/9/2032	103.92	3.59	OW	OW	
Lendlease Group	N (3)	LLCAU 3.9 '27	27/4/2027	105.33	2.97	OW	OW	
Olam International Ltd	N (5)	OLAMSP 6 '22	25/10/2022	105.48	2.86	OW	OW	
Olam International Ltd	N (5)	OLAMSP 4 '26	29/11/2024	100.01	4.00	OW	OW	
Sembcorp Industries Ltd	N (4)	SCISP 2.94 '21	26/11/2021	101.55	1.19	N	OW	
Sembcorp Industries Ltd	N (4)	SCISP 3.64 '24	27/5/2024	105.57	1.94	N	N	
Sembcorp Industries Ltd	N (4)	SCISP 4.25 '25	30/8/2025	109.01	2.20	OW	OW	
Sembcorp Industries Ltd	N (4)	SCISP 3.593 '26	26/11/2026	106.20	2.46	OW	OW	
Shangri-La Asia Ltd	N (4)	SLHSP 4.5 '25	12/11/2025	106.93	2.96	OW	OW	
Shangri-La Asia Ltd	N (4)	SLHSP 3.5 '30	29/1/2030	100.30	3.46	N	UW	
Singapore Airlines	N (5)	SIASP 3.16 '23	25/10/2023	101.37	2.65	OW	OW	
Singapore Airlines	N (5)	SIASP 3.03 '24	28/3/2024	101.03	2.70	OW	OW	
Singapore Airlines	N (5)	SIASP 3.75 '24	8/4/2024	103.17	2.73	OW	OW	
Singapore Airlines	N (5)	SIASP 3.035 '25	11/4/2025	100.59	2.89	OW	N	
Singapore Airlines	N (5)	SIASP 3.13 '26	17/11/2026	100.76	2.99	N	N	
Singapore Airlines	N (5)	SIASP 3.13 '27	23/8/2027	100.80	3.00	UW	N	
Singapore Airlines	N (5)	SIASP 3.5 '30	2/12/2030	100.92	3.39	UW		
Singapore Post Ltd	N (3)	SPOST 2.53 '30	19/11/2030	102.91	2.20	N	N	
Singapore Telecommunications Ltd	Pos (2)	STSP 2.72 '21	3/9/2021	101.60	0.30	UW		
Singapore Telecommunications Ltd	Pos (2)	STSP 2.895 '23	3/7/2023	103.20	1.39	N	N	
Financial Institutions - Senior Issues								
Australia & New Zealand Banking Group Ltd	Pos (2)	ANZ 4 '25	12/2/2025	108.15	1.91	OW	OW	
China Construction Bank	N (3)	CCB 1.073 '23	25/9/2023	100.40	0.92	N	N	

Indicative prices from Bloomberg as of 4 January 2021

Issuer	Issuer Profile	Issue	Maturity	Ask Price	Ask YTW	Recommendation	
						Current	Previous
Corporate perpetuals							
AIMS APAC REIT	N (4)	AAREIT 5.65 'PERP	14/8/2025	99.65	5.73	OW	
ARA Logos Logistics Trust	N (4)	ALLTSP 5.5 'PERP	1/2/2023	102.64	4.14	UW	OW
Ascendas REIT	N (3)	AREIT 3 'PERP	17/9/2025	100.98	2.78	N	N
Ascott Residence Trust	N (5)	ARTSP 3.07 'PERP	30/6/2021	97.75	3.62	N	N
Ascott Residence Trust	N (5)	ARTSP 3.88 'PERP	4/9/2024	100.43	3.75	UW	UW
CapitalLand Ltd	N (3)	CAPLSP 3.65 'PERP	17/10/2024	103.28	2.73	N	N
CapitalLand Retail China Trust	N (4)	CRCTSP 3.375 'PERP	27/10/2025	99.21	3.56	OW	OW
First REIT	Neg (7)	FIRTSP 5.68 'PERP	8/7/2021	72.08	100.58	UW	UW
Frasers Hospitality Trust	N (5)	FHREIT 4.45 'PERP	12/5/2021	94.75	20.41	N	OW
Frasers Property Ltd	N (5)	FPLSP 3.95 'PERP	5/10/2022	95.00	7.04	UW	UW
Frasers Property Ltd	N (5)	FPLSP 4.38 'PERP	17/1/2023	100.95	3.88	N	N
Frasers Property Ltd	N (5)	FPLSP 4.98 'PERP	11/4/2024	102.95	4.01	OW	OW
Guocoland Ltd	N (5)	GUOLSP 4.6 'PERP	23/1/2023	100.20	4.49	N	OW
Hotel Properties Ltd	N (5)	HPLSP 4.65 'PERP	5/5/2022	95.50	8.30	UW	N
Hotel Properties Ltd	N (5)	HPLSP 4.4 'PERP	22/10/2024	100.00	4.40	UW	N
Keppel Infrastructure Trust	N (4)	KITSP 4.75 'PERP	12/6/2029	104.67	4.09	OW	OW
Keppel REIT	N (4)	KREITS 3.15 'PERP	11/9/2025	99.75	3.21	N	N
Lippo Malls Indonesia Retail Trust	Neg (6)	LMRTSP 7 'PERP	27/9/2021	83.00	38.72	N	N
Lippo Malls Indonesia Retail Trust	Neg (6)	LMRTSP 6.6 'PERP	19/12/2022	81.51	18.27	N	N
Mapletree Investments Pte Ltd	N (4)	MAPLSP 4.5 'PERP	19/1/2022	102.75	1.81	N	N
Mapletree Investments Pte Ltd	N (4)	MAPLSP 3.95 'PERP	12/11/2022	103.50	2.02	N	N
Mapletree Logistics Trust	N (3)	MLTSP 4.18 'PERP	25/11/2021	101.22	2.82	OW	N
Mapletree Logistics Trust	N (3)	MLTSP 3.65 'PERP	28/3/2023	101.69	2.87	UW	UW
Olam International Ltd	N (5)	OLAMSP 5.5 'PERP	11/7/2022	102.01	4.11	OW	OW
Singapore Post Ltd	N (3)	SPOST 4.25 'PERP	2/3/2022	103.10	1.55	N	N
Starhill Global REIT	N (4)	SGREIT 3.85 'PERP	15/12/2025	99.92	3.87	OW	
Suntec REIT	N (4)	SUNSP 3.8 'PERP	27/10/2025	99.40	3.94	OW	OW
Wing Tai Holdings Ltd	N (4)	WINGTA 4.08 'PERP	28/6/2022	100.17	3.97	N	OW
Wing Tai Holdings Ltd	N (4)	WINGTA 4.48 'PERP	24/5/2024	100.83	4.22	N	OW
Wing Tai Properties Ltd	N (4)	WINGTP 4.35 'PERP	24/2/2021	98.84	4.55	N	OW

Indicative prices from Bloomberg as of 4 January 2021

Issuer	Issuer Profile	Issue	Maturity	Ask Price	Ask YTW	Recommendation	
						Current	Previous
Financial Institutions - Capital Instruments							
ABN AMRO Bank NV	N (3)	ABNANV 4.75 '26	1/4/2021	100.80	1.39	N	N
Australia & New Zealand Banking Group Ltd	Pos (2)	ANZ 3.75 '27	23/3/2022	102.80	1.43	N	N
Barclays PLC	N (4)	BACR 3.75 '30	23/5/2025	105.50	2.42	N	N
BNP Paribas SA	N (3)	BNP 4.35 '29	22/1/2024	107.55	1.79	N	N
BPCE SA*	N (3)	BPCEGP 4.5 '26	3/6/2021	101.50	0.85	N	OW
Commerzbank AG	N (4)	CMZB 4.875 '27	1/3/2022	101.50	3.58	OW	OW
Commerzbank AG	N (4)	CMZB 4.2 '28	18/9/2023	101.25	3.71	OW	N
Credit Agricole AG	N (3)	ACAFP 3.8 '31	30/4/2026	107.05	2.38	N	OW
Credit Suisse Group AG	N (4)	CS 5.625 'PERP	6/6/2024	104.90	4.08	OW	OW
DBS Group Holdings Ltd	Pos (2)	DBSSP 3.8 '28	20/1/2023	105.05	1.28	UW	UW
DBS Group Holdings Ltd	Pos (2)	DBSSP 3.98 'PERP	12/9/2025	106.80	2.44	OW	N
HSBC Holdings PLC	N (3)	HSBC 4.7 'PERP	8/6/2022	101.65	3.51	OW	OW
HSBC Holdings PLC	N (3)	HSBC 5 'PERP	24/9/2023	103.25	3.74	OW	N
Julius Baer Group Ltd	N (3)	BAERVX 5.75 'PERP	20/4/2022	104.25	2.39	N	N
Landesbank Baden-Wuerttemberg	N (4)	LBBW 3.75 '27	18/5/2022	100.45	3.42	OW	OW
National Australia Bank Ltd	Pos (2)	NAB 4.15 '28	19/5/2023	105.70	1.69	N	N
Societe Generale SA	N (4)	SOCGEN 4.3 '26	19/5/2021	101.20	1.04	UW	N
Societe Generale SA	N (4)	SOCGEN 6.125 'PERP	16/4/2024	105.95	4.17	OW	N
Standard Chartered PLC	N (4)	STANLN 5.375 'PERP	3/10/2024	104.45	4.08	OW	OW
UBS Group AG	N (3)	UBS 5.875 'PERP	28/11/2023	106.55	3.48	OW	OW
UBS Group AG	N (3)	UBS 4.85 'PERP	4/9/2024	103.45	3.84	OW	N
United Overseas Bank Ltd	Pos (2)	UOBSP 4 'PERP	18/5/2021	100.85	1.71	N	UW
United Overseas Bank Ltd	Pos (2)	UOBSP 3.5 '29	27/2/2024	107.45	1.08	UW	UW
United Overseas Bank Ltd	Pos (2)	UOBSP 3.58 'PERP	17/7/2026	105.80	2.45	N	UW
Westpac Banking Corp	Pos (2)	WSTP 4 '27	12/8/2022	103.75	1.62	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 January 2021

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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 bond 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 bond 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 Trust, Mapletree Commercial Trust, Frasers Hospitality Trust, United Overseas Bank Ltd, CapitaLand Integrated Commercial Trust and Ascott Residence Trust.

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