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# Credit Week in Brief

## Markets

**Stronger outlook, higher yields**

- 10Y UST Yields gained last week due to the strengthening economic outlook and poor debt auction for treasuries. On Monday, yields gained 1bps to 1.57% as U.S. durable-goods orders increased 0.5% in March, though missing Dow Jones estimates of 2.2%, largely due to a sharp fall in aircraft bookings. On Tuesday, yields advanced 5bps to 1.62% as the USD62bn debt auction of 7-year notes reverted to a bid-to-cover ratio that was nearer to the 10 month average of 2.3x, after a poor showing in the past two months while investors positioned themselves ahead of the FOMC meeting. Yields then fell 1bps to 1.61% as Federal Reserve officials reinforced their dovish stance towards monetary policy and showed no signs of tapering their asset purchase program. On Thursday, yields gained 3bps to 1.64% on the back of strengthening economic data. Q1 2021 GDP rose 6.4%, though missing estimates of 6.5%, while initial jobless claims came at 553,000. Friday saw yields fall 1bps to 1.63% as the equity market slipped, propping up the value of safe-haven investments like government paper. For the month of March, the personal consumption price index rose 0.5%, personal income jumped 21.1%, and consumer spending gained 4.2%.
- W/w, 10Y UST gained 7bps from 1.56% to 1.63%. (Bloomberg, OCBC)

**April come she will:**

- Issuance in the IG space fell to USD16.1bn from 18 issuers last week.
    - The biggest deals came from Citigroup Inc (USD5.5bn in 3parts) and Coca-Cola Co/The (USD3.45bn in 3 tranches). The former was seen locking in attractive financing rates while capitalising on strong investor demand on the back of its strong first quarter earnings report where the bank posted record profits. Its orderbook was ~4x oversubscribed, heavily skewed towards the 11NC10 tranche. Meanwhile, the latter will use its proceeds to subsidize a separate retirement of debt expiring in 2025 and 2026. Its orderbook was ~2x oversubscribed.
    - Waste Management Inc. (USD950mn in 2 parts) will use proceeds from the debt offering to refinance outstanding notes. Notably, the orderbook saw huge demand and was more than 6.5x covered at its peak.
    - Utility company Indiana Michigan Power co priced a USD 450mn Will-Not-Grow 30-year bond at T+100bps, tightening from IPT of T+120-125bps, and will use its proceeds to repay an outstanding senior unsecured term loan maturing May 2021. Additionally, the orderbook was ~5x oversubscribed at launch.
    - Home appliances manufacturer Whirlpool Corp priced a USD300mn Will-Not-Grow 10-year bond at T+85bps, tightening from IPT of T+115bps. The proceeds will be used to repay its WHR 4.85%'21s. Similarly, investors showed strong demand for investment-grade bonds as Whirlpool Corp's orderbook was more than ~10x oversubscribed at its peak.
    - While issuance fell 55% w/w, the investment-grade market saw large book orders for its issuers, suggesting robust demand for the impending post-earnings corporate calendar.

- The HY space saw issuance fall to USD6.8bn from 14 issuers last week.
  - Key issuers included Altice USA via CSC Holdings LLC (USD2.0bn in two tranches) and NOVA Chemicals Corp (a USD575mn 8NC3 bond at 4.25%). The broadband provider will use proceeds to redeem its outstanding 2026 notes and to repay a USD500mn revolver borrowing. The latter will use proceeds to refinance 2023 notes and for general corporate purposes.
  - Funeral service operator Carriage Services Inc priced a USD400mn 8NC3 bond at 4.25% and will use proceeds to redeem its CSV 6.625%'26s.
  - Auto parts company Dana Inc priced a USD400mn 9.5NC5 green bond at 4.25%, where proceeds will be used to finance or refinance eligible green projects.
  - Lonza Specialty Ingredients, via Herens Midco Sarl, priced a USD350mn 7NC3 bond at 4.75% as part of a multi-currency deal after making changes to the deal in response to investor feedback. Among the changes were limits to the company's debt and asset sales as well as alterations to its EBITDA adjustments and financial calculations. Proceeds will help fund the acquisition of the company by Bain and Civen.
  - Debut issuers included Helios Software Holdings Inc (a USD350mn 7NC3 bond at 4.625%) and Independence Energy Finance LLC (a USD500mn 5NC2 bond at 7.25%).
  - CCC bonds posted its 13$^{th}$ straight month of gains; the longest rallying stretch since September 1992.
  - The high-yield market closed with a record USD49.2bn in April, to take fifth place for heaviest months ever for issuance volume. Three of the five busiest months (January, March and April) were recorded this year as economic growth continues with full steam ahead dovetailed with the Fed's dovish stance.
- W/w, the Bloomberg Barclays US Corporate High Yield Average OAS tightened 7bps to 291bps while the Bloomberg Barclays US Aggregate Corporate Index OAS tightened 2bps 88bps. (Bloomberg, OCBC)

**Slow issuance week expected this week with India situation in focus:**

- Issuance volumes were lower versus the previous week with only USD3.4bn priced, however, issuances were across a diverse set of issuers. The largest issuer was Talent Yield International Ltd (Guarantor: Beijing Enterprises Holdings Ltd) in its two tranche deal (USD300mn 5-year senior unsecured bond at T+125bps, tightening from IPT of T+175bps area and a USD400mn 10-year senior unsecured bond at T+165bps, tightening from IPT of T+210bps area). High yield property developer Kaisa Group Holdings Ltd priced USD500mn 4.5NC2.5 at 11.7% on an orderbook that was 5.6x at a compression of 42.5bps from IPT.
- The week also saw Kookmin Bank, a known sustainability bond issuer out of South Korea pricing USD500mn of 5-year sustainability bond at T+55, tightening from IPT of T+85 and also from South Korea, Incheon Airport priced its debut green bonds in a well-received deal. The deal was also a rare public bond deal from Incheon Airport. The market saw a debut high yield issuer last week, with BIM Land JSC out of Vietnam pricing USD200mn of 5-year bonds. Based on Bloomberg data as at 4 May 2021, there are only USD2.7bn of Asiadollar corporate bonds issued by Vietnamese companies outstanding.
- The Bloomberg Barclays Asia USD IG Bond Index average OAS tightened 2bps to 142bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS

tightened 17bps w/w 2bps to 624bps.

- Last week saw two out of three international rating agencies lowering their credit ratings on China Huarong Asset Management Co., Ltd ("Huarong"), driven by reassessment of government support. A company representative subsequently stated in an interview that the recent rating downgrades have no factual basis and are too pessimistic, adding that the firm is prepared to make its bond payments and that state backing remains.
- Uday Kotak, an influential banker and founder of Kotak Mahindra Bank has urged the Reserve Bank of India ("RBI") to consider expanding its balance sheet to support the economy, these comments have come amidst the severe pandemic situation that India is facing and RBI's plan to purchase sovereign debt papers from the secondary market in the first three months of fiscal year 2022.
- A group of financial regulators in China have summoned 13 financial technology companies including Tencent Holdings Ltd and the fintech arm of JD Finance, Meituan and Didi for a meeting in a latest move by regulators to tighten oversight of the platform companies. The Wall Street Journal reports that regulators are investigating AntGroup's earlier initial public offering process, while one institutional investor in the company has halved its valuation of AntGroup.
- With China and the Hong Kong market out for May Day holidays, issuances this week is likely quieter though expected to rise after. (Bloomberg, Global Capital, Wall Street Journal, OCBC)

**Strong activities in the SGD bond space:**

- Mapletree Industrial Trust ("MINT") issued its maiden perpetual securities of SGD300mn at 3.15%, tightening from IPG of 3.375%. Please note that due to OCBC's engagement in other business activities, we have suspended our coverage on MINT until these activities are completed. Since 2H2020, we have seen a slew of REIT perpetuals being issued. The earlier issuers include Ascendas REIT ("AREIT" | Issuer Profile: Neutral (3)), Keppel REIT ("KREIT" | Issuer Profile: Neutral (4)), Starhill Global REIT ("SGREIT" | Issuer Profile: Neutral (4)), Suntec REIT ("SUN" | Issuer Profile: Neutral (4)) and CapitaLand China Trust ("CLCT" | Issuer Profile: Neutral (4)). The low interest rates environment coupled with the REIT's aggregate leverage drifting higher over time on the back of acquisitions have made raising perpetual instruments attractive.
- Separately, Changi Airport Group ("CAG") is looking to price a 10-year senior unsecured bond with an initial price guidance of 2.0% area. This is CAG's first ever bond and proceeds will be used for general corporate and working capital purposes. CAG is an unlisted entity wholly-owned by the Singapore Government, through the Minister for Finance, a body corporate constituted under the Minister for Finance (Incorporation) Act (Chapter 183 of Singapore). CAG operates Changi Airport and has been granted subleases of various lands, buildings and other property comprising Changi Airport for the period from 1 July 2009 to 31 March 2042. CAG owns a 51%-stake in the retail mall, Jewel Changi Airport ("Jewel") and a 51%-stake in Concessionaria Aeroporto Rio de Janeiro S.A. which operates the Tom Jobin International Airport in Rio de Janeiro, Brazil.
- New issuance aside, last week was a busy week with earnings releases as well as business updates. DBS announced record quarterly results for 1Q2021 with

profit before tax ("PBT") of SGD2.26bn, up 63% y/y and up 104% q/q. DBS's capital position improved with its CET1 ratio at 14.3% as at 31 March 2021, up from 13.9% as at 31 December 2020 and 31 March 2020 and remaining well above minimum CET1 requirements. We maintain the Positive (2) issuer profile. Other companies and REITs that have released updates include Frasers Hospitality Trust, Mapletree Industrial Trust, Mapletree Commercial Trust, Ascott Residence Trust, CapitaLand Ltd, Keppel Corporation and Olam International Ltd. (Bloomberg, OCBC)

**Quiet week in Malaysia:**

- The MYR against USD strengthened w/w to MYR4.09 last Friday while 10-year govvies rose 4bps w/w to 3.12% at end last week.
- Foreign holdings of Malaysian government and corporate bonds and bills rose 2.5% m/m to MYR239.7bn (~USD58.4b) in March, according to Bank Negara Malaysia data.
- While Malaysia and Singapore will allow travel between the two countries on compassionate grounds or for family emergencies from May 17, the conditional movement control in the Kuala Lumpur and four other states have been extended by two weeks to May 17 due to the rise in COVID-19 cases.
- In the corporate space, Malaysia Smelting Corp which is the world's third largest tin producer said that smelting activities may take longer than usual due to the pandemic disruptions and aging machinery.
- Within the bond space, Tumpuan Azam Sdn Bhd, Tanjung Pinang Development Sdn Bhd and Laksana Positif Sdn Bhd tapped the market. The bonds were mostly 5 year and 6 year in tenor and small (<MYR60mn). (Bloomberg, OCBC)

**Constructive for Indonesian credits although benefits flowing elsewhere**

- Sentiments towards Indonesian credit remained supportive on a rotation away from China-linked names. The Bloomberg Barclays EM Local Currency Indonesia Total Return Index rose 0.88bps w/w to 261.8bps. That said, primary market activity did not follow in kind. Only one issuer listed bonds in the IDR bond market last week with telecommunications services provider PT Mora Telematika Indonesia's ("Moratelindo") issuing IDR500bn across two tranches to fund mostly cable network infrastructure.
- Instead, companies were able to tap other financing options to meet debt repayments and capital expenditure. For example, Miner PT Adaro Indonesia signed a USD400mn loan facility for debt repayment while PT Jaya Sukses Makmur Sentosa Tbk obtained a IDR100bn revolving credit facility to purchase land in Kayoon Surabaya and build the Kyo Society apartment project.
- Separately, PT Trinity Healthcare is conducting a mandatory share tender offer while retail company PT Matahari Putra Prima Tbk is launching a rights issue or private placement to raise up to IDR800bn for working capital. According to the Financial Services Authority ("OJK"), 74 issuers are expected to conduct rights issues totalling IDR64tr on the Indonesia Stock Exchange in 2021. So far, 45 issuers had issued public offerings by 27th April raising IDR47.1tr.
- Indonesian issuers have also been consistently issuing USD in the Asiadollar space. Indicative of the perhaps multi-pronged interest in Indonesian credit, telecommunication infrastructure company PT Solusi Tunas Pratama Tbk is looking to issue IDR13.4tr in bonds in IDR and USD. In the IDR space, other new issuers in the pipeline are multi-financing company PT Mandiri Tunas Finance (MTF) that is looking to raise around IDR1.4tr and Sinar Mas Agro Resources

and Technology who plans to issue up to IDR 1.5tr.

- Elsewhere, the government continues to provide a conducive environment for interest in Indonesian credit to get off the ground. President Jokowi undertook a minor reshuffle of Indonesia's cabinet last week and established a new Ministry of Investment to enhance the flow of foreign direct investment into Indonesia. (Bloomberg, Jakarta Globe, IDN Financials, OCBC)

**China out for May Day holidays**

- Excluding CDs, last week's issuance was RMB483.1bn, higher 4.0% w/w. Similar to the previous week, the largest issues came from banks with China CITIC Bank Corp Ltd's RMB40bn perpetual and China Bohai Bank Co Ltd's RMB10bn 3Y paper. Property developer giant, Evergrande Real Estate Group priced RMB8.2bn of 5Y paper.
- The Bloomberg Barclays China Aggregate Total Return Index continued its upward march and was up by 0.3% w/w, achieving a new five-year high at 254.8. The China 10Y government bond yield tightened 2bps, ending the week at 3.16%.
- Our China economist colleagues have penned their thoughts on China's latest industrial profit and purchasing manufacturing index numbers which shows that recovery remains uneven and which may result in policy action to achieve sustainable long-term growth.
- China's domestic consumption is expected to rise during the May Day holidays. As an indicator, CGTN reported that transaction volume data from the China UnionPay network reached RMB398.7bn on 2 May 2021 (up 6.4% y/y).
- On corporate developments, Fosun Group and JD.com is reportedly interest in investing in certain operations of HNA Group Co, which are being reorganised. Other potential interested parties of the assets include Ping An Insurance Group Co., Juneyao Airlines Co., and Air China Ltd. Separately, Peking University Founder Group Corp ("Founder Group") announced that it will receive an investment of RMB53.7bn from a consortium including Ping An Insurance Group Co. and Zhuhai Huafa Group Co. as part of its court-led debt restructuring. Founder Group had defaulted on its bonds in 2020. While the RMB bondholders are set to recover some of their claims, it remains unclear how bonds issued under keepwell arrangements will be dealt with per Bloomberg's report.
- On geopolitics, a bipartisan US legislative proposal, the Endless Frontier Act which aims to allocate funding amounting to USD112 billion for science and technology research is set to be delayed for at least two weeks due to amendments filed for consideration. Meanwhile, China is stepping up its production and delivery of oxygen generators to aide India. (Bloomberg, Reuters, Wall Street Journal, CGTN, Global Times, Xinhua, OCBC)

**Slowdown in issuance but not in expectations in Australia:**

- Issuance last week dropped to AUD1.83bn against AUD4.17bn in the prior week. 5 issuers tapped the market although sizeable issuances were from just 4 issuers including Bank of Queensland Ltd (AUD650mn across 2 tranches), the Asian Infrastructure Investment Bank (AUD500mn), Network Finance Co Pty Ltd (AUD350mn) and Transurban Queensland Finance Pty Ltd (AUD300mn).
- Against this though are improving expectations for Australia's economic outlook. Westpac Banking Corporation (("Westpac") | Issuer Profile: Positive (2)) kicked off first half results announcements for the financial year ending 30

September 2021 with strong headline numbers. Statutory net profit of AUD3.4bn for 1HFY2021 ended 31 March 2021 was up 189% y/y and cash earnings of AUD3.5bn was up 256% y/y. That said, core earnings were down 11% y/y with the reported improvement driven by a AUD1.3bn h/h net writeback in impairment charges against an improved economic outlook. Per management, the economic outlook is improving with consumer sentiment at its highest level in a decade and lower unemployment numbers expected to drive Australia's economy in FY2021.

- That said, the economy remains in recovery mode. Shopping mall manager Vicinity Centres achieved leasing spreads (defined as the difference between old and new leases) in 3QFY2021 of –13.5%, lower than the –12.6% seen in its 1HFY2021 results. Of note was that premium and CBD retail assets did better than its portfolio average (-7.2% in 3QFY2021) while its factory outlet malls achieved positive leasing spreads of +2.9%.
- Last Friday, the Bloomberg Barclays Australia Corporate OAS Index was more or less stable w/w at 91bps while 10Y Australian Government yields rose 11bps w/w at 1.746% while S&P/ASX200 index was also largely unchanged w/w at 7,048. (Bloomberg, AFR, OCBC)

**Walking on Sunshine:**

- At the Singapore International Energy Week 2021 global launch event last Wednesday, the Energy Market Authority ("EMA") chief executive Ngiam Shih Chun said that Singapore will be quadrupling its solar deployment by 2025, working towards deploying 1.5 gigawatt-peak ("GWp") of solar by 2025 and at least 2GWp by 2030, five times that of today. According to Ngiam, 2GWp of solar could power 350,000 households a year, about 3% of Singapore's total projected energy consumption in 2030. Additionally, excess solar energy will be stored in Energy Storage Systems, which will be deployed with a target of 200MW beyond 2025.
- In a study conducted by SGX RegCo, NUS Business School, and KPMG Singapore which surveyed 14 key financial institutions in Singapore, all respondents called for more structured governance over sustainability, which should come from the board, as well as senior management oversight. Institutions also reportedly want guidance, but not prescription, from regulators in how reported frameworks should be applied. They responded positively to a taxonomy to support the scaling up of sustainable finance that could be aligned to international standards, as well as standardized disclosure methods.
- Keppel REIT Fin. Company Pte. Ltd, a wholly owned subsidiary of Keppel REIT ("KREIT", Issuer profile: Neutral (4)), landed a SGD120mn green loan facility on 29 April.
- The People's Bank of China is devising structural monetary policy tools which will provide eligible financial institutions with low-cost funds and encourage them to offer financing at preferential interest rates for key projects with significant effects in carbon emissions reduction. The tools will operate under the principles of market-oriented, transparency and international alignment.
- Ningxia Baofeng Energy Group Co Ltd commenced the operation of a hydrogen production facility in Northwest China which is powered by a 200MW solar photovoltaic. The new plant could reduce coal consumption by 254,000 tonnes per year, leading to 445,000-tonne carbon dioxide emissions cut. According to local broadcasters, this is now the world's largest solar-powered hydrogen plant.

- Kia Motors Corp and SK Innovation Co Ltd have jointly developed technology to recycle used EV batteries into energy storage systems, and plan on using the technology in various business models.
- Tata Power Co., controlled by India's largest conglomerate Tata Group, is weighing an IPO for its renewable energy business that could raise ~USD473mn. This development comes as India's renewables sector is forecast to expand rapidly, driven by increasing power demand and decarbonization efforts. If approved by the board, the proposed listing in Mumbai could take place as soon as later this year.
- According to an ESG report by Natixis Investment Management, just 16% of financial advisors in Australia had been asked by their clients for ESG investments, the lowest rate globally, despite 83% of individual investors claiming they wanted investments which aligned with their assets and values. Advisors also disclosed that better ESG reporting would assist with establishing which of the many ESG vehicles available would offer good performances.
- Burwood Brickworks, a mixed-used project in Melbourne developed by Frasers Property ("FPL", Issuer Profile: Neutral (5)), achieved the Living Building Challenge Petal Certification from the International Living Future Institute. The certification requires developments to have a net positive impact "by challenging them to operate as cleanly, beautifully and efficiently as nature's architecture." The development has several sustainability measures, such as a solar photovoltaic system, an embedded thermal and electricity network and wastewater treatment.
- The world's biggest owner of listed equities, Norway's USD1.3tr wealth fund, publicized plans to focus on effective governance, diversity, and climate risk when it votes at shareholder meetings this year. The fund votes on over 120,000 proposals annually. Furthermore, the fund will place special emphasis on board independence and will vote against proposals by company nomination committees where there are not at least two women on the board.
- Lastly, green, social, sustainability and sustainability-linked bond sales from governments and corporates so far this year total USD350.5bn, 270% higher than the same point last year. (Bloomberg, Straits Times, SGX, Yicai Global, OCBC)

### Key Market Movements

| | 4-May | 1W chg (bps) | 1M chg (bps) |
|---|---|---|---|
| **iTraxx Asiax IG** | 79 | -2 | 17 |
| **iTraxx SovX APAC** | 26 | 0 | -1 |
| **iTraxx Japan** | 48 | 0 | 3 |
| **iTraxx Australia** | 61 | -1 | -1 |
| **CDX NA IG** | 50 | -1 | -1 |
| **CDX NA HY** | 110 | 0 | 0 |
| **iTraxx Eur Main** | 50 | -1 | -1 |
| | | | |
| **US 10Y Yield** | 1.61% | -1 | -11 |
| **Singapore 10Y Yield** | 1.58% | -2 | -12 |
| **Malaysia 10Y Yield** | 3.11% | -4 | -4 |
| **Indonesia 10Y Yield** | 6.44% | -4 | -25 |
| **China 10Y Yield** | 3.16% | -2 | -6 |
| **Australia 10Y Yield** | 1.76% | 2 | -8 |
| | | | |
| **USD Swap Spread 10Y** | 0 | 1 | -4 |
| **USD Swap Spread 30Y** | -26 | 1 | -5 |
| | | | |
| **Malaysia 5Y CDS** | 46 | -1 | 2 |
| **Indonesia 5Y CDS** | 78 | 1 | -7 |
| **China 5Y CDS** | 37 | -2 | 3 |

| | 4-May | 1W chg | 1M chg |
|---|---|---|---|
| **Brent Crude Spot ($/bbl)** | 67.54 | 1.69% | 4.13% |
| **Gold Spot ($/oz)** | 1786.03 | 0.53% | 3.34% |
| **CRB** | 200.85 | 1.38% | 7.58% |
| **CPO** | 4590.00 | 5.74% | 10.68% |
| **GSCI** | 509.63 | 1.53% | 7.51% |
| **VIX** | 18.25 | 3.93% | 5.31% |
| | | | |
| **SGD/USD** | 0.75 | 0.67% | -0.48% |
| **MYR/USD** | 0.24 | 0.58% | -0.49% |
| **IDR/USD** | 0.07 | -0.60% | -0.41% |
| **CNY/USD** | 0.15 | -0.32% | -1.18% |
| **AUD/USD** | 0.77 | -0.64% | 0.84% |
| | | | |
| **DJIA** | 34113 | 0.39% | 2.90% |
| **SPX** | 4193 | 0.12% | 4.30% |
| **MSCI Asiax** | 876 | -1.90% | -0.36% |
| **HSI** | 28576 | -1.26% | -1.25% |
| **STI** | 3184 | -0.95% | 0.07% |
| **KLCI** | 1593 | -1.88% | 0.48% |
| **JCI** | 5956 | -0.07% | -0.93% |
| **CSI300** | 5123 | -0.23% | -0.74% |
| **ASX200** | 7068 | 0.48% | 3.50% |

*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.