

Bonds Daily

ABGSC Daily Report - Bonds

LINK Mobility Group: ComVision acquisition completed

Reference is made to the stock exchange announcement from LINK Mobility Group ASA on the 28th of June 2017 regarding the signing of a term sheet for the acquisition of the Polish mobile messaging company ComVision. The acquisition was completed based on an agreed enterprise value of EUR 16m on a cash-free and debt-free basis. The enterprise value is based on an estimated EBITDA for 2017 of EUR 2.66m multiplied by a factor of 6x. As a comparison, our FY'17e EBITDA is NOK 139m, i.e. the transaction equals 17% of this. This closing was expected and should be neutral in itself.

Scatec Solar: Busy times ahead

Clean numbers are in line as company reported clean revenues of NOK 280m vs our estimate of NOK 282m. Clean EBITDA was NOK 219m vs our estimate of NOK 221m (cons at NOK 217m). Reported EBITDA was NOK 594m due to a sales gain (NOK 175m) and asset revaluation (NOK 200m) in Brazil after Statoil acquired 40% of the project. This means that Scatec Solar's assets are yet again delivering highly predictable and stable earnings.

Please see research web for complete comment.

Odfjell SE: Sells its shares in Singapore tank terminal

Odfjell has entered into an agreement with a fund managed by Macquarie Infrastructure and Real Assets to sell its 50% ownership in Oiltanking Odfjell Terminal Singapore Pte Ltd for a price of around USD 300m. This implies an enterprise value of around USD 330m for Odfjell Terminals B.V.'s share in the Singapore terminal. The transaction will result in a net gain for Odfjell of approximately USD 135m (Odfjell SE's share). Closing of the transaction is subject to customary regulatory approval and is expected during Q4'17.

Stock market	Today	1D	1M	3M	YTD
OSE	719.8	0.0%	4%	10%	15%
SBX	995.3	0.0%	4%	4%	12%
OSX	122.5	-0.1%	-10%	-8%	-35%
VIX	10.1	0.0%	4%	7%	-15%

High Yield Indices (Spread)

Itraxx Xover 5Y	246	3bp	-11bp	8bp	-35bp
Itraxx Xover 3Y	165	1bp	23bp	9bp	-42bp
BHYUEN	472	3bp	-47bp	-67bp	-24bp
HYG US	386	29bp	10bp	20bp	-3bp
ABG HY index	447	-1bp	31bp	-61bp	-315bp

Interest Rates Basis points

NIBOR 3M	83	0bp	2bp	0bp	-30bp
NIBOR 3Y SWAP	123	0bp	4bp	-2bp	-12bp
NIBOR 5Y SWAP	148	-1bp	4bp	-4bp	-8bp
US L3M	136	0bp	4bp	5bp	36bp
US LIBOR 3Y SWAP	189	-4bp	9bp	18bp	22bp
US LIBOR 5Y SWAP	204	-4bp	8bp	14bp	10bp

Currencies

USD/NOK	7.93	0%	1%	-1%	-8%
EUR/NOK	9.40	0%	0%	1%	4%
SEK/NOK	0.98	0%	-1%	0%	3%

Commodities

Oil - Brent (USD/bl)	57.2	-2%	2%	18%	1%
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Shipping Rates

Baltic Dry Bulk	1582.0	1%	9%	62%	63%
Baltic Tank (Dirty)	902.0	-1%	20%	39%	-14%
Baltic Tank (Clean)	531.0	-2%	-13%	-3%	-38%

Source: Bloomberg

ABGSC HY Index



Source: ABG Sundal Collier

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Corporate HY bonds traded in Oslo at Thursday 20 October

Issuer	Ticker	Volume	Price		Time to maturity	Yield
			19/10/2017	Credit spread		
Aker ASA 12/22 FRN	AKER09	1.0m	109.50	289	4.9	3.7%
Austevoll Seafood ASA 15/21 FRN	AUSS08	1.0m	103.00	202	3.5	2.8%
Bonheur ASA 14/21 FRN	BON06	6.0m	99.50	364	3.7	4.5%
Color Group AS 12/19 FRN	COLG10 PRO	1.0m	105.25	244	1.9	3.3%
Det Norske Oljeselskap ASA 13/20 FRN	DETNOR02	7.0m	117.63	238	2.7	3.2%
Golar LNG Partners LP 17/21 FRN USD	GOLP03	1.0m	98.63	669	3.6	8.0%
Hospitality Invest AS 14/19 FRN C	HOIN01	12.0m	102.13	236	1.3	3.2%
Link Mobility Group ASA 17/22 4,75% EUR	LINK01	1.5m	102.25	407	4.4	4.2%
Marine Harvest ASA 13/18 FRN C	MHG01	1.0m	101.00	97	0.4	1.8%
Norwegian Air Shuttl ASA 15/19 7,25% EUR	NAS07	0.3m	100.00	741	2.1	7.4%
Ocean Yield ASA 15/20 FRN C	OCY03	1.0m	101.25	336	2.5	4.2%
REC ASA 11/18 9,75%	REC03	4.0m	96.00	1,704	0.5	17.9%
Songa Bulk ASA 17/22 FRN USD C	SBULK01	2.2m	100.13	447	4.7	5.8%
Stolt-Nielsen Limited 12/18 FRN	SNI03	2.5m	101.55	100	0.4	1.8%
Stolt-Nielsen Limited 14/21 FRN	SNI05	3.0m	99.28	358	3.4	4.4%
Teekay Offshore Partners L.P. 14/19 FRN	TOP05	5.0m	99.40	474	1.3	5.6%
Norsk Gjenvinning 14/19 FRN C	VVH01	33.0m	99.90	531	1.7	6.1%
Wilh. Wilhelmsen ASA 13/18 FRN	WWI22	2.0m	101.88	-53	0.6	0.3%

Source: ABG Sundal Collier, company data

Corporate HY bonds traded by ABG Sundal Collier at Nasdaq, Stockholm

Issuer	Volume	Price	High	Low
BONGSS 10 12/21/18	6.5m	98.13	99.00	97.25

Source: ABG Sundal Collier, company data

Analyst certification

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When evaluating the credit risk of the issuer, we look at credit ratios, management and corporate strategy, business risk, industry risk and management risk appetite. Further, we look at dividend and financial policies. From this analysis and after an assessment of the asset values as well as any potential structural subordination, ABG Sundal Collier also estimates the company's default probability and the bond's recovery rate.

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All prices are as of market close on 18 October, 2017 unless otherwise noted.

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