IFR ASIA LOANS BRIEFING

OCTOBER 17 2013

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ASIA PAC (INC-JAPAN)
BOOKRUNNERS: 1/1/2013 TO 11/10/2013

	Managing bank or group	No. of issues	Total US$(m)	Share (%)
1	Mizuho FG	462	88,444.76	20.9
2	MUFG	577	62,302.70	14.7
3	Sumitomo Mitsui Finl	454	58,133.06	13.7
4	State Bank of India	47	20,103.41	4.7
5	China Development Bk	19	17,673.98	4.2
	Total	2,193	423,497.54	

Source: Thomson Reuters (SDC code: S3a)

ASIA PAC (EX-JAPAN, EX-AUSTRALASIA)
BOOKRUNNERS: 1/1/2013 TO 10/10/2013

	Managing bank or group	No. of issues	Total US$(m)	Share (%)
1	State Bank of India	55	19,691.5	8.1
2	China Development Bank	27	18,595.2	7.7
3	Bank of China	125	18,175.2	7.5
4	DBS Group Holdings	87	10,578.7	4.4
5	Standard Chartered	105	9,103.7	3.8
	Total	770	242,091.0	

Source: Thomson Reuters (SDC code: S3f)

EDITORIAL ENQUIRIES

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Indian state-owned ONGC VIDESH has mandated nine banks on its US$1.5bn 12-month bridge loan. They are *ANZ*, *Bank of Tokyo-Mitsubishi UFJ*, *BNP Paribas*, *Citigroup*, *Deutsche Bank*, *Mizuho Bank*, *RBS*, *State Bank of India* and *Sumitomo Mitsui Banking Corp*.

The mandated all-in pricing is around 94bp, sources said. The deal is likely to be closed as a club.

ONGC Videsh is teaming up with OIL INDIA to buy a 10% stake in a Mozambique gas field from Videocon Industries.

Oil India, which is raising a US$900m six-month financing for the same acquisition, has not yet mandated its borrowing. The state-owned company had extended the bidding deadline on its bridge loan to October 14.

This is separate from the US$250m five-year bullet loan Oil India originally mandated to Mizuho Bank. SMBC joined that deal as a mandated lead arranger prior to general syndication which is offering a top-level all-in of 150bp via a margin of 118bp over Libor.

ONGC Videsh needs more funding to finance its purchase of another 10% stake in the gas field. The second stake purchase was agreed between ONGC Videsh and American energy company Anadarko Petroleum Corp for a price of US$2.64bn.

The HK$6bn (US$774m) five-year loan for BEIJING ENTERPRISES HOLDINGS has been launched into general syndication. The eight mandated lead arrangers and bookrunners are *ANZ*, *Bank of China Hong Kong*, *DBS Bank*, *Hang Seng Bank*, *HSBC*, *Mizuho Bank*, *Standard Chartered* and *Wing Lung Bank*. The leads have fully underwritten the facility.

The margin is 184bp over Hibor.

MLAs get a top-level all-in of 205bp via a 105bp fee for commitments of HK$300m or more, while lead arrangers get an all-in of 200bp via an 80bp fee for HK$200m–$290m. Arrangers receive an all-in of 195bp via a 55bp fee for HK$100m–$190m.

Responses are due on November 6.

Proceeds will part-finance the company's HK$8.22bn stake acquisition in China Gas Holdings and are also for refinancing. Hong Kong-listed Beijing Enterprises announced at the end of July that it is buying a 22.1% stake in China Gas.

In March 2011, Beijing Enterprises obtained a HK$2bn three-year term loan, which paid a margin of 105bp over Hibor.

The red-chip firm is rated Baa1. Founded in 1997 by the Beijing municipal government, it provides gas pipeline, sewage and water treatment services.

State-owned utility firm CHINA LONGYUAN POWER GROUP CORP is seeking a Rmb1.7bn (US$278.62m) three-year bullet loan in the offshore renminbi market in Hong Kong, marking this year's largest Dim Sum loan.

The deal, led by mandated lead arranger and bookrunner *Bank of China Hong Kong*, will refinance a Rmb1bn loan from BoC in November 2012 and a shareholder loan which will repay a bond issue from December 2011.

Proceeds will be borrowed via Hero Asia (BVI) and secured by a keepwell deed from parent Longyuan Power. A keepwell deed, typically used to support corporate borrowing, is a contract between a parent company and its subsidiary to maintain solvency and financial backing throughout a term.

The facility is offering a margin of 110bp over CNH Hibor or a fixed rate of 3.75%, whichever is higher.

MLAs joining with Rmb500m or more receive upfront fees of 42bp, while lead arrangers committing Rmb200m–Rmb490m get 39bp in fees and arrangers a 36bp fee for tickets of Rmb50m–Rmb190m. The deal comes with a 60bp commitment fee for an availability period until end of the year, and two drawdowns are allowed by the date.

Responses are due on November 1.

The largest wind power generator in Asia reported a 14.5% year-on-year increase in revenue to Rmb9.654bn for the six months ended June 30 2013. Its profit before taxation amounted to Rmb2.29bn, representing a 15.2% increase over the corresponding period of 2012.

In August, Hero Asia priced a US$300m three-year bond issue at a coupon of 3.25% and a reoffer price of 99.494, yielding 3.429%, or 285bp over US Treasuries. The issue also comes with a keepwell deed as well as an equity interest purchase undertaking from Longyuan Power.

Longyuan Power is rated Baa3/BBB (Moody's/S&P). This deal is the second Dim Sum loan to surface this week.

MINSHENG FINANCIAL LEASING is raising an up to Rmb740m two-year offshore financing, just months after it signed a Rmb660m offshore loan in June. *UBS* is leading the bullet term loan, which offers an all-in of 480bp via a fixed-rate margin of 4.5% and an upfront fee of 60bp.

This is the borrower's second renminbi-denominated offshore loan, or Dim Sum loan, this year. The June facility, also a two-year bullet term loan, paid an all-in of around 420bp via a fixed-rate margin of 4%. Seven Taiwanese banks joined the Morgan Stanley-led deal.

The leasing firm has been a regular visitor to the loan market this year. In August, it sealed a US$175m two-year onshore loan, also led by Morgan Stanley. The bullet facility paid a top-level all-in of 260bp via a margin of 250bp over Libor. Eleven banks joined that deal.

Despite the launch of CNH Hibor fixing – a reference rate for the offshore renminbi market – by the Hong Kong Monetary Authority in June, activity in the Dim Sum loan market has remained subdued since the beginning of this year.

Dim Sum loans closed this year include a Rmb1bn two-year amortising loan for Sichuan Expressway signed in April and two bilateral facilities signed in May, totalling Rmb1.5bn, for Hong Kong-listed China Resources Cement Holdings.

Minsheng Financial Leasing was co-founded by China Minsheng Banking Corp and Tianjin Port Free Trade Zone Investment in 2008. The company is the biggest corporate aircraft leasing company in Asia and the biggest ship leasing company in China.

Australian packaging company AMCOR is finalising its A$1bn (US$952m) spinoff financing with a syndicate made up of existing lenders and one new bank.

The loan, structured as a revolving credit facility, is evenly split between three- and five-year maturities. The margins are around 148bp over BBSY for the three-year tranche and slightly over 175bp over BBSY for the five-year. Upfront fees are 30bp and 50bp for the three- and five-year tranches respectively.

Amcor plans to spin off its glass, beverage can and carton board packaging division, Australasia and Packaging Distribution, to focus on its core global plastics packaging business. The spinoff is subject to a shareholder vote at the company's annual general meeting on October 24, as well as regulatory approvals.

The listing, valued at around A$2bn, is expected in December.

The AAPD division gets two-thirds of its earnings from Australia and New Zealand and accounted for 16% of Amcor's overall profits before interest and tax for the 2013 financial year.

Bank groups have formed to back bidding groups led by Bombardier and Hong Kong's MTR Corp for the SYDNEY NORTH WEST RAIL LINK public-private partnership tender.

The two groups have been shortlisted to submit final bids due in early December. A third group led by Keolis and Downer EDI failed to make it to the next round.

Lenders backing the Bombardier group include *Canadian Imperial Bank of Commerce*, *Commonwealth Bank of Australia*, *Credit Agricole*, *Export Development Canada* and *Sumitomo Mitsui Banking Corp*. The consortium's other partners include Serco, SNC-Lavalin Capital, McConnell Dowell and John Laing Investments, with Macquarie Capital Advisers as financial adviser.

Meanwhile, the MTR-led group has lined up financing from banks including *ANZ*, *HSBC*, *OCBC Bank*, *Mizuho Bank*, *National Australia Bank*, *Standard Chartered* and *Westpac*. The group's other members are Leighton Contractors, John Holland and UGL Rail Services, with Plenary Group advising.

The New South Wales state government is developing a 23km rail link to Sydney's northwest region, including 15km of tunnels. The tunnels and major infrastructure works will be funded by government, and the track, signalling systems, rolling stock and operations will be privately financed.

The cost is estimated to be around A$3bn–$3.5bn (US$2.85bn–$3.2bn), but the government is likely to contribute at least 50%, leaving the private sector to fund around A$1.5bn–$1.7bn. Financial close is expected in the first half of 2014.

People & Markets

Ray Wong has joined ANZ's loan syndications team in Hong Kong. In his new associate director role, Wong covers loan distribution in the region. He reports to Cecily Fan, head of loan sales for Asia. Prior to ANZ, Wong was a vice-president with RBS' loans team in Hong Kong. He was with the British bank for about six years, handling loan origination and distribution in North Asia.