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亚洲银行发行巴塞尔 III 合规次级债之现状
On Asia's Basel III-compliant bank sub-notes

- 亚洲的银行已开始发行巴塞尔 III 合规的次级债，但目前仍然数量有限，部分源于亚洲的银行具有相对坚实的资本基础及财务状况 / Asian banks have started to issue Basel III-compliant subordinated capital securities, but still on a very limited scale, which can partially be explained by Asian banks' relatively strong capital base and financial positions
- 最近工银亚洲发行的 10 年期、5 年内不可回购的 T2 次级债是香港及整个亚洲区的首支巴塞尔 III 合规的美元债 / The recent ICBC Asia's 10NC5, Tier 2 subordinated bonds marked as the first Basel III-compliant bond in the USD space for both Hong Kong as well as the entire Asia
- 由于不同国家的监管机构对巴塞尔协议 III 规范有不尽相同的立场和调整，投资者在投资这种新型的、具有较高收益的产品前，可能需要额外的努力来更好地了解和区分这类债券内含的结构及估值 / As regulators in different countries have taken some different stances and adjustments on the Basel III requirements, investors may need extra effort to better understand and differentiate the underlining bond structures and valuations before investing in this new types of higher yielding fixed income instruments
- 与历来数量有限的香港/中国的银行所发次级债来比较，此新型的 T2 次级债的交易价位更接近旧式的 UT2 次级债，而远于 LT2 次级债。在我们看来，这反映了市场对待这种新型资本金债内含风险的谨慎态度 / The limited number of sub-notes from HK/China banks show that the new style T2 bonds trade more in line with the old style upper T2 issues, as against the lower T2 ones. This, in our opinion, reflects a cautious market view towards the underlining risks of such new style capital securities
- 由于工银亚洲的 T2 次级债相比新加坡大华银行发行的巴塞尔 III 合规的 T1 次级债的优先级和评级都要高，但收益率相近，我们认为工银亚洲的 T2 次级债相对价值更佳 / Based on the higher tier and higher rating but similar yield of the ICBC Asia T2 notes, we view them offer better relative value versus the UOB's Basel III-compliant T1 notes

Even though Asian banks, particularly China/HK banks, don't feel the immediate urgency to boost their capital base under the Basel III rules, as in contrast to what European banks do, we indeed have started to see issuance of Basel III-compliant subordinated bonds from some of the Asian banks lately, in a prelude, possibly, to a more wide scale of actions in this front from Asian banks. The Basel III-compliant structure of these bonds differs country by country due to the specific implementations of each authority, which could lead to differences in pricing and valuations in the market. Chinese banks are scheduled to meet Basel III requirements by phases before the anticipated deadline at the end of 2018. Many of them may see needs during the implementation process to raise capital through issuing Tier 1 or Tier 2 notes both domestically and overseas.

The recent trend in Basel III-compliant bond issuance from Asia

Many Asia countries have introduced Basel III rules this year, including the key Asia financial hubs of Hong Kong and Singapore. However, Asia issuances of Basel III-compliant subordinated bank bonds have been to-date limited, which can partially be explained by Asian banks' relatively strong capital base and financial positions (see Fig. 1).

The recent ICBC Asia's 10NC5, Tier 2 subordinated bonds marked as the first Basel III-compliant bond in the USD space for both Hong Kong and the entire Asia. In the non-dollar space and before the ICBC Asia issue, Malaysia's CIMB and Singapore's UOB have each issued their first Basel III-compliant bonds in their respective local currencies (see Fig. 2). Mean-

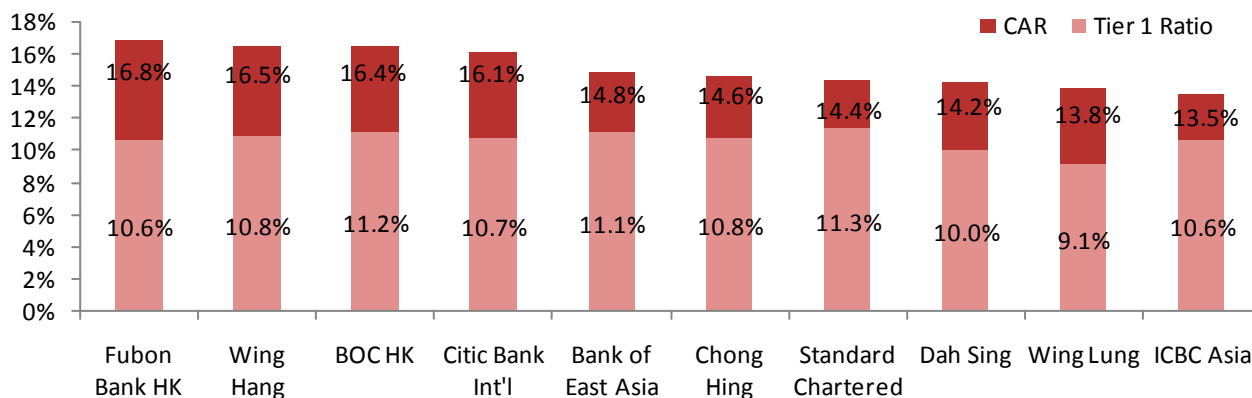
尽管相对于欧洲银行，亚洲银行、特别是中国/香港的银行没有在巴塞尔协议 III 下提高资本金的紧迫感，但是最近我们确实看到来自于亚洲的银行开始发行巴塞尔 III 合规的次级债，这有可能是亚洲银行更大范围发债行为的前奏。由于各国当局具体实施的方式不同，巴塞尔 III 合规债券的结构在不同国家有不同的版本，或会导致市场上定价和估值的差异。中国的银行计划在 2018 年底期限前按阶段实施巴塞尔协议 III 的要求。在实施过程中，不少中国的银行或需要在境内或境外发行 T1 或 T2 次级债来募集资本金。

近期亚洲巴塞尔 III 合规债券的发行趋势

包括亚洲金融中心香港及新加坡在内的许多亚洲国家及地区在今年已经开始实施巴塞尔协议 III。然而，至今为止亚洲发行的巴塞尔 III 合规的次级银行债的规模不大，这可部分归结于亚洲银行相对强劲的资本基础以及财务状况（见图 1）。

工银亚洲近期发行的 10 年期（5 年内不可赎回）T2 次级债是香港乃至整个亚洲首支巴塞尔 III 合规的美元债。在非美元债市场及工银亚洲债券发行之之前，马来西亚的联昌国际银行（CIMB）和新加坡的大华银行（UOB）分别以当地货币发行了其首支巴塞尔 III 合规的债券（见图 2）。与此同时，其它地区的银行也向亚洲投资者出售了巴塞尔 III 合规的债券，例如俄罗斯 Gazprombank 发行的 T2 次级债。

图 1: 一些香港银行的资本充足率 / Fig. 1: Selected Hong Kong banks' capital adequacy ratios



数据来源：公司报告、中银国际/Sources: Company data, BOCI

图 2: 一些巴塞尔 III 合规的次级债/ Fig. 2: Selected Basel III-compliant subordinated bonds

公告日 Announce Date	发行人 Issuer	票息 Cpn (%)	到期日 Maturity Date	币种 Currency	发行额 Issuance Amt(mm)	可赎回日 Call Date	评级 Ratings	类型 Type
10/02/2013	ICBC Asia	4.5	10/10/2023	USD	500	10/10/2018	NA/NA/BBB+	T2
09/24/2013	Gazprombank	7.496	12/28/2023	USD	750	12/28/2018	NA/NA/BB-	T2
10/03/2013	CIMB Bank	4.77	10/16/2023	MYR	300	10/16/2018	NA/NA/NA	T2
09/04/2013	CIMB Bank	4.8	09/13/2023	MYR	750	09/13/2018	NA/NA/NA	T2
07/15/2013	United Overseas Bank	4.9	Perpetual	SGD	850	07/23/2018	Baa1/BBB-/BBB	T1

数据来源: 彭博、中银国际/Source: Bloomberg, BOCI

while, banks from other regions have also marketed their Basel III-compliant bonds to Asian investors, such as the T2 bonds from Russia's Gazprombank.

However, regulators in different countries have taken some different stances and adjustments on Basel III-compliant bonds. On such differences, investors have additional tasks to better understand and differentiate the underlining bond structures and valuations before investing.

Basel III-compliant subordinated bond structures and characteristics

One of the main purposes of issuing Basel III-compliant bonds is to increase a bank's capacity to absorb potential capital losses arising from financial and economic stress. Basel III rules require a clause in these sub-notes of triggering principle write-off or equity conversion in the case of a loss absorption event. The definition of loss absorption trigger, however, is at the discretion of individual sovereign, which could act as the last resort to backup or support a bank facing viability issue.

In regard to the Tier 2 capital in a bank's capital structure defined under Basel III, the distinction between upper and lower Tier 2 capitals has now been eliminated. The newly defined Tier 2 capital securities are required to have no demonstrated incentives to redeem earlier than the maturity. Thus the traditional form of lower T2 notes of 10-year maturity with a step-up coupon structure at the 5-year call will no longer constitute Basel III-compliant Tier 2 capital. In contrast, the new rules shift bond clauses to mainly focus on loss absorption events and implementation.

In the example of ICBC Asia's T2 bond, the loss absorption event is fairly subjectively defined.

然而,不同国家的监管部门对巴塞尔 III 合规债券有着不同的立场及调整。有鉴于此种差异,投资者需要在投资前对各种债券结构及相应估值进行更深入的了解和区分。

巴塞尔 III 合规次级债的结构和特性

发行巴塞尔 III 合规债券的主要目的之一是增加银行抵御由于金融和经济压力而引起的潜在资本损失的能力。巴塞尔协议 III 规定要求次级债要有相应的条款,当发生吸收损失事件时将触发次级债本金的注销或股权转换。然而,吸收损失的触发点的定义由各个国家当局自主决定,作为当银行面临无法生存危机时支持银行的最后一步。

根据巴塞尔协议 III,银行资本结构中 T2 资本的定义中 UT2 资本和 LT2 资本的区别已被取消。新定义的 T2 资本证券被要求不能有在到期日之前赎回的明显动机。因此,传统形式的 10 年到期、5 年赎回日后票面利率升高的 LT2 债将不能构成巴塞尔 III 合规的 T2 资本。相应的,新规在债券条款中主要关注吸收损失事件及其实施上。

以工银亚洲的 T2 次级债为例,吸收损失事件的定义较为主观。定义为当发行人有“无法生存”的危险,“无法生存”依据香港的银行法规或中国的商业银行资本法规对资本的认可来判定。此债券条款要求,在无法生存事件中,债券持有人可能引发全部本金的损失,并且这种注销是永久性的,未来不可能恢复。由于债券潜在的损失风险很高,惠誉将此支债券评级为 BBB+,比工银亚洲的发行人违约

It's defined as when the issuer is in danger of becoming "non-viable" and the "non-viability" is measured by capital recognitions under the Banking Rule of Hong Kong or under China's Capital Rules for Commercial Banks. The bond clause requires, at the non-viable event, bondholders could incur a full loss of principal and this write-off is permanent with no future restorations. Due to the bonds' potential high loss severity, Fitch assigned a 'BBB+' rating on the notes, making it two notches below ICBC Asia's Issuer Default Rating (IDR) of A.

On the other hand, Gazprombank's new Basel III-compliant T2 bonds have some differences. The trigger point for principal and coupon write-off also added a specific trigger defined as breach of the 2.0% Tier 1 ratio. The issue is rated BB- by Fitch, which is three notches below Gazprombank's IDR of BBB-.

In the case of United Overseas Bank (UOB)'s Basel III-compliant T1 SGD bond, it ranks below Tier 2 capital securities but senior to equities. The issue is rated five notches below UOB's IDR of AA-. This deep subordination is also compounded by the additional risk that the bank and its regulator the Monetary Authority of Singapore may, at their discretion, elect to cancel any periodic distribution on the notes.

Relative value comparison with traditional bank capital securities

Given the usually low yields of Hong Kong banks' senior debts, we have seen good investor interests in Hong Kong banks' subordinated papers in the past in search for yield. The new Basel III-compliant bonds provide a new investment instruments with higher yields. For example, ICBC Asia's new T2 notes (NA/NA/BBB+), currently trading at +320bps to the 2018 call date, offers about 207bps pickup over ICBC's senior bonds due 2017 (A1/A/A).

As comparing to the old-style T2 bonds, the new T2 bonds trade more in line with the old upper T2 issues, instead of the lower T2 ones. As show in Fig. 3, the new ICBC Asia T2 offers about 95bps spread pickup over similarly rated Bank of East Asia LT2 bonds due 2020 that is callable in 2017 (Baa3/A-/NA). Yet the Bank of East Asia old T1 perpetual bonds that is callable in 2019 (Ba3/BB+/NA) offers a spread of 466bps, or only 146bps higher than that of the new ICBC Asia T2. In our opinion, this close pricing parity between the new T2 and the old UT2 reflects a

评级 A 低两个等级。

另一方面, Gazprombank 新发行的巴塞尔 III 合规的 T2 次级债稍有不同。本金和票息注销的触发点还增加了 T1 比率低于 2.0% 的具体触发条款。惠誉将此债券评级为 BB-, 比 Gazprombank 的发行人违约评级 BBB- 低三个等级。

就大华银行的巴塞尔 III 合规的 T1 新加坡元债券而言, 优先级低于银行的 T2 资本证券, 但高于银行的普通股股东。此债券评级比发行人大华银行的 AA- 发行人违约评级低五个等级。除了深层从属外, 大华银行和新加坡金融管理局可以自主决定取消此债券的任何周期性付款。

与传统银行资本金债的相对价值比较

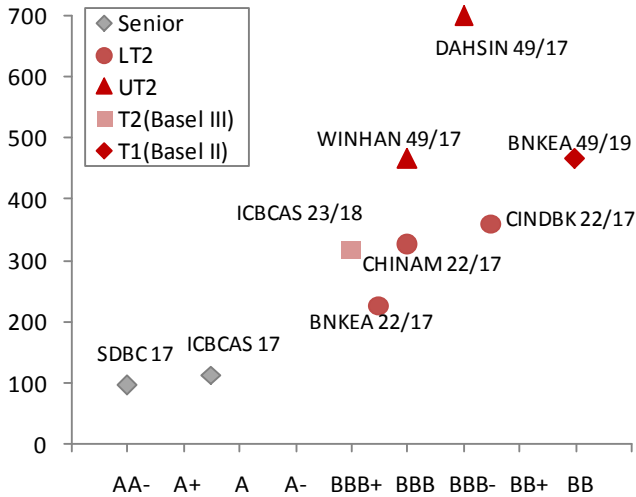
由于香港银行的优先级债的收益率通常比较低, 以往投资者为追求高收益率对投资香港银行的次级债有较高的兴趣。有着较高收益率的新巴塞尔 III 合规债券提供了一种新的投资工具。比如, 目前工银亚洲的新 T2 次级债 (未评级/未评级/BBB+) 至 2018 年可赎回日的利差在 +320 基点, 较工商银行 2017 年到期优先级债 (A1/A/A) 高 207 基点。

与旧式 T2 次级债相比, 新 T2 次级债与旧式 UT2 而非 LT2 次级债更贴合。如图 3 所示, 工银亚洲新 T2 次级债比评级相似的东亚银行 2020 年到期 2017 年可赎回 LT2 债 (Baa3/A-/未评级) 利差宽约 95 基点。但东亚银行 2019 年可赎回旧式 T1 永久债 (Ba3/BB+/未评级) 利差在 466 基点, 只比工银亚洲新发行的 T2 次级债高 146 基点。我们认为, 新 T2 次级债和旧式 UT2 次级债相近的价格反映出市场对于新式次级债潜在风险的谨慎态度。

我们也把大华银行巴塞尔 III 合规新加坡元 T1 次级债与工银亚洲巴塞尔 III 合规 T2 次级债相比较。工银亚洲债的惠誉评级高一级。但其至可赎回日的收益率与大华银行债的美元等值至可赎回日的收益率相似。基于该更高的优先级及更高的评级, 我们

cautious market view towards the underlining risks of this new type of capital instrument.

图 3: 香港银行债相对价值比较 / Fig. 3: Relative value comparison of Hong Kong bank bonds



数据来源: 彭博、中银国际 / Sources: Bloomberg, BOCI

We also compare UOB's Basel III-compliant T1 SGD bond with ICBC Asia's Basel III-compliant T2 bond. The latter is rated 1 notch higher by Fitch. However, its yield-to-call is similar to the USD-equivalent yield-to-call of the UOB bond. Given the higher tier and higher rating, the ICBC Asia bond, in our opinion, has a better relative value.

认为工银亚洲债具有更高的相对价值。

图 4: 巴塞尔 III 合规债券相对价值比较: 工银亚洲 T2 与 大华银行 T1 次级债 / Fig. 4: Relative value comparison of Basel III-compliant bonds: ICBC Asia T2 vs. UOB T1 bonds

债券 Bond	评级 Ratings	类型 Type	价格 Price	美元至 回购日 收益率 YTC in USD (%)
ICBCAS 23/18	NA/NA/BBB+	T2	99.8	4.54%
UOBSP 49/18 (SGD)	Baa1/BBB-/BBB	T1	102.0	4.62%

数据来源: 彭博、中银国际 / Source: Bloomberg, BOCI

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