

中銀國際固定收益研究
BOCI Fixed Income Research

利率、匯率、信用
Rates, Currencies & Credits

中國固定收益研究
China Fixed Income Research

2012.06.01

王卫 (Steve Wang)

+ (852) 3988-6925

steve.wang@bocigroup.com

吴琼 (Qiong Wu), CFA

+ (852) 3988-6926

qiong.wu@bocigroup.com

张威 (Vivian Zhang)

+ (86) 10-66229195

vivian.zhang@bocigroup.com

刘溪 (Lucy Liu)

+ (86) 21-20328025

xi.liu@bocigroup.com

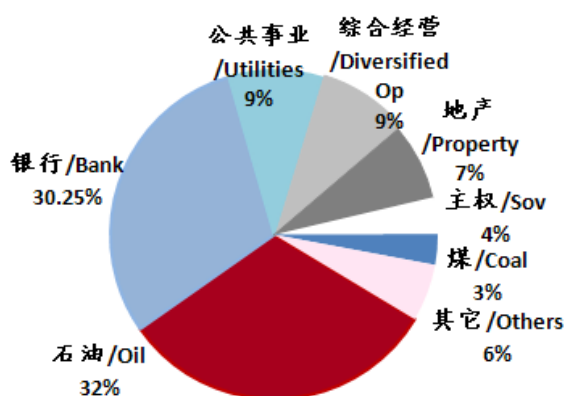
三大中国石油央企的债券相对价值：中石油、中海油和中石化

Relative values of the three Chinese oil/gas giants: CNPC, CNOOC, SINOPEC

- 近来中国国有的石油/天然气三巨头中石油、中海油和中石化均在境外发行了大规模、多期限的美元债，使中国油气债成为中国名字的境外投资级债券市场上最大的板块。/ The three Chinese state-owned oil/gas giants, CNPC, CNOOC and SINOPEC, have all recently issued mega-sized, multi-tranche USD bonds, boosting Chinese oil/gas bonds the largest sector in the offshore Chinese IG bond universe.
- 我们发现在多数情形下中国名字的油气债较全球同业债券，比如英国石油、挪威国家石油、马来西亚石油及赫斯基能源，更具相对价值。/ We find, in most of the cases, the Chinese oil/gas bonds offer better values as compared to their global peers, such as BP, Statoil, Petronas and Husky Energy.
- 在这三个中国名字中，30年期的中石化债更显价值，比评级相似的中海油债宽18个基点。另外支撑此性价选择的几点考虑因素包括该债券将被纳入EMBI指数，来自100%国有母公司的信用担保，以及政府计划将成品油的定价机制逐渐转向市场化带来的未来利润率改善。/ Among the Chinese names themselves, 30-year SINOPEC stands out as a better value by offering 18bps pick-up over similarly rated CNOOC. There are other considerations supporting this value choice, including its prospect to be included in the EMBI index, a strong guarantee structure from 100% state-owned parent and improving margin outlook on the government's plan to gradually adopt a more market-oriented pricing mechanism on fuel prices.

The three Chinese state-owned oil/gas giants, CNPC, CNOOC and SINOPEC, have grabbed much of the spotlight in the USD bond market recently. All of them have done mega-sized, multi-tranche USD new issuance over the past two months, for a total of \$6.15bn from 7 new bonds. With these new additions, the Chinese oil/gas sector now boasts a total outstanding bond amount of \$10.5bn, becoming the largest IG sector in the offshore Chinese USD bond universe (see Fig. 1). Their success in the primary market serves as a boost to the profile of Chinese corporate bonds with international investors, particularly at a time when the global financial market remains under the cloud of Euro debt crisis and a slowing Chinese economy.

图 1: 中国名字的投资级美元债存量的行业分布图/ Fig. 1: Industry breakdown of outstanding offshore Chinese USD bonds



数据来源: 公司报表, 中银国际/Sources: Company reports, BOCI

Better values as comparing to their global peers

We find, in most of the cases, the new Chinese oil/gas bonds offer better values as compared to their global peers (see Fig. 2). Take the 10-year as an example. The Chinese bonds, rated in the range of Aa3/AA- in the SINOPEC case to A1/A+ in CNPC, have Z-spreads ranging from 197bps to 210bps. In comparison, the selected list of their peers, rated from Aa2/AA- in Statoil to Baa2/BBB+ in Husky Energy, have Z-spreads ranging from 101bps to 188bps.

In particular, the A2/A rated BP Capital 10-year trades 65bps richer than the Aa2/AA- rated CNOOC 10-year, and the Baa2/BBB+ rated Husky Energy, a Canadian oil company majority owned by HK's business magnate Li Ka-shing

近来中国三大国有石油/天然气巨头中石油、中海油和中石化在美元债券市场星光灿烂。它们在过去的两个月里均进行了大规模、多期限的美元债券发行, 共计 7 支新债达 61.5 亿美元。这些新债的加盟令中国石油/天然气板块的债券存量上升到 105 亿美元, 成为投资级的中国名字美元债群体中最大的板块 (见图 1)。这些债券在新债市场的成功发售加强了中国名字的企业债在国际投资者心中的地位, 尤其是在全球金融市场仍处在欧元债务危机和中国经济放缓乌云笼罩的背景下。

比全球同业债券更具相对价值

我们发现, 在多数情形下, 中国名字的石油/天然气债券较全球同业债券更具相对价值。以 10 年期债券为例, 这些中国名字债券的评级由中石化的 Aa3/AA- 至中石油的 A1/A+, 它们的 Z-spread 利差介于 197 基点至 210 基点之间。相比较, 这里列

图 2: 相对价值比较/ Fig. 2: Relative value comparison

债券 Security	穆迪 Moody's	标普 S&P	Z-spread
5-year			
CNPC 2.75 04/17	A1	A+	171
SINOPEC 2.75 05/17	Aa3	A+	141
Statoil 3.1 08/17	Aa2	AA-	63
BP Capital 1.846 05/17	A2	A	85
Petronas 5.25 08/19	A1	A-	167
Husky Energy 6.2 09/17	Baa2	BBB+	156
10-year			
CNPC 3.95 04/22	A1	A+	210
CNOOC 3.875 05/22	Aa3	AA-	198
SINOPEC 3.9 05/22	Aa3	A+	197
Statoil 3.15 01/22	Aa2	AA-	101
BP Capital 3.245 05/22	A2	A	133
Petronas 7.875 05/22	A1	A-	193
Husky Energy 3.95 04/22	Baa2	BBB+	188
30-year			
CNPC 5.95 04/41	A1	A+	239
CNOOC 5 05/42	Aa3	AA-	231
SINOPEC 4.875 05/42	Aa3	A+	249
Statoil 4.25 11/41	Aa2	AA-	163
Husky Energy 6.8 09/37	Baa2	BBB+	266

数据来源: 公司报表, 中银国际/Sources: Company reports, BOCI

and his Hutchinson Whampoa, even trades richer than all of the much higher-rated Chinese names.

Similar relative values can also be found in the 5- and 30-year sectors. For the 5-year, the A1/A+ rated CNPC 17s trades 86bps wider than the A2/A rated BP Capital 17s and at nearly the same level as that of the A1/A- rated but 2-year longer Petronas 19s. In 30-year, all the Chinese bonds trade cheap to slightly higher-rated Statoil, offering 68-86bps in Z-spread pick up.

30-year SINOPEC stands out among the Chinese crowd

Among the Chinese names themselves, we also see some interesting relative value differences. Given that CNPC's ratings are about one notch lower than those of both CNOOC and SINOPEC, the 10-15bps of concessions (wider) of CNPC spreads to the CNOOC and SINPEC spreads are about fair. But between the two similarly rated CNOOC and SINOPEC, the 30-year SINOPEC seems to offer a better value for a 10bps pick-up over CNOOC.

In fact, there are a few other considerations that argue in favor of SINOPEC bonds in general.

First, the SINOPEC bonds meet the criteria of

出的部分全球同业债券的评级从 Statoil 的 Aa2/AA-至 Husky Energy 的 Baa2/BBB+, 而它们相应的 Z-spread 则在 101 基点到 188 基点。

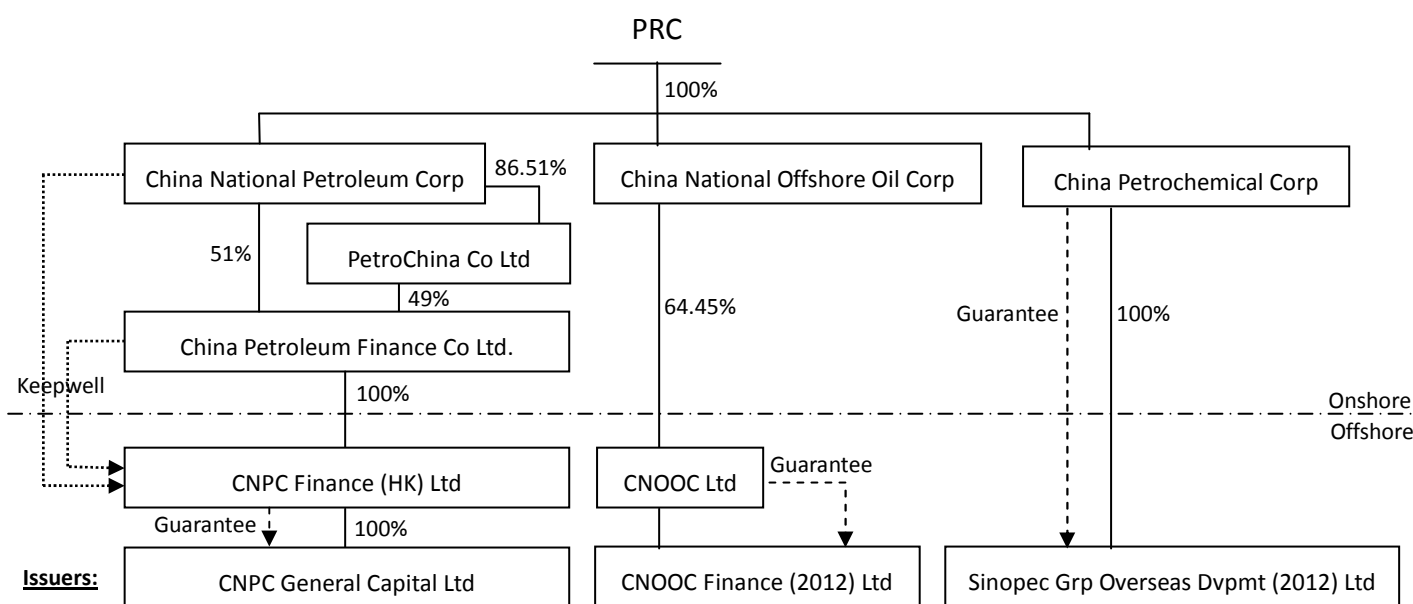
特别是,评级为 A2/A 的英国石油公司 (BP Capital) 10 年期债券的交易利差较评级 Aa2/AA-的中海油 10 年期债券贵 65 个基点。甚至评级为 Baa2/BBB+ 的赫斯基能源公司 (Husky Energy) 的债券交易价格都要贵过所有拥有更高评级的中国名字 (赫斯基能源为香港富商李嘉诚和其控制的和记黄埔旗下的一家加拿大石油生产和提炼商)。

同样的相对价值也可以在 5 年期和 30 年期债券中找到。在 5 年期债券中, A1/A+ 评级的中石油 2017 到期债券的交易利差较 A2/A 评级的英国石油 2017 到期债宽 86 个基点, 与 A1/A- 评级但到期日延后两年的马来西亚石油公司 2019 年到期债的交易利差几乎相同。在 30 年期债券中, 所有的中国名字债券均比略高评级的 Statoil 2037 到期债券便宜, Z-spread 宽 68-86 基点。

30 年期的中石化债从 3 个中国公司中脱颖而出

在这些中国名字的债券之间, 我们也可见到一些有趣的相对价值差别。介于中石油的评级比中海

图 3: 股权和发行结构 / Fig. 3: Shareholding and issuing structure



数据来源: 彭博、中银国际/Sources: Bloomberg, BOCI 注: 示意图/Note: Indicative only

EMBI (JP Morgan Emerging Market Bond Index) for its 100% government ownership, sizes and trading liquidity and will be included in the index, which is a positive for the bonds.

Second, the subtle differences in bond guarantee structures also favor SINOPEC. The issuing structures for the three names are shown in Fig. 3. The offshore SINOPEC bonds were issued under a clean and direct guarantee from the onshore parent China Petrochemical Corp, which is 100% state-owned. In comparison, the CNOOC bonds are guaranteed by the HK-listed entity CNOOC Ltd, which is 64.45% state-owned. The CNPC bonds have a more complicated guarantee structure. In fact, the CNPC bonds are only guaranteed by the company's offshore entity CNPC Finance (HK) Ltd that has very a limited asset base. This issuer has to be credit-enhanced through a keepwell promise from both its onshore controlling company China Petroleum Finance Co. Ltd and the ultimate parent company China National Petroleum Corp. Since a keepwell promise is not a full conventional legal guarantee, we see the CNPC bonds have a weaker bond guarantee structure.

Third, SINOPEC's overall financial matrix is weaker than its two domestic peers, a situation reflected by its lower stand-alone ratings (see Fig. 4). This is mainly due to its substantial business line in fuel refinery, which is under a strict government price control that has resulted in money-losses for most of refiners on the back of high oil prices. As the government plans to gradually adopt a more market-oriented pricing mechanism on fuel prices, we expect the profit margin of SINOPEC, the largest Chinese refinery, could improve in the future.

油和中石化基本都低一级，中石油的利差约相对中海油和中石化的利差折让（宽）10-15基点大致合理。在评级相似的中海油和中石化两者之间中，中石化的30年期债宽10个基点，看上去更有价值。

事实上，还有一些其它方面考虑有利于中石化的债券。

首先，中石化债券因具有100%国有背景以及发行规模和交易流动性符合EMBI（JP Morgan Emerging Market Bond Index）指数的入围条件，它们将被该指数纳入对这些债券利好。

其二，这些债券的担保结构之间的细微差别偏向于中石化。图3展示了三支债券的发行结构。中石化发行的境外债券具有由境内100%国有的母公司中国石化集团提供的明确且直接的信用担保。相比之下，中海油债券是由64.45%国有控股的香港上市公司中国海洋石油提供信用担保。中石油债券的担保结构更加复杂。事实上，中石油债券仅由中石油集团的境外公司中油财务（香港）提供担保，该实体拥有非常有限的资产。所以发行人不得不通过从其境内的控股公司中国石油财务和其最终的母公司中国石油天然气集团获取Keepwell的担保承诺来增信。由于担保承诺不完全等同于常规的全方面法律上的信用担保，因此我们认为中石油债券拥有较弱的债券担保结构。

第三，中石化的整体财务弱于它的两个国内同业，这种情况反映在其较低的独立信用评级上（见图4）。这主要受到其大量的炼油业务的拖累，由于成品油价格受到政府的严格规管，攀升的石油价格导致了大多炼油企业利润的损失。基于政府计划将成品油的定价机制逐渐转向市场化，我们预计作为中国最大炼油企业的中石化的利润率未来将会有改善。

图 4: 中石油、中国海洋石油有限公司和中国石化集团的财务摘要/ Fig .4: Financial highlights: CNPC, CNOOC Ltd. vs. China Petrochemical Corporation

	中石油 CNPC	中国海洋石油有限公司 CNOOC Ltd	中国石化集团 China Petrochemical Corp
公司主体评级/Corporate Credit Rating	Aa3/AA-	Aa3/AA-	Aa3/A+ *
独立信用评级/ Standalone rating	A1/aa-	A2/a	Baa1/a- *
储量/Reserves			
石油储量/ Oil reserve as of 2011/12/31 (百万桶/mmbbls)	11,958	1,873	4,551
中国/China (百万桶/mmbbls)	10,470	1,585	
海外/Oversea (百万桶/mmbbls)	1,488	288	
天然气储量 /Natural gas reserve as of 2011/12/31 (十亿立方英尺/bcf)	67,618	5,627	7,702
中国/China (十亿立方英尺/bcf)	65,518	4,139	
海外/Oversea(十亿立方英尺/bcf)	2,100	1,488	
总计储量(桶油当量)/Total reserve (mmBOE)	23,227	2,921	5,835
石油每日产量(桶/天)/Oil daily production (bbls/day)	3,022,000	708,286	1,301,000
天然气每日产量(百万立方英尺/天)/Gas daily production (mmcf/day)	8,435	1,172	1,512
总计每日产量(千桶油当量/天)/Total Reserve (thousand BOE/day)	4,444	909	1,553
财务/Financial (百万人民币/ RMB million)			
	Financial year-end: 2011-12-31		
	Audited	Audited	Audited
收入/Revenue	2,381,378	240,944	2,551,951
主营业务利润/Operating profit	181,696	90,567	106,727
EBITDA	352,133	121,088	221,993
短期债务/Short-term debt	246,101	19,919	131,262
长期债务/ Long-term debt	233,085	18,076	305,650
现金/ Cash	278,417	23,678	77,261
净债务/ Net debt	200,769	14,317	359,651
债务和权益/ Debt & Equity	1,993,110	300,851	1,209,254
营运现金/ FFO	NA	121,051	NA
净运营现金流/Net operating cash flow	NA	116,171	202,734
资本投入/Capex	NA	36,823	137,408
自由现金流/Free Cash flow	NA	79,348	65,326
比率/ Ratios			
EBITDA 利润率/ EBITDA margin (%)	14.8%	50.3%	8.7%
EBITDA 利息覆盖倍数/ EBITDA interest coverage (X)	19.6	76.3	18.9
总债务/EBITDA/ Total debt/EBITDA (X)	1.4	0.3	2.0
净债务/EBITDA/ Net debt/EBITDA (X)	0.6	0.1	1.6
总债务/债务和权益/ Total debt/Debt & Equity (%)	24.0	12.6	36.1
净债务/净债务和权益/ Net debt/Net Debt & Equity (%)	11.7	5.2	31.8
FFO/总债务/ FFO/Total debt (%)	NA	3.2	NA
FFO/净债务/ FFO/Net debt (%)	NA	8.5	NA

数据来源: 公司报表, 中银国际/Sources: Company reports, BOCI 注: *中国石油化工有限公司的评级/Note: *Rating for China Petroleum & Chemical Corporation

DISCLOSURE

The views expressed in this report accurately reflect the personal views of the analysts. Each analyst declares that neither he/she nor his/her associate serves as an officer of nor has any financial interests in relation to the listed corporation reviewed by the analyst. None of the listed corporations reviewed or any third party has provided or agreed to provide any compensation or other benefits in connection with this report to any of the analysts, BOCI Research Limited and BOCI Group. Member companies of BOCI Group confirm that they, whether individually or as a group (i) do not own 1% or more financial interests in any of the listed corporations reviewed; (ii) are involved in making a market in the securities of Sinopec Corp, CNOOC Ltd and Hutchison Whampoa Ltd; (iii) do not have any individual employed by or associated with any member companies of BOCI Group serving as an officer of any of the listed corporation reviewed; and (iv) do have investment banking relationship with China National Petroleum Corp, China Petrochemical Corp, CNPC Finance (HK) Ltd, CNOOC Ltd and Sinopec Corp within the preceding 12 months.

This disclosure statement is made pursuant to paragraph 16 of the “Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission” and is updated as of 30 May 2012. Waiver has been obtained by BOC International Holdings Limited from the Securities and Futures Commission of Hong Kong to disclose any interest the Bank of China Group may have in this research report.

DISCLAIMER



This report was originally prepared and issued by BOCI Research Limited for distribution to their professional, accredited and institutional investor customers. It is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject BOCI Research Limited, BOC International Holdings Limited and its subsidiaries and affiliates (collectively "BOCI Group") to any registration or licensing requirement within such jurisdictions. None of the material, nor its contents, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of BOCI Group. All trademarks, service marks and logos used in this report are trademarks or service marks or registered trademarks or service marks of BOCI Group.

The information, tools and material presented in this report are provided to you for information purposes only and shall not be used or considered as an offer or the solicitation of an offer to sell or to buy or subscribe for securities or other financial instruments. BOCI Group may not have taken any steps to ensure that the securities referred to in this report are suitable for any particular investor. The contents of this report do not constitute investment advice to any person and such person shall not be treated as a customer of BOCI Group by virtue of receiving this report.

Information and opinions presented in this report have been obtained or derived from sources believed by BOCI Group to be reliable, but BOCI Group makes no representation as to their accuracy or completeness and BOCI Group accepts no liability for loss arising from the use of the material presented in this report unless such liability arises under specific statutes or regulations. This report is not to be relied upon in substitution for the exercise of independent judgment. BOCI Group may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. The reports reflect the different assumptions, views and analytical methods of the analysts who prepared them. For the avoidance of doubt, views expressed in this report do not necessarily represent those of BOCI Group.

This report may provide the addresses of, or contain hyperlinks to, various websites. To the extent that this report refers to material outside BOCI Group's own website, BOCI Group has not reviewed the linked sites and takes no responsibility for the content contained therein. Such address or hyperlink (including addresses or hyperlinks to BOCI Group's own website material) is provided solely for your convenience and information and the content of the linked sites does not in any way form part of this report. Accessing such websites shall be at your own risk.

BOCI Group may, to the extent permitted by law, participate or invest in financing transactions with the issuer(s) of the securities referred to in this report, perform services for or solicit business from such issuers, and/or have a position or effect transactions in the securities or other financial instruments thereon. BOCI Group may, to the extent permitted by law, act upon or use the information or opinions presented herein, or the research or analysis on which they are based, before the material is published. BOCI Group and the analysts preparing this report (each an "analyst" and collectively the "analysts") may have relationships with, financial interests in or business relationships with any or all of the companies mentioned in this report (each a "listed corporation" and collectively the "listed corporations"). See "Disclosure".

Information, opinions and estimates are provided on an "as in" basis without warranty of any kind and may be changed at any time without prior notice. Nothing in this report constitutes investment, legal, accounting or tax advice nor a representation that any investment or strategy is suitable or appropriate to your individual circumstances. Nothing in this report constitutes a personal recommendation to you.

This report has been prepared and issued by BOCI Research Limited. This information is confidential and is intended solely for the use of its recipient. This report is distributed in Hong Kong by BOCI Research Limited and BOCI Securities Limited; in Singapore by BOC International (Singapore) Pte. Ltd. This report and any information, material and contents herein are intended for general circulation only and do not take into account the specific investment objectives, financial situation or particular needs or any particular person. This report and any information, material and contents herein are intended for general circulation only and do not take into account the specific investment objectives, financial situation or particular needs or any particular person. The investment(s) mentioned in this report may not be suitable for all investors and a person receiving or reading this report should seek advice from a financial adviser regarding the suitability of such investment(s), taking into account the specific investment objectives, financial situation or particular needs of that person, before making a commitment to purchase any of such investment(s). The suitability of any particular investment or strategy whether opined on, described in or referred to in this report or otherwise will depend on a person's individual circumstances and objectives and should be confirmed by such person with his advisers independently before adoption or implementation thereof (either as is or is varied).

Without prejudice to any of the foregoing disclaimers, to the extent that the reader is an accredited or expert investor as defined in Regulation 2 of the Financial Advisers Regulations ("FAR") of the Financial Advisers Act (Cap. 110) of Singapore ("FAA"), BOC International (Singapore) Pte Ltd is in any event exempted (i) by Regulation 34 of the FAR from the requirement to have a reasonable basis for making any recommendation as mandated under Section 27 of the FAA, and (ii) by Regulation 35 of the FAR from the requirements in Section 36 of the FAA mandating disclosure of any interests in securities mentioned in this report, or in their acquisition or disposal, that it or its associated or connected persons may have. The recipient of the analysis or report should contact BOCI in Singapore if they have any queries as to the report/analysis. Copyright 2012 BOCI Research Limited, BOC International Holdings Limited and its subsidiaries and affiliates. All rights reserved.

20/F, Bank of China Tower
1 Garden Road
Hong Kong
Tel: (852) 2867 6333
Fax: (852) 2147 9513

Toll free numbers to Hong Kong:

China North: 10800 8521065

China South: 10800 1521065

Singapore: 800 852 3392

BOCI Securities Limited

20/F, Bank of China Tower
1 Garden Road
Hong Kong
Tel: (852) 2867 6333
Fax: (852) 2147 9513

BOC International (Singapore) Pte. Ltd.

Reg. No. 199303046Z

4 Battery Road
4/F Bank of China Building
Singapore 049908
Tel: (65) 6412 8856 / 6412 8630
Fax: (65) 6534 3996 / 6532 3371