
BCP SECURITIES

RECENT REPORTS

APRIL 2020

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LATEST REPORTS RELEASED

ECONOMIC OUTLOOK AND EMERGING MARKETS TOP PICKS 2Q20
6th APRIL – 71 PAGES

67 RESEARCH NOTES SENT IN APRIL



RESEARCH NOTES



04/30/20 - BCP Research: Gol (GOLLBZ: -/ B-/ B) - Awaiting More Visibility - Downgrade '24s to Neutral

Summary: Since our upgrade at 35.5c, it seems investors agree with our view that Gol likely has an ability to navigate this challenging airline environmen...

04/30/20 - BCP Research: Pemex (PEMEX Ba2/BBB/BB-) 1Q20 Earnings - Weak

Summary: Mexico's state oil company, Pemex, reported weak 1Q20 earnings. Revenue declined sequentially in line with weaker crude as the avg. price decrease...

04/30/20 - BCP Research: Seplat (SEPLLN B2/B-/B-) 1Q20 results

Summary: Nigerian oil and gas upstream company Seplat reported 1Q20 results. Importantly, the company remains with a very strong cash position, enough to c...

04/30/20 - BCP Research: Garanti (GARAN B2/-/B+) resilient 1Q20 results

Summary: Turkish bank Garanti reported resilient 1Q20 results. The bank reported a strong FX liquidity buffer of 4x its short-term maturities, while announ...

04/30/20 - BCP Research: America Movil (AMX A3/A-/A-) 1Q20 Earnings- Mixed

Summary: Mexico's Telecom giant, America Movil, reported mixed 1Q20 earnings. Service revenue was flat q/q as higher postpaid sales were offset by lower fi...

04/30/20 - BCP Research: UNIFIN (UNIFIN -/BB-/BB) 1Q20 Earnings - Neutral

Summary: Mexican leasing company, UNIFIN, reported neutral 1Q20 earnings under IFRS. Leasing loans managed to increase by 10% q/q despite a steep decline i...

04/30/20 - BCP Research: Ukrainian Railway (RAILUA - -/CCC/B) --- 2H19 Financial Results --- Sequentially Stronger; Rating Downgrade on Weak Liquidity

Summary: On April 29, 2019, Ukrzaliznytsia (Ukrainian Railways) posted its 2019 financial report and hosted a video conference call via Skype. Revenue demo...

04/29/20 - BCP Research: Turkcell (TCELLT -/BB-/BB-) stable 1Q20 results

Summary: Turkish telecommunication provider Turkcell reported stable 1Q20 results. Revenue was broadly unchanged q/q while EBITDA expanded 2% q/q, improvin...

04/29/20 - BCP Research: Naftogaz of Ukraine (NAFTO - -/ -/B) --- 4Q19 IFRS Results --- Sequentially Stronger

Summary: On April 29, 2019, Naftogaz of Ukraine, the country's oil and natural gas champion, posted its 2019 IFRS results (audited by Deloitte) and held a ...

04/29/20 - BCP Research: Minerva (BEEFBZ: /BB-/BB-) 1Q20 Results - Sound

Summary: Brazilian beef producer, Minerva, released sound 1Q20 earnings, as beef prices in USD remained strong given resilient Asia demand despite the Covi...



RESEARCH NOTES



04/29/20 - BCP Research: Digicel (DLLTD) - Sweetening the Pot for DL '23s - Maintain 'Positive' on DL 21s, DGL2 22s

Summary: Digicel announced the extension of its exchange, which includes the sweetening of the tender offer for DL 23s following weak participation (6%) t...

04/29/20 - BCP Research: Credivalores (CREDVA -/B/B+) 4Q19 Earnings - Positive

Summary: Colombian payroll and credit card lender Credivalores reported positive 4Q19 earnings. Total loans were 5% higher q/q, driven by a sequential doub...

04/29/20 - BCP Research: Grupo Televisa (TELVIS Baa1/BBB+/BBB+) 1Q20 Earnings - Soft

Summary: Mexico's largest broadcaster, Grupo Televisa, reported stable 1Q20 earnings. Revenue decreased y/y mainly due to a large decline in advertising sa...

04/28/20 - BCP Research: Nitrogenmuvek (NITROG --- -/B-/B-) --- 2019 IFRS Results --- EBITDA Notably Up

Summary: On April 27, 2020, Nitrogenmuvek, a Hungarian fertilizer producer, announced 2019 results and held a conference call (first one in over a year, th...

04/28/20 - BCP Research: Akbank (AKBNK B1/-/B+) resilient 1Q20 results

Summary: Turkish bank Akbank opened the 1Q20 Turkish banks earnings season, reporting resilient 1Q20 results. Management reports a strong FX liquidity buff...

04/28/20 - BCP Research: Copa Holdings S.A. - New Convertible Boosts a Strong Balance Sheet

Summary: Yesterday Copa Holdings S.A., an international Panama based airline, issued a US\$350 mm 5-year sr. unsecured convertible bond, with a 4.5% coupon ...

04/28/20 - BCP Research: Metinvest (METINV --- B3/B *-/BB-) --- February 2020 Report --- Further Improved, but...

Summary: On April 27, 2020, Metinvest (B3/B *-/BB-) released its further improved February 2020 results: revenue grew sequentially (+5% m/m to US\$860 mm) a...

04/28/20 - BCP Research: Mexarrend (DOCUFO -/B+/BB-) 1Q20 Earnings - Neutral

Summary: Mexican leasing company, Mexarrend, reported neutral 1Q20 earnings as leasing loans managed to increase by 8% q/q despite the domestic economic we...

04/27/20 - BCP Research: Car Inc. (CARINC Caa1/ CCC/-) - S&P Downgraded to CCC, Outlook Negative

Summary: On April 27, S&P downgraded CARINC USD bonds from "B-" to "CCC" on liquidity deterioration. Car Inc had US\$845mm cash and US\$2,137mm gross debt in...

04/27/20 - BCP Research: Alliance Oil (VOSTOK --- -/NR/WD) --- Meeting Results

Summary: On April 27, 2020, Alliance Oil, a Russia-based private oil producer and refiner, announced that the meeting of the VOSTOK 20s holders was held by...



RESEARCH NOTES



04/24/20 - BCP Research: Alliance Oil (VOSTOK --- -/NR/WD) --- Early Results: 56.3%

Summary: On April 24, 2020, Alliance Oil, a Russia-based private oil producer and refiner, announced indicative early results: the issuer received tender i...

04/24/20 - BCP Research: Unigel (UNIGEL -/B+/B+) 4Q19 Earnings - Improved

Summary: Brazilian petrochemical company, Unigel, reported improved 4Q19 results, yet impacted by Petbra ammonia supply disruption. Acrylic volumes and EBI...

04/24/20 - BCP Research: Marfrig (MRFGZ: B1/BB-/BB-) - Recent News - Reiterate 'Market Outperform'

Summary: Recently, news reports have increasingly mentioned protein plant closures/interruptions given employee Covid19 cases, namely (Smithfield (US) and ...

04/24/20 - BCP Research: Grupo KUO (KUOBMM -/BB/BB) 1Q20 Earnings - In line with Stress Test, Reiterate Outperform

Summary: Mexican conglomerate, Grupo KUO, reported positive 1Q20 earnings. The strong consumer business continued to drive earnings with double digit growt...

04/24/20 - BCP Research: Interpipe (INTHOL) --- 4Q19 Financial Results --- Slightly Softer with Strong Cash Position and Leverage below 1.0x

Summary: On April 23, 2020, Interpipe (INTHOL), Ukraine's leading producer of steel pipes and railway products, released its audited 2019 financial results...

04/23/20 - BCP Research: Avianca (PFAVH - /CCC / C) - Thoughts on 20-F Delay and Default, Speculative Oppty? - Maintain Neutral

Summary: Today, Avianca announced the delay of its 20-F by 45 days, which will include statements regarding (1) its default on certain outstanding indebte...

04/23/20 - BCP Research: Crédito Real (CREAL -/BB /BB+) 1Q20 Earnings - Soft

Summary: Mexican payroll lender, Credito Real, reported soft 1Q20 earnings. Mexico's PDL loans were 1% higher q/q accounting for 57% of total loans, as Fed...

04/23/20 - BCP Research: Weekly Update of COVID-19 Epidemic in China

Hubei released GDP statistics for 1Q. Nominal GDP dropped 39.2% y/y. CPI increased 6.1% y/y. The epidemic has been contained in the province with 59m popul...

04/23/20 - BCP Research: Dr Peng Telecom & Media Group Co Ltd (CHEDRP Caa1/-/-) - Media Reports Only Interest Transferred To Trustee - Maintain "Positive" Rating

Summary: Today, media reported that Dr Peng transferred only the interest payment to the trustee for the US\$140mm (CNY 998mm) CNY bond putable this week. A...

04/23/20 - BCP Research: Aeropuertos Argentina (AEROAR Caa3/B/-/-) thoughts on exchange offer - Upgrade AEROAR 27s to 'Positive'

Summary: On Tuesday April 21, Aeropuertos Argentina launched an exchange offer for its senior secured 6.875% 2027s for new senior secured 2027s ("Series 20...



RESEARCH NOTES



04/22/20 - BCP Research: Car Inc. (CARINC Caa1/ B-/-) - Warburg Pincus Closed First Tranche Deal With UCAR

Summary: On April 22, Car Inc announced that Warburg Pincus closed first tranche deal with UCAR to acquire 4.65% stake in Car Inc for US\$29mm. After the de...

04/22/20 - BCP Research: Aeroméxico (AERMEX B3/ B+/ -) - 1Q20 Results - Weak

Summary: Aeroméxico (Aeromex) was the first of several Latin American airlines due to report 1Q20 results, providing a window into what is to come for the...

04/21/20 - BCP Research: Alliance Oil (VOSTOK --- -/NR/WD) --- Second Extension

Summary: On April 21, 2020, Alliance Oil, a Russia-based private oil producer and refiner, announced the second extension for its April 3, 2020 proposal. T...

04/20/20 - BCP Research: Noble Group Holdings Limited - Consent Solicitation - Maintain 'Speculative Buy' on NOBLET 23s

Summary: Noble Group Limited is seeking a consent solicitation which, if passed, would allow the company to use up to US\$120 mm to repurchase Tranche B As...

04/20/20 - BCP Research: Nemak (TNEMAK Ba1/BB+/BBB-) 1Q20 Earnings - Weak

Summary: Mexican auto parts maker, Nemak reported weak 1Q20 earnings. Revenue decreased y/y due to double digit declines in light vehicle production in bot...

04/20/20 - BCP Research: Atento (ATENTO: Ba3 / /B+) - Initial Thoughts

Summary: Atento is a leading multinational company in the CRM BPO (Consumer Relationship Management and Business-process Outsourcing) sector, with the bulk...

04/20/20 - BCP Research: Alliance Oil (VOSTOK --- -/NR/WD) --- 4Q19 IFRS Results --- Sequentially Weaker; Early Deadline Extended

Summary: Alliance Oil, a Russia-based private oil producer and refiner, posted sequentially weaker 4Q19 IFRS financial results with revenue remaining gener...

04/20/20 - BCP Research: Axtel (AXTEL Ba3/BB/BB-) 1Q20 Earnings- Weak

Summary: Mexican telecom company, reported weak 1Q20 earnings. Revenue decreased q/q as both Govt. and infrastructure revenue declined, offsetting an incre...

04/20/20 - BCP Research: FINDEP (FINDEP -/BB-/BB) 1Q20 Earnings - Soft

Summary: Mexican personal loan lender, FINDEP, reported soft 1Q20 earnings. Although loans in the US increased by 20% q/q in MXN terms, in USD terms US loa...

04/17/20 - BCP Research: Weekly Update of COVID-19 Epidemic in China

China ended quarantine and fully reopened its economy. Last medical team from other provinces left Wuhan on April 14. Number of new cases picked up in prov...



RESEARCH NOTES



04/17/20 - BCP Research: Metalsa (METLSA -/BB+/BBB-) 4Q19 Earnings - Weak

Summary: Mexican auto parts manufacturer, Metalsa, reported weak 4Q19 earnings. Revenue decreased y/y due to lower light vehicle production in both NA and ...

04/17/20 - BCP Research: O1 Properties (OPRORU --- Caa3/D/-) --- Did not Pay March 2020 Coupon, Looking to Engage in Talks with Bondholders

Summary: O1 Properties (Caa2/CC/-), Russian real estate investment company, announced that 'due to a number of factors, including the outbreak of the COVI...

04/17/20 - BCP Research: Alpek (ALPEKA Baa3/BBB-/BBB-) 1Q20 Earnings - Mixed

Summary: Mexican petrochemical company, Alpek, reported mixed 1Q20 earnings. Revenue was 2% higher q/q from higher PET and PP volumes, partially offsetting...

04/16/20 - BCP Research: Car Inc. (CARINC Caa1/ B/-) - Warburg Pincus To Buy 17% Stake in Car Inc from UCAR

Summary: On April 16, Car Inc announced through a regulatory filing that Warburg Pincus, a 10% shareholder of Car Inc, planned to buy a 17% interest in the...

04/15/20 - BCP Research: Ezdan (ERESQD --- - /B/-) --- 4Q19 Financial Results --- Sound

Summary: Ezdan (-/B/-), Qatari-based real estate management company, released sound 4Q19 financial results: revenue remained generally stable at QAR 332 mm...

04/15/20 - BCP Research: Digicel (DLLTD) - Early Tender Results - Maintain 'Positive' on DL 21s, DGL2 22s

Summary: This morning Digicel announced the results of its early tender in which it received participation from 97% of DGL1 bondholders, 87% of DGL2 22 and...

04/14/20 - BCP Research: Digicel (DLLTD) - Thoughts on Exchange Offer - Maintain 'Positive' on DL 21s, DGL2 22s

Summary: Following up on our April 2, 2020 note, we detail below our thoughts on Digicel's exchange announcement as well as our estimated pro-forma capita...

04/14/20 - BCP Research: MHP (MHPSA --- -/B/B+) --- 4Q19 IFRS Results --- EBITDA Weaker Still

Summary: On April 14, 2020, MHP, Ukraine's largest poultry producer, announced its 4Q19 IFRS results and hosted a conference call. With the completed Phase...

04/14/20 - BCP Research: Terrafina (TERRAF Baa3/-/BBB-) Initial Thoughts

Summary: Terrafina is a Mexican REIT focused on industrial real estate with a total GLA of 3.9 million m2 as of 4Q19. Mexico's Northern region accounts for...

04/14/20 - BCP Research: Dar Al Arkan (DARALA --- B1/-/-) --- 4Q19 Financial Results --- Softer

Summary: Dar Al Arkan (B1/-/-), the largest real estate developer (land-trading company) by market value in the Kingdom of Saudi Arabia (KSA), published it...



RESEARCH NOTES



04/14/20 - BCP Research: Andrade Gutierrez (ANDRGI: //CCC+) 4Q19 Results - Positive first read

Summary: Brazilian construction and engineering company, Andrade Gutierrez, released positive 4Q19 results. Backlog consumption in the period, through the ...

04/13/20 - BCP Research: Hilong Holding Ltd (B1/-/B+) - Negative 2H19 Results

Summary: Chinese oil equipment manufacturer and service provider Hilong Holding Ltd ('Hilong') released negative 2H19 results. 48% of revenue and 87% of gr...

04/10/20 - BCP Research: PT Modernland Realty Tbk (MDLNII B3/B- B) - Mixed 4Q19 Results

Summary: Indonesian real estate company, PT Modernland Realty Tbk ("Modernland") released mixed 4Q19 results. Revenue and calculated EBITDA achieved high g...

04/09/20 - BCP Research: Weekly Update of COVID-19 Epidemic in China

Number of new cases in China remained low last week. Provinces set the school reopening date for 1~6 grade students in mid-April, when the contagion risk i...

04/09/20 - BCP Research: Grupo Idesa (IDES A -/CCC-/C) Exchange Offer Thoughts

Summary: Mexican petrochemical company, Grupo IDESA, announced an exchange offer for any and all of the outstanding US\$300 mm 7.875% bonds due 2020. The ex...

04/09/20 - BCP Research: General Shopping (GSHPBR: Caa3//CCC-) 4Q19 Results - Weak

Summary: Brazilian mall operator, General Shopping, released weak 4Q19 earnings. Significantly reduced portfolio, after asset transfer to real estate fund,...

04/08/20 - BCP Research: Kaisa Group Holdings Limited (KAISAG B2/-/B) - Mixed 2H19 Preliminary Results - Maintain 'Market Outperform' on 8.5% 22s.

Summary: China residential property developer, Kaisa Group Holdings Limited ("Kaisa") released mixed 2H19 preliminary results. No cash flow statement was d...

04/08/20 - BCP Research: IHS Towers (IHSNLD B2/B+/B+) relatively weak 4Q19 results

Summary: Nigerian telco tower company IHS Netherlands (IHSNLD) reported relatively weak 4Q19 results. Recall in previous quarter the company issued two new...

04/08/20 - BCP Research: China Hongqiao Group Limited (HONGQI B2/-/BB-) - Positive Preliminary 2H19 Results

Summary: China's largest aluminium producer China Hongqiao Group Limited ("Hongqiao") released positive preliminary 2H19 results. No cash flow statement wa...

04/07/20 - BCP Research: Sunac China Holdings Ltd (SUNAC B1/B+/BB) - Mixed Preliminary 2H19 Results

Summary: Chinese residential property developer Sunac China Holdings Ltd ("SUNAC") released mixed preliminary 2H19 results. No cash flow statement was disc...



RESEARCH NOTES



04/07/20 - BCP Research: Braskem (BRASKM -/BBB-/BBB-) 4Q19 Earnings - Weak & Impacted by Alagoas

Summary: Brazilian petrochemical company, Braskem, reported weak 4Q19 earnings. Braskem incurred a US\$821 mm provision expense related to Alagoas, from per...

04/03/20 - BCP Research: Alliance Oil (VOSTOK --- -/NR/WD) --- Restructuring Proposal

Summary: On April 3, 2020, Alliance Oil, a Russia-based private oil producer and refiner, announced a restructuring proposal for its outstanding US\$500 mm ...

04/02/20 - BCP Research: Weekly Update of COVID-19 Epidemic in China

On March 31, China started to report the number of asymptomatic cases (tested positive for the virus but show no symptoms) separately. According to NHC's d...

04/02/20 - BCP Research: Digicel (DLLTD) - Exchange Offer on DGL1s, DGL2s, DL21s and DL23s

Summary: Today, Caribbean telecom provider Digicel announced an exchange offer and consent solicitation for DGL1s, DGL2s, DL 21s and DL 23s, totaling US\$5...

04/02/20 - BCP Research: Car Inc. (CARINC B1/B+/-) - Governance Concern - Suspending Rating on 21s

Summary: On April 2, Luckin Coffee ("Luckin"), an affiliated company of Car Inc, announced that, the Special Committee comprised of three independent direc...

04/01/20 - BCP Research: Fidelity Bank (FIDBAN -/B-/B-) sound 4Q19 results

Summary: Nigeria-based Fidelity Bank reported sound 4Q19 results. Net interest income before provisions grew 16% q/q and FY ROAE was maintained at double d...

04/01/20 - BCP Research: Yestar Healthcare Holdings Company Ltd (YESTAR Ba3/-/WD) - Neutral Preliminary 2H19 Results - Lawsuit With Minority Shareholders

Summary: Chinese healthcare supplies distributor and manufacturer, Yestar Healthcare Holdings Company Limited ("Yestar"), released positive audited prelimi...



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"Market Outperform" – The bond's total return is expected to exceed the total return of the J.P. Morgan Corporate Emerging Markets Bond Index series ("CEMBI") Broad Diversified High-Yield Index over the next 3 – 6 months.

"Market Perform" – The bond's total return is expected to be in line with the total return of the CEMBI Broad Diversified High-Yield Index over the next 3 – 6 months.

"Market Underperform" – The bond's total return is expected to be below the total return of the CEMBI Broad Diversified High-Yield Index over the next 3 – 6 months.

"Not Rated" or no comment – Currently, the analyst does not have adequate conviction about the bond's total return relative to the CEMBI Broad Diversified High-Yield Index over the next 3 – 6 months.

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