

SECTOR IN-DEPTH

21 October 2019



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EM Covenant Monitor

EM covenant quality scores weaken further as Chinese bonds dominate issuance

- » **Emerging markets (EM) covenant quality scores weaken further.** The average covenant quality (CQ) score for full-package EM bonds issued during the six months ended 30 September 2019 weakened to 3.35 (moderate ↓) from 3.25 (moderate ↓) for the six months ended 31 March 2019. The average CQ score for EM bonds from January 2011 through September 2019 is 2.90 (moderate).
- » **EM covenant quality remains stronger than in North America and EMEA.** The average CQ score of 3.35 (moderate ↓) for EM bonds for the six months ended 30 September 2019 was considerably stronger than the average of 3.64 for EMEA (excluding EM countries; only including bonds issued from 1 April 2019 to 14 August 2019) bonds and 4.27 (weakest) for North American bonds for the same period. EM bonds have the strongest scores in four of the six key risk areas. Liens subordination scores are weaker than EMEA bonds but remain stronger than North American bonds, while structural subordination remains a key area of weakness.
- » **Chinese bonds continue to drive EM bond issuance.** We scored 75 EM bonds issued during the six months ended 30 September 2019, of which 55 were full-package and 20 were high-yield lite. Asian companies accounted for 80% of EM bond issuance (Chinese companies accounted for 85% of the Asian bonds), Latin America accounted for 13%, EM EMEA accounted for 7%.
- » **Liens subordination scores for EM bonds have weakened considerably.** The average liens subordination score for EM bonds issued during the six months ended 30 September 2019 weakened to 2.86 (moderate) from 2.33 (good) in the previous six months, a weakening of 23%. This was because of Chinese bonds increasingly including credit facility debt carve-outs that can be secured under the permitted liens carve-outs, resulting in significant potential liens subordination.

The schematic below summarizes our covenant quality (CQ) scoring, which is on a five-point scale, with CQ1 the most protective package and CQ5 the weakest. ↑ indicates the score is in the upper tier of the given scoring category. ↓ indicates the score is in the lowest tier of a given scoring category.

← Stronger										Weaker →											
CQ1			CQ2			CQ3			CQ4			CQ5									
Strong			Good			Moderate			Weak			Weakest									
Strong CQ Score < 1.80																					
			Upper (↑) 1.80 ≤ CQ Score < 2.00			Lower (↓) 2.40 ≤ CQ Score < 2.60			Upper (↑) 2.60 ≤ CQ Score < 2.80						Lower (↓) 3.20 ≤ CQ Score < 3.40						
												Upper (↑) 3.40 ≤ CQ Score < 3.60						Lower (↓) 4.00 ≤ CQ Score < 4.20			

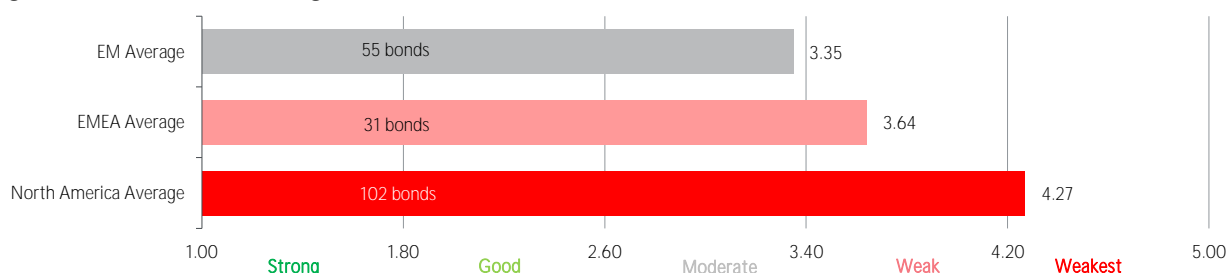
The strongest EM bond issued during the six months to 30 September 2019 was from Indonesian oil & gas issuer [Medco Energi Internasional Tbk \(P.T.\)](#) (B2 positive) with a score of 1.84 (good ↑). Medco's bond uses a \$1 debt test that requires the satisfaction of both a fixed charge coverage ratio test and a net leverage ratio test. The EM bond with the weakest score was a sponsor-led deal by UAE issuer [GEMS MENASA Cayman Ltd](#) (B2 stable), which received a score of 4.55 (weakest). The bond scored in the weakest category for cash leakage, leveraging, liens subordination and change of control.

EM covenant quality remains stronger than in North America and EMEA

The 3.35 (moderate ↓) EM average score for the six months ended 30 September 2019 is considerably stronger than the average of 3.64 (weak) for EMEA (references to EMEA in this report exclude EM countries and only include bonds issued from 1 April 2019 to 14 August 2019) bonds and 4.27 (weakest) for North American bonds for the same period (Exhibit 2).

Exhibit 2

Covenant packages for EM bonds remain stronger than EMEA and North American bonds



Notes:

[1] Excludes high-yield lite bonds.

[2] Average scores for EM and North America reflect scores from 1 April 2019 through 30 September 2019.

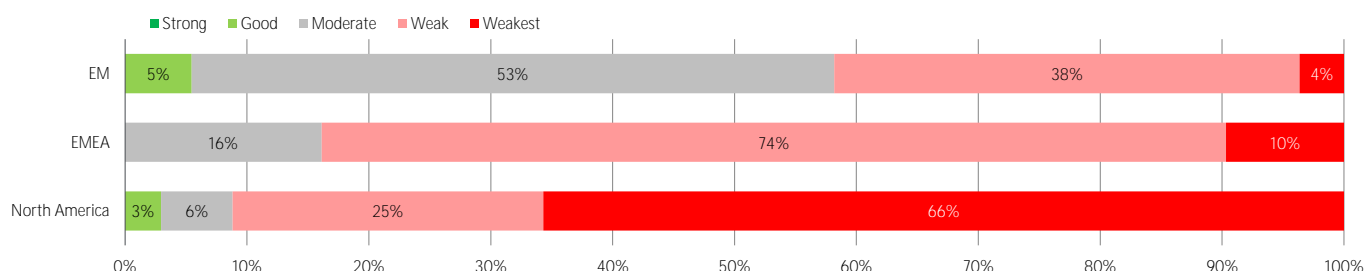
[3] Average scores for EMEA reflect scores from 1 April 2019 through 14 August 2019.

Source: Moody's High-Yield Covenant Database

A lower percentage of EM bonds fell in the weak or weakest categories (42%) than bonds from EMEA (84%) and North America (91%) (Exhibit 3).

Exhibit 3

Fewer EM bonds fell in the weak or weakest categories



Notes:

[1] Excludes high-yield lite bonds.

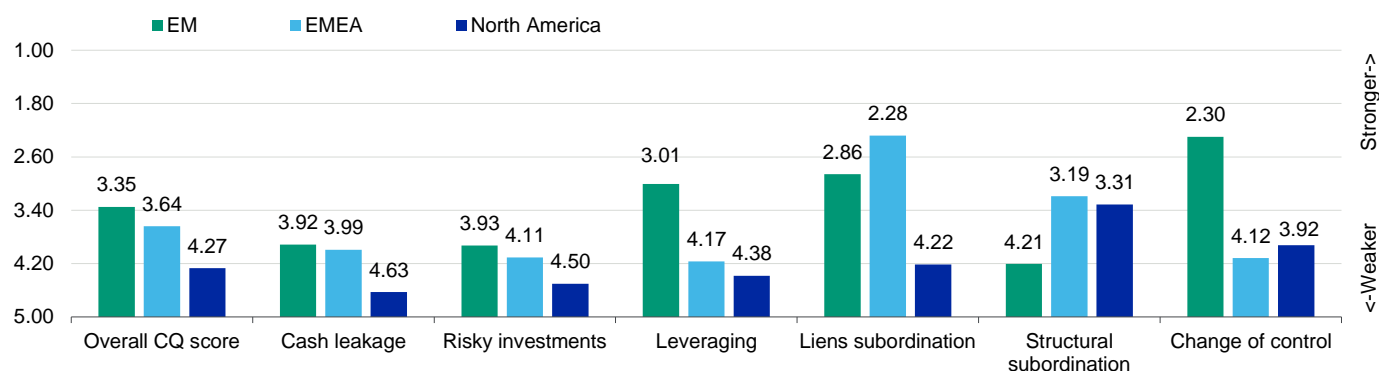
[2] For EM and North American bonds issued from 1 April 2019 through 30 September 2019.

[3] For EMEA bonds issued from 1 April 2019 through 14 August 2019.

Source: Moody's High-Yield Covenant Database

EM bonds issued in the six months ended 30 September 2019 have stronger cash leakage, risky investments, leveraging and change of control scores than EMEA and North American bonds issued in the same period (Exhibit 4). Liens subordination scores are weaker than EMEA bonds but remain stronger than North American bonds. Structural subordination remains a key area of weakness because of the lack of guarantees from onshore operating subsidiaries for Chinese bonds.

Exhibit 4

EM bonds have stronger scores in four of the six key risk areas

Notes:

[1] Excludes high-yield lite bonds.

[2] Average scores for EM and North America reflect scores from 1 April 2019 through 30 September 2019.

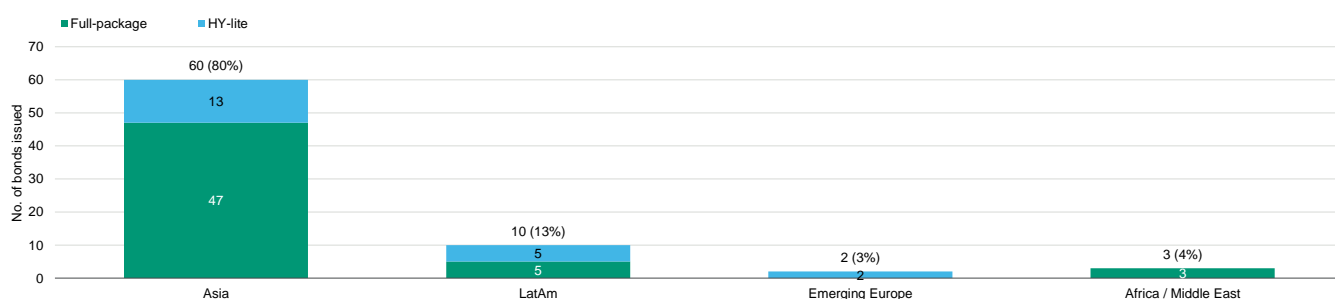
[3] Average scores for EMEA reflect scores from 1 April 2019 through 14 August 2019.

Source: Moody's High-Yield Covenant Database

Chinese bonds continue to drive EM bond issuance

We scored 75 high-yield EM bonds (55 full-package and 20 high-yield lite (HY-lite)) issued in the six months ended 30 September 2019. Asia accounted for 80% of these bonds, Latin America for 13%, Emerging Europe for 3%, and Africa and the Middle East for 4% (Exhibit 5).

Exhibit 5

Asian companies dominate EM bond issuance

Note: For high-yield bonds issued from 1 April 2019 to 30 September 2019.

Source: Moody's High-Yield Covenant Database

Chinese companies issued 41 full-package and 10 HY-lite bonds, accounting for 67% of EM bond issuance and 84% of Asian EM bonds issuance. Chinese property developers accounted for 34 full-package and five HY-lite bonds (51% of EM bond issuance). Indian companies issued seven bonds, including three HY-lite bonds collectively from [Vedanta Resources Limited](#) (Ba3 negative) and [JSW Steel Limited](#) (Ba2 positive). Vedanta and JSW Steel's bonds rank in the upper-tier of our three tiered HY-lite scale because they include a debt incurrence covenant.

Each of the five full-package bonds from Latin American companies fell in the weak or weakest categories. This includes [YPF Energia Electrica S.A.](#)'s (Caa2 rating under review) bond, which, despite including a protective debt ratio test that requires the satisfaction of both an interest coverage ratio test and a net leverage ratio test, still received an overall score of 3.41 (weak ↑) because of cash leakage, structural subordination and change of control scores that fell in the weak or weakest category.

Both Emerging Europe bonds issued during this period were HY-lite bonds issued by Russian companies.

African and Middle Eastern companies issued three full-package bonds, including a sponsor-led deal by GEMS MENASA, which received the weakest score for EM bonds issued during this period. The company can make any restricted payment as long as it satisfies a

consolidated net leverage ratio test, has a large credit facility cushion that can be secured under the permitted liens carve-outs and has very aggressive EBITDA add-backs that include uncapped run rate cost reduction synergies. Since we began scoring in 2011, no issuer from Africa and the Middle East has issued a HY-lite bond.

Liens subordination scores for EM bonds have weakened considerably

The average liens subordination score for EM bonds issued during the six months ended 30 September 2019 weakened to 2.86 (moderate) from 2.33 (good) in the previous six months, a weakening of 23%. This can largely be attributed to a 29% weakening of the average liens subordination scores for Chinese bonds, which weakened to 2.91 (moderate) from 2.25 (good) in the previous six months. Chinese bonds accounted for 41 of the 55 full-package EM bonds issued during the six months ended 30 September 2019.

Liens subordination scores have weakened as Chinese bonds increasingly include credit facility carve-outs under their joint debt carve-outs, which are jointly capped at a percentage of total assets. Credit facility carve-outs are seen as a weakness because they are not tied to a specific purpose and can typically be secured under the permitted liens carve-outs without equally and ratably securing the bonds.

Of the 41 Chinese full-package bonds issued during the six months ended 30 September 2019, 23 (56%) included a credit facility carve-out and could secure such debt under the permitted liens carve-outs, compared to 40% in the previous six months. Average secured debt carve-outs for Chinese bonds, measured in terms of EBITDA, increased to 3.3 times EBITDA for the six months to 30 September 2019 from 2.1 times EBITDA in the previous six months (for a more detailed explanation, please refer to our recent report "[Credit facility carve-outs are becoming more common in Chinese bonds](#)", 3 September 2019).

Appendix: EM bonds issued during the six months to 30 September 2019

List of EM bonds issued from 1 April 2019 to 30 September 2019

Company	Principal Country of Operations	Industry	Issue Date	Description of Notes	Current CRR	CFR at Issuance	Bond Rating at Issuance	Cash Leakage	Risky Investments	Leveraging	Liens Subordination	Structural Subordination	Change of Control	Overall CQ Score
Asia														
Medco Energi Internasional Tbk (P.T.)	Indonesia	Oil & Gas	14-May-19	\$650m 7.375% Senior Notes due 2026	B2	B2	B2	2.50	2.25	1.35	1.50	2.00	1.50	1.84
Meinian Onehealth Healthcare Holdings Co., Ltd.	China	Healthcare	3-Apr-19	\$200m 7.75% Guaranteed Senior Notes due 2021	Ba2	Ba2	Ba2	1.00	3.20	3.85	1.00	4.65	2.00	2.40
Jinke Property Group Co., Ltd.	China	Construction & Homebuilding	20-Jun-19	\$300m 8.375% Notes due 2021	B1	B1	B2	2.35	3.30	2.85	1.00	4.65	2.00	2.50
Road King Infrastructure Limited	China	Construction & Homebuilding	30-Sep-19	\$480m 6.7% Guaranteed Senior Notes due 2024	Ba3	Ba3	Ba3	2.00	3.45	3.70	1.25	4.40	2.00	2.66
Delhi International Airport Private Limited	India	Infrastructure & Project Finance	4-Jun-19	\$350m 6.45% Senior Secured Notes due 2029	Ba2	Ba2	Ba2	4.50	3.85	2.05	1.75	1.00	2.80	2.75
Greenko Solar (Mauritius) Limited	India	Power Project	29-Jul-19	\$500m 5.550% Senior Notes due 2025	Ba1	Ba1	Ba1	2.70	2.50	3.10	1.75	4.40	3.30	2.82
Greenko Solar (Mauritius) Limited	India	Power Project	29-Jul-19	\$450m 5.950% Senior Notes due 2026	Ba1	Ba1	Ba1	2.70	2.50	3.10	1.75	4.40	3.30	2.82
Jiangsu Zhongnan Construction Grp Co., Ltd.	China	Construction & Homebuilding	18-Jun-19	\$350m 10.875% Guaranteed Senior Notes due 2022	B2	B2	B3	1.10	3.30	3.25	4.25	4.40	2.00	2.91
Greenko Mauritius	India	Power Project	14-Aug-19	\$350m 6.25% Senior Notes due 2023	Ba1	Ba1	Ba1	1.00	3.10	2.15	5.00	5.00	3.30	2.93
Lippo Malls Indonesia Retail Trust	Indonesia	REIT	19-Jun-19	\$250m 7.25% Guaranteed Senior Notes due 2024	Ba3	Ba3	Ba3	4.50	2.20	1.50	3.50	3.15	2.00	2.94
Guangzhou Fineland Real Estate Development	China	Construction & Homebuilding	17-Apr-19	\$300m 13.5% Senior Notes due 2021	B2	B2	B3	2.00	3.25	3.00	4.25	4.65	1.00	2.99
Times China Holdings Limited	China	Construction & Homebuilding	16-Jul-19	\$400m 6.750% Senior Notes due 2023	Ba3	Ba3	B1	4.50	4.10	2.95	1.00	4.15	1.50	3.04
RiseSun Real Estate Development Co., Ltd.	China	Construction & Homebuilding	24-Apr-19	\$325m 8.0% Senior Notes due 2022	Ba3	Ba3	B1	2.20	3.25	2.60	4.25	4.65	2.00	3.04
Daxin China Holdings Company Limited	China	Construction & Homebuilding	6-Aug-19	\$200m 12.875% Senior Notes due 2021	B2	B2	B3	2.00	3.55	3.05	4.25	4.40	1.50	3.06
Zhongnang Holdings Group Company Limited	China	Construction & Homebuilding	26-Sep-19	\$300m 11.5% Senior Notes due 2021	B1	B1	B2	2.00	3.55	3.20	4.25	4.40	1.50	3.10
DaFa Properties Group Limited	China	Construction & Homebuilding	11-Jul-19	\$180m 12.875% Senior Notes due 2021	B2	B2	B3	2.50	3.70	2.75	4.25	4.65	1.50	3.15
Landsea Green Group Co., Ltd.	China	Construction & Homebuilding	20-Jun-19	\$200m 10.5% Senior Notes due 2022	B2	B2	B3	2.50	3.80	3.70	2.75	4.65	2.00	3.15
Central China Real Estate Limited	China	Construction & Homebuilding	8-Aug-19	\$300m 6.875% Senior Notes due 2022	Ba3	Ba3	B1	5.00	4.45	2.60	1.00	4.15	2.00	3.16
Fantasia Holdings Group Co., Limited	China	Construction & Homebuilding	18-Jul-19	\$200m 12.250% Senior Notes due 2022	B2	B2	B3	5.00	4.90	2.40	1.00	4.40	2.00	3.18
Fantasia Holdings Group Co., Limited	China	Construction & Homebuilding	17-Apr-19	\$200m 11.75% Senior Notes due 2022	B2	B2	B3	5.00	4.50	2.40	1.00	4.40	2.00	3.18
China Hongqiao Group Limited	China	Steel	22-Jul-19	\$300m 7.125% Senior Notes due 2022	B1	B1	B2	4.50	2.80	3.55	2.00	4.40	1.00	3.23
Modern Land (China) Co., Limited	China	Construction & Homebuilding	25-Apr-19	\$203.797m 12.85% Senior Notes due 2021	B2	B2	B3	4.50	4.90	2.70	1.75	4.40	1.50	3.23
CAR Inc.	China	Services	10-May-19	\$200m 8.875% Senior Notes due 2022	B1	B1	B1	4.50	4.30	3.35	1.00	4.65	2.00	3.26
Central China Real Estate Limited	China	Construction & Homebuilding	24-Apr-19	\$300m 7.25% Senior Notes due 2023	Ba3	Ba3	B1	5.00	4.45	3.20	1.00	4.15	1.50	3.26
Hilong Holding Limited	China	Oil & Gas	26-Sep-19	\$200m 8.25% Senior Notes due 2022	B1	B1	B1	3.50	3.75	2.35	4.25	3.90	2.00	3.28
China Evergrande Group	China	Construction & Homebuilding	11-Apr-19	\$1.25bn 9.5% Senior Notes due 2022	B1	B1	B2	5.00	4.35	2.95	1.25	4.40	2.00	3.31
China Evergrande Group	China	Construction & Homebuilding	11-Apr-19	\$450m 10% Senior Notes due 2023	B1	B1	B2	5.00	4.35	2.95	1.25	4.40	2.00	3.31
China Evergrande Group	China	Construction & Homebuilding	11-Apr-19	\$300m 10.5% Senior Notes due 2024	B1	B1	B2	5.00	4.35	2.95	1.25	4.40	2.00	3.31
Sunac China Holdings Limited	China	Construction & Homebuilding	14-Jun-19	\$600m 7.25% Senior Notes due 2022	Ba3	Ba3	B1	4.50	4.45	3.20	2.00	4.15	2.00	3.39
Sunac China Holdings Limited	China	Construction & Homebuilding	11-Apr-19	\$750m 7.95% Senior Notes due 2023	Ba3	Ba3	B1	4.50	4.45	3.20	2.00	4.15	2.00	3.39
Powerlong Real Estate Holdings Limited	China	Construction & Homebuilding	23-Jul-19	\$170m 6.950% Senior Notes due 2023	B1	B1	B2	5.00	4.20	3.60	1.00	4.65	2.00	3.44
Bonshine China Holdings Limited	China	Construction & Homebuilding	25-Apr-19	\$200m 8.75% Senior Notes due 2022	B1	B1	B2	3.50	4.45	2.85	4.25	4.40	1.50	3.47
Zhengru Properties Group Limited	China	Construction & Homebuilding	3-Apr-19	\$420m 8.65% Senior Notes due 2023	B1	B2	B3	3.50	4.05	2.85	4.25	4.40	2.00	3.48
Tahoe Group Global (Co.) Limited	China	Construction & Homebuilding	10-Jul-19	\$400m 15% Senior Notes due 2022	B3	B3	Caa1	3.50	4.05	3.00	4.25	4.65	1.50	3.50
Yanqo Group Co., Ltd.	China	Construction & Homebuilding	18-Jun-19	\$300m 10.25% Guaranteed Senior Notes due 2022	B2	B2	B3	3.50	3.75	3.00	4.25	5.00	2.00	3.55
Bright Scholar Education Holdings Ltd	China	Services	31-Jul-19	\$300m 7.450% Senior Notes due 2022	Ba3	Ba3	Ba3	4.35	3.55	2.70	4.25	4.40	1.50	3.56
Seazen Holdings Co., Ltd.	China	Construction & Homebuilding	20-May-19	\$300m 6.5% Guaranteed Senior Notes due 2022	Ba2	Ba2	Ba2	5.00	4.90	3.70	1.25	4.40	2.00	3.56
Honghua Group Limited	China	Oil & Gas	1-Aug-19	\$200m 6.375% Senior Notes due 2022	B1	B1	B1	4.50	3.40	2.70	4.25	4.40	2.00	3.63
Yinhui Zhongbao Co., Ltd.	China	Construction & Homebuilding	12-Jun-19	\$110m 11% Guaranteed Senior Notes due 2022	B2	B2	B3	4.60	4.20	2.70	4.25	4.40	2.00	3.74
Jingru Holdings Limited	China	Construction & Homebuilding	25-Jul-19	\$260m 12.000% Senior Notes due 2022	B2	B2	B3	4.50	5.00	3.00	4.25	4.65	2.00	3.89
Kaisa Group Holdings Ltd	China	Construction & Homebuilding	9-Apr-19	\$350m 11.25% Senior Notes due 2022	B1	B1	B2	5.00	4.90	3.00	4.25	4.40	1.50	3.93
China Oil and Gas Group Limited	China	Oil & Gas	25-Jul-19	\$320m 5.500% Senior Notes due 2023	Ba2	Ba2	Ba2	4.50	4.35	3.45	4.25	4.65	2.00	3.94
Kaisa Group Holdings Ltd	China	Construction & Homebuilding	23-Jul-19	\$300m 10.875% Senior Notes due 2023	B1	B1	B2	5.00	4.90	3.00	4.25	4.40	2.00	3.98
Kaisa Group Holdings Ltd	China	Construction & Homebuilding	30-May-19	\$400m 11.5% Senior Notes due 2023	B1	B1	B2	5.00	4.90	3.00	4.25	4.40	2.00	3.98
China SCE Group Holdings Limited	China	Construction & Homebuilding	19-Jul-19	\$500m 7.250% Senior Notes due 2023	B1	B1	B2	5.00	4.45	3.40	4.25	4.65	2.00	4.06
Yanlord Land Group Limited	China	Construction & Homebuilding	27-Aug-19	\$400m 6.8% Senior Notes due 2024	Ba2	Ba2	Ba3	5.00	4.00	3.80	4.25	4.40	2.00	4.09
China SCE Group Holdings Limited	China	Construction & Homebuilding	9-Apr-19	\$350m 7.375% Senior Notes due 2024	B1	B1	B2	5.00	4.45	3.60	4.25	4.65	2.00	4.11

Source: Moody's High-Yield Covenant Database

List of EM bonds issued from 1 April 2019 to 30 September 2019 (Continued)

Company	Principal Country of Operations	Industry	Issue Date	Description of Notes	Current CFR	CFR at Issuance	Bond Rating at Issuance	Cash Leakage	Risky Investments	Leveraging	Liens Subordination	Structural Subordination	Change of Control	Overall CQ Score
Asia (Continued)														
JSW Steel Limited	India	Steel	18-Apr-19	\$500m 5.95% Notes due 2024	Ba2	Ba2	Ba2						2.00	5.00
ZiVianet Group, Inc.	China	Telecommunications	15-Apr-19	\$300m 7.875% Notes due 2021	B1	B1	B1						2.00	5.00
Melco Resorts Finance Limited	China	Gaming	17-Jul-19	\$600m 5.625% Senior Notes due 2027	Ba2	Ba2	Ba2						2.30	5.00
Melco Resorts Finance Limited	China	Gaming	26-Apr-19	\$500m 5.25% Senior Notes due 2026	Ba2	Ba2	Ba2						2.30	5.00
Greenland Global Investment Limited	China	Construction & Homebuilding	26-Sep-19	\$200m 5.75% Notes due 2022 issued under the \$5bn Guaranteed MTN Programme	Ba2	Ba2	Ba2						2.80	5.00
Greenland Global Investment Limited	China	Construction & Homebuilding	26-Sep-19	\$500m 6.75% Notes due 2023 issued under the \$5bn Guaranteed MTN Programme	Ba2	Ba2	Ba2						2.80	5.00
Greenland Hong Kong Holdings Limited	China	Construction & Homebuilding	17-Jul-19	\$300m 6.000% Senior Notes due 2021	Ba2	Ba2	Ba3						2.80	5.00
Greenland Global Investment Limited	China	Construction & Homebuilding	25-Jun-19	\$500m 6.75% Notes due 2022 issued under the \$5bn Guaranteed MTN Programme	Ba2	Ba2	Ba2						2.80	5.00
MGM China Holdings Limited	China	Gaming	16-May-19	\$750m 5.375% Senior Notes due 2024	Ba3	Ba3	Ba3						2.80	5.00
MGM China Holdings Limited	China	Gaming	16-May-19	\$750m 5.875% Senior Notes due 2026	Ba3	Ba3	Ba3						2.80	5.00
Gemdale Ever Prosperity Investment Limited	China	Construction & Homebuilding	14-Jun-19	\$250m 5.6% Guaranteed Bonds due 2022	Ba2	Ba2	Ba3						5.00	5.00
Vedanta Resources Limited	India	Metals & Mining	23-Apr-19	\$400m 8% Bonds due 2023	Ba3	Ba3	B2						5.00	5.00
Vedanta Resources Limited	India	Metals & Mining	23-Apr-19	\$600m 9.25% Bonds due 2026	Ba3	Ba3	B2						5.00	5.00
Latin America														
YPF Energia Electrica S.A.	Argentina	Wholesale Power - Electricity Production	25-Jul-19	\$400m 10% Senior Notes due 2026	Caa2	B2	B2	4.10	2.75	1.90	3.15		5.00	3.41
Usinas Siderurgicas de Minas Gerais S.A. - USIMINAS	Brazil	Metals & Mining	18-Jul-19	\$750m 5.875% Notes due 2026	Ba3	Ba3	Ba3	4.50	3.00	2.85	3.40	3.40	5.00	3.66
Telefonica Celular del Paraguay S.A.	Paraguay	Telecommunications	5-Apr-19	\$300m 5.875% Senior Notes due 2027	Ba1	Ba1	Ba1	5.00	3.75	3.95	2.25		4.40	3.90
Sable International Finance Limited	Panama	Telecommunications	5-Apr-19	\$400m 5.75% Senior Secured Notes due 2027	Ba3	Ba3	Ba3	5.00	5.00	3.45	3.00	4.65	4.00	4.08
JBS S.A.	Brazil	Protein & Agriculture	30-Jul-19	\$750m 5.75% Senior Notes due 2028	Ba3	Ba3	Ba3	5.00	5.00	3.15	3.40	5.00	4.80	4.20
Ultracar International S.A.	Brazil	Retail	6-Jun-19	\$500m 5.25% Notes due 2029	Ba1	Ba1	Ba1						3.60	5.00
YPF Sociedad Anonima	Argentina	Oil & Gas	27-Jun-19	\$500m 8.5% Senior Notes due 2029	Caa2	B2	B2						4.80	5.00
BRF S.A.	Brazil	Protein & Agriculture	24-Sep-19	\$750m 4.875% Senior Notes due 2030	Ba2	Ba2	Ba2						5.00	5.00
Companhia Siderurgica Nacional S.A. (CSN)	Brazil	Steel	17-Apr-19	\$600m 7.625% Notes due 2026	B2	B3	B3						5.00	5.00
Telefonica del Peru S.A.A.	Peru	Telecommunications	10-Apr-19	\$1.7bn 7.375% Senior Notes due 2027	Ba1	Ba1	Ba1						5.00	5.00
Emerging Europe														
Chelvabinsk Pipe Plant PJSC	Russia	Metals & Mining	19-Sep-19	\$200m 4.5% Loan Participation Notes due 2024	Ba3	Ba3	Ba3						5.00	5.00
EVRAZ plc	Russia	Steel	3-Apr-18	\$700m 5.250% Senior Notes due 2024	Ba1	Ba1	Ba2						5.00	5.00
Africa and the Middle East														
IHS Netherlands Holdco B.V.	Nigeria	Telecommunications	18-Sep-19	\$500m 7.125% Senior Notes due 2025	B2	B2	B2	3.45	4.05	2.90	1.50	1.90	4.00	2.88
IHS Netherlands Holdco B.V.	Nigeria	Telecommunications	18-Sep-19	\$800m 8% Senior Notes due 2027	B2	B2	B2	3.85	4.05	2.90	1.50	1.90	4.00	2.98
GEMS MENASA Cayman Ltd	UAE	Services	8-Aug-19	\$900m 7.125% Senior Secured Notes due 2026	B2	B2	B2	5.00	4.15	4.95	4.65	2.65	4.55	4.55

Source: Moody's High-Yield Covenant Database

Moody's Related Publications

Sector In-Depths

- » [Covenants — Asia: Chinese bonds bring Q3 covenant quality scores to second-weakest level on record, October 2019](#)
- » [High-yield bond covenants – China: Credit facility carve-outs are becoming more common in Chinese bonds, September 2019](#)
- » [Frequently Asked Questions: Moody's Bond Covenant Quality Scoring, April 2014](#)
- » [High-Yield Bond Covenants: Covenant Quality Scoring Criteria, October 2013](#)
- » [Frequently Asked Questions: Moody's High-Yield Covenant Database, February 2013](#)

Periodicals

- » [Global Emerging Markets Chartbook, May 2019](#)
- » [EM Covenant Monitor: EM covenant quality score worsens amid surge in Chinese property bond issuance, May 2019](#)
- » [Global Emerging Markets: Inaugural Emerging Market LSI at 20.3% for March 2019, April 2019](#)

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