

# Corporate Credit > Europe Investment Grade



## Axa Sa

Updated: Oct 28, 2015

### Trade Idea:

- ▶ Buy

### Investment Rationale:

- ▶ Fundamentally very sound issuer with a diversified cash flow profile and a strong capital basis.
- ▶ S&P Rating outlook is positive, thus the risk for Non-IG rating to be low.
- ▶ Very debt friendly behaviour. Strong call track record for institutional debt.
- ▶ Issuer is likely to optimize maturity profile, i.e. increasing likelihood for an exchange offer (similar for Euro bonds)
- ▶ USD denominated
- ▶ Tier 1 instrument, coupons could be optimal upon dividend pusher. Maturity is perpetual with call in 2018.
- ▶ Isin in RegS format
- ▶ The instrument is attractive on a 4.9% yield level. The bond is still outperforming during October's market recovery. Yield still compensates versus potential \$ rate hikes.

### Recommendation(s)\*:

View	Trade Horizon	Ticker	Coupon	Maturity	S&P	Moody's	Ccy	Issue Size	Yield	Entry Spread	Target Spread	Risk Level	Cash Price	Isin	Capital Structure	Security_des
outperform	12m	AXASA	6.463	12/14/2018	BBB-	Baa1	USD	750.00	4.9	391	300	550	104.25	USF0609NAP36	Tier1	AXASA 6.463 12/29/49

\* Levels as of 10/28/2015