



Frontier capital structure, particularly if the broader HY market has a more challenging year than it experienced in 2017. .

Sell Frontier 10.5% Sr Notes due 2022: \$77.00, 17.9%, 1,566 bps

Buy Frontier 7.125% Sr. Notes due 2023: \$67.50, 16.9%, 1,470 bps

DISH – BUY: Each time DISH bonds back up we revisit our thesis, but generally always come back to three tenets: it's one of the best cash generators relative to total debt in our coverage space (FCF / debt of nearly 10%), the concerns around the industry and specifically DISH's business model are overdone, and there's an asset on Network's balance sheet (spectrum) that we believe will also help propel forward the legacy DBS side of the house.

It's a mature business and management has been very vocal and honest about that, but as we mentioned in our Cable / Pay-TV overview, the inevitable acceleration of the decline in linear-TV hasn't materialized in the way bears predicted. Additionally, the DBS industry has been quick to transition to take advantage of the growing demand for OTT services and has created two of the best services in the industry. They're lower margin subs absolutely, but it stems the impact of outright losing all the cash from the churned DBS subscribers. Given the maturity of the business, we also expect the Restricted Group to de-lever, particularly as DISH exists its spectrum accumulation phase and pivots towards one of spectrum commercialization. At nearly 7% we think DISH remains cheap.

DISH 7.75% Sr Notes due 2023: \$105.50, 6.89%, 440 bps

Intelsat: - BUY Longer-Dated Jackson: It's been another whirlwind year for Intelsat – a failed Softbank deal, liability management exercises, potential monetization of spectrum assets, multiple Epic satellite launches, industry multiple contraction amongst its peer group. While the fundamentals of the business remain in flux with the ex-mobility growth in Network Services yet to turnaround, an approaching media renewal cycle that will have a hit to revenues, and ~20% of government contracts up for renewal in 2018, we still think there is value at Jackson with additional value to be had in the longer-dated '23s and '25s.

Despite near-term headwinds, Intelsat has gone through certain various capital structure activities to extend the maturity wall, effectively buying the company more time to prove the use case for the next gen HTS works. Guidance for 2018 is now widely expected to be flat to down from an EBITDA perspective (a phenomenon that can be seen explained via the recent moves in Lux bonds), but management remains confident that the only issue up for debate is one of timing on when growth will return. As we progress through 2018 and the company becomes more positive about the trajectory of the business into 2019, we think the Jackson box certainly rallies. Further, as the industry overall begins to trend closer towards the inflection point in HTS vs legacy services, we think industry valuations will improve, providing further cushion to the Jackson story.

Intelsat 5.5% Senior Notes due 2023: \$82.00, 9.75%, 750 bps

Intelsat 9.75% Senior Notes due 2025: \$96.50, 10.43%, 795 bps

Risks include accelerated deterioration of subscriber trends, margin compression, elevated CapEx, and incremental issuance to fund spectrum purchases out of the Restricted Group.

Risks include slower growth on Epic birds, loss of government contracts, worse media renewal pricing than expected.