

Relative Value

Figure 17: High Yield Chemicals Relative Value Sheet

Company/Issue	Outstanding (\$MM)	Maturity	Rating Moody's/ S&P	Call Date	Price	Current Price	YTW (%)	Spread (bps)	LTM Revenue	LTM EBITDA	EBITDA Margin	Interest	CapEx	Debt	Cash	Liquidity	EBITDA/Interest	Sec Debt/EBITDA	Book Sr Debt/EBITDA	Total Debt/EBITDA	Net Debt/EBITDA	EV Value/EBITDA
Chemicals																						
Ashland Inc. (ASH)																						
4.750% Senior Notes	\$1,085	8/15/2022	Ba3/BB-	N/A	MW T+50	104.75	3.57%	147	\$3,260.0	600.0	18.4%	138.0	230.0	2,819.0	566.0	1,180.0	4.3x	2.2x	4.6x	4.7x	3.8x	11.1x
6.875% Senior Notes	\$374	5/15/2043	Ba3/BB-	N/A	MW T+50	111.50	5.98%	333														
Avia Coating Systems (AXTA)																						
4.250% Senior Notes	\$335	8/15/2024	B1/BB-	8/15/2019	103.188	107.63	1.47%	217	\$4,239.2	907.8	21.4%	146.5	128.1	3,903.0	588.9	967.1	5.9x	2.7x	4.3x	4.3x	3.7x	12.1x
4.875% Senior Notes	\$500	8/15/2024	B1/BB-	8/15/2019	103.656	105.25	3.64%	150														
3.750% Senior Notes	6450	1/15/2025	B1/BB-	1/15/2020	102.813	106.25	1.99%	270														
Celanese Corp. (CE)																						
3.250% Senior Notes	\$300	10/15/2019	Baa3/BBB-	N/A	MW T+50	106.00	-0.05%	66	\$5,858.0	1,588.0	27.1%	117.0	267.0	3,389.0	461.0	1,248.0	13.6x	0.5x	2.1x	2.1x	1.8x	11.1x
5.875% Senior Notes	\$400	6/15/2021	Baa3/BBB-	N/A	MW T+50	110.00	2.84%	84														
4.625% Senior Notes	\$500	11/15/2022	Baa3/BBB-	N/A	MW T+50	106.88	3.10%	94														
CF Industries Holdings, Inc. (CFI)																						
3.400% Senior Secured Notes	\$500	12/1/2021	Baa3/BBB-	N/A	MW T+30	101.75	2.93%	87	\$3,896.0	842.0	21.6%	302.0	682.0	5,786.0	1,932.0	2,687.0	2.8x	1.5x	6.9x	6.9x	4.8x	19.5x
4.500% Senior Secured Notes	\$750	12/1/2026	Baa3/BBB-	N/A	MW T+40	105.25	3.80%	144														
7.125% Senior Notes	\$800	5/1/2020	Ba3/BB+	N/A	MW T+50	110.00	2.72%	85														
3.450% Senior Notes	\$750	6/1/2023	Ba3/BB+	N/A	MW T+25	99.25	3.60%	140														
5.150% Senior Notes	\$750	3/15/2034	Ba3/BB+	N/A	MW T+25	103.25	4.86%	235														
4.950% Senior Notes	\$750	6/1/2043	Ba3/BB+	N/A	MW T+30	96.00	5.24%	257														
5.375% Senior Notes	\$750	3/15/2044	Ba3/BB+	N/A	MW T+30	99.50	5.41%	273														
Chemours Co. (CC)																						
6.125% Senior Notes	\$233	5/15/2023	Ba3/BB-	5/15/2018	104.594	105.63	0.98%	177	\$5,931.0	1,266.0	21.3%	217.0	349.0	4,095.0	1,535.0	2,183.0	5.8x	1.1x	3.2x	3.2x	2.0x	9.4x
6.625% Senior Notes	\$1,158	5/15/2023	Ba3/BB-	5/15/2018	104.969	106.00	3.79%	237														
7.000% Senior Notes	\$750	5/15/2025	Ba3/BB-	5/15/2020	103.500	109.38	4.25%	237														
5.375% Senior Notes	\$500	5/15/2027	Ba3/BB-	2/15/2027	100.000	104.00	4.83%	246														
FXI Holdings Inc. (FXIHL)																						
7.875% Senior Secured Notes	\$525	11/1/2024	B2/B	11/1/2020	103.938	100.00	7.87%	571	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
GCP Applied Technologies (GCPAPP)																						
9.500% Senior Notes	\$525	2/1/2023	B1/BB-	2/1/2019	104.760	111.75	2.91%	120	\$1,056.8	160.7	15.2%	65.0	44.4	544.1	771.4	1,011.4	2.5x	0.0x	3.4x	3.4x	-1.4x	13.1x
Hexion Specialty Chemicals, Inc. (HXN)																						
6.625% Senior Secured 1st Lien Notes	\$1,563	4/15/2020	Caa1/CCC+	1/19/2018	101.656	90.25	11.53%	966	\$3,454.0	360.0	10.4%	322.0	135.0	3,733.0	118.0	328.0	1.1x	7.1x	9.3x	10.4x	10.0x	-
10.000% Senior Secured 1st Lien Notes	\$315	4/15/2020	Caa1/CCC+	1/19/2018	105.000	95.50	12.27%	1,040														
10.375% Senior Secured 1st Lien Notes	\$485	2/1/2022	Caa1/CCC+	2/1/2019	105.188	94.00	12.27%	1,019														
13.750% Senior Secured 1.5 Lien Notes	\$225	2/1/2022	Caa3/CCC	2/1/2019	106.875	83.25	19.88%	1,781														
9.000% Senior Secured 2nd Lien Notes	\$574	11/15/2020	Caa/CCC	1/19/2018	101.500	75.50	20.63%	1,869														
Huntsman Corp. (HUN)																						
4.875% Senior Notes	\$650	11/15/2020	Ba2/BB	N/A	MW T+50	105.00	2.90%	99	\$8,059.0	1,109.0	13.8%	184.0	336.0	2,874.0	451.0	1,211.0	6.0x	0.7x	2.6x	2.6x	2.2x	9.2x
5.125% Senior Notes	\$443	4/15/2021	Ba2/BB	N/A	MW T+50	112.38	1.02%	163														
5.125% Senior Notes	\$400	11/15/2022	Ba2/BB	8/15/2022	100.000	107.75	3.31%	118														
Ineos Group Holdings (INEGRP)																						
5.625% Senior Notes	\$500	8/1/2024	B1/B+	8/1/2019	102.813	104.25	4.34%	229	€14,688.1	2,526.2	17.2%	287.8	748.7	6,451.8	1,451.4	1,813.8	8.8x	2.1x	2.6x	2.6x	2.0x	-
5.375% Senior Notes	€650	8/1/2024	B1/B+	8/1/2019	102.688	107.38	2.33%	304														
Koppers Inc. (KOP)																						
6.000% Senior Notes	\$500	2/15/2025	B1/B+	2/15/2020	104.500	107.00	4.46%	228	\$1,422.6	195.9	13.8%	44.4	66.3	700.8	50.2	220.3	4.4x	0.9x	3.6x	3.6x	3.3x	8.7x
Kraton Polymers LLC (KRA)																						
10.500% Senior Notes	\$440	4/15/2023	B3/B-	10/15/2018	107.875	113.75	2.93%	130	\$1,909.8	365.5	19.1%	139.3	123.1	1,769.8	89.1	323.0	2.6x	2.1x	4.8x	4.8x	4.6x	8.8x
7.000% Senior Notes	\$400	4/15/2025	B3/B-	4/15/2020	105.250	106.25	4.86%	276														

Source: Deutsche Bank, Company Filings, Bloomberg Finance LP

