

News Update

Qatar's Ahli Bank Announces EMTN Roadshow – Qatar Ahli Bank announces emtn roadshow and a 5 year fixed rate USD RegS unsecured offering under Ahli bank's EMTN programme may follow subject to market conditions. The bank has mandated Al Khaliji Commercial , Barclays , Mizuho securities, QNB Capital, Standard Chartered as joint lead managers, joint bookrunners. The lead managers are to arrange a series of fixed income investor meetings commencing on sept 13.

Bank of Sharjah prices a \$600m 5-year bond at MS+250bps - Bank of Sharjah P.J.S.C., rated BBB+ by Fitch (stable), priced a \$600m 5-year bond on Wednesday offering spread of 250 basis points over benchmark mid swap rate. The initial guidance for the Reg S senior unsecured bond was MS + High 200bps. The re-offer price of the bond was 99.933%, offering yield of 4.015%, while the coupon was set at 4.000%. When the bond was launched, orderbook stood at circa \$1.85bn, making the deal 3 times oversubscribed. Bank ABC, Emirates NBD Capital, First Abu Dhabi Bank and J.P. Morgan acted as the Joint Lead Managers for the bond deal.

Egypt Signs \$500M Loan Deal With World Bank - Loan deal is the second phase of program to fund social welfare program in Egypt, International Cooperation and Investment Minister Sahar Nasr tells reporters. The loan to be repaid over 35 years.

Lebanon's Eurobond Sale Deemed Unlikely at Current Market Rates - Lebanon's government is unlikely to tap international bond markets at current market rates, an official said, days after the indebted country's finance minister announced plans for a sale of up to \$2bn in November. According to Bloomberg News, the official spoke on condition of anonymity because the information isn't public. The government has to find 11 trillion Lebanese pounds (\$7.3bn) to repay debt, including \$1.65bn in the coming four months, though some of it could be financed through new local-currency bonds, according to Finance Minister Ali Hasan Khalil. With one of the world's biggest debt burdens, the government has pledged measures to reduce its deficit and implement reforms, including fixing the ailing electricity sector.

Trump delays China tariff increase as trade talks approach - US President Donald Trump said he was postponing the imposition of 5% extra tariffs on Chinese goods by two weeks, a move that delays the next escalation of the trade war and brightens the backdrop for upcoming negotiations. "At the request of the Vice Premier of China, Liu He, and due to the fact that the People's Republic of China will be celebrating their 70th Anniversary on October 1st, we have agreed, as a gesture of good will, to move the increased Tariffs on 250 Billion Dollars worth of goods (25% to 30%), from October 1st to October 15th," Trump wrote Wednesday on Twitter. On Wednesday, China announced a range of US goods to be exempted from 25% extra tariffs enacted last year.

GCC Bonds & Sukuk: Best and worst Performers (12 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
Ezdan Sukuk 22	0.42%	Saudi Electricity 43	-0.30%
Ooredoo 43	0.28%	Ooredoo 26	-0.20%
Sharjah Islamic Bank Perp	0.27%	KSA Govt 27	-0.20%

Best YTD Performers	YTD change	Worst YTD Performers	YTD change
Abu Dhabi Govt 47	26.76%	Etihad Airways 20	-25.94%
DP World 48	26.36%	Etihad Airways 21	-22.40%
KSA Govt 50	26.30%	Ras Gas 19	-2.24%

Source: Bloomberg

Bonds & Sukuk Indices (12 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	136.790	-0.23%	13.37%	2.81%
S&P MENA Bond Index	139.390	-0.26%	14.42%	2.82%
S&P MENA Sukuk Index	129.210	-0.11%	9.87%	2.77%
Bloomberg Global Developed Sovereign Bond Index	120.548	-0.30%	3.92%	0.52%
Bloomberg USD Emerging Market Composite Bond Index	237.985	-0.14%	13.49%	
Dow Jones Sukuk Index	106.504	-0.16%	7.58%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	12/09/2019	31/12/2018	12/09/2019	31/12/2018	12/09/2019	31/12/2018
SAIBOR	2.3857	1.8988	2.3500	2.0875	2.3486	2.2863
KIBOR	2.8750	1.8750	3.0625	2.0625	3.2500	2.3750
BHIBOR	2.4500	2.4500	3.0833	2.9000	3.1833	3.2750
QATAR	2.7742	2.7342	2.8759	2.8868	3.0773	3.0468
AEIBOR	2.3633	1.8310	2.3715	2.0513	2.4388	2.5648
EURIBOR	-0.4350	-0.3290	-0.4140	-0.2710	-0.3700	-0.1860
LIBOR	2.1316	1.6858	2.0351	1.8336	1.9704	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.76	0.006
2-Year	1.50	0.035
5-Year	1.39	0.051
7-Year	1.45	0.031
10-Year	1.50	0.000
30-Year	1.96	0.063

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.676	0.02%
5-Y	1.538	0.01%
10-Y	1.631	0.01%
30-Y	1.808	0.01%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.63	2.050
5-Y	-0.89	0.234
10-Y	-0.71	0.103
30-Y	-0.01	0.063

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.48	0.383
5-Y	0.45	0.032
10-Y	0.64	-0.030
30-Y	1.12	0.022

Currencies

	USD	1-Day Δ	YTD (%)
KWD	0.3043	0.0002	-0.207%
SAR	3.7515	(0.0001)	0.003%
BHD	0.3771	0.0000	-0.029%
QAR	3.6645	0.0002	-0.243%
OMR	0.3850	0.0002	0.000%
AED	3.6730	0.0000	-0.008%
EGP	16.476	(0.0100)	9.086%
EUR	1.1013	0.0003	-3.959%

Sovereign Ratings

	Moody's	S&P	Fitch
Abu Dhabi	Aa2	AA	AA
Bahrain	B2	B+	BB-
Kuwait	Aa2	AA	AA
Oman	Ba1	BB	BB+
Qatar	Aa3	AA-	AA-
KSA	A1	A-	A+
UAE	Aa2	NR	NR
Egypt	B2	B-	B+
Lebanon	B3	B-	B
Turkey	Baa3	BB+	BBB-
Tunisia	Ba3	NR	B+
Morocco	Ba1	BBB-	BBB-
Jordan	B1	B+	BB-
China	Aa3	AA-	A+
UK	Aa2	AA	AA
USA	Aaa	AA+	AAA

	USD 5-Year CDS	YTD (%)
Abu Dhabi	38.330	-39.22
Kuwait	40.960	-33.54
Dubai	110.840	-10.35
Bahrain	233.050	-16.55
Qatar	39.800	-49.30
KSA	57.930	-43.15
Egypt	259.170	-30.08
Lebanon	1361.110	80.62
Turkey	394.628	9.73
Iraq	302.950	-31.07
Morocco	88.480	-10.99
China	38.384	-41.82
France	19.190	-46.30
Germany	9.410	-24.24
Japan	20.910	-10.02
UK	29.340	-20.81
US	12.700	-29.98