

Boubyan Bank Gets CBK Approval For Sukuk-Issuance Program – Boubyan Bank obtained initial approval of Central Bank of Kuwait for a sukuk-issuance program not in excess of \$1 billion or equivalent. The approval for offering first issuance thereof which shall not exceed \$500 million or equivalent of same in other currencies.

Kuwait's KIPCO mandates banks for a 7- to 10-year US\$ benchmark bond deal - Kuwait Projects Company K.S.C.P., rated Baa3/BBB- by Moody's/S&P, has mandated HSBC and J.P. Morgan as Global Coordinators, and Bank ABC, First Abu Dhabi Bank, HSBC, J.P. Morgan and KAMCO Investment Company as Joint Lead Managers and Joint Bookrunners, to arrange a series of fixed income investor meetings in Asia, Dubai, and London, commencing on October 17th 2019.

Kuwait's foreign reserve rises 2% in September 2019 - The foreign reserve in Kuwait increased by 2% to KWD 11.02 billion in September 2019, registering a value that is KWD 221 million higher than the previous month, Al Anba Newspaper reported on Monday. Kuwait's foreign reserve reached its highest level at KWD 11.215 billion in May 2019. The country's foreign reserve represents all of the cash balances, bank accounts, bonds, certificates of deposit, treasury bills, and foreign currency deposits at the Central Bank of Kuwait (CBK). The Kuwaiti gold reserve remained unchanged at 79 tonnes, according to the World Gold Council (WGC). Kuwait's book value of this quantity of gold amounts to KWD 31.7 million based on the purchase prices and not the current market value.

Saudi Arabia's Gulf International Bank Plans \$500 Million Bond - Gulf International Bank BSC plans to raise about \$500 million from the sale of dollar-denominated bonds, according to people with knowledge of the plan. The Riyadh-based lender that's owned by Saudi Arabia's sovereign wealth fund is seeking to sell five-year securities, said the people, asking not to be identified because the information is private.

UAE's Majid Al Futtaim hires banks for dollar "green" sukuk - Majid Al Futtaim, a UAE-based developer and shopping mall operator, has hired banks to arrange a potential issue of U.S. dollar-denominated "green" sukuk, or Islamic bonds, a document by one of the banks leading the deal showed on Monday. The company has hired BNP Paribas, Citigroup, and HSBC to coordinate the 10-year deal, along with Abu Dhabi Islamic Bank, Dubai Islamic Bank, Emirates NBD Capital, and First Abu Dhabi Bank as joint lead managers. Green bonds are a growing category of fixed-income securities and green sukuk could widen the appeal of Islamic bonds beyond traditional markets in Asia and the Middle East to include ethical investors in Western countries.

GCC Bonds & Sukuk: Best and worst Performers (22 October 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
Qatar National Bank 23	0.19%	Majid Al Futtaim 29	-0.50%
ADIB Perp	0.17%	Ezdan Sukuk 21	-0.37%
Sharjah Sukuk 25	0.17%	Majid Al Futtaim 25	-0.29%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt 50	21.89%	Etihad Airways 20	-27.17%
KSA Govt 49	21.80%	Etihad Airways 21	-15.99%
Qatar Govt 49	19.91%	Commercial Bank of Qatar 19	-2.08%

Source: Bloomberg

Bonds & Sukuk Indices (22 October 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Indexw	135.360	-0.30%	12.18%	3.00%
S&P MENA Bond Index	137.730	-0.34%	13.06%	3.05%
S&P MENA Sukuk Index	128.550	-0.16%	9.31%	2.82%
Bloomberg Global Developed Sovereign Bond Index	121.044	-0.12%	4.35%	0.58%
Bloomberg USD Emerging Market Composite Bond Index	238.625	-0.03%	13.79%	
Dow Jones Sukuk Index	105.650	-0.20%	6.72%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	22/10/2019	31/12/2018	22/10/2019	31/12/2018	22/10/2019	31/12/2018
SAIBOR	2.3014	1.8988	2.3100	2.0875	2.3229	2.2863
KIBOR	2.8750	1.8750	3.0625	2.0625	3.2500	2.3750
BHIBOR	2.3700	2.4500	3.0000	2.9000	3.1333	3.2750
QATAR	2.5629	2.7342	2.7014	2.8868	2.9952	3.0468
AEIBOR	2.1206	1.8310	2.3989	2.0513	2.3276	2.5648
EURIBOR	-0.4070	-0.3290	-0.3510	-0.2710	-0.2980	-0.1860
LIBOR	1.9533	1.6858	1.9518	1.8336	1.9873	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.58	0.000
2-Year	1.62	0.000
5-Year	1.61	0.000
7-Year	1.70	0.016
10-Year	1.80	0.000
30-Year	2.29	0.000

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.648	0.03%
5-Y	1.604	0.04%
10-Y	1.737	0.05%
30-Y	1.930	0.05%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.47	0.919
5-Y	-0.69	0.032
10-Y	-0.49	0.071
30-Y	0.17	0.004

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.55	0.452
5-Y	0.54	0.032
10-Y	0.75	0.023
30-Y	1.25	0.042

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	Caa1	B-	CCC
Turkey	B1	B+	BB-
Tunisia	B2	NR	B+
Morocco	Ba1	BBB-	BBB-
Jordan	B1	B+	BB-
China	A1	A+	A+
UK	Aa2	AA	AA
USA	Aaa	AA+	AAA

USD 5-Year CDS

	YTD (%)
Abu Dhabi	44.940 -30.70
Kuwait	45.910 -26.01
Dubai	115.120 -2.08
Bahrain	206.400 -25.69
Qatar	44.950 -43.45
KSA	69.470 -32.32
Egypt	297.290 -20.30
Lebanon	1262.390 67.60
Turkey	385.371 7.36
Iraq	331.410 -25.39
Morocco	103.670 -2.75
China	39.326 -40.22
France	17.920 -49.34
Germany	9.210 -27.60
Japan	22.483 -10.02
UK	10.025 -33.48
US	3.851 -32.18