

**Kuwait International Bank may sell \$2 bln in sukuk** - The Kuwait International Bank is considering the possibility of selling \$2 billion in sukuk in order to improve liquidity, the Al Rai newspaper cited the lender's Chief Executive Officer Raed Bukhamseen as saying on Monday.

**Abu Dhabi mandates banks for 5, 10, 30-year U.S. dollar bonds-document** - The government of Abu Dhabi has mandated banks for the sale of benchmark U.S. dollar fixed-rate bonds covering maturities of five, 10 and 30 years, a document seen by Reuters showed on Monday. Abu Dhabi has mandated BNP Paribas, Citigroup, First Abu Dhabi Bank, HSBC, JP Morgan and MUFG to act as joint lead managers and joint bookrunners for 144A Reg S senior unsecured bonds, according to the document.

**Bank of Sharjah issues \$600 million bonds** - Bank of Sharjah on Sunday announced the issuance of a \$600 million funding transaction through the issue of fixed rate senior unsecured bonds. The bonds, carrying a coupon rate of 4%, and listed on the Irish Stock Exchange, mature on 18 September, 2024, and were issued at a spread of 250 basis points over mid swaps.

**UAE central bank sees economy growing 2.4% in 2019** - The United Arab Emirates expects its economy to grow 2.4% in 2019, driven by faster growth in the oil sector, the central bank said in a report on Sunday. The economy grew 1.7% in 2018, according to preliminary data released by the government. The central bank's forecast is more cautious than the International Monetary Fund projection of 2.8% growth in 2019, supported by public spending as well as external factors. The central bank expects the oil sector to grow 5% in 2019, compared with 2.8% in 2018, while the non-oil sector will grow 1.4%, slightly faster than 2018.

**Oman central bank governor says not discussing a Gulf support package, can support currency peg to dollar:** Oman's Central Bank Governor Tahir Al Amri denied any discussions are taking place on a potential support package with Gulf neighbours, Bloomberg News reported Sunday. Governor Tahir Al Amri said Oman has no plans to change its monetary policy with regard to the fixed exchange rate, Al Amri told reporters in Kuwait late on Sunday. Al Amri said his government encourages banks consolidation, "We encourage bigger banks, especially stronger banks if you want to go beyond the Omani market".

**Saudi Arabia's SRC mulls SAR 1 billion Sukuk issuance by year-end** - Saudi Real Estate Refinance Company, the Kingdom's first mortgage-refinancing firm, plans to issue SAR 1 billion by the end of the year, reported Bloomberg. Fabrice Susini, the CEO of Saudi Real Estate Refinance Company, said that the issuance by the state-run SRC would be its second this year and the company has not decided whether it will be a local or international offering. SRC raised SAR 500 million in March 2019 and the company also issued Sukuk last year.

This report has been prepared and issued by Kuwait Financial Centre K.P.S.C. (Markaz), which is regulated by the Capital Markets Authority and the Central Bank of Kuwait. The report is owned by Markaz and is privileged and proprietary and is subject to copyrights. Sale of any copies of this report is strictly prohibited. A number of sources which include Bloomberg, Zawya, and daily newspapers were utilized in the creation of this report.

### GCC Bonds & Sukuk: Best and worst Performers (23 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
KSA Govt 46	1.33%	Qatar Gas 33	-0.19%
KSA Govt 50	1.31%	Bahrain Govt 24	-0.11%
Aramco 49	1.27%	Warba Bank Perp	-0.08%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt 50	25.89%	Etihad Airways 21	-18.94%
Abu Dhabi Govt 47	25.68%	Commercial Bank Qatar 19	-1.79%
DP World 48	25.40%	Dubai Govt 20	-1.63%

Source: Bloomberg

### Bonds & Sukuk Indices (23 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	136.140	0.20%	12.83%	2.84%
S&P MENA Bond Index	138.650	0.23%	13.82%	2.88%
S&P MENA Sukuk Index	128.830	0.06%	9.55%	2.74%
Bloomberg Global Developed Sovereign Bond Index	120.467	-0.03%	3.85%	0.54%
Bloomberg USD Emerging Market Composite Bond Index	238.356	0.17%	13.67%	
Dow Jones Sukuk Index	106.185	0.05%	7.26%	

### Interbank Rates (%)

	3 Months		6 Months		12 Months	
	23/09/2019	31/12/2018	23/09/2019	31/12w/2018	23/09/2019	31/12/2018
SAIBOR	2.3614	1.8988	2.3671	2.0875	2.3686	2.2863
KIBOR	2.8125	1.8750	3.0625	2.0625	3.2500	2.3750
BHIBOR	2.3700	2.4500	3.1167	2.9000	3.2167	3.2750
QATAR	2.6842	2.7342	2.8146	2.8868	3.0593	3.0468
AEIBOR	2.3639	1.8310	2.4107	2.0513	2.4580	2.5648
EURIBOR	-0.3930	-0.3290	-0.3580	-0.2710	-0.2980	-0.1860
<b>LIBOR</b>	<b>2.1346</b>	<b>1.6858</b>	<b>2.0704</b>	<b>1.8336</b>	<b>2.0650</b>	<b>2.1022</b>

### U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.82	-0.011
2-Year	1.70	-0.018
5-Year	1.60	0.004
7-Year	1.67	0.008
10-Year	1.73	-0.094
30-Year	2.16	0.016

### USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.682	-0.03%
5-Y	1.544	-0.04%
10-Y	1.608	-0.05%
30-Y	1.746	-0.06%

### German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.57	0.759
5-Y	-0.76	0.031
10-Y	-0.65	0.053
30-Y	-0.04	0.016

### UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.52	0.453
5-Y	0.46	0.077
10-Y	0.63	0.050
30-Y	1.05	-0.012

### Currencies

	USD	1-Day Δ	YTD (%)
<b>KWD</b>	0.3039	0.0001	-0.082%
<b>SAR</b>	3.7515	0.0001	0.003%
<b>BHD</b>	0.3770	0.0000	-0.013%
<b>QAR</b>	3.6618	(0.0002)	-0.164%
<b>OMR</b>	0.3850	(0.0000)	0.005%
<b>AED</b>	3.6730	0.0000	-0.008%
<b>EGP</b>	16.340	0.0195	9.877%
<b>EUR</b>	1.1072	(0.0002)	1.1026

### Sovereign Ratings

	Moody's	S&P	Fitch
<b>Abu Dhabi</b>	Aa2	AA	AA
<b>Bahrain</b>	B2	B+	BB-
<b>Kuwait</b>	Aa2	AA	AA
<b>Oman</b>	Ba1	BB	BB+
<b>Qatar</b>	Aa3	AA-	AA-
<b>KSA</b>	A1	A-	A+
<b>UAE</b>	Aa2	NR	NR
<b>Egypt</b>	B2	B-	B+
<b>Lebanon</b>	B3	B-	B
<b>Turkey</b>	Baa3	BB+	BBB-
<b>Tunisia</b>	Ba3	NR	B+
<b>Morocco</b>	Ba1	BBB-	BBB-
<b>Jordan</b>	B1	B+	BB-
<b>China</b>	Aa3	AA-	A+
<b>UK</b>	Aa2	AA	AA
<b>USA</b>	Aaa	AA+	AAA
USD 5-Year CDS	YTD (%)		
<b>Abu Dhabi</b>	44.640	-29.63	
<b>Kuwait</b>	53.270	-14.82	
<b>Dubai</b>	122.940	0.77	
<b>Bahrain</b>	228.270	-18.19	
<b>Qatar</b>	48.170	-39.42	
<b>KSA</b>	70.200	-31.50	
<b>Egypt</b>	269.380	-27.44	
<b>Lebanon</b>	1131.12	53.69	
<b>Turkey</b>	378.552	5.18	
<b>Iraq</b>	305.980	-30.37	
<b>Morocco</b>	89.810	-9.78	
<b>China</b>	44.441	-32.60	
<b>France</b>	18.800	-46.32	
<b>Germany</b>	9.890	-20.85	
<b>Japan</b>	21.737	-10.02	
<b>UK</b>	10.025	-33.48	
<b>US</b>	12.210	-32.18	