

Abu Dhabi's Aldar mandates banks for a US\$ benchmark size 10-year Islamic bond - Aldar Investment Properties LLC (Aldar Investments) – rated Baa1 by Moody's with a stable outlook – the region's largest diversified real estate investment company, a wholly owned subsidiary of Aldar Properties PJSC (Aldar), and 37.3% indirectly owned by Mubadala, has mandated Dubai Islamic Bank, First Abu Dhabi Bank, HSBC and Standard Chartered Bank as Joint Global Coordinators and Joint Lead Managers, along with Abu Dhabi Commercial Bank, Abu Dhabi Islamic Bank, Emirates NBD Capital and Sharjah Islamic Bank as Joint Lead Managers, to arrange a series of fixed income investor meetings in Europe, Asia and the Middle East commencing on 10 October 2019.

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. A sale could happen as early as this month, they said. Representatives for Gulf International Bank didn't immediately respond to emails requesting comment.

Kuwait Central Bank Approves KFH's Plan to Take Over Ahli United - Kuwait Finance House KSCP received the approval from the country's central bank to acquire Bahrain's Ahli United Bank BSC. The approval is conditional upon fulfilling "certain detailed requirements" by the regulator, KFH said in a statement, without providing further information.

Oil price fall weighs on Gulf markets, Saudi leads losses - All major Gulf stock markets traded lower on Tuesday with financial shares suffering the biggest losses across the region amid declining oil prices. Saudi Arabia led the declines as most of the kingdom's banks dropped. Oil prices fell as hopes faded for a trade deal between the United States and China, after Washington blacklisted more Chinese companies.

Powell says US expansion is 'sustainable', Fed will act 'as appropriate' - Federal Reserve chairman Jerome Powell flagged openness to further rate cuts to fend off global economic risks, repeating that the central bank will act "as appropriate" amid an economy that he said is likely to continue to expand. "This feels very sustainable," Powell said "Clearly things are slowing a bit," he said, noting that it's normal for long expansions to have such periods. Twice in the 1990s, he said, the economy similarly downshifted, only to gain steam once the Fed cut interest rates a few times. The Fed's two interest rate cuts this year, in July and September, were made in that spirit and have helped maintain a "favourable" outlook for jobs and inflation, Powell said. The US economy "may just be gathering itself – there's no reason why the expansion can't continue," he added.

GCC Bonds & Sukuk: Best and worst Performers (09 October 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
Ezdan Sukuk 22	0.51%	Meeras Sukuk 22	-0.26%
Etihad Airways 20	0.25%	Mubadala 41	-0.26%
Sharjah Govt 25	0.22%	Ooredoo 25	-0.17%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt 50	26.66%	Etihad Airways 20	-25.91%
KSA Govt 49	26.12%	Etihad Airways 21	-17.51%
Qatar Govt 49	25.37%	Commercial Bank of Qatar 19	-1.99%

Source: Bloomberg

Bonds & Sukuk Indices (09 October 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	136.320	-0.12%	12.98%	2.87%
S&P MENA Bond Index	138.900	-0.14%	14.02%	2.89%
S&P MENA Sukuk Index	128.790	-0.08%	9.52%	2.77%
Bloomberg Global Developed Sovereign Bond Index	121.391	-0.13%	4.65%	0.40%
Bloomberg USD Emerging Market Composite Bond Index	238.771	-0.07%	13.86%	
Dow Jones Sukuk Index	106.109	-0.09%	7.18%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	09/10/2019	31/12/2018	09/10/2019	31/12/2018	09/10/2019	31/12/2018
SAIBOR	2.3171	1.8988	2.3186	2.0875	2.3200	2.2863
KIBOR	2.8750	1.8750	3.0625	2.0625	3.3125	2.3750
BHIBOR	2.3700	2.4500	3.1333	2.9000	3.2500	3.2750
QATAR	2.6000	2.7342	2.7500	2.8868	3.0400	3.0468
AEIBOR	2.2942	1.8310	2.4473	2.0513	2.3254	2.5648
EURIBOR	-0.4230	-0.3290	-0.3890	-0.2710	-0.3360	-0.1860
LIBOR	2.0120	1.6858	1.9604	1.8336	1.8678	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.57	-0.038
2-Year	1.42	0.002
5-Year	1.36	-0.019
7-Year	1.45	-0.023
10-Year	1.53	-0.039
30-Year	2.04	-0.133

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.457	0.01%
5-Y	1.342	0.01%
10-Y	1.448	0.01%
30-Y	1.639	0.01%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.50	-0.339
5-Y	-0.84	-0.213
10-Y	-0.71	-0.735
30-Y	-0.09	-1.137

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	w	0.523
5-Y	0.22	0.003
10-Y	0.42	0.043
30-Y	0.93	0.047

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	51.820 -20.13
Kuwait	50.910 -18.41
Dubai	125.180 2.50
Bahrain	224.980 -19.32
Qatar	52.250 -34.38
KSA	74.250 -27.62
Egypt	292.200 -21.60
Lebanon	1211.22 63.76
Turkey	361.280 0.45
Iraq	329.550 -25.75
Morocco	85.900 -13.33
China	47.908 -27.36
France	18.660 -47.55
Germany	9.390 -26.05
Japan	22.483 -10.02
UK	10.025 -33.48
US	3.851 -32.18