

**Saudi Arabia sells 2.3 bln riyals in sukuk monthly issuance** - Saudi Arabia sold 2.3 billion riyals (\$613 million) in sukuk, or Islamic bonds, in its local monthly issue for July, the Finance Ministry said on Thursday. The debt sale was split into three tranches of 1.4 billion riyals due in 2024, 258 million riyals due in 2028 and 588 million maturing in 2034.

**Aramco said to select Lazard, Moelis for world's biggest IPO** - Saudi Aramco has picked Lazard Ltd. and Moelis & Co. to advise on the oil giant's second attempt at the world's largest initial public offering, Bloomberg News reported citing people with knowledge of the matter said. The boutique investment banks have started preparatory work on the offering.

**UAE's National Bank of Fujairah is said to pick banks for bond sale** - National Bank of Fujairah PJSC selected banks to manage a potential sale of dollar-denominated bonds, Bloomberg news reported Wednesday citing people with knowledge of the plan. The lender, based in the emirate of Fujairah in the United Arab Emirates, is planning to arrange a sale of benchmark-sized perpetual or Tier I securities and the transaction is likely to take place in September, the people said. National Bank of Fujairah is rated Baa1/Stable by Moody's and BBB+/Stable by S&P.

**National Bank of Bahrain still weighing up Bahrain Islamic offer** - National Bank of Bahrain, a majority government-owned lender, is still in discussions with Bahrain Islamic Bank for a potential offer for the Sharia-compliant lender as it looks to widen its client base and expand its reach into the Islamic banking market. The bank "continues to undertake the confirmatory financial and legal due diligence process" into Bahrain Islamic, it said in a statement to the Bahrain Bourse, where its shares trade.

**Egypt's central bank cuts lending and deposit rates by 150 basis points** - Egypt's central bank on Thursday cut the overnight deposit rate by 150 basis points to 14.25% after July inflation figures came in significantly below expectations. The overnight lending rate was cut by 150 basis points to 15.25%, the bank said in a statement.

**Fitch Ratings downgrades Lebanon, S&P maintains its ratings** - Fitch Ratings downgraded Lebanon's long-term foreign currency issuer default rating to CCC from B- Friday, while Standard & Poor's Global Ratings affirmed its long- and short-term foreign and local currency sovereign credit ratings for Beirut at B-/B, saying the country's outlook remains negative. The international rating agency's downgrade for Lebanon is another blow to the struggling economy of the small Arab country that is suffering from one of the world's highest debt ratios, high unemployment and little growth. Fitch's rating report that came minutes before Standard & Poor's release said the downgrade reflects intensifying pressure on Lebanon's financing model, increasing risks to the government's debt-servicing capacity.

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 (25 August 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
KSA Govt 50	1.34%	NMC Health 23	-0.78%
KSA Govt 47	1.21%	Sharjah Govt 25	-0.48%
Abu Dhabi Crude Oil 47	1.21%	Dubai Aerospace 24	-0.23%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
Abu Dhabi Govt. 47	27.27%	Etihad Airways 20	-28.05%
KSA Govt. 50	26.98%	Etihad Airways 21	-16.68%
KSA Govt. 49	26.35%	Ras Gas 19	-2.02%

Source: Bloomberg

### Bonds & Sukuk Indices (25 August 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	137.070	0.43%	13.60%	2.81%
S&P MENA Bond Index	139.800	0.48%	14.76%	2.82%
S&P MENA Sukuk Index	129.070	0.28%	9.75%	2.77%
Bloomberg Global Developed Sovereign Bond Index	121.862	0.38%	5.06%	0.44%
Bloomberg USD Emerging Market Composite Bond Index	236.891	0.18%	12.97%	
Dow Jones Sukuk Index	106.506	0.20%	7.58%	

### Interbank Rates (%)

	3 Months		6 Months		12 Months	
	25/08/2019	31/12/2018	25/08/2019	31/12/2018	25/08/2019	31/12/2018
SAIBOR	2.4443	1.8988	2.4371	2.0875	2.4371	2.2863
KIBOR	2.8125	1.8750	3.0000	2.0625	3.2500	2.3750
BHIBOR	2.5500	2.4500	3.1667	2.9000	3.2833	3.2750
QATAR	2.8098	2.7342	2.9995	2.8868	3.2382	3.0468
AEIBOR	2.4375	1.8310	2.5100	2.0513	2.5508	2.5648
EURIBOR	-0.4120	-0.3290	-0.4080	-0.2710	-0.3580	-0.1860
<b>LIBOR</b>	<b>2.1444</b>	<b>1.6858</b>	<b>2.0801</b>	<b>1.8336</b>	<b>2.0285</b>	<b>2.1022</b>

### U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.72	-0.065
2-Year	1.53	0.150
5-Year	1.42	0.402
7-Year	1.48	0.539
10-Year	1.54	0.734
30-Year	2.03	1.836

### USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.527	-0.08%
5-Y	1.366	-0.09%
10-Y	1.451	-0.08%
30-Y	1.635	-0.08%

### German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.65	0.001
5-Y	-0.93	0.009
10-Y	-0.80	0.020
30-Y	-0.16	0.024

### UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.45	-0.016
5-Y	0.37	-0.034
10-Y	0.48	0.025
30-Y	1.08	0.026

### Currencies

	USD	1-Day Δ	YTD (%)
<b>KWD</b>	0.3043	(0.0000)	-0.233%
<b>SAR</b>	3.7506	0.0000	0.029%
<b>BHD</b>	0.3771	0.0000	-0.021%
<b>QAR</b>	3.6614	0.0007	-0.164%
<b>OMR</b>	0.3850	0.0000	0.000%
<b>AED</b>	3.6731	0.0000	-0.008%
<b>EGP</b>	16.606	(0.0478)	8.116%
<b>EUR</b>	1.1155	0.0064	-2.817%

### 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>	47.580
<b>Kuwait</b>	48.960
<b>Dubai</b>	127.770
<b>Bahrain</b>	243.930
<b>Qatar</b>	48.640
<b>KSA</b>	68.150
<b>Egypt</b>	291.090
<b>Lebanon</b>	1043.430
<b>Turkey</b>	411.170
<b>Iraq</b>	363.990
<b>Morocco</b>	104.360
<b>China</b>	45.863
<b>France</b>	20.540
<b>Germany</b>	9.450
<b>Japan</b>	21.831
<b>UK</b>	32.420
<b>US</b>	13.010