

Emirate of Sharjah to raise \$750 mln in sukuk - Sharjah, the third-largest emirate of the United Arab Emirates, is set to raise on Wednesday \$750 million in 10-year sukuk, or Islamic bonds, a document issued by one of the banks leading the deal showed. Sharjah started marketing the notes at around 185 basis points over mid-swaps earlier on Wednesday but hefty demand meant it was able to tighten spreads to 155 basis points. It received orders in excess of \$3.2 billion, according to the document. The debt sale comes amid a flurry of U.S. dollar-denominated debt issues in the Gulf, as governments and companies take advantage of low global rates to raise cheap debt and attract yield-seeking buyers.

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.

Fitch Affirms Investcorp's Ratings at 'BB'; Outlook Revised to Positive - Fitch Ratings has affirmed Investcorp Holdings B.S.C.'s Long-Term Issuer Default Rating (IDR) and Short-Term IDR and its related entities (collectively Investcorp) at 'BB' and 'B', respectively. Concurrently, Fitch has withdrawn Investcorp's Viability Rating, Support Rating and Support Rating Floor given the relinquishment of the firm's banking license.

Moody's upgrades APICORP's credit rating to Aa2 - Moody's Investors Service has upgraded the credit rating of Arab Petroleum Investments Corporation (APICORP) from 'Aa3' to 'Aa2' with 'stable' outlook, a statement said on Saturday. This upgrade was 'driven by the Corporation's progress in sustaining and further improving its financial performance and resilience', APICORP said in the statement, adding that its short-term issuer rating was also affirmed at Prime-1. "The key drivers for the upgrade include the steady improvement that APICORP has made in its liquidity and funding profile by diversifying its funding sources

Egypt Says IMF Keen on New Program to 'Preserve' Economic Gains - Egypt said the International Monetary Fund is interested in starting a new program with the Arab country to "preserve the success" achieved by its \$12 billion loan agreement. While lauding Egypt's efforts over the past three years, the IMF's new managing director said it needed to make a greater effort in developing the country's human capital, the prime minister's office said in a statement.

GCC Bonds & Sukuk: Best and worst Performers (17 October 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
Ezdan Sukuk 21	0.40%	Sharjah Sukuk 25	-0.15%
Ezdan Sukuk 22	0.34%	International Bank Qatar 20	-0.12%
DP World 29	0.28%	Warba Bank Perp	-0.09%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt 50	23.93%	Etihad Airways 20	-25.91%
KSA Govt 49	23.11%	Etihad Airways 21	-17.25%
Qatar Govt 49	22.65%	Commercial Bank of Qatar 19	-1.87%

Source: Bloomberg

Bonds & Sukuk Indices (17 October 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Indexw	135.920	0.17%	12.65%	3.00%
S&P MENA Bond Index	138.400	0.19%	13.61%	3.05%
S&P MENA Sukuk Index	128.740	0.13%	9.47%	2.82%
Bloomberg Global Developed Sovereign Bond Index	120.779	0.04%	4.12%	0.55%
Bloomberg USD Emerging Market Composite Bond Index	238.434	0.10%	13.70%	
Dow Jones Sukuk Index	105.846	0.08%	6.92%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	17/10/2019	31/12/2018	17/10/2019	31/12/2018	17/10/2019	31/12/2018
SAIBOR	2.3071	1.8988	2.3171	2.0875	2.3229	2.2863
KIBOR	2.8750	1.8750	3.0625	2.0625	3.3125	2.3750
BHIBOR	2.3700	2.4500	3.0667	2.9000	3.2167	3.2750
QATAR	2.6300	2.7342	2.7607	2.8868	3.0849	3.0468
AEIBOR	2.2325	1.8310	2.4625	2.0513	2.4080	2.5648
EURIBOR	-0.4180	-0.3290	-0.3580	-0.2710	-0.3030	-0.1860
LIBOR	2.0021	1.6858	1.9773	1.8336	1.9741	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.57	-0.016
2-Year	1.58	0.016
5-Year	1.55	0.051
7-Year	1.63	0.094
10-Year	1.73	0.117
30-Year	2.21	0.281

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.626	0.00%
5-Y	1.547	-0.01%
10-Y	1.653	-0.01%
30-Y	1.837	-0.01%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.49	2.662
5-Y	-0.71	0.208
10-Y	-0.52	-0.681
30-Y	0.12	0.017

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.55	0.403
5-Y	0.50	0.045
10-Y	0.71	-0.006
30-Y	1.19	-0.011

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

	5-Year CDS	YTD (%)
Abu Dhabi	51.840	-20.46
Kuwait	49.910	-19.94
Dubai	122.570	0.48
Bahrain	223.080	-19.97
Qatar	51.620	-35.30
KSA	77.650	-24.38
Egypt	294.420	-21.04
Lebanon	1157.000	56.80
Turkey	410.605	14.24
Iraq	334.250	-24.84
Morocco	93.520	-6.43
China	44.218	-33.09
France	18.690	-47.69
Germany	9.080	-26.55
Japan	22.483	-10.02
UK	10.025	-33.48
US	3.851	-32.18