

**Islamic Development Bank said to hire banks to raise more than \$1bn in Sukuk** - The Islamic Development Bank (IsDB) has hired banks to arrange a new issue of US dollar-denominated sukuk, or Islamic bonds, expected to be more than \$1bn in size, Reuters reported Thursday citing two sources familiar with the matter. The Jeddah-based Aaa-rated institution issues sukuk regularly to promote Islamic finance and attract liquidity to the sukuk market. It has hired a group of banks including Emirates NBD, Standard Chartered, Gulf International Bank and HSBC to arrange the new transaction, expected to take place next month, Reuters reported. IsDB was last in the market in April this year with a \$1.5bn 5-year sukuk deal. It generally issues dollar-denominated bonds twice a year, and last year it also sold its first sukuk denominated in euro. The new transaction will be more than \$1bn in size.

**Burgan Bank Gets CBK Approval To Redeem Tier 1 Capital Securities Issued In 2014** – Burgan Bank received CBK approval to redeem outstanding amount of additional TIER 1 capital securities issued on September 30<sup>th</sup>, 2014. The outstanding amount is \$269.8 million.

**Saudi Sovereign Wealth Fund Finalizes Terms on \$10 Billion Loan** - Saudi Arabia's sovereign wealth fund finalized the terms of a \$10 billion loan it's seeking to raise from a group of banks, according to people familiar with the matter. The Public Investment Fund will pay 30 basis points over the London Interbank Offered Rate for the bridge loan – less than half the rate of its first borrowing, the people said, asking not to be identified because the information is private. The financing will have a one-year tenor with an option to extend by an additional 12 months, they said.

**Lebanon Holds Firm on Peg With \$1.4 Billion Boost to Reserves** - Lebanon's central bank has secured up to \$1.4 billion in five-year deposits from private investors overseas, boosting dollar reserves in one of the world's most-indebted countries and easing concerns that it could struggle to repay its debts and defend its currency. Governor Riad Salameh said in an interview with Bloomberg TV in Beirut that Banque du Liban remains committed to preserving the Lebanese pound's peg of about 1,507.5 to the dollar, in place for more than two decades, and has "ample" cash to do so.

**US second-quarter GDP growth revised down to 2.0% from 2.1%; economy slowing, but consumers limiting downside** - The US economy slowed a bit more than initially thought in the second quarter as the strongest growth in consumer spending in 4-1/2 years was offset by declining exports and a smaller inventory build. The Commerce Department on Thursday revised down its estimate for second quarter gross domestic product growth to an annualised rate of 2.0% from its 2.1% estimate announced last month. The economy grew at a 3.1% rate in the January-March quarter. It expanded 2.6% in the first half of the year. The downward revision was in line with economists' expectations.

### GCC Bonds & Sukuk: Best and worst Performers (01 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
Abu Dhabi Govt 47	1.38%	Oman Gas 22	-0.69%
Saudi Arabia Govt 49	1.34%	Etihad Airways 20	-0.32%
Saudi Arabia Govt 47	1.30%	Commercial Bank Qatar 19	-0.13%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt. 46	30.24%	Etihad Airways 20	-28.17%
Qatar Govt. 46	29.70%	Etihad Airways 21	-22.40%
Abu Dhabi Govt 47	29.80%	Ras Gas 19	-2.07%

Source: Bloomberg

### Bonds & Sukuk Indices (01 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	137.820	-0.01%	14.22%	2.81%
S&P MENA Bond Index	140.680	-0.03%	15.48%	2.82%
S&P MENA Sukuk Index	129.380	0.03%	10.02%	2.77%
Bloomberg Global Developed Sovereign Bond Index	121.774	-0.06%	4.98%	0.40%
Bloomberg USD Emerging Market Composite Bond Index	238.904	0.23%	13.93%	
Dow Jones Sukuk Index	106.835	0.01%	7.92%	

### Interbank Rates (%)

	3 Months		6 Months		12 Months	
	01/09/2019	31/12/2018	01/09/2019	31/12/2018	01/09/2019	31/12/2018
SAIBOR	2.4200	1.8988	2.3971	2.0875	2.4000	2.2863
KIBOR	2.8125	1.8750	3.0000	2.0625	3.2500	2.3750
BHIBOR	2.5000	2.4500	3.1667	2.9000	3.2833	3.2750
QATAR	2.7468	2.7342	2.8763	2.8868	3.1041	3.0468
AEIBOR	2.4375	1.8310	2.2917	2.0513	2.4296	2.5648
EURIBOR	-0.4330	-0.3290	-0.4280	-0.2710	-0.3830	-0.1860
<b>LIBOR</b>	<b>2.1376</b>	<b>1.6858</b>	<b>2.0365</b>	<b>1.8336</b>	<b>1.9740</b>	<b>2.1022</b>

### U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.76	0.006
2-Year	1.50	0.035
5-Year	1.39	0.051
7-Year	1.45	0.031
10-Year	1.50	0.000
30-Year	1.96	0.063

### USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.514	0.00%
5-Y	1.318	-0.02%
10-Y	1.382	-0.01%
30-Y	1.544	-0.01%

### German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.66	-0.047
5-Y	-0.96	0.004
10-Y	-0.83	0.050
30-Y	-0.21	-0.033

### UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.40	0.014
5-Y	0.33	0.037
10-Y	0.48	-0.036
30-Y	1.02	0.031

### Currencies

	USD	1-Day Δ	YTD (%)
<b>KWD</b>	0.3042	0.0001	-0.174%
<b>SAR</b>	3.7509	0.0003	0.019%
<b>BHD</b>	0.3771	0.0000	-0.021%
<b>QAR</b>	3.6636	0.0001	-0.224%
<b>OMR</b>	0.3850	0.0000	0.000%
<b>AED</b>	3.6731	0.0000	-0.008%
<b>EGP</b>	16.584	0.0120	8.257%
<b>EUR</b>	1.1085	0.0007	1.0995

### 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>	45.800	-28.15	
<b>Kuwait</b>	45.940	-25.96	
<b>Dubai</b>	124.030	-0.15	
<b>Bahrain</b>	247.030	-11.75	
<b>Qatar</b>	47.090	-40.71	
<b>KSA</b>	65.030	-36.40	
<b>Egypt</b>	273.120	-26.52	
<b>Lebanon</b>	1216.650	62.11	
<b>Turkey</b>	427.896	18.89	
<b>Iraq</b>	329.940	-25.78	
<b>Morocco</b>	93.370	-6.56	
<b>China</b>	45.452	-30.91	
<b>France</b>	19.690	-45.16	
<b>Germany</b>	9.470	-24.17	
<b>Japan</b>	21.296	-10.02	
<b>UK</b>	31.640	-15.31	
<b>US</b>	12.080	-32.43	