

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.

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.

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.

Bahrain real GDP up 0.8% in Q2 y/y despite oil sector contraction - Bahrain's real gross domestic product grew 0.8% in Q2 year-on-year, according to preliminary government data, as growth in the non-oil sector offset a decline in oil output. The small Gulf Arab oil producer saw a 0.8% drop in the oil sector in the second quarter, mainly because of a 5.8% decline in the production of oil from the offshore Abu Safah field, which it shares with Saudi Arabia. Annual growth in the non-oil sector was 1.2%, the ministry of finance said in a statement late on Monday. Bahrain's total GDP in Q2 stood at 3.2 billion dinars (\$8.49 billion), it said.

Lebanon Lines Up Eurobond Buyers of Last Resort - All but cut off from international credit markets and facing dollar shortages at home, Lebanon has come up with another workaround to allow the government to borrow money without raiding the central bank's reserves. Local lenders, already the biggest holders of Lebanon's sovereign debt, will cash out certificates of deposit, or CDs, at the central bank to buy some of Lebanon's planned Eurobond issue of up to \$3 billion, a person familiar with the matter said.

GCC Bonds & Sukuk: Best and worst Performers (14 October 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
NMC Health 25	1.82%	Qatar Govt 49	-2.08%
Etihad Airways 20	1.18%	Qatar Govt 48	-1.74%
Emirates NBD 39	0.85%	Qatar Govt 28	-0.56%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt 49	24.38%	Etihad Airways 20	-25.91%
KSA Govt 47	23.62%	Etihad Airways 21	-17.26%
Abu Dhabi 47	22.98 %	Commercial Bank of Qatar 19	-1.96%

Source: Bloomberg

Bonds & Sukuk Indices (14 October 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	135.610	-0.15%	12.39%	2.87%
S&P MENA Bond Index	138.010	-0.21%	13.29%	2.89%
S&P MENA Sukuk Index	128.680	0.05%	9.42%	2.77%
Bloomberg Global Developed Sovereign Bond Index	120.807	-0.28%	4.15%	0.54%
Bloomberg USD Emerging Market Composite Bond Index	237.871	-0.13%	13.43%	
Dow Jones Sukuk Index	105.869	-0.01%	6.94%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	14/10/2019	31/12/2018	14/10/2019	31/12/2018	14/10/2019	31/12/2018
SAIBOR	2.3071	1.8988	2.3186	2.0875	2.3214	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	2.6000	2.7342	2.7500	2.8868	3.0375	3.0468
AEIBOR	2.3035	1.8310	2.3817	2.0513	2.2830	2.5648
EURIBOR	-0.4180	-0.3290	-0.3580	-0.2710	-0.3030	-0.1860
LIBOR	2.0009	1.6858	1.9756	1.8336	1.9555	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.64	-0.013
2-Year	1.59	0.008
5-Year	1.55	0.004
7-Year	1.64	0.008
10-Year	1.73	0.016
30-Year	2.19	0.031

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.642	0.07%
5-Y	1.550	0.08%
10-Y	1.654	0.07%
30-Y	1.820	0.06%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.50	-5.395
5-Y	-0.76	-0.299
10-Y	-0.58	-0.988
30-Y	0.07	3.009

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.54	2.979
5-Y	0.50	5.578
10-Y	0.70	5.744
30-Y	1.17	5.430

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	51.340 -21.18
Kuwait	49.910 -19.93
Dubai	123.020 0.83
Bahrain	223.550 -19.81
Qatar	52.250 -34.38
KSA	77.670 -24.34
Egypt	295.420 -20.78
Lebanon	1151.500 56.09
Turkey	390.417 8.68
Iraq	332.300 -25.22
Morocco	96.540 -3.70
China	44.720 -31.90
France	18.610 -48.04
Germany	9.390 -27.60
Japan	22.483 -10.02
UK	10.025 -33.48
US	3.851 -32.18