

Abu Dhabi National Energy Company prices a \$500m 30-year bond at 4% yield - Abu Dhabi National Energy Company PJSC, also known as TAQA, priced a \$500m 30-year bond at a spread of 230 basis points over benchmark mid swap rate, offering yield of 4%. TAQA started marketing the 144A/RegS senior unsecured bond, in a single day window on Thursday morning, by announcing the initial price thought at MS+275bps area and finally priced the bond 45 basis points inside the main guidance as order books swelled to \$4.5bn at one point.

Saudi Rating Affirmed at A- by S&P - Saudi Arabia's credit ranking was affirmed by S&P Global Ratings as the kingdom recovers faster than expected from the biggest attack ever on its oil industry. S&P kept the sovereign assessment at A-, four levels above junk and on par with Malaysia and Malta. The outlook remains stable, according to a statement on Friday. "We expect Saudi Arabia to redouble its efforts to secure key oil production and processing facilities, increase storage capacity, and enhance attempts to develop Red Sea export routes that would help avoid the volatile Arabian Gulf," S&P said.

Fitch Affirms Gulf Bank at 'A+'; Outlook Stable - Fitch Ratings has affirmed Gulf Bank's (GB) Long-Term Issuer Default Rating at 'A+' with a Stable Outlook. Fitch has also affirmed the bank's Viability Rating at 'bb+'. GB continues to benefit from a fairly stable operating environment in Kuwait despite the economic impact of low oil prices. The bank is exposed to slower economic growth, but Fitch believes that the government's continuing capital spending plans will partially offset the pressures.

Egypt's central bank cuts deposit and lending rates by 100 basis points - Egypt's central bank on Thursday cut its key interest rates for a second time in a row, on the back of inflation falling further and global monetary easing. The overnight deposit and lending rates were cut by 100 basis points to 13.25% and 14.25% respectively.

Lebanon Seeks Proposals From Banks for \$2 Billion Eurobond Sale - Lebanon sent a request for proposal to banks for a potential Eurobond sale in order to finance its needs for the rest of the year, a person familiar with the matter said. The nation is seeking to raise \$2 billion from the offering and set Monday as the deadline for responses, the person said, speaking on condition of anonymity because the information isn't public.

US second quarter GDP growth slows to 2%; business investment much weaker than previously estimated - The US economy expanded at an unrevised annual rate of only 2% in the second quarter, the government said in its third and "final" estimate released on Thursday. While a 4.6% second quarter increase in consumer spending, which accounts for more than two-thirds of US economic activity, supported the economy; growth in inventories sliced off 0.91 percentage point from GDP growth last quarter.

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GCC Bonds & Sukuk: Best and worst Performers (29 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
KSA Govt 49	1.43%	Abu Dhabi Nat Energy 36	-1.05%
KSA Govt 50	1.39%	Qatar Gas 33	-0.82%
KSA Govt 47	1.39%	Abu Dhabi Crude Oil 47	-0.64%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt 50	25.74%	Etihad Airways 21	-16.74%
KSA Govt 49	25.22%	Ras Gas 19	-2.28%
KSA Govt 47	24.23%	Commercial Bank Qatar 19	-1.83%

Source: Bloomberg

Bonds & Sukuk Indices (29 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	135.960	0.24%	12.68%	2.84%
S&P MENA Bond Index	138.450	0.28%	13.65%	2.88%
S&P MENA Sukuk Index	128.750	0.09%	9.48%	2.74%
Bloomberg Global Developed Sovereign Bond Index	120.571	-0.04%	3.94%	0.48%
Bloomberg USD Emerging Market Composite Bond Index	237.999	0.00%	13.50%	
Dow Jones Sukuk Index	106.080	0.04%	7.15%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	29/09/2019	31/12/2018	29/09/2019	31/12/2018	29/09/2019	31/12/2018
SAIBOR	2.3586	1.8988	2.3629	2.0875	2.3629	2.2863
KIBOR	2.8750	1.8750	3.0625	2.0625	3.2500	2.3750
BHIBOR	2.3700	2.4500	3.1000	2.9000	3.2167	3.2750
QATAR	2.5868	2.7342	2.7304	2.8868	3.0553	3.0468
AEIBOR	2.3519	1.8310	2.4250	2.0513	2.3810	2.5648
EURIBOR	-0.4120	-0.3290	-0.3770	-0.2710	-0.3250	-0.1860
LIBOR	2.0986	1.6858	2.0630	1.8336	2.0433	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.75	-0.028
2-Year	1.63	0.049
5-Year	1.56	0.090
7-Year	1.62	0.109
10-Year	1.68	0.125
30-Year	2.13	0.312

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.643	-0.01%
5-Y	1.514	0.00%
10-Y	1.573	0.00%
30-Y	1.720	0.00%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.54	0.041
5-Y	-0.81	-0.038
10-Y	-0.69	0.001
30-Y	-0.12	0.003

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.40	0.018
5-Y	0.31	-0.007
10-Y	0.50	-0.037
30-Y	0.97	-0.011

Currencies

	USD	1-Day Δ	YTD (%)
KWD	0.3044	0.0001	-0.247%
SAR	3.7518	(0.0001)	-0.005%
BHD	0.3771	(0.0000)	-0.013%
QAR	3.6627	(0.0037)	-0.191%
OMR	0.3850	0.0003	0.000%
AED	3.6730	(0.0001)	-0.005%
EGP	16.338	(0.0331)	9.890%
EUR	1.0946	0.0019	-4.596%

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	B3	B-	B
Turkey	Baa3	BB+	BBB-
Tunisia	Ba3	NR	B+
Morocco	Ba1	BBB-	BBB-
Jordan	B1	B+	BB-
China	Aa3	AA-	A+
UK	Aa2	AA	AA
USA	Aaa	AA+	AAA

USD 5-Year CDS

	YTD (%)
Abu Dhabi	52.630 -18.70
Kuwait	50.910 -18.41
Dubai	126.540 3.56
Bahrain	223.500 -19.83
Qatar	52.390 -34.05
KSA	71.400 -30.05
Egypt	273.960 -26.27
Lebanon	1147.700 55.88
Turkey	358.972 -0.18
Iraq	299.900 -31.56
Morocco	84.970 -14.17
China	46.651 -29.27
France	18.830 -47.24
Germany	9.280 -25.83
Japan	21.924 -10.02
UK	10.025 -33.48
US	12.210 -32.18