

Bahrain's Alba plans to raise \$1.5 billion in bank debt - The company's financial performance has recently been hurt by lower London Metal Exchange prices, ongoing US-China trade tensions and a drop in aluminium demand in North America and Europe. Aluminium Bahrain, plans to raise \$1.5 billion in bank debt to refinance loans it obtained in 2016 to back its Line 6 expansion project. Alba has mandated three Bahrain-based banks—National Bank of Bahrain, Bank ABC and Gulf International Bank—to underwrite the facility.

African Export-Import Bank mandates banks for a US\$ bond sale - African Export-Import Bank (Afreximbank), rated Baa1 by Moody's, BBB- by Fitch and BBB+ by GCR (all stable), a leading supranational financial institution specialising in trade related financing in Africa, has mandated HSBC as Global Coordinator and FAB, HSBC, MUFG, Rand Merchant Bank and Standard Chartered Bank as Joint Lead Managers and Bookrunners to arrange a series of fixed income investor meetings in Asia, Europe, the UAE and the US, commencing September 8th, 2019. A benchmark 144A/Regulation S, USD-denominated bond offering with a tenor of 5 to 10 years will follow, subject to market conditions. Relevant stabilisation regulation applies, including FCA/ICMA.

Saudi Arabia's SASCO signs a SAR 166 million financing deal with NCB - The facility will be used finance buying of new locations, building new fuel stations and developing the existing stations as well as financing the working capital requirements. Saudi Automotive Services Company (SASCO) has signed a SAR 166 million Shari'ah compliant financing facility agreement with National Commercial Bank. In a bourse filing, SASCO stated that the facility is divided into a long-term financing of SAR 100 million, SAR 55 million short-term financing and SAR 11.25 million Hedge.

Lebanon Might Offer Up to \$2 Billion in Eurobonds - Lebanon is considering issuing up to \$2 billion of Eurobonds to cover its needs for the rest of the year, Finance Minister Ali Hasan Khalil said. The finance ministry and central bank will hold talks next week to discuss the possible offer, which could range from \$1.5 billion to \$2 billion, Khalil said in an interview on MTV, a local television channel. The government has to find 11 trillion Lebanese pounds (\$7.2 billion) to repay debt, including \$1.65 billion in the coming four months, though some of it could be financed through new local currency bonds, he said. "According to our plan, we are working to secure the funds in an acceptable way," Khalil said.

Solid growth in US services sector counters manufacturing gloom, trade storm - The US services sector expanded faster than expected in August, as data showed a jump in new orders and business activity and helped quell concerns following figures this week that revealed the manufacturing sector's first monthly contraction in three years. The Institute for Supply Management's non-manufacturing index jumped to 56.4 in July from 53.7 in July.

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 (08 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
IPIC 21	0.49%	Qatar Govt 49	-2.22%
Masherq Bank 24	0.46%	Qatar Govt 48	-2.16%
RAS Gas 27	0.30%	Qatar Govt 46	-2.00%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
Abu Dhabi 47	29.29%	Etihad Airways 20	-26.68%
KSA Govt 50	28.86%	Etihad Airways 21	-18.97%
KSA Govt. 49	27.73%	RAS Gas 19	-2.20%

Source: Bloomberg

Bonds & Sukuk Indices (08 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	137.850	-0.24%	14.25%	2.81%
S&P MENA Bond Index	140.660	-0.31%	15.47%	2.82%
S&P MENA Sukuk Index	129.590	0.00%	10.20%	2.77%
Bloomberg Global Developed Sovereign Bond Index	121.640	0.20%	4.87%	0.36%
Bloomberg USD Emerging Market Composite Bond Index	239.435	-0.11%	14.18%	
Dow Jones Sukuk Index	106.947	-0.05%	8.03%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	08/09/2019	31/12/2018	08/09/2019	31/12/2018	08/09/2019	31/12/2018
SAIBOR	2.3943	1.8988	2.3614	2.0875	2.3614	2.2863
KIBOR	2.8125	1.8750	3.0000	2.0625	3.2500	2.3750
BHIBOR	2.4500	2.4500	3.1333	2.9000	3.2333	3.2750
QATAR	2.7800	2.7342	2.8885	2.8868	3.0910	3.0468
AEIBOR	2.3745	1.8310	2.4621	2.0513	2.5407	2.5648
EURIBOR	-0.4370	-0.3290	-0.4230	-0.2710	-0.3580	-0.1860
LIBOR	2.1341	1.6858	2.0341	1.8336	1.9490	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.74	-0.011
2-Year	1.54	-0.023
5-Year	1.43	-0.027
7-Year	1.51	-0.023
10-Year	1.56	-0.008
30-Year	2.03	0.578

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.528	0.02%
5-Y	1.366	0.01%
10-Y	1.446	0.00%
30-Y	1.614	-0.02%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.64	-0.049
5-Y	-0.92	0.033
10-Y	-0.77	-0.012
30-Y	-0.11	0.006

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.39	0.049
5-Y	0.34	-0.017
10-Y	0.51	-0.049
30-Y	1.02	-0.032

Currencies

	USD	1-Day Δ	YTD (%)
KWD	0.3042	0.0002	-0.148%
SAR	3.7516	0.0000	0.003%
BHD	0.3771	0.0000	-0.032%
QAR	3.6644	0.0021	-0.238%
OMR	0.3855	0.0000	-0.003%
AED	3.6730	0.0000	-0.008%
EGP	16.505	0.0184	8.776%
EUR	1.0975	0.0001	1.1034

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