

Warba Bank Gets CMA Nod To Issue Private Offering Prospectus For Sukuk – Warba Bank obtains CMA approval to issue a private subscription prospectus for issuance of sukuk not exceeding \$500million.

Dubai Govt Holds Talks With Banks for Dollar Bond Sale - The government of Dubai has held talks with banks about a potential issue of US dollar-denominated bonds, Reuters reported Tuesday citing sources familiar with the matter said. If the deal materialises, it would be Dubai's first international debt sale since 2013 when the government raised \$1.25bn through Islamic and conventional bonds. According to Reuters, the Dubai government media office did not immediately respond to a request for comment. Dubai, which has forecast a budget deficit of AED 5.8bn (\$1.58bn) this year, has had talks with banks over the past few weeks and is considering issuing bonds which would be used for budgetary purposes, said the sources. The government has not sent out official requests for proposals to banks to arrange the issue, which would have a maturity of at least 10 years, they added.

Emaar Properties prices a \$500m 10-year Sukuk at MS + 235bps - Emaar Properties PJSC, one of the largest real estate master developers operating in the GCC, priced a \$500m 10-year Islamic bond or Sukuk on Tuesday offering spread of 235 basis points over benchmark mid swap rate. The initial guidance for the Reg S senior unsecured Sukuk was MS+270bps area. The re-offer price of the Sukuk was 99.762%, offering yield of 3.904%, while the profit rate was set at 3.875%. When the Sukuk was launched, orderbook stood at circa \$2.45bn, making the deal close to 5 times oversubscribed. Emaar Properties, 29.2% owned by Dubai's state owned wealth fund the Investment Corporation of Dubai, is rated Baa3/Stable by Moody's and BBB-/Stable by S&P.

Inflation decline in Egypt paves way to interest rates cut - The decline in Egypt's inflation during August could be the second-biggest push to cut interest rates across emerging markets, according to Bloomberg Tuesday. The Central Agency for Public Mobilization and Statistics (CAPMAS) announced earlier Tuesday that Egypt's annual consumer price inflation declined to 6.7 percent in August 2019, compared to 13.6 percent in August 2018. As rate hit its lowest level since the start of 2013, the news-agency stated that stronger disinflationary momentum all but clinches another rate cut when the central bank meets later this month.

US job openings decline for second straight month - US job openings fell for a second straight month in July amid decreases in wholesale trade and the federal government, which could bolster economists' views that job growth has peaked. Job openings, a measure of labor demand, slipped by 31,000 to a seasonally adjusted 7.2 million in July, the Labor Department said in its monthly Job Openings and Labor Turnover Survey, or JOLTS, on Tuesday.

GCC Bonds & Sukuk: Best and worst Performers (11 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
Ezdan Sukuk 21	2.25%	Saudi Electricity 43	-0.68%
Ezdan Sukuk 22	1.03%	Saudi Electricity 44	-0.55%
Sharjah Govt 25	0.28%	Ooredoo 43	-0.44%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
Abu Dhabi 47	26.91%	Etihad Airways 20	-26.71%
KSA Govt 50	26.17%	Etihad Airways 21	-21.56%
DP World 48	26.10%	Ras Gas 19	-2.23%

Source: Bloomberg

Bonds & Sukuk Indices (11 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	137.110	-0.35%	13.63%	2.69%
S&P MENA Bond Index	139.760	-0.39%	14.73%	2.71%
S&P MENA Sukuk Index	129.350	-0.19%	9.99%	2.63%
Bloomberg Global Developed Sovereign Bond Index	120.915	-0.36%	4.24%	0.50%
Bloomberg USD Emerging Market Composite Bond Index	238.326	-0.31%	13.65%	
Dow Jones Sukuk Index	106.675	-0.22%	7.75%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	11/09/2019	31/12/2018	11/09/2019	31/12/2018	11/09/2019	31/12/2018
SAIBOR	2.3871	1.8988	2.3500	2.0875	2.3500	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	2.7709	2.7342	2.9053	2.8868	3.1139	3.0468
AEIBOR	2.3048	1.8310	2.4626	2.0513	2.4363	2.5648
EURIBOR	-0.4330	-0.3290	-0.4130	-0.2710	-0.3600	-0.1860
LIBOR	2.1384	1.6858	2.0356	1.8336	1.9488	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.78	-0.025
2-Year	1.66	0.031
5-Year	1.57	0.105
7-Year	1.65	0.133
10-Year	1.71	0.180
30-Year	2.19	0.500

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.654	-0.02%
5-Y	1.511	-0.02%
10-Y	1.602	-0.02%
30-Y	1.783	-0.02%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.62	0.674
5-Y	-0.87	-0.891
10-Y	-0.69	-0.364
30-Y	0.01	0.016

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.47	0.459
5-Y	0.43	-0.002
10-Y	0.64	0.012
30-Y	1.13	0.054

Currencies

	USD	1-Day Δ	YTD (%)
KWD	0.3041	0.0000	-0.151%
SAR	3.7516	0.0001	-0.003%
BHD	0.3771	0.0000	-0.032%
QAR	3.6666	(0.0007)	-0.273%
OMR	0.3855	0.0000	-0.005%
AED	3.6731	0.0000	-0.008%
EGP	16.483	(0.0501)	9.019%
EUR	1.1049	0.0005	-3.654%

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	41.020	-35.78	
Kuwait	41.950	-32.03	
Dubai	120.410	-2.94	
Bahrain	233.410	-16.43	
Qatar	41.230	-47.54	
KSA	60.090	-40.86	
Egypt	263.130	-29.07	
Lebanon	1228.590	65.41	
Turkey	382.657	6.39	
Iraq	303.780	-30.91	
Morocco	89.990	-9.62	
China	39.373	-40.27	
France	19.330	-46.11	
Germany	9.490	-24.13	
Japan	20.910	-10.02	
UK	31.370	-15.69	
US	10.650	-38.96	