

Abu Dhabi plans first dollar bond issue in two years - Abu Dhabi plans to issue U.S. dollar-denominated bonds this year, three sources familiar with the matter said, its first since 2017, as the oil-rich emirate seeks to take advantage of low rates to offset the impact of falling oil prices. The government has updated its bond programme documentation and plans to raise the financing before the end of the year, said one of the sources, adding that a bond deal of at least \$1 billion was likely. Abu Dhabi's Department of Finance did not immediately respond to a request for comment. Governments in the Gulf Cooperation Council region have borrowed billions of dollars globally over the past few years to refill state coffers hit by lower oil prices.

Kuwait Petroleum to raise \$1 bln revolving loan – sources - Kuwait Petroleum Corp (KPC) is finalising a \$1 billion loan with a small group of international banks, three sources familiar with the deal said. The loan, a revolving credit facility, comes amid a slowdown in the regional loan market, as borrowers have increasingly raised financing through bonds to take advantage of lower rates. The state-owned oil company, which did not respond to a request for comment, plans to invest hundreds of billions of dollars by 2040 as it aims to boost its crude oil production capacity to 4.75 million barrels per day by that date.

Dubai's ANC Holdings picks Rothschild to advise on restructuring - Dubai-based ANC Holdings LLC picked Rothschild & Co. to advise on restructuring about AED 1bn (\$272m) of debt, Bloomberg News reported citing people with knowledge of the matter. The boutique bank is working with the company as its construction business struggles, the people said, asking not to be identified because the information is private. ANC Holdings has operations spanning oil and gas contracting, trading, food and education, according to its website.

Egypt Cen Bank Targets Fiscal Deficit of 7.2% of GDP in 2019-20 - Primary fiscal balance targeted to record surplus of 2% of GDP in 2018-19 and to "maintain this surplus in subsequent fiscal years to reduce debt levels," the central bank says in a monetary policy report. The Fiscal deficit targeted to drop to 8.2% of GDP in 2018-19 and the Real GDP growth estimated at 5.7% in 2Q 2019.

China, US to hold trade talks in Washington in early October - China announced that its trade negotiators will travel to Washington early next month for talks with US counterparts, boosting the chances for a resolution to the tariff war after weeks of uncertainty and escalation. The prospect of talks may raise hope of some progress in the more than year-long trade war, though clear differences between the two sides on the substantive issues remain.

GCC Bonds & Sukuk: Best and worst Performers (05 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
Oman Grid 25	0.65%	Ooredoo 43	-1.88%
Saudi Electricity Co. 43	0.36%	Abu Dhabi Com Bank 24	-0.63%
Saudi Electricity Co. 44	0.33%	Meeras 22	-0.29%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
Abu Dhabi 47	30.82%	Etihad Airways 20	-26.85%
KSA Govt 50	30.69%	Etihad Airways 21	-22.42%
KSA Govt. 49	29.58%	RAS Gas 19	-2.17%

Source: Bloomberg

Bonds & Sukuk Indices (05 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	138.550	0.23%	14.83%	2.81%
S&P MENA Bond Index	141.520	0.26%	16.17%	2.82%
S&P MENA Sukuk Index	129.790	0.15%	10.37%	2.77%
Bloomberg Global Developed Sovereign Bond Index	122.039	0.16%	5.21%	0.36%
Bloomberg USD Emerging Market Composite Bond Index	240.084	0.26%	14.49%	
Dow Jones Sukuk Index	107.183	0.15%	8.27%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	05/09/2019	31/12/2018	05/09/2019	31/12/2018	05/09/2019	31/12/2018
SAIBOR	2.4029	1.8988	2.3857	2.0875	2.3871	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	2.7699	2.7342	2.9039	2.8868	3.1138	3.0468
AEIBOR	2.4175	1.8310	2.3425	2.0513	2.5390	2.5648
EURIBOR	-0.4480	-0.3290	-0.4480	-0.2710	-0.3850	-0.1860
LIBOR	2.1266	1.6858	2.0124	1.8336	1.9364	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.67	-0.016
2-Year	1.49	-0.104
5-Year	1.37	-0.238
7-Year	1.44	-0.305
10-Year	1.51	-0.422
30-Year	2.01	-0.875

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.477	0.05%
5-Y	1.305	0.05%
10-Y	1.399	0.05%
30-Y	1.589	0.04%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.66	2.054
5-Y	-0.93	0.242
10-Y	-0.80	0.125
30-Y	-0.18	0.027

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.36	0.449
5-Y	0.34	-0.002
10-Y	0.49	0.005
30-Y	1.00	0.039

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