

### Islamic Development Bank May Raise Upto USD1.5 Billion in Debt Funding of Islamic Bonds

**Islamic Development Bank**, a Saudi Arabia-based multilateral development finance institution that is focused on islamic finance, has hired banks to arrange a new issue of more than USD1 billion in debt funding of islamic bonds (sukuk). Reportedly, Islamic Development Bank may raise upto USD1.5 billion. Islamic Development Bank has hired a group of banks including Emirates NBD, Standard Chartered, Gulf International Bank and HSBC to arrange the new transaction, expected to take place next month.

### Bahrain's Alba Raising \$1.5 Billion Loan to Lower Its Debt Costs

Aluminium Bahrain BSC is raising \$1.5 billion through a syndicated seven-year loan to lower the cost of existing debt, according to three people familiar with the matter. National Bank of Bahrain BSC, Gulf International Bank BSC and Bank ABC are underwriting the facility, which is in the process of being offered to other investors, said the people, asking not to be identified because the information isn't public. Alba, majority owned by Bahrain's sovereign wealth fund, is doubling capacity at its aluminum smelter to make it the world's largest, according to its website.

### Qatar's central bank issues 164 mln USD treasury bills

Qatar Central Bank (QCB) on Tuesday issued treasury bills for three, six and nine months with a value of 600 million Qatari riyals (roughly 164 million U.S. dollars), the bank said in a statement. "The step is part of the QCB's monetary policy initiatives and efforts to strengthen the financial system as well as to activate the tools available for the open market operations," according to the statement. The treasury bills' value will be distributed as 300 million Qatari riyals for three months at an interest rate of 1.96%, 200 million Qatari riyals for six months at an interest rate of 1.98 % and 100 million Qatari riyals for nine months at an interest rate of 2.01%.

### Egypt sees 7.2% budget deficit, higher primary surplus in FY 2019/20

Egypt is targeting a budget deficit of 7.2% this fiscal year, and a deficit of 6.2% in the 2020/21 fiscal year, the finance minister said on Tuesday. The country is targeting a primary surplus of 124 billion Egyptian pounds (\$7.51 billion) in the 2019/20 fiscal year, up from 104 billion pounds last fiscal year, Finance Minister Mohamed Maait said at a business conference in Cairo.

### Lebanon PM targets deficit of 7% of GDP next year

Lebanon Prime Minister Saad al-Hariri's government wants to reduce the deficit to 7% of GDP next year, he told CNBC in an interview. "So what we are doing is, fixing our debt to GDP, our deficit and the budget to 7.6% this year, we want to go down to 7% next year, or maybe a little bit less," he said in the interview aired on Wednesday.

### GCC Bonds & Sukuk: Best and worst Performers (04 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
Saudi Electricity Co. 44	0.62%	Saudi Basic Ind 28	-0.25%
Oman Grid 25	0.31%	Ooredoo 43	-0.18%
Saudi Electricity Co. 24	0.15%	Saudi Basic Ind 23	-0.16%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt. 50	30.30%	Etihad Airways 20	-27.47%
Abu Dhabi 47	30.22%	Etihad Airways 21	-18.97%
KSA Govt. 49	29.58%	RAS Gas 19	-2.08%

Source: Bloomberg

### Bonds & Sukuk Indices (04 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	138.230	0.10%	14.56%	2.81%
S&P MENA Bond Index	141.160	0.12%	15.88%	2.82%
S&P MENA Sukuk Index	129.590	0.04%	10.20%	2.77%
Bloomberg Global Developed Sovereign Bond Index	121.840	0.24%	5.04%	0.37%
Bloomberg USD Emerging Market Composite Bond Index	239.453	0.23%	14.19%	
Dow Jones Sukuk Index	107.018	0.04%	8.10%	

### Interbank Rates (%)

	3 Months		6 Months		12 Months	
	04/09/2019	31/12/2018	04/09/2019	31/12/2018	04/09/2019	31/12/2018
SAIBOR	2.4057	1.8988	2.3957	2.0875	2.3986	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	2.7494	2.7342	2.8693	2.8868	3.0689	3.0468
AEIBOR	2.3772	1.8310	2.3775	2.0513	2.5396	2.5648
EURIBOR	-0.4360	-0.3290	-0.4390	-0.2710	-0.3840	-0.1860
<b>LIBOR</b>	<b>2.1328</b>	<b>1.6858</b>	<b>2.0240</b>	<b>1.8336</b>	<b>1.9494</b>	<b>2.1022</b>

### U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.72	-0.014
2-Year	1.45	-0.002
5-Year	1.34	-0.035
7-Year	1.41	-0.070
10-Year	1.47	-0.133
30-Year	1.97	-0.367

### USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.452	0.01%
5-Y	1.272	0.01%
10-Y	1.357	0.02%
30-Y	1.543	0.02%

### German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.65	-0.535
5-Y	-0.95	-0.908
10-Y	-0.83	-0.068
30-Y	-0.22	2.765

### UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.33	0.331
5-Y	0.27	-0.529
10-Y	0.41	0.888
30-Y	0.92	1.907

### Sovereign Ratings

	Moody's	S&P	Fitch
<b>Abu Dhabi</b>	Aa2	AA	AA
<b>Bahrain</b>	B2	B+	BB-
<b>Kuwait</b>	Aa2	AA	AA
<b>Oman</b>	Ba1	BB	BB+
<b>Qatar</b>	Aa3	AA-	AA-
<b>KSA</b>	A1	A-	A+
<b>UAE</b>	Aa2	NR	NR
<b>Egypt</b>	B2	B-	B+
<b>Lebanon</b>	B3	B-	B
<b>Turkey</b>	Baa3	BB+	BBB-
<b>Tunisia</b>	Ba3	NR	B+
<b>Morocco</b>	Ba1	BBB-	BBB-
<b>Jordan</b>	B1	B+	BB-
<b>China</b>	Aa3	AA-	A+
<b>UK</b>	Aa2	AA	AA
<b>USA</b>	Aaa	AA+	AAA

### USD 5-Year CDS

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