

**Sharjah issues 10-year US-dollar denominated Sukuk** - Sharjah started marketing the notes at around 185 basis points over mid-swaps but increased demand meant it was able to tighten spreads to 155 basis points. Sharjah, the third-largest emirate of the UAE, is set to raise \$750 million in a 10-year Sukuk, reported Reuters. The debt sale comes amid a flurry of US dollar-denominated debt issues across the Gulf region, as governments and companies take advantage of low global rates to raise cheap debt and attract yield-seeking buyers. Abu Dhabi issued \$10 billion bonds in a three-part deal in its first international offering in two years as it takes advantage of relatively low borrowing costs in September 2019. Saudi Arabia is also considering selling a dollar-denominated Islamic bond as the Kingdom seeks to take advantage of lower borrowing costs.

**S&P affirms Oman ratings at BB/B with negative outlook** - S&P Global Ratings affirmed its 'BB/B' long- and short-term foreign and local currency sovereign credit ratings on Oman and said the outlook was negative. S&P, the first of the major credit assessors to give Oman a non-investment grade, said that its "negative outlook reflects the risk that in the absence of substantial fiscal measures to curtail the government deficit, fiscal and external buffers will continue to erode." The global ratings agency said it could lower ratings on Oman in the next 6-12 months if the sultanate is unable to contain external debt accumulation related to still-sizable fiscal deficits, which S&P expect will continue to increase through 2022.

**EWEC and ACWA secure \$869 mln for Abu Dhabi desalination plant** - Emirates Water and Electricity Company (EWEC) and Saudi Arabia's ACWA Power said on Saturday they had secured financing of 3.19 billion dirhams (\$869 million) for Abu Dhabi's Taweelah water desalination plant. The project would be the world's largest reverse osmosis desalination plant, the two companies said in a statement.

**Egypt Aims to Cut Debt Service Costs Through Longer Maturities** - Government's medium-term strategy to ensuring trimming debt service costs is to prolong maturity as interest rates drop, as well as diversifying the investor base, the Finance Ministry says in a statement. The Ministry aims for debt mix of 40% Treasury bills and 60% bonds by 2022. Government's focus in upcoming period of economic program is on structural reforms and boosting competitiveness of the Egyptian economy by stressing manufacturing and export activities and increasing opportunities for private sector.

### GCC Bonds & Sukuk: Best and worst Performers (21 October 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
NMC Health 25	0.31%	Ezdan Sukuk 22	-0.20%
Dubai Aerospace 23	0.24%	Qatar Gas 33	-0.19%
Al Baraka Perp	0.23%	Saudi Electricity 44	-0.09%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt 50	23.93%	Etihad Airways 20	-25.91%
KSA Govt 49	23.11%	Etihad Airways 21	-17.25%
Qatar Govt 49	22.65%	Commercial Bank of Qatar 19	-1.87%

Source: Bloomberg

### Bonds & Sukuk Indices (21 October 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Indexw	135.770	-0.05%	12.52%	3.00%
S&P MENA Bond Index	138.200	-0.07%	13.45%	3.05%
S&P MENA Sukuk Index	128.750	0.01%	9.48%	2.82%
Bloomberg Global Developed Sovereign Bond Index	121.185	0.10%	4.47%	0.55%
Bloomberg USD Emerging Market Composite Bond Index	238.687	0.08%	13.82%	
Dow Jones Sukuk Index	105.858	0.01%	6.93%	

### Interbank Rates (%)

	3 Months		6 Months		12 Months	
	21/10/2019	31/12/2018	21/10/2019	31/12/2018	21/10/2019	31/12/2018
SAIBOR	2.3014	1.8988	2.3100	2.0875	2.3243	2.2863
KIBOR	2.8750	1.8750	3.0625	2.0625	3.3125	2.3750
BHIBOR	2.3700	2.4500	3.0000	2.9000	3.1333	3.2750
QATAR	2.5772	2.7342	2.7084	2.8868	2.9714	3.0468
AEIBOR	2.2166	1.8310	2.4100	2.0513	2.2284	2.5648
EURIBOR	-0.4070	-0.3290	-0.3510	-0.2710	-0.2980	-0.1860
<b>LIBOR</b>	<b>1.9533</b>	<b>1.6858</b>	<b>1.9518</b>	<b>1.8336</b>	<b>1.9873</b>	<b>2.1022</b>

### U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.55	-0.019
2-Year	1.57	0.004
5-Year	1.56	0.020
7-Year	1.65	0.031
10-Year	1.75	0.031
30-Year	2.25	0.047

### USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.619	0.00%
5-Y	1.562	0.00%
10-Y	1.690	0.00%
30-Y	1.884	0.00%

### German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.46	0.889
5-Y	-0.69	0.065
10-Y	-0.52	0.061
30-Y	0.12	-0.035

### UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.53	0.411
5-Y	0.51	0.052
10-Y	0.71	0.013
30-Y	1.19	0.011

### 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>	Caa1	B-	CCC
<b>Turkey</b>	B1	B+	BB-
<b>Tunisia</b>	B2	NR	B+
<b>Morocco</b>	Ba1	BBB-	BBB-
<b>Jordan</b>	B1	B+	BB-
<b>China</b>	A1	A+	A+
<b>UK</b>	Aa2	AA	AA
<b>USA</b>	Aaa	AA+	AAA

### USD 5-Year CDS

	YTD (%)
<b>Abu Dhabi</b>	44.360 -31.63
<b>Kuwait</b>	46.910 -24.49
<b>Dubai</b>	119.270 -2.08
<b>Bahrain</b>	206.410 -25.69
<b>Qatar</b>	44.360 -44.25
<b>KSA</b>	69.710 -32.29
<b>Egypt</b>	298.030 -20.11
<b>Lebanon</b>	1226.330 62.43
<b>Turkey</b>	373.477 3.92
<b>Iraq</b>	331.450 -25.38
<b>Morocco</b>	103.670 -2.75
<b>China</b>	40.319 -38.86
<b>France</b>	17.960 -49.38
<b>Germany</b>	9.270 -27.24
<b>Japan</b>	22.483 -10.02
<b>UK</b>	10.025 -33.48
<b>US</b>	3.851 -32.18