

Sultan Center Gets CMA Approval To Issue Convertible Bonds – Sultan Center Food Products Company KSCP got CMA approval to issue convertible bonds of upto 15 million dinars.

Kuwait International Bank may sell \$2 bln in sukuk - The Kuwait International Bank is considering the possibility of selling \$2 billion in sukuk in order to improve liquidity, the Al Rai newspaper cited the lender's Chief Executive Officer Raed Bukhamseen as saying.

Saudi Arabia Is Said to Plan Dollar Sukuk as Soon as October - Saudi Arabia is considering selling a dollar-denominated Islamic bond as early as next month as the kingdom seeks to take advantage of lower borrowing costs, according to people with knowledge of the matter. The government is close to hiring banks for the possible sukuk sale, the people said, asking not to be identified because the information is private. A spokesman for the Finance Ministry didn't immediately respond to requests to comment. A sale would come just weeks after attacks on the kingdom's oil facilities slashed Saudi Aramco's crude output by half. Still, Finance Minister Mohammed Al-Jadaan said the strikes had "zero" impact on the country's revenue. S&P Global Ratings last week affirmed the country's rating at A- with a stable outlook.

Saudi Arabia's SRC mulls SAR 1 billion Sukuk issuance by year-end - Saudi Real Estate Refinance Company, the Kingdom's first mortgage-refinancing firm, plans to issue SAR 1 billion by the end of the year, reported Bloomberg. Fabrice Susini, the CEO of Saudi Real Estate Refinance Company, said that the issuance by the state-run SRC would be its second this year and the company has not decided whether it will be a local or international offering. SRC raised SAR 500 million in March 2019 and the company also issued Sukuk last year.

UAE to hike 2020 federal budget by 2% - The UAE's federal budget for 2020 will increase by 2% to AED 61.55bn, the Financial and Economic Committee, chaired by Sheikh Hamdan Bin Rashid Al Maktoum, UAE's Minister of Finance, announced on Sunday. The AED 60.3bn budget for the fiscal year 2019, part of a three-year AED 180bn budget planned for 2019-21, was the largest in the UAE with zero-deficit. Last year, 42.3% of the budget was allocated to community development programmes, 17% for upgrading the education system and 7.3% to develop the healthcare.

Egypt's central bank cuts deposit and lending rates by 100 basis points - Egypt's central bank on Thursday cut its key interest rates for a second time in a row, on the back of inflation falling further and global monetary easing. The overnight deposit and lending rates were cut by 100 basis points to 13.25% and 14.25% respectively.

GCC Bonds & Sukuk: Best and worst Performers (30 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
KSA Govt 49	1.43%	Abu Dhabi Nat Energy 36	-1.05%
KSA Govt 50	1.39%	Qatar Gas 33	-0.82%
KSA Govt 47	1.39%	Abu Dhabi Crude Oil 47	-0.64%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt 50	25.74%	Etihad Airways 21	-16.74%
KSA Govt 49	25.22%	Ras Gas 19	-2.28%
KSA Govt 47	24.23%	Commercial Bank Qatar 19	-1.83%

Source: Bloomberg

Bonds & Sukuk Indices (30 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	135.960	0.24%	12.68%	2.84%
S&P MENA Bond Index	138.450	0.28%	13.65%	2.88%
S&P MENA Sukuk Index	128.750	0.09%	9.48%	2.74%
Bloomberg Global Developed Sovereign Bond Index	120.571	-0.04%	3.94%	0.48%
Bloomberg USD Emerging Market Composite Bond Index	237.999	0.00%	13.50%	
Dow Jones Sukuk Index	106.080	0.04%	7.15%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	30/09/2019	31/12/2018	30/09/2019	31/12/2018	30/09/2019	31/12/2018
SAIBOR	2.3557	1.8988	2.3600	2.0875	2.3614	2.2863
KIBOR	2.8125	1.8750	3.0625	2.0625	3.2500	2.3750
BHIBOR	2.3700	2.4500	3.1000	2.9000	3.2167	3.2750
QATAR	2.6294	2.7342	2.7861	2.8868	3.1011	3.0468
AEIBOR	2.3553	1.8310	2.3775	2.0513	2.3735	2.5648
EURIBOR	-0.4120	-0.3290	-0.3770	-0.2710	-0.3250	-0.1860
LIBOR	2.0986	1.6858	2.0630	1.8336	2.0433	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.75	-0.014
2-Year	1.63	0.014
5-Year	1.56	0.035
7-Year	1.62	0.039
10-Year	1.68	0.055
30-Year	2.12	0.133

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.637	-0.01%
5-Y	1.508	-0.01%
10-Y	1.566	-0.01%
30-Y	1.715	0.00%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.55	0.797
5-Y	-0.82	0.036
10-Y	-0.69	0.041
30-Y	-0.12	0.014

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.39	0.474
5-Y	0.31	0.034
10-Y	0.50	-0.028
30-Y	0.97	-0.005

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	52.630 -18.70
Kuwait	50.910 -18.41
Dubai	126.540 3.56
Bahrain	223.500 -19.83
Qatar	52.390 -34.05
KSA	71.400 -30.05
Egypt	273.960 -26.27
Lebanon	1147.700 55.88
Turkey	358.972 -0.18
Iraq	299.900 -31.56
Morocco	84.970 -14.17
China	46.651 -29.27
France	18.830 -47.24
Germany	9.280 -25.83
Japan	21.924 -10.02
UK	10.025 -33.48
US	12.210 -32.18