

Abu Dhabi's TAQA to raise \$500 mln in 30-year bonds - Abu Dhabi National Energy Company started marketing on Thursday \$500 million 30-year bonds, a document by one of the banks leading the deal showed. TAQA is marketing the paper with an initial price guidance of around 275 basis points over mid-swaps. It has hired BNP Paribas, First Abu Dhabi Bank, JPMorgan, MUFG, Société Générale and Standard Chartered Bank to arrange the deal, which is expected to close later on Thursday.

Saudi Samba Financial Group sells \$1 bln five-year bonds - Saudi Arabia's Samba Financial Group is set to raise \$1 billion in five-year bonds, a document issued by one of the banks on the deal showed on Wednesday. The bank, which ranks behind National Commercial Bank (NCB) and al Rajhi among Saudi banks by total assets, received orders in excess of \$3.25 billion for the issuance, the document said. The deal comes amid a flurry of international debt issuance from the Gulf region, as governments and companies take advantage of low global rates to raise cash amid low oil prices. amba started marketing the notes earlier on Wednesday at 165 basis points over mid-swaps, but hefty demand meant it could reduce the offered yield by 25 basis points.

Saudi Aramco seeks project finance loan of more than \$1 bln-sources - Saudi Aramco has asked banks to submit proposals for a project finance loan of more than \$1 billion, two sources with direct knowledge of the matter said. The state oil company's request for proposals (RFPs) was sent this week, one of the sources said. It was not immediately clear from the RFP the specific nature of the projects these funds will be used for, the sources said. The request to banks went in a few days after the Sept. 14 attack on the two giant plants which caused raging fires and damage that halved the crude output of the world's top oil exporter, by shutting down 5.7 million barrels per day of production.

Middle Eastern Bond Sales Surge as Yields Hit Lows - Middle Eastern and North African borrowers are issuing Eurobonds at a record pace as global monetary easing prompts them to exploit the lowest funding costs they've ever experienced. This week Abu Dhabi sold \$10 billion of bonds in its first international deal in two years, while Bahrain issued \$2 billion of conventional and Shariah-compliant debt. Sovereigns and companies from the region have raised around \$85 billion of dollar and euro bonds this year. Saudi Aramco and Qatar have been the biggest issuers, while Egypt, Oman and Saudi Arabia have also come to market. The latter could sell more Eurobonds before the end of 2019, according to a research note from Morgan Stanley strategist Jaiparan Khurana. He also said Dubai may consider its first deal since late 2016. The average yield on Middle Eastern governments' dollar debt dropped 4.1 percentage points from the end of December to a record low of 4.43% this month, according to JPMorgan Chase & Co. indexes.

GCC Bonds & Sukuk: Best and worst Performers (26 September 2019)

Best daily Performers	Daily change	Worst daily Performers	Daily change
Qatar Gas 33	1.59%	Saudi Electricity 44	-0.58%
Ezdan 21	0.51%	Saudi Electricity 43	-0.54%
Mubadala 41	0.29%	DP World 29	-0.51%
Best YTD Performers	YTD change	Worst YTD Performers	YTD change
KSA Govt 50	24.01%	Etihad Airways 21	-16.84%
KSA Govt 49	23.45%	Ras Gas 19	-2.29%
Qatar Govt 49	23.44%	Commercial Bank Qatar 19	-1.84%

Source: Bloomberg

Bonds & Sukuk Indices (26 September 2019)

Index Name	Price	1D Chng	YTD	Yield
S&P MENA Bond and Sukuk Index	135.750	-0.37%	12.51%	2.84%
S&P MENA Bond Index	138.210	-0.40%	13.45%	2.88%
S&P MENA Sukuk Index	128.600	-0.26%	9.35%	2.74%
Bloomberg Global Developed Sovereign Bond Index	120.574	-0.42%	3.95%	0.50%
Bloomberg USD Emerging Market Composite Bond Index	237.665	-0.42%	13.34%	
Dow Jones Sukuk Index	106.043	-0.25%	7.12%	

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	26/09/2019	31/12/2018	26/09/2019	31/12/2018	26/09/2019	31/12/2018
SAIBOR	2.3600	1.8988	2.3657	2.0875	2.3657	2.2863
KIBOR	2.8750	1.8750	3.0625	2.0625	3.3125	2.3750
BHIBOR	2.3700	2.4500	3.1000	2.9000	3.2167	3.2750
QATAR	2.5638	2.7342	2.7022	2.8868	3.0263	3.0468
AEIBOR	2.4022	1.8310	2.3602	2.0513	2.4549	2.5648
EURIBOR	-0.4030	-0.3290	-0.3730	-0.2710	-0.3160	-0.1860
LIBOR	2.1130	1.6858	2.0630	1.8336	2.0293	2.1022

U.S. Treasuries

	Current Yield (%)	1D Chng
1-Year	1.78	-0.035
2-Year	1.66	0.047
5-Year	1.58	0.141
7-Year	1.64	0.211
10-Year	1.70	0.336
30-Year	2.15	0.898

USD Swap rates

	Rates (%)	1D Chng (%)
2-Y	1.647	-0.02%
5-Y	1.513	-0.03%
10-Y	1.574	-0.03%
30-Y	1.715	-0.04%

German Bund

	Current Yield (%)	1D Chng (Bps)
2-Y	-0.56	2.166
5-Y	-0.79	0.198
10-Y	-0.69	0.151
30-Y	-0.12	-0.016

UK Gilts

	Current Yield (%)	1D Chng (Bps)
2-Y	0.45	0.485
5-Y	0.38	0.074
10-Y	0.54	0.057
30-Y	0.96	0.038

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	53.820 -16.99
Kuwait	45.930 -25.99
Dubai	125.710 2.91
Bahrain	227.870 -18.33
Qatar	53.590 -32.63
KSA	74.960 -26.66
Egypt	262.340 -29.25
Lebanon	1156.850 57.05
Turkey	377.660 5.03
Iraq	306.510 -30.27
Morocco	91.930 -7.87
China	47.644 -27.82
France	19.150 -46.09
Germany	9.350 -25.29
Japan	21.924 -10.02
UK	10.025 -33.48
US	12.210 -32.18