IFN CORPORATE UAE

Opening doors to new opportunities

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Private placement: What's the big deal?

Private placement is an enduringly popular option for corporate issuers, and the past year has seen numerous new Islamic deals sold privately instead of being offered to the wider capital market. So what are the benefits of private versus public – and are there any disadvantages? This month, we explore the pros and cons for corporates.

For public issuances, which still dominate the Sukuk market, bonds are usually registered with the country's Securities and Exchange Commission and traded on a public exchange. Private placements, on the other hand, are typically offered only to a select number of sophisticated investors and as a result are less stringently regulated, making their time to market faster and their disclosure requirements less rigorous. However, disadvantages can include the need to offer a higher rate in order to attract investors, as the absence of a rating increases the risk premium.

In recent years, the Islamic debt capital market has seen a growing trend toward private placements as investors become more sophisticated and more comfortable with Shariah compliant debt, and issuers become more familiar with the process. The trend started in the GCC, with new rules issued by the UAE's Securities and Commodities Authority (SCA) in 2014 making it easier and cheaper for UAE corporates to tap the domestic bond market: including lowering the minimum issuance size, speeding up the approval time and removing the need for SCA approval for unlisted private bond and Sukuk placements. Designed to help diversify corporate funding away from reliance on bank loans, the changes opened up the private placement market to a new trend in growth.

A privately placed US$100 million deal from GCC real estate developer DAMAC in December 2015 kickstarted a wave of copycat corporate issuances, while in June of 2016, Abu Dhabi's Al Hilal Bank became the first financial institution in the UAE to issue a private placement, with a US$225 million sophomore Islamic issuance under its US$2.5 billion trust certificate program.

More recently, in December 2018 Saudi firm Maalem Financing privately placed

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SAR100 million (US$26.6 million)-worth of paper in its debut onto the Islamic market, while in January Jabal Omar Development privately placed a US$135 million Sukuk and in February the Saudi Real Estate Refinance Company tapped the market for a second time in another private placement. In Malaysia, Dayang Enterprise Holdings in May restructured its debt through a RM682.5 million (US$165.8 million) issuance, just one of a plethora of Malaysian firms privately placing to raise quick capital. In Indonesia, even the government privately places its Islamic offerings – on the 2nd July issuing IDR3 trillion (US$214.6 million) to private investors – and other governments including Oman, Bahrain and Turkey have also chosen the private placement route in the past. Development institutions are also getting in on the act – in April this year, the Islamic Development Bank (IDB) invested US$50 million in a private Sukuk issuance from the International Finance Facility for Immunisation (IFFIm), in the third entry by IFFIm to the Islamic debt capital and the first to be placed privately.

So what's the appeal, and why are so many corporates choosing to follow the private placement path?

The primary reason is cost. There are of course attractions for a public placement – most importantly, in terms of a wider distribution bringing in more investors. But on the flip side, publicly listed Sukuk are more expensive and take more time.

Private placements do have some down sides, usually including restrictions around the sophistication of potential investors, and a minimum size of investment. But they do not require ratings – a major pull, especially for first-time corporate issuers or those who may be too small to require a rating on their own account. Ratings are expensive to come by, so this reduces the cost of issuance straight away.

The level of disclosure required for public documents are also higher than for a private placement, which means that the level of due diligence is also more expensive. The regulator will also usually be more rigorous and more demanding in terms of the approval of a public instrument, meaning that time to market can take much longer.

But for corporates keen to take the plunge, private placement can also be a stepping stone to a public issuance: allowing them to dip their toes in the water before diving in, gauging demand and garnering insight into the process privately before moving onto a more high profile public deal. It also allows for a smaller size – many private placements start at the US$100-200 million mark, compared to the temptation of debuting into the public market with a benchmark-sized issuance of US$500 million and above, which could be too challenging for some firms.

Private placements also mean that firms do not have to disclose the details of the deal – including size, profit rate and investor information – which can be appealing, especially to those on the riskier end of the spectrum.

With rates remaining low and liquidity continuing to tighten, bank loans are becoming harder to come by. For any firm that requires capital and has access to sufficient assets, Sukuk should be an obvious alternative – and with a private placement, the process is far easier than you might think.

Saudi investment, green Sukuk, ESG focus

There is a growing focus on green within global capital markets these days, and the Islamic market is no exception. From the growing trend towards green Sukuk issuance to the latest efforts from Dubai's stock exchanges to boost corporate social responsibility, going green is the Next Big Thing. In other news, Saudi scraps the ownership cap for international investors, and the UAE sees investment firms scramble to raise capital ahead of the latest expected Fed rate cut.

Islamic finance PV push

A new survey from Deloitte has found that green Sukuk holds the potential to push renewables projects into the mainstream, and is emerging as a very real player in the field of photovoltaic (PV) and solar investment and a driver of global green energy growth.

"The majority of the 'ten', Organisation of Islamic Cooperation (OIC) countries researched in the Deloitte report have seen a rising trend in investments through both conventional and Islamic finance arrangements primarily driven by international developers and strategic national investors," explained Joe El Fadl, financial services industry leader. "This has also encouraged many other investors to engage in scale solar and green energy projects, thereby enjoying incentives offered by their respective governments.

"As solar energy continues to become a key renewable source in many OIC markets, and the need for capital funding, Sukuk can play a key role in bridging the gap in funding requirements and offer viable investment projects to local and international investors," added Dr Hatim El Tahir, director of the Deloitte Islamic Finance Knowledge Center.

Corporate ESG push

In another boost to the ESG market in the Gulf, the Dubai Financial Market (DFM) on the 23rd July released its Sustainability Strategic Plan 2025, aiming to promote ESG best practices among listed companies and other stakeholders, and position the exchange as the region's leading sustainable financial market by 2025.

"The Plan is a stepping-stone for DFM's extensive efforts to drive change and development in the capital markets sector in the UAE and the region," said DFM chairman Essa Kazim. "It also underscores our commitment to align our efforts with Dubai's sustainability and green economy drive as well as its status as the capital of Islamic economy globally, especially given that responsible investing, sustainability and environment protection are some of the key objectives of Islamic Shariah. For this purpose, the DFM is prioritizing sustainability in every aspect of its corporate strategy and organizational operations. We are actively promoting sustainability amongst our issuers, encouraging them to expand in ESG reporting considering its growing significance amongst factors affecting investment decisions as well as educating investors on the principles of responsible investment."

Saudi scraps ownership cap

In a major move for international investment into the Kingdom – and a major boost for corporates seeking capital - Saudi Arabia's Capital Market Authority (CMA) in June removed a cap on ownership of publicly traded companies for foreign strategic investors, opening up new opportunities for international investors to take controlling stakes in sectors from banking to petrochemicals. Compared to a previous limit of 49%, there are now no maximum or minimum limits on the ownership of listed companies for foreign investors, making Saudi's equity market even more attractive.

A strategic investor buying a stake in a listed company is required to keep the holding for at least two years, and some regulatory restrictions still remain in sectors such as banking, insurance and telecommunications.

Investment firms boost capital

In another bid to shore up capital amid the current low-interest rate environment, Abu Dhabi's Emirates Strategic Investment Company (ESIC), which has investment interests spanning the financial, aviation and property sectors, in July raised US$600 million from its debut Islamic bond offering. Investor demand was strong, with the orderbook reaching US$3.7 billion, an oversubscription rate of 6.2.

The five-year Sukuk was priced at a 3.939% profit rate - 35 basis points tighter than initial estimates. Listed on the London Stock Exchange under a US$1 billion program, the issuance is the latest in a line of 2019 deals (including from Dubai Islamic Bank, Abu Dhabi Islamic Bank and Majid Al Futtaim) designed to boost capital through debt raising to protect firms against the current low interest rate environment, with the US Federal Reserve expected to slash rates once again at its July meeting.

Latest news: Trade finance expansion, cross-border syndicated deals

Despite the summer heat, business goes on as usual and the corporate loans and trade finance markets have been as busy as ever – pushing into new markets, expanding through major deals, and offering new services. The UAE was the big winner in the first half of 2019 on the syndicated loans front, while the International Islamic Trade Finance Corporation (ITFC) has been driving forward its support of emerging markets including Egypt and Bangladesh.

New trade horizons

It has been a busy month for Islamic trade finance, with some big deals and some new announcements, as Islamic institutions spread their wings yet further and start expanding into new markets and offering a broader range of services.

At the start of July, the ITFC announced the successful completion of US$1.13 billion of trade financing to support Egypt's energy and food sectors.

ITFC CEO Hani Salem Sonbol, noted that: "This financing package comes as a clear proof for the trust the investors and financial institutions bear towards Egypt, which plays a leading role on the international, regional, Arab and African levels."

The ITFC has signed five framework agreements to date with the Egyptian government, totalling US$9.2 billion.

The ITFC also in July announced an expansion of operations into Azerbaijan; while over in Bangladesh the agency extended a US$1.2 billion loan to the national oil company, Bangladesh Petroleum Corporation, for the import of petroleum products in 2020.

On the commercial side, Dubai and Saudi Arabia are building new trade ties in a trend that could create exciting new opportunities for corporates looking for expansion. Saudi Arabia is already Dubai's biggest trade partner in the Gulf and in the Arab World, and the fourth biggest internationally. Dubai's non-oil external trade with Saudi Arabia reached AED55 billion (US$14.9 billion) in 2018 and hit AED13.5 billion (US$3.7 billion) in the first quarter of 2019. In the first week of July, Dubai Customs director-general Ahmed Mahboob Musabih confirmed talks with the Saudi consul-general in Dubai to expand bilateral trade and customs further between the two kingdoms. The news follows a growing trend of expansion into Saudi Arabia by

Dubai-based financial institutions – the latest being Emirates NBD, which in July confirmed plans to expand its Saudi footprint including the provision of trade finance and corporate advisory services through 20 new branches in the Kingdom.

Syndicated success

On the corporate loans front, July has also been a busy month with new deals showcasing the continued liquidity and strength of the Islamic banking market, even as economic challenges continue to squeeze global markets and the total volume of loans dropped.

In terms of regional performance, the UAE is booming in corporate borrowing while the rest of the GCC – and especially Saudi Arabia – have struggled. According to the latest Bloomberg data, GCC-based syndicated borrower loans fell by 41.1% in the first half of 2019 compared to the same period the previous year, to US$30.85 billion. Saudi Arabia suffered the most, with Saudi-based borrowers syndicated loan volumes decreasing by 76%, down to US$6.85 billion. In comparison, UAE-based borrowers saw syndicated loan values rise by 10.2% to US$20.46 billion.

The latest UAE deal comes out of Sharjah, where United Arab Bank (UAB) in July secured a two-year US$195 million loan facility from a syndicate of regional and international banks including Abu Dhabi Commercial Bank (ADCB), Bank ABC, Commerzbank, Emirates NBD Capital and Intesa Sanpaolo as lead arrangers and bookrunners. The initial loan size was US$150 million, but was upgraded to US$195 million at close.

In other news, Pakistan in late June signed a US$375 million syndicated loan with a group of UAE banks: including Emirates NBD Capital as global coordinator. The transaction was anchored and arranged by Commercial Bank of Dubai, Emirates NBD Bank, Noor Bank, Dubai Islamic Bank, Mashreqbank and Sharjah Islamic Bank.

And in Oman, petrochemicals giant OCTAL secured a US$625 million financing facility from Bank Muscat, Bank Dhofar, National Bank of Oman, Standard Chartered, HSBC, National Bank of Bahrain and Bank ABC.

The facility comprised a syndicated term loan facility of US$225 million and working capital facilities aggregating to US$400 million to refinance some of its existing debt and to fund expansion. The financing comes after the firm pulled a proposed US$300 million bond issuance in October 2018 due to unfavorable market conditions.

A credit to the industry

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How do Islamic credit cards work? They provide exactly the same facilities as a conventional card, but based on slightly different principles. Most cards operate on the principle of Tawidh (compensation/remuneration) or Ujrah (a financial charge for using services).

The card functions on an agreement between the customer and the bank, in which the bank provides a certain level of agreed funding and the customer commits to making regular payments in return for that financing. Late payments or an outstanding balance are not charged interest, but are charged a fee (usually a profit rate based on the remaining balance).

Although it has taken a while for the market to become used to the concept of Islamic credit cards, this summer has seen them take off in a big way. Most recently, the UAE's partnered with Mastercard to launch a Shariah compliant credit card with the goal of boosting its retail segment as well as capturing UAE's growing credit card market (which saw spending grow by 6% in 2018). Aafaq also plans to launch a mobile application for cardholders, the app will allow cardholders to track their spending and will have access to real-time updates on their credit cards. "These new products complement the growing demand for Islamic banking products in the UAE," said Afaaq CEO Saif Ali Al Shehhi.

In Qatar, Qatar Islamic Bank (QIB) teamed up with telecoms firm Ooredoo to launch the country's first co-branded corporate credit card - an innovative payment solution for corporates and SMEs to manage their purchasing, travel and entertainment expenses. The new co-branded corporate credit card is tailored to meet the specific requirements of corporate clients, as well as business owners and SME customers, with three different card options: Purchasing, World and World Elite.

The Purchasing card is designed to help companies to settle suppliers' payments, utility bills, and day-to-day expenses. When using corporate purchasing cards in combination with Mastercard proprietary reporting and expense management solutions, corporates will achieve direct savings, enhanced visibility into payment data, increased control and compliance with corporate policies.

The World and World Elite cards are designed for travel and entertainment purposes. The new cards will allow control over expenses, improve policy compliance and become more efficient. Used in combination with reporting and expense management solutions, they aim to bring better visibility and efficiency into corporate travel expenditures.

The three new cards work on a reward-based spending, giving cardholders points from Ooredoo every time a purchase is made. Benefits to the business user include access to airport premium lounges, discounted rates on car rides, complimentary travel insurance, business hotel discounts and discounted air tickets.

Somu Roy, the general manager for Kuwait and Qatar, Mastercard, noted: "Managing operational and day-to-day expenses in a transparent, flexible, and easy manner is crucial to the sustainability and growth of SMEs. QIB's new range of credit cards offers those very capabilities."

Other new launches include the first Shariah compliant credit card from Kenya's Gulf African Bank and the first Islamic credit card from Shahjalal Islami Bank in Bangladesh.

Malaysian utilities firm demonstrates commercial advantage of Islamic capital raising

Malaysia's national water company, Pengurusan Aset Air Berhad (PAAB), at the start of July placed an Islamic paper totalling RM1.1 billion (US$266.06 million), made up of three tranches. The issuance, the latest in a long line of forays by the firm into the Islamic debt capital market, will finance a wide variety of activities.

These include PAAB's acquisition of existing water assets, rights, liabilities and land from privatized water concessionaires or other operators or the government; to finance the company's capital expenditure in relation to the water assets; to fund the fees, costs, expenses and all other amounts payable under or in relation to the program; and for any other Shariah compliant general funding and working capital requirements of PAAB.

The Sukuk was issued under PAAB's Islamic medium-term note program of up to RM20 billion (US$4.84 billion) and Islamic commercial paper program of up to RM20 billion, with both programs having a combined limit of RM20 billion. The program is rated 'AAA' by RAM Ratings and comes with a minimum subscription level of 5% of the size of the issuance.

One tranche (Series No 13) was issued for RM300 million (US$72.56 million) while two further tranches (Series No 14 and No 15) were floated for RM400 million (US$96.75 million) each. The profit rates ranged from 4% to 4.15% with tenors from five to 10 years and maturity dates from the 4th June 2024 to the 4th June 2029. The facility was arranged by CIMB Investment Bank, which also doubled as the Shariah advisor for the paper.

The deal is just the latest in a long series of Islamic issuances from PAAB, which currently has a total of 37 actively trading Islamic papers in Malaysia, including its latest issuance from February 2019.

Created in 2005 in a radical restructuring of the country's water and sanitation services, PAAB is responsible for financing capital expenditure in the sector. The firm finances capital investment in projects, taking advantage of a federal government guarantee to raise low-cost finance on the capital markets and pass on low rates of interest and long pay-back periods (30-45 years) to state water operators.

Combined with the commercial and tax incentives offered by Sukuk issuance, in addition to the competitive pricing due to the exceptionally high investor demand for 'AAA' rated Islamic paper, this makes the firm's financing extremely efficient – and acts as an example to other state-owned entities, utilities firms and government-related entities, showing how effective Islamic capital raising can be in providing lower cost and more commercially competitive financing than its conventional alternative.

CORPORATE

DP World lists Sukuk

UAE: NASDAQ Dubai has welcomed the listing of a US$1 billion Sukuk facility and a US$300 million conventional bond (a tap issuance on a one billion US dollar bond issued in September 2018) by DP World.

Emirates strategic hires banks for Sukuk

UAE: Emirates Strategic Investments Company has mandated a consortium of banks to arrange investor meetings ahead of a benchmark-sized five-year Sukuk issuance. The company appointed Standard Chartered and First Abu Dhabi Bank as the coordinators and these two banks were also mandated as the joint lead managers along with Bank ABC, Dubai Islamic Bank, Emirates NBD Capital, National Bank of Bahrain and Warba Bank. The investor meetings for the Sukuk facility, which is part of a US$1 billion program, took place in Singapore, Hong Kong, the UAE and London, from the 17th July 2019.

Savola group issues Sukuk

SAUDI ARABIA: Savola Group has issued Sukuk worth SAR1 billion (US$266.55 million), receiving bids exceeding 1.6 times the face value of the paper. The transaction was arranged by HSBC Saudi Arabia.

Cypark plans SRI Sukuk

MALAYSIA: Cypark Resources has proposed the establishment of a cost-plus-profit SRI Sukuk (Murabahah) program of up to RM550 million (US$132.71 million) in nominal value for a tenor of up to 22 years. The program is intended to, among others, part-finance the costs and expenses associated with the design, engineering, procurement, construction and commissioning, ownership, operation and maintenance of 3 x 30 MWAC solar photovoltaic power plant projects; to finance the profit payments of the program during the construction period and to pre-fund the initial minimum required balance to be deposited into the finance service reserve account; and to defray any expenses incurred in relation to the program.

The program has Maybank Investment Bank as its principal advisor, lead arranger and lead manager.

IDX admits mti Sukuk

INDONESIA: Mora Telematika Indonesia (MTI)'s Sukuk Ijarah facility has been listed on the Indonesia Stock Exchange (IDX). The Sukuk facility consists of a three-year paper worth IDR347 billion (US$24.53 million) and a five-year paper for IDR653 billion (US$46.16 million). The Sukuk facility is rated 'idA(sy) by Pemeringkat Efek Indonesia with Bank Bukopin acting as the trustee.

DRB-Hicom issues Sukuk

MALAYSIA: DRB-HICOM has issued a one-year Islamic medium-term note raising RM200 million (US$48.33 million). The Murabahah paper, arranged by Maybank Investment, is rated 'A+IS' by Malaysian Rating Corporation.

Sunway floats commercial paper

MALAYSIA: Sunway Treasury Sukuk (STSSB) has floated two Islamic commercial papers (ICPs) for a total of RM200 million (US$48.61 million). Both papers have tenors of 31 days each, and are structured under the Mudarabah principle, in which one party provides the cash and the other provides the effort. Earlier in the month, Sunway Treasury Sukuk also issued a RM190 million (US$45.91 million) one-month Islamic commercial paper (ICP), maturing on the 8th August 2019 and arranged by Kenanga Bank.

Sarana multigriya lists Sukuk

INDONESIA: Sarana Multigriya Finansial has listed a IDR100 billion (US$7.02 million) 370-day Sukuk Mudarahah facility, as well as IDR2 trillion (US$141.45 million)-worth of bonds comprising three different series on the Indonesia Stock Exchange (IDX). This brings the number of bonds and Sukuk listed on the IDX to 395 with a total nominal outstanding of IDR433.11 trillion (US$30.63 billion) and US$47.5 million from 116 issuers, out of which 50 papers from 34 issuers who raised a nominal value of IDR59.08 trillion (US$4.18 billion) were listed in 2019.

AEON prints ICP

AEON Credit Service has raised RM210 million (US$51.03 million) from one 31-day cost-plus-profit (Murabahah)-based Islamic commercial paper (ICP).

Warba bank gets Sukuk approval

KUWAIT: Warba Bank has received the Central Bank of Kuwait's preliminary approval to issue Sukuk not exceeding US$500 million under a Sukuk program not exceeding US$2 billion, according to a bourse filing.

Bright focus to buy back Sukuk

MALAYSIA: Bright Focus is planning a restructuring exercise to buy back Sukuk worth RM1.23 billion (US$298.87 million), either fully or partially. The company has involved several international banks to implement a proposed restructuring scheme involving the conversion of a previously issued Sukuk to new Sukuk issuance within the next 90 days, subject to due diligence by the banks.

Bumitama Agri places notes

MALAYSIA: Bumitama Agri has issued two Islamic medium-term notes (IMTNs) for a total amount of RM700 million (US$170.23 million), according to separate announcements. The IMTNs, based on the joint venture (Musharakah) concept, have tenors of five years and seven years with profit rates of 4.1% and 4.2% respectively.

Sabah issues ICP

MALAYSIA: Sabah Credit Corporation (SCC) has issued one Musharakah-based Islamic commercial paper (ICP) worth RM50 million (US$12.14 million).

Engro polymer lists Sukuk

PAKISTAN: The privately placed, rated and secured Sukuk certificates worth PKR8.75 billion (US$55.05 million) issued by Engro

IFN CORPORATE

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Polymer & Chemicals have been listed on the Pakistan Stock Exchange.

Padiberas nasional prints islamic paper

MALAYSIA: Padiberas Nasional has printed a three-year Islamic medium-term note (IMTN) worth RM1 billion (US$241.72 million). The paper follows the cost-plus-profit (Murabahah) and agency (Wakalah) structures.

Eskom considers Islamic issuance

SOUTH AFRICA: Eskom, a state-owned electricity provider, has published a request for proposals for a potential domestic Sukuk issuance as the company is seeking to diversify sources of debt and execute cost-effective funding with acceptable risk, according to the tender. Proposals must be submitted by the 7th August 2019.

Lafarge cement prints paper

MALAYSIA: Lafarge Cement has printed one Islamic medium-term note (IMTN) worth RM100 million (US$24.14 million) and one Islamic commercial paper (ICP) for RM120 million (US$28.97 million).

Gas Malaysia places ICP

MALAYSIA: Gas Malaysia has sold an Islamic commercial paper worth RM150 million (US$36.27 million). The instrument matures on the 1st August 2019.

BANKING

Turkiye finans issues Sukuk

TURKEY: Turkiye Finans Participation Bank has floated a 60-day domestic Sukuk paper worth TRY150 million (US$26.41 million). The issuance was floated via the bank's subsidiary, TF Varlik Kiralama Sirketi, and was structured for qualified investors. The latest facility brings the total amount of outstanding local currency Sukuk issuances of the bank to TRY2.58 billion (US$454.29 million) and the total issuances in 2019 to TRY5.24 trillion (US$922.67 billion).

WIFA bank securities oversubscribed

TUNISIA: Wifak Bank's maiden Shariah securities worth TND15.24 million (US$5.22 million), which were issued on the 28th June 2019, attracted 400 investors.

SOVEREIGN

Saudi closes July Sukuk issuance

SAUDI ARABIA: The Saudi Ministry of Finance has issued Sukuk worth SAR5.22 billion (US$1.39 billion) for July, under the Saudi Arabian Government SAR-denominated Sukuk program.

BNM sells short term paper

MALAYSIA: Bank Negara Malaysia (BNM) has sold four short-term Islamic liquidity management tools for a total of RM9.46 billion (US$2.3 billion).

Pakistan plans Sukuk

PAKISTAN: The government of Pakistan is gearing up to roll out a medium-term note program covering Sukuk and eurobonds for an initial period of one year. The Finance Division has reportedly sought the federal cabinet's approval to set up and execute the program.

Tabriz municipality issues Sukuk

IRAN: The Tabriz municipality has offered a four-year joint venture Sukuk (Musharakah) facility on the Tehran Stock Exchange to finance its urban activities. The paper carries a nominal yield of 18%.

Sepehr Investment Bank is the bookrunner while the Tabriz municipality along with the government will act as the guarantors of principal and interest payments.

IILM reissues Sukuk

MALAYSIA: The International Islamic Liquidity Management Corporation (IILM) has reissued two Sukuk tranches amounting to US$550 million. The tranches consist of a US$250 million paper with a two-week tenor at a profit rate of 2.48% and a US$300 million paper with a three-month tenor at a profit rate of 2.4%.

Both papers reached a bid-to-cover ratio of 235%, and saw the participation of 10 banks, including Abu Dhabi Islamic Bank, Al Baraka Turk, Barwa Bank and Boubyan Bank. The allocation of GCC-based primary dealers stood at 68% and 56% of the two-week and three-month papers respectively whereas Asia-based primary dealers were allocated 32% and 34% of the two-week and three-month facilities respectively. The primary dealers based in other jurisdictions received 10% for the three-month Sukuk.

Qatar places two Sukuk

QATAR: Qatar Central Bank (QCB) has issued five and 10-year Sukuk papers worth QAR1 billion (US$269.3 million) each on the 2nd June 2019.

Mauritania prints treasury bond

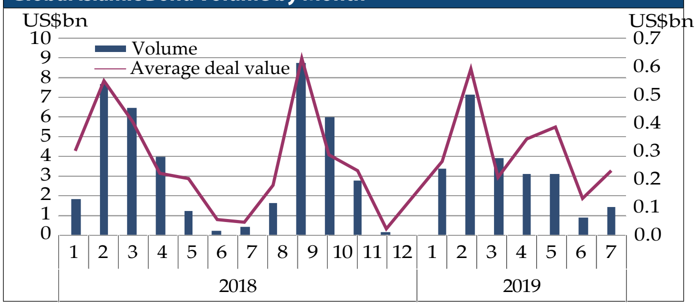
MAURITANIA: Mauritania has issued an Islamic paper for MRU246 million (US$6.64 million). The instrument has a tenor of 180 days and an average profit rate of 4.72%.

Top Issuers of Global Sukuk

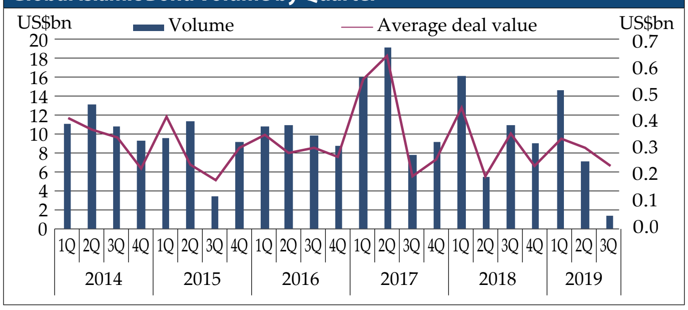
12 Months

Issuer	Nationality	Market	US$ (mln)	Tranches	Managers
Saudi Arabia	Saudi Arabia	Euro market public issue	2,000	1	BNP Paribas, Citigroup, HSBC, JPMorgan, Mizuho, Samba Capital
Saudi Electricity	Saudi Arabia	Euro market public issue	2,000	2	Citigroup, First Abu Dhabi Bank, HSBC, Mizuho, MUFG, Natixis, Standard Chartered Bank, Sumitomo Mitsui Financial Group
Turkey	Turkey	Euro market public issue	2,000	1	Citigroup, KFH, Standard Chartered Bank
Indonesia	Indonesia	Euro market public issue	2,000	2	Deutsche Bank, Dubai Islamic Bank, HSBC, Mandiri Sekuritas, Maybank
Oman	Oman	Euro market public issue	1,500	1	Gulf International Bank, HSBC, JPMorgan, Kuwait Finance House, Standard Chartered Bank
Islamic Development Bank	Saudi Arabia	Euro market public issue	1,500	1	Credit Agricole, Emirates NBD, First Abu Dhabi Bank, Gulf International Bank, HSBC, JPMorgan, Natixis, Standard Chartered Bank
Islamic Development Bank	Saudi Arabia	Euro market public issue	1,300	1	CIMB Group, Citigroup, Dubai Islamic Bank, Gulf International Bank, HSBC, LBBW, Natixis, Standard Chartered Bank
Saudi Telecom	Saudi Arabia	Euro market public issue	1,250	1	First Abu Dhabi Bank, HSBC, JPMorgan, Kuwait Finance House, Samba Capital, Standard Chartered Bank
Dubai World	UAE	Euro market public issue	1,000	1	Barclays, Citigroup, Dubai Islamic Bank, Emirates NBD, First Abu Dhabi Bank, HSBC, JPMorgan, SG Corporate & Investment Banking, Standard Chartered Bank
Sharjah	UAE	Euro market public issue	1,000	1	Arab Banking Corporation, Dubai Islamic Bank, HSBC, Kuwait Finance House, Sharjah Islamic Bank, Standard Chartered Bank

Global Islamic Bond Volume by Month

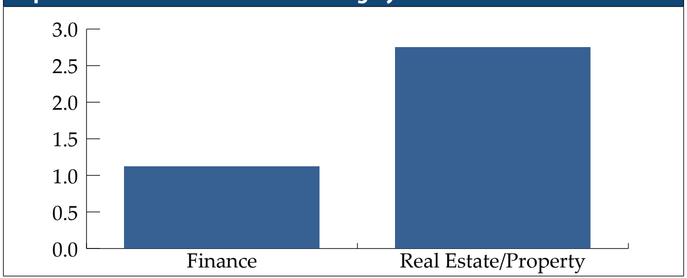


Global Islamic Bond Volume by Quarter



Top Islamic Finance Related Financing by Sector

12 Months



Top Islamic Finance Related Financing Deal List

12 Months

Credit Date	Borrower	Nationality	US$ (mln)
28-Jan-19	**Emirates Global Aluminium**	UAE	6,545
1-Nov-18	**Duqm Refinery & Petrochemical Industries**	Oman	4,610
20-Dec-18	**BAPCO**	Bahrain	4,104
26-Nov-18	**Al Dur Power & Water**	Bahrain	1,634
11-Sep-18	**Emaar Properties**	UAE	1,500
24-Dec-18	**Atlantis The Palm**	UAE	1,100
18-Dec-18	**Deira Mall**	UAE	844
20-Dec-18	**Egyptian General Petroleum**	Egypt	750
18-Dec-18	**Kuwait Food (Americana)**	Kuwait	627
26-Feb-19	**Allana International**	UAE	600

Top Global Islamic Bookrunners

12 Months

	Bookrunner Parents	US$ (mln)	Iss	%
1	**Maybank**	4,340	46	10.32
2	**HSBC**	3,709	26	8.82
3	**Standard Chartered Bank**	3,688	29	8.77
4	**CIMB Group**	3,573	46	8.50
5	**RHB Bank**	2,521	35	6.00
6	**AmInvestment Bank**	2,391	33	5.69
7	**Citigroup**	2,209	12	5.25
8	**JPMorgan**	2,052	11	4.88
9	**First Abu Dhabi Bank**	1,750	17	4.16
10	**Kuwait Finance House**	1,706	9	4.06

Most Recent Global Sukuk

Priced	Issuer	Nationality	Instrument	Market	US$ (mln)	Managers
18-Jul-19	**Lembaga Tabung Angkatan Tentera**	Malaysia	Sukuk	Domestic market public issue	158	Maybank
11-Jul-19	**Dubai World**	UAE	Sukuk	Euro market public issue	1,000	Barclays, Citigroup, Deutsche Bank, Dubai Islamic Bank, Emirates NBD, First Abu Dhabi Bank, HSBC, Standard Chartered Bank
10-Jul-19	**Harita Jayaraya**	Indonesia	Sukuk	Domestic market public issue	169	Maybank
25-Jun-19	**Sharjah Islamic Bank**	UAE	Sukuk	Euro market public issue	500	Abu Dhabi Islamic Bank, Arab Banking, Citigroup, Deutsche Bank, Dubai Islamic Bank, Emirates NBD, First Abu Dhabi Bank, HSBC, Kuwait Finance House, Standard Chartered Bank
20-Jun-19	**Permodalan Nasional**	Malaysia	Sukuk	Domestic market public issue	107	Malaysian Industrial Development Finance, RHB Bank
19-Jun-19	**Savola Group**	Saudi Arabia	Sukuk	Domestic market private placement	267	HSBC
29-May-19	**Kuwait International Bank**	Kuwait	Sukuk	Euro market public issue	300	Citigroup, Dubai Islamic Bank, First Abu Dhabi Bank, Kuwait Finance House, Kuwait Projects, Standard Chartered Bank
24-May-19	**Pengurusan Aset Air**	Malaysia	Sukuk	Domestic market public issue	262	AmInvestment, CIMB Group, RHB Bank
16-May-19	**CIMB Group**	Malaysia	Sukuk	Domestic market public issue	180	CIMB Group
9-May-19	**RHB Bank**	Malaysia	Sukuk	Domestic market public issue	120	RHB Bank

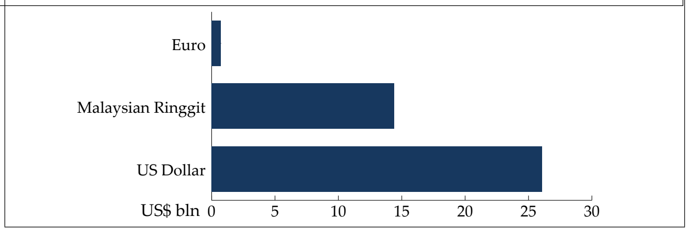
Top Islamic Finance Related Financing Bookrunners

12 Months

	Bookrunner	US$ (mln)	No	%
1	**Mashreqbank**	1,363	6	17
2	**First Abu Dhabi Bank**	1,312	5	17
3	**Emirates NBD**	787	5	10
4	**HSBC**	470	3	6
5	**Credit Agricole**	340	2	4
5	**MUFG**	340	2	4
5	**Standard Chartered Bank**	340	2	4
8	**Dubai Islamic Bank**	335	2	4
9	**Warba Bank**	250	1	3
10	**Noor Bank**	233	2	3

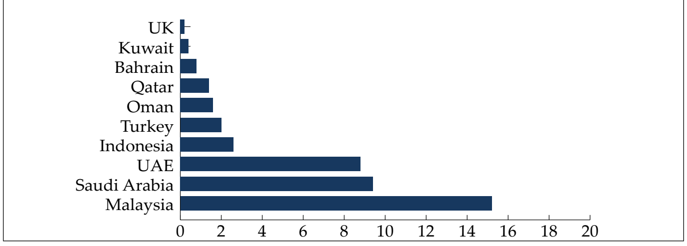
Sukuk Volume by Currency US$ (billion)

12 Months

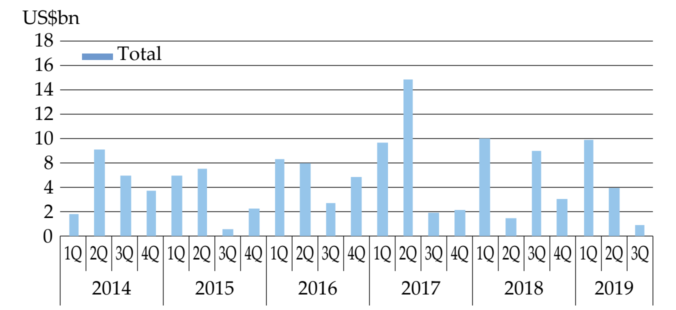


Sukuk Volume by Issuer Nation US$ (billion)

12 Months

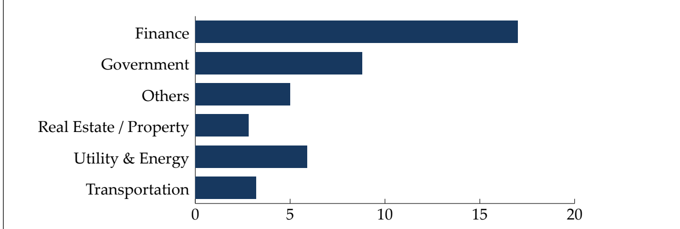


Global Islamic Bond Volume - US$ Analysis



Global Sukuk Volume by Sector

12 Months



If you feel that the information within these tables is inaccurate, you may contact the following directly:

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