

GCC Financial Market Quarterly

Resilience in the face of external stress

The second quarter of the year saw bouts of renewed turbulence in the GCC financial markets, largely in response to exogenous shocks emanating mainly from the Euro-zone. In spite of the recurrent volatility, however, regional trading and issuance conditions were marked by considerable resilience, reflecting the emerging consensus that the GCC is now one of the relatively safe havens in the global financial market.

- **Bank credit growth is stable while a regional dichotomy persists.** Even though the rebound phase now seems to be giving way to relative stabilization, bank credit conditions are benign in much of the region with the fastest growth in Qatar. The UAE and Kuwait continue to lag behind, however, due to a combination of largely country-specific factors.
- **An equity market correction goes hand in hand with an IPO rebound.** The regional bourses reacted sharply to the external uncertainty during Q2 with both valuations and trading volumes hit virtually across the board. In spite of this, new IPO activity reached its highest level since early 2009. Although the number of new offerings was only four, their total value exceeded USD1bn for the first time since 2Q09.
- **Sovereigns return to the bond and sukuk markets.** Reflecting generally favorable market conditions, Q2 saw a landmark USD1.5bn issue by the Kingdom of Bahrain while Oman and Kuwait continued their ongoing bond issuance. Dubai tapped the Shariah-compliant market with a highly successful government sukuk.
- **Sukuk continue to outperform bonds.** A growing number of new issuers are turning to the sukuk market, reflecting a gradual expansion in its remit beyond the hitherto dominant government-owned enterprises. In general, sukuk yields have persisted clearly below conventional bonds and risk perceptions have diminished with better news from Dubai and Bahrain.
- **Alternatives are being reshuffled.** Although the regional governments continue to play a key role in supporting economic activity, including large investment projects, their role seems to be becoming somewhat less central. Sovereign funds have retreated as banks and bonds/sukuk have come to the fore. Also foreign direct investment flows have been hit due to global and regional factors.

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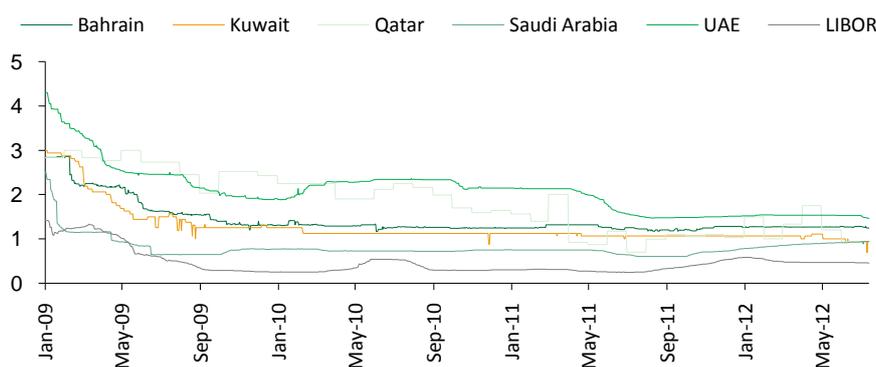
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Bank credit: Continued progress

Bank lending in the region is making fairly steady progress, although signs are multiplying that last year's post-crisis rebound in many countries may be gradually giving way to more stable market conditions. Even though especially Saudi inter-bank rates have edged up, largely in reflection of the growing demand for credit, the regional banks are strong and liquidity conditions benign. The UAE and Kuwait still remains the two outliers with relatively subdued credit activity.

The key GCC interbank rates (3-month benchmark IBORs)

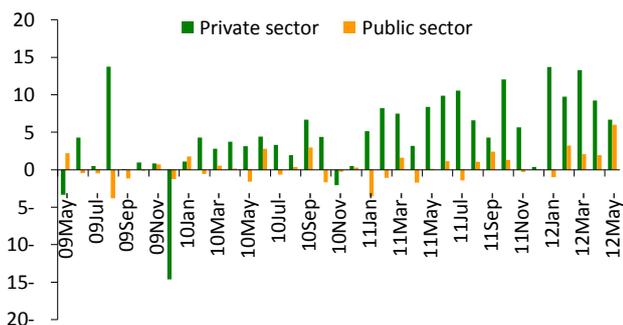


Source: Bloomberg

Saudi Arabia: Public sector credit rebounds

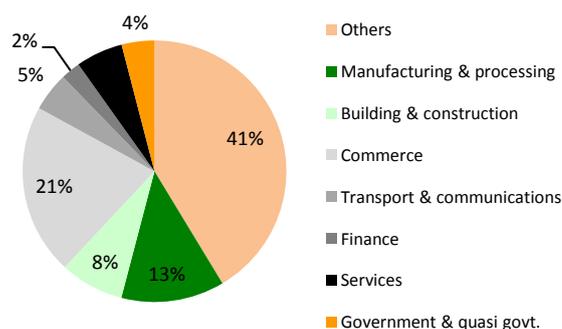
Bank lending in Saudi Arabia is continuing at a generally brisk pace. The liquidity conditions supporting this credit expansion remain very benign. However, the growing economic confidence has begun to hit deposit growth somewhat and the annual pace of expansion decelerated to 7.6% in May. At this point, credit growth is almost twice as fast. Private sector credit growth in May reached 13.1% YoY while public sector credit rose by as sharp 59.2% to a total of SAR44.1bn as of May. Recent months have seen a fairly pronounced pick-up in bank lending to the public sector. Overall, the annual pace of credit growth was 14.7%. However, the

Saudi Arabia bank credit, monthly changes (SAR bn)



Source: SAMA

Sectoral breakdown of Saudi bank credit, 1Q12



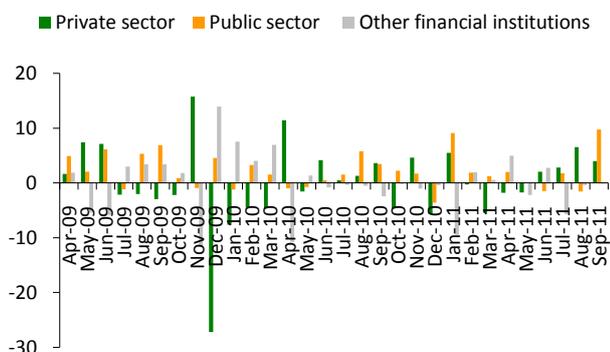
Source: SAMA

positive momentum, especially in the private sector, has slowed down somewhat in recent months, possibly reflecting the slower pace of deposit growth, higher interbank rates, and the persistent global economic uncertainty. On the average, bank credit in the three months to May advanced by an annual 14.1%.

The UAE: Continued lack of progress

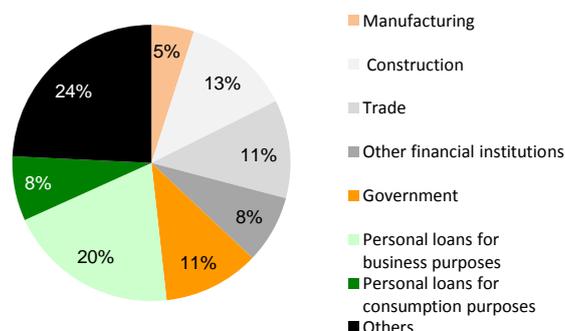
The availability of credit in the UAE continues to be depressed by tighter regulations and to an extent the slow recovery of the real estate markets. At the same time, the provisioning cycle is far from over. 10.6% the loan portfolio of Dubai banks is estimated to be non-performing. Specific provisions for non-performing loans rose by 11.6% YTD to AED61.7bn according to May banking data of the Central Bank. Overall loans and advances net of provisions reached AED1,074.7bn, which represented a YTD increase of just 0.3%. Personal loans to residents rose by 1.7% YTD to AED256.3bn. By contrast, the annual pace of increase in bank deposits reached 5.2% YTD leaving the total at AED1,125.1bn. During 2011, bank loans and advances rose by 3.8% while bank deposits increased by 1.9%.

UAE bank credit, monthly changes (AED bn)



Source: Central Bank of the UAE

Sectoral breakdown of UAE bank credit, 4Q11

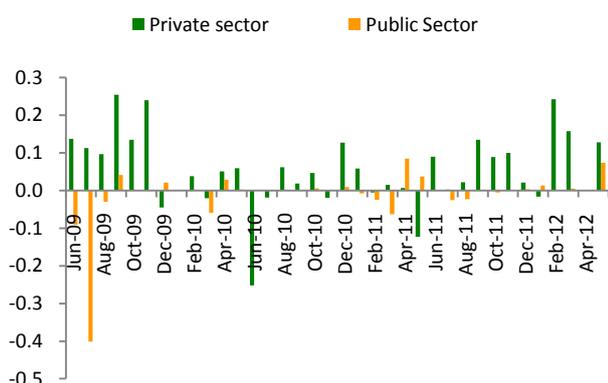


Source: Central Bank of the UAE

Kuwait: Political hurdles persist

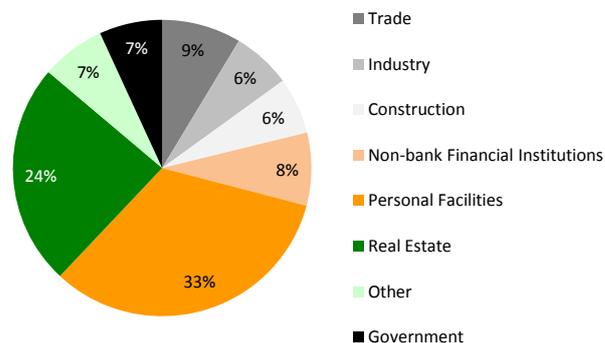
Kuwaiti bank lending remains stagnant even with interest rates are at historic lows. Overall lending in May reached KWD28.1bn, an increase of 3.7% on the year earlier. Public sector lending was up 2.2% YoY to KWD2.0bn as of May, highlighting the fact that delays in the public sector infrastructure agenda account for some of the lackluster performance. Private sector credit rose by a somewhat more robust 3.9% YoY to KWD26.1bn as of May.

Kuwait bank credit, monthly changes (KWD bn)



Source: Central Bank of Kuwait

Sectoral breakdown of Kuwaiti bank credit, 1Q12

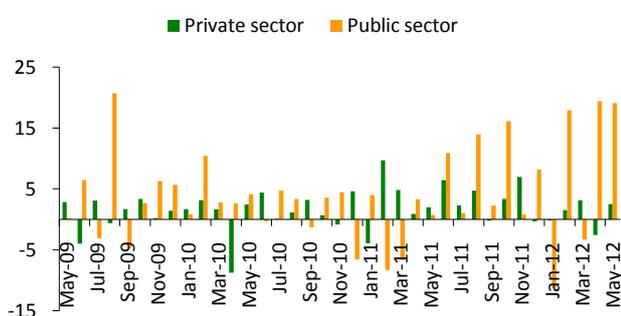


Source: Central Bank of Kuwait

Qatar: Government credit doubles

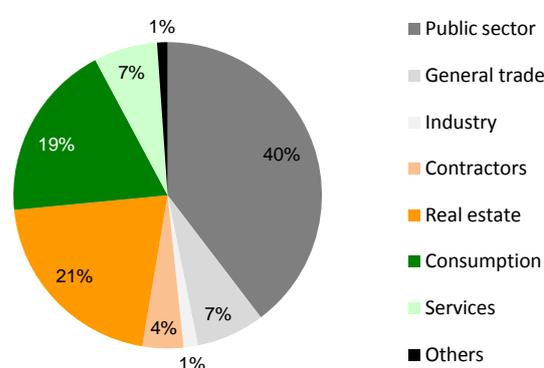
Qatar further consolidating its position of regional pre-eminence in the area of bank credit. Overall bank lending attained QAR423.0bn in May and was up an astounding 40.9% in annual terms. In general, the pace of new bank lending in Qatar has accelerated sharply in recent months from an already impressive base. Real estate has returned to the group of growth sectors, in part thanks to the preparations for the 2022 World Cup. The pace of credit growth was particularly fast in the area of lending to the government sector. Overall public sector credit attained QAR191.1bn in May and nearly doubled with a 98.9% rise in YoY terms. Lending to the private sector rose by 13.5% YoY to QAR231.9bn. Qatari banks are increasingly struggling to fund the credit growth from deposits alone.

Qatar bank credit, monthly changes (QAR bn)



Source: Qatar Central Bank

Sectoral breakdown of Qatari bank credit, 1Q12



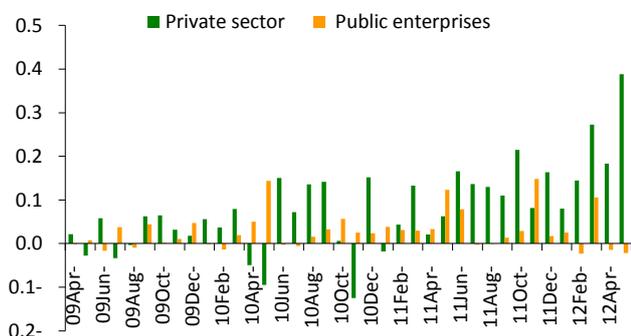
Source: Qatar Central Bank

Oman: Private sector lending accelerates

Oman has increasingly established itself as one of the most dynamic regional economies in terms of bank credit. Overall loans in May totaled OMR13.4bn, which was a remarkably 22.1% higher than in May 2011. Private sector credit

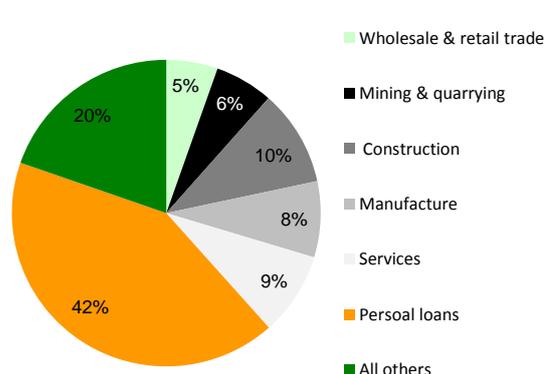
expanded by an annualized 21.1% to OMR11.9bn. Loans to the public sector advanced by just over 30% to just under OMR1.6bn.

Oman bank credit, monthly changes (OMR bn)



Source: Central Bank of Oman

Sectoral breakdown of Omani bank credit, 4Q11

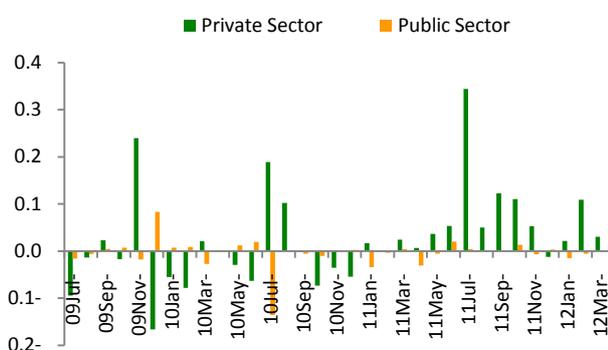


Source: Central Bank of Oman

Bahrain: Continued positive progress

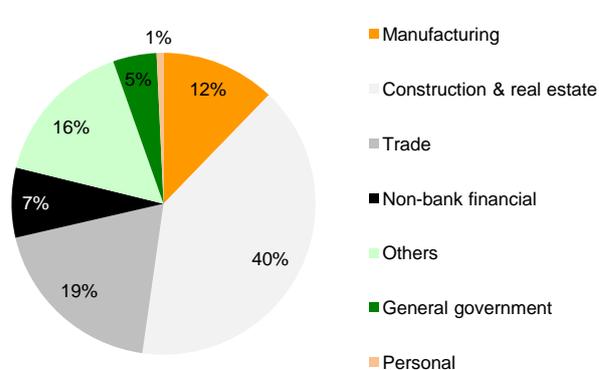
Credit growth in Bahrain has continued to gather pace in recent months. Total bank credit attained BHD6.6bn in March, which represented a 16.0% increase on a year earlier. Part of the increase is still due to the decision last July to incorporate housing loans issued by the government-controlled Eskan Bank in bank credit. Overall private sector lending rose to BHD6.4bn as of March, an annual increase of 16.9%. By contrast, bank lending to the public sector has remained more subdued. The March 2012 total was BHD0.2bn, which was 9.2% down year on year. The Q1 average of public sector credit was down by 8.5% YoY.

Bahrain bank credit, monthly changes (BHD bn)



Source: Central Bank of Bahrain

Sectoral breakdown of Bahraini bank credit 1Q12



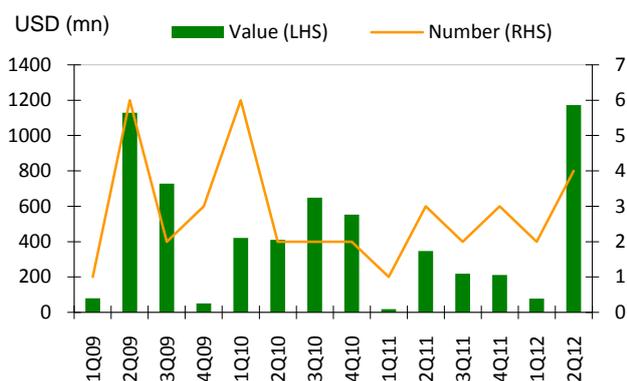
Source: Central Bank of Bahrain

Equity markets: A welcome rebound

Q2 offered a very mixed picture for the GCC equity markets. The growing external economic uncertainty – above all mounting concern about the Euro-zone outlook – meant that the secondary markets lost much of the gains they had made during the opening months of the year. By contrast, while primary issuance activity is still far below the levels of seen before the global crisis, the second quarter saw a sharp rebound in IPO volumes. The market witnessed the highest aggregate value of primary offerings since 3Q08 – USD1.1bn. By contrast, the total number of new issuers was still a relatively modest four. This took the total number of public offerings during the first half of the year to six with a total IPO value of USD1.2bn.

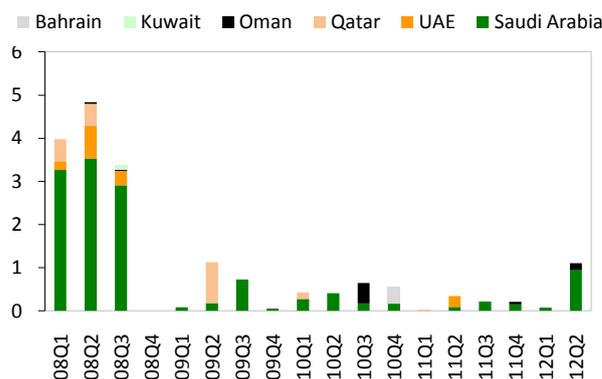
Saudi Arabia remains by far the dominant center of IPO activity in the region, accounting for three of the four offering in Q2 and five of the six in 1H12. A 31% rally on Tadawul between November and April, accompanied by a sharp rise in volumes, helped create auspicious conditions for new offerings. The only other GCC market to see primary activity was Oman which in fact is the only other regional stock market to have experienced any IPOs during the past year. Saudi issuance in Q2 totaled USD945.6mn in value whereas the one Omani IPO was worth USD159.0mn.

GCC IPO (activity)



Source: Zawya

Geographic distribution of IPOs (USD bn)



Source: Zawya

Substantial offerings

Three Saudi companies tapped the IPO market during Q2. Najran Cement Co led the way with its April offering. The company, established in 2005, floated 50% of its total equity capital of SAR1.7bn giving the IPO a total value of SAR850mn (USD226.7mn). The offering was an example of the so-called mandatory IPOs which apply to cement companies under the Raw Materials Quarry License 35K. The offering of Najran Cement benefited from the relative outperformance of the

cement sector at a time when construction activity is strong. The offering was well received, oversubscribed more than three times.

Al Tayyar Travel Group is an example of a privately owned company listing on the market. The family business, originally established in 1980, specializes in travel and tourism. It operates more than 300 branches in Saudi Arabia and made revenues of more than USD1.2bn last year. The company sold 30% of its SAR800mn equity capital in May, raising SAR1.4bn (USD365mn). The offering was heavily – 6.1 times – oversubscribed with institutions dominant among the buyers. Al Tayyar originally came to the market in February 2010 but ultimately canceled its planned USD320bn offering due to weak demand.

Saudi Airlines Catering Co. closed the quarter with its June offering. It was the first company in the restructured Saudi Airlines consortium to go public. The company sold 30% of its SAR820mn share capital. The offering raised SAR1.3bn (USD346.7bn) and was split equally between institutional and retail investors. The issue was more than twice oversubscribed. The ongoing privatization process of Saudi Arabian Airlines began in 2006 when the company was split into six units, including catering. The current plan is to IPO all six companies with the ground services unit likely to come to the market next.

Oman witnessed its first IPO of the year when the newly formed Islamic Bank Nizwa came to the market in late April, raising a total of OMR60mn (USD158bn) by selling a 40% stake. The offering attracted subscriptions worth more than USD1.7bn, being oversubscribed 11.3 times. The bank is the first Shariah-compliant bank in the Sultanate after a regulatory reform last year. It was established by a group of local individuals, companies, and pension funds.

In general, although regional IPOs still remain relatively modest in number, they tend to be well received with substantial oversubscription rates and often very strong appreciation after the initial listing. In addition to IPOs, 12 Saudi companies raised their capital through bonus shares in Q2.

GCC IPOs in 1H2012

Country	Issuer	Offer period	Offer size, USD mn	Equity stake offered	Over-subscription	Price change since flotation by end-June
Saudi Arabia	Saudi Air Lines Catering	18-24 June	354.19	30%	1.10 x	-
Saudi Arabia	Al Tayyar Travel Group	14-20 May	364.75	30%	6.08 x	14.0%
Oman	Bank Nizwa	23 Apr-22 May	158.96	40%	11.35 x	2.0%
Saudi Arabia	Najran Cement Co.	16-22 April	226.65	50%	3.06 x	117%
Saudi Arabia	Alinma Tokio Marine	19-25 March	16.00	30%	16.13 x	717.5%
Saudi Arabia	Takween Advanced Industries	16-21 January	62.39	30%	5.71 x	56.5%

Source: Regional exchanges, Zawya

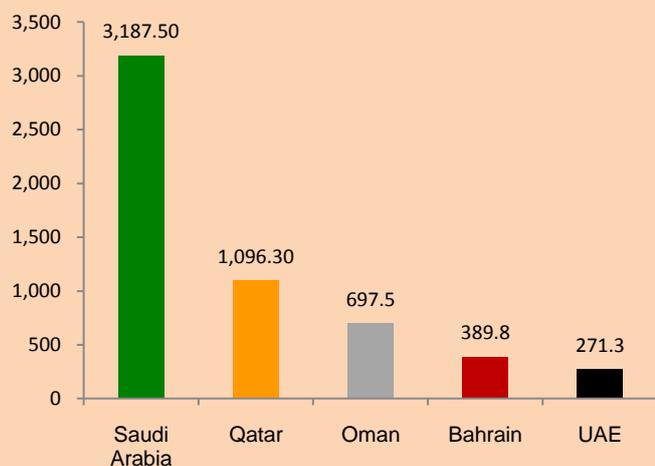
Saudi corporates lead the way

The subdued IPO performance in the GCC during the past couple of years has coincided with the growing dominance of Saudi Arabia among the regional equity markets. Even though Saudi issuance is sharply down on the pre-crisis levels, the Kingdom is the only country to have seen consistent issuance activity in the post-Lehman Brothers period. The only exceptions were 4Q08 and 1Q11 when there were no IPOs whatsoever in the Gulf region. In aggregate terms, Saudi Arabia companies have accounted for some 57% of the total value – USD5.6bn – of IPOs since 2009. At the same time, the Kingdom has also seen a number of public follow-up offerings with existing listed companies returning to the primary market to raise additional funds. By contrast the UAE, which used to be the second largest regional IPO market, saw issues worth ‘only’ USD271.3mn, some 5% of the regional total. Qatar was the second most important IPO market in the crisis years, accounting for 19% of the total. It was followed by Oman at 12% and Bahrain at 7%. No Kuwaiti companies came to the market during this period.

A number of factors account for the growing dominance of Saudi Arabia as an IPO market:

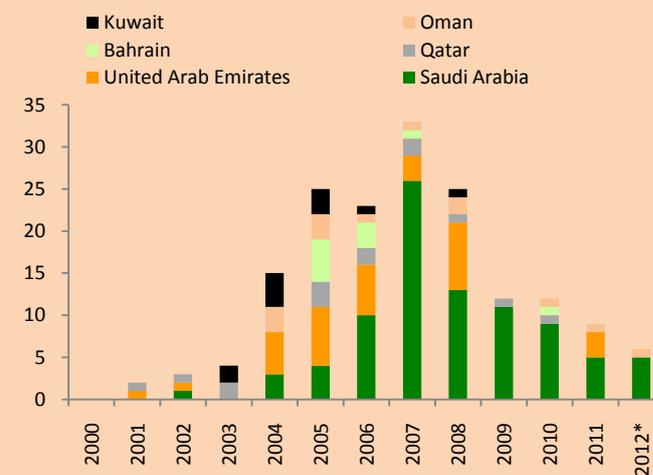
- Tadawul has successfully consolidated its position as the largest, most liquid, and most diverse regional stock exchange. This makes it the most attractive listing venue in the region for companies seeking new equity capital. New regulations now even permit dual listings to potentially boost this role
- The regulatory environment makes public listing mandatory for a number of companies in sectors such as insurance, cement, etc. This position is justified by a desire to boost corporate governance, ensure the adequate capitalization of companies in certain areas, and to ensure investor access to companies benefiting from key national assets or subsidies. For instance the insurance sector now has 33 listed companies while there are 11 cement companies on the exchange
- The authorities have actively supported IPOs in key areas whether by partially privatizing government-owned enterprises or by fostering capital raising for national priority projects such as the economic cities
- Tadawul itself is an active exchange which has invested heavily in technology, governance, investor education, and issuer education, often actively coaching certain types of companies to list. A key target group are family businesses seeking to ensure their continuity

GCC aggregate IPO value by country 2009-1H12, US mn



Source: Zawya

GCC numbers of IPOs



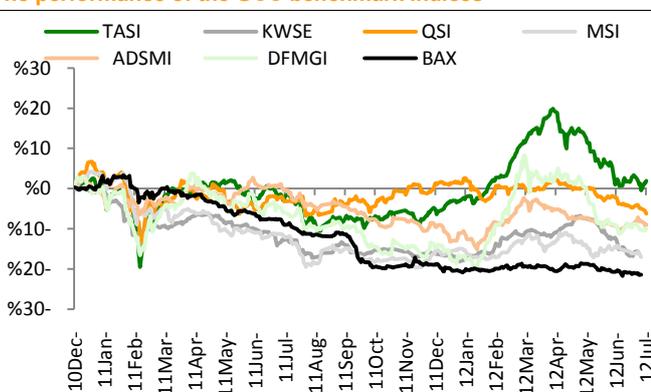
Source: Zawya

A secondary market relapse

The revival in IPO activity contrasts with a renewed relapse in secondary market trading. Tadawul shed 14.4% of its value during Q2 but nonetheless managed to close 4.6% up YTD as of the end of June. With the exception of the Muscat Securities Market, which closed flat, all the regional indices declined. Saudi Arabia led the way, followed by a 11.9% drop in Dubai, a 7.6% drop in Qatar, and a 6.1% decline in Kuwait. Abu Dhabi fell by 4.1% and Bahrain by 2.2%. To an extent the size of the fall matched the sharpness of the preceding upturn, especially in Saudi Arabia. The UAE and Qatar markets were further hit by their renewed failure in June to qualify for the MSCI Emerging Markets index.

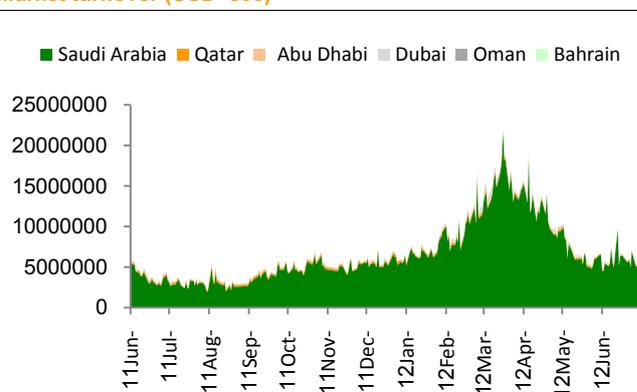
Although trading volumes were generally up YoY, they declined sharply in April-June, effectively mirroring the ascent during Q1. The only market to record a rise in turnover was Bahrain, although all the markets stayed well above last year's average. The main depressing factor was the negative global backdrop, especially the Euro-zone crisis.

The performance of the GCC benchmark indices



Source: Bloomberg, regional exchanges

Market turnover (USD '000)



Source: Bloomberg, regional exchanges

Key secondary market indicators

Country	Closing index value			Closing market capitalization (USD mn)			Average daily trading value (USD mn)		
	2011	1Q12	2Q12	2011	1Q12	2Q12	2011	1Q12	2Q12
Tadawul	6,418	7,835	6,710	338,791	410,562	356,516	1,179.0	2,792.0	2,473.4
Dubai FM	1,353	1,649	1,452	28,798	32,854	28,825	32.1	75.1	59.5
Abu Dhabi SM	2,402	2,553	2,448	71,030	75,882	74,477	27.0	30.6	25.4
Kuwait SE	5,814	6,165	5,789	102,198	104,241	97,018	86.9	140.6	116.3
Qatar E	8,779	8,791	8,123	96,650	98,571	93,528	74.0	61.8	51.5
Muscat SM	5,695	5,690	5,690	14,022	13,820	14,472	8.2	9.7	8.4
Bahrain B	1,144	1,152	1,127	16,182	16,338	16,000	1.1	0.9	1.6

Source: Regional exchanges

A promising pipeline

The outlook for the regional IPOs is generally promising, although actual issuance activity is likely to be significantly influenced by the evolving market conditions in an uncertain environment.

Saudi Arabia is expected to see a fairly steady flow of IPO activity during the second half of the year. Apart from IPOs, the telecom operator Zain KSA is undertaking a SAR6bn (USD1.6bn) rights issue in July as a way restructuring its capital. After the issue, the company will have an equity capital of SAR10.8bn.

Planned offerings include AlJazira Takaful Ta'awuni, the insurance unit of Bank AlJazira. City Cement Company, established in 2005 with capital of USD550mn is planning to float 50% of its share capital in connection with its expansion strategy.

Other potential IPO candidates in the foreseeable future include Construction Products Holding Co., a unit of the Saudi Binladin Group, which is the largest producer of building materials in the Kingdom. It has appointed arrangers for an offering this or next year. Health Water Bottling of the Olayan Group is a similar position and planning to float a 30% stake no later than 1Q13. The private equity group Carlyle plans to float General Lighting Co. Also National Medical Care Co is planning to list. Aujan Group, Al Akhawain Co, HUTA Group, Gulf Stevedoring Co, and Alkifah Construction Equipment have delayed their IPOs.

Oman is expecting further IPO activity by the country's emerging Islamic banking sector. Al Izz International Bank (Bank al Izz) is the second Shariah-compliant provider to receive a license. It intends to float a 40% stake worth some USD260mn later this summer. The Omani Arab Bank is still under negotiations with its two partners on offering 25 percent as IPO later this year.

The leading mining and mineral processing company Northern Minerals (NMC) , is seeking to expand its activities while turning itself into a public joint stock company. NMC is planning its IPO later this year to fund its expansion projects. Another IPO candidate is the Al Khalili United Enterprises industrial manufacturer.

Kuwait. The Kuwaiti Stock Exchange is progressing with its own restructuring into a public company which will float 50% of its shares. The other half will be offered by listed companies.

The Kuwaiti Airways Corporation (KAC) received approval from the Kuwaiti cabinet to convert into a joint stock company, 40% of whose shares will be bought by the Kuwaiti government. 35% will be offered to foreign investors, 5% to KAC employees, and 20% to public institutions. Also Kuwaiti Energy Company is expected to float 25% of its shares.

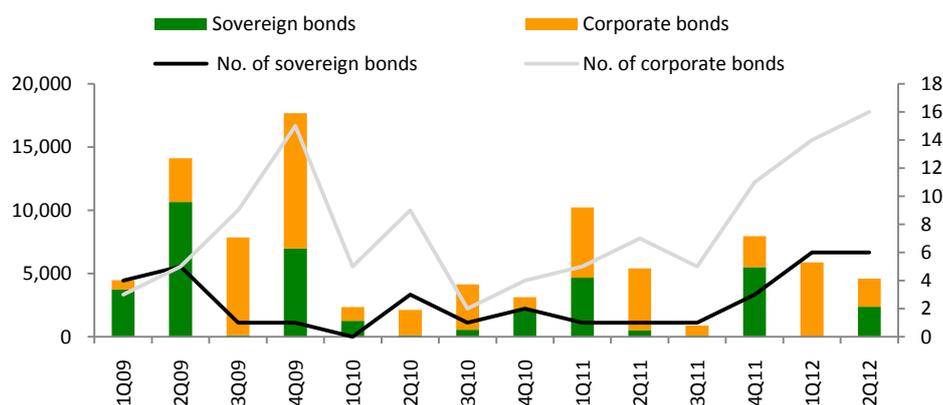
Qatar Exchange is expected to see three new listings this year: Barwa Bank, Al Jazeera Finance, and Maken Holdings.

Bonds: The sovereigns return

After two strong quarters, conventional bond issuance in the GCC was hit in Q2 as the Euro-zone crisis cast a shadow over the market. Nonetheless, significant new activity did take place, partly thanks to the growing perception of the GCC as one of the relative safe havens in an uncertain world. Moreover, during a time of a relative retreat by corporates, the market benefited from the resumption of sovereign issuance by Bahrain, Oman, and Kuwait. All in all, the quarter witnessed 22 GCC conventional bond issues with maturities in excess of a year. Their aggregate value reached USD4.6bn and this was roughly equally split between corporate (USD2.2bn) and sovereign (USD2.4bn) issuance..

Although overall issuance in Q2 was somewhat down on the 1Q12 total of USD5.9bn, the performance of the market must be deemed generally impressive considering the backdrop of exceptional global uncertainty. While it is clear that Western investors were active buyers of GCC issues, important development took place also on the supply side. In particular, there are growing indications of bonds increasingly playing a role as the classic tire 'reserve tire' As some jurisdictions continue to face restrictions in the area of bank funding, bond issuance is in many cases services as an alternative. For instance, the UAE Central Bank has imposed more restrictive rules on bank lending to government-related entities, pushing more of them to the capital market.

GCC conventional bond issuance (USD mn)



Source: Zawya, Bloomberg

Corporate issuance

Corporate issuance during Q2 continued the established pattern of heavy bank dominance, albeit generally with fairly modest volumes. Of total number of ten issuers, all but two were financial service providers. Commercial Bank of Qatar (CBQ) opened the quarter with a USD500mn issue followed by an OMR50mn (USD129.9mn) maiden offering by Oman Arab Bank (OAB). The latter attracted subscriptions of OMR104.5mn, mainly from local institutions and was listed on the Muscat Securities Market. In the UAE, Mashreqbank in May placed a

USD50mn two-year bond priced at the three-month LIBOR. Among other Emirati banks, Abu Dhabi Commercial Bank (ADCB), National Bank of Abu Dhabi (NBAD), and Emirates NBD all returned to the market with issuance of USD162.6mn, USD25mn, and USD146.6mn, respectively. Issuance by ADCB included tranches in Malaysian Ringgit (MYR310mn) and Chinese Renminbi (CNY200mn). CBQ obtained the most favorable pricing at 3.375%. ADCB paid 3.7-5%, NBAD 5.01% and Emirates NBD typically 5.3%. The OAB bond had a coupon of 5.5%. Tenors were typically five years with the exception of NBAD's USD25mn 30-year issue in May and ADCB's USD30mn 20-year bond in June. Also in the financial services space, Doric Nimrod Air Finance Alpha of the UAE placed USD587.5mn in nine and 12-year tranches at 5.125% and 6.5%, respectively. Al Omaniya Financial Services returned to the market with a small USD26mn five-year issue priced at 5.5%.

The UAE mall developer Majid al Futtaim returned to the markets in July with USD500mn issue after its USD400mn sukuk in February. The bond is part of a delayed USD2bn medium-term notes program established last year. The seven-year issue has a coupon of 5.25%, down from 5.85% in February. Middle East issuers were allocated 19% of the June issue. 36% went to the UK, 25% to Europe, and 20% to Asia. Al Argan International Real Estate Company issued a KWD26.5mn BBB- -rated five-year bond in April, the first Kuwaiti real estate bond issue since June 2010. The fixed tranche has an interest rate of 6.25%.

Sovereign issuance

After a period minimal sovereign activity, the governments of Bahrain and Oman returned to the conventional bond space. The Kingdom of Bahrain in June issued a USD1.5bn 10-year bond priced at 6.125%. This was the government's first conventional bond since 2010 and structured as a Reg S/144A issue open to qualified international investors. It followed a USD750mn sukuk in November. The bond was sold to institutions, 14% of which are domiciled in Bahrain, 29% elsewhere in the Middle East, 16% in the UK, 14% continental Europe, 14% in the US, and 11% in Asia. Bahrain's pricing was placed at 462.5 bps over midswaps which translated into 6.375%. The USD750mn sukuk last year was priced to yield 6.273%. It was yielding 4.8% in the run-up to the new issue. Bahrain had been planning a USD1bn bond already at the beginning of 2011.

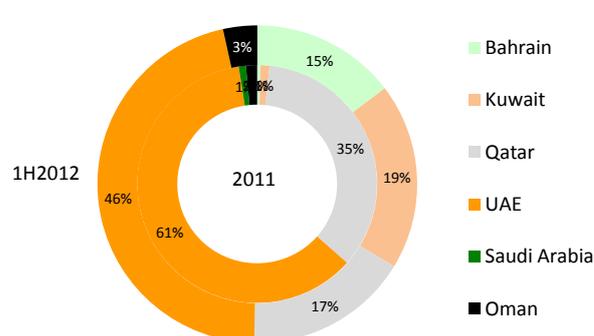
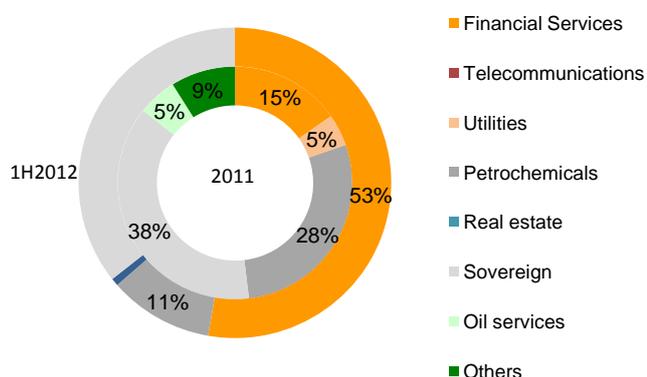
Bahrain is rated BBB by Standard & Poor's but its CDS spreads have come down markedly in recent months as confidence has returned after a period of unrest. The country ran a smaller than expected budget deficit of USD83mn last year but is extremely vulnerable to oil price corrections as the 2011 break-even oil price was estimated at USD114 per barrel. Moreover, according to the bond prospectus, the USD20bn GCC aid fund established last year has not yet been capitalized and Bahrain is yet to receive its first allocation. More encouragingly, Bahrain's external debt is only 14% of GDP.

Oman issued its 40th OMR100mn (USD259mn) Government Development Bond in June. The offering proved highly successful with bids totaling OMR209.4mn with an average bid of 4.5%. The coupon rate for the 10-year bond is 5.5%. The funds will be used for budgetary purposes. The country is projecting an OMR1.2bn deficit this year, equaling some 5% of GDP. The Central Bank previously announced plans to issue OMR200mn of sovereign debt this year.

Kuwait continued its regular Treasury Bond issuance. There were a total of four issues with tenors in excess of a year. These ranged from two to seven years and totaled USD604.2mn in value. Apart from liquidity management tools, also regular one-year Treasury Bonds continued to be issued by the Central Bank of Kuwait. The aggregate value of six issues was USD1.7bn.

Geographic breakdown of GCC bonds

Sectoral breakdown of GCC bonds



Source: Zawya, Bloomberg

Source: Bloomberg

An ambitious pipeline for tough times

Issuance activity is likely to remain fairly robust in the coming quarters, partly because of refinancing requirements, partly thanks to formally approved issuance programs by a growing number of regional companies, most notably banks. A number of regional governments are interested in using bonds and sukuk as a liquidity management tool while stimulating the development of the capital markets more broadly. For instance Qatari banks hold some QAR110bn worth of government debt instruments. Moreover, bonds are likely to play a role in supporting some of the region’s ambitious infrastructure projects. For instance, Qatar Petroleum’s petrochemicals subsidiary Qapco announced this spring that it intends to build two new plants with a total cost of USD10bn. Among other issuers, Kingdom Holding of Saudi Arabia in June selected banks for its debut bond, expected to be in Saudi Riyals but likely not imminent. The shareholders of Oman’s Renaissance Services in June approved an OMR100mn bond issue. Although the structural drivers for continued GCC bond issuance are strong, the uncertain market environment, especially the unusually elevated risk of exogenous shocks may have profound implications for the timing of issues with the potential consequence of continued quarter-to-quarter volatility.

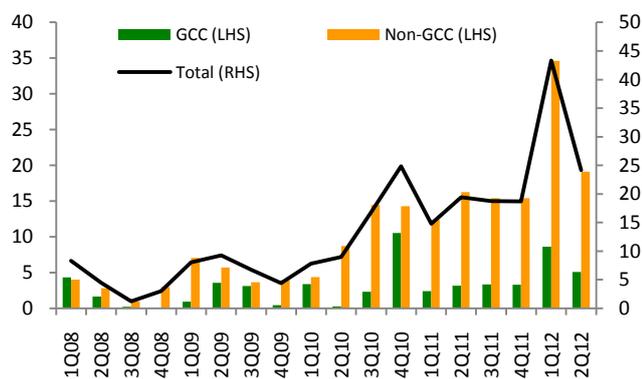
The sukuk rebound continues

The sukuk market has remained one of the brightest spots of the GCC financial sector over the past quarter. Although overall issuance in Q2 fell short of the volumes seen in the opening months of the year, many of the positive trends observed during the past year have not only continued but been further consolidated. New types of issuers are tapping the market and activity has resumed even in the sovereign segment. Q2 saw a total of nine issues of more than a year with an aggregate value of USD5.0bn. This was down on Q1 issuance of USD8.3bn but ahead of the USD3.3bn seen in 4Q11.

In a departure from the commanding Saudi dominance during Q1, Saudi and UAE issuers were almost equally important. Three UAE names placed a total of USD2.4bn in the market while Saudi Arabia (including the Jeddah-domiciled Islamic Development Bank) saw a total of five issues worth just under USD2.4bn. One Kuwaiti issuer sold USD101.6mn worth of sukuk.

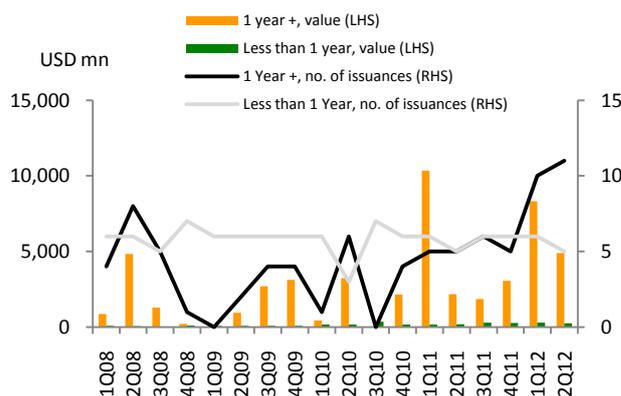
Global sukuk issuance during the quarter rose to USD23.9bn, down on USD35.3bn in Q1. In spite of the resilience of the Gulf region, Malaysia remains the dominant sukuk market internationally. Overall, Malaysia was home to 68% of the USD210bn of sukuk outstanding globally as of the end of 2011. Among interesting innovations, Q2 saw Malaysia Airlines in June issue a landmark MYR2.5bn perpetual sukuk.

Robust global issuance continues (USD bn)



Source: Zawya, Bloomberg

Issuance in the GCC



Source: Zawya

Corporate sukuk

The corporate space saw a total of eight issues during Q2, one of them by the multilateral Islamic Development Bank. Encouragingly, the range of issuers continued to expand. Two Saudi unlisted private companies tapped the market, building on the precedent set by Dubai's Majed al Futtaim in Q1. Reflecting the established reputation of the issues, the profit rates were very low by historical standards.

Opening the quarter, Saudi Arabia's AJIL Financial Services Company issued a SAR500mn *al istithmar* sukuk in April. The three-year offering has profit rate 80 bps above three-month SAIBOR. Banque Saudi Fransi followed in May with a USD750mn five-year issue commanding a profit rate of 2.947%. The BSF sukuk was part of a USD2bn program. Also in the financial services sector, the Islamic Development Bank return to the market after more than a year with a USD800mn five-year sukuk , an increase on the original plans of USD750mn. The issue was priced 40 bps over midswaps.

Saudi Arabia sukuk issuance in 1H2012

Issuer	Date of issuance	Sukuk structure	Issue size (USD mn)	Margin	Tenor
Olayan Real Estate	June	<i>Al istithmar</i>	173.3	3-month SIBOR +150 bps	5 years
Islamic Development Bank	June	<i>Alwakala bel isthmar</i>	800	1.357%	5 years
National Industrialization Company (Tasnee)	May	<i>Modarabah-Murabaha</i>	533.3	6-month SIBOR	7 years
Banque Saudi Fransi	April	<i>Wakala</i>	750	2.95%	5 years
AJIL Financial Services Co	April	<i>Al istithmar</i>	133.3	3-month SIBOR + 80 bps	3 years
Saudi Electricity Co.	March	<i>Ijarah</i>	1,250	4.211%	10 years
Saudi Electricity Co.	March	<i>Ijarah</i>	500	2.66%	5 years
SABB	March	<i>Modarabah-Murabaha</i>	400	3-months SIBOR+120 bps	5 years
Almarai Company	March	<i>Modaraba-Murabaha</i>	266.6	6-months SIBOR + 100 bps	7 years
General Authority for Civil Aviation	January	<i>Murabaha</i>	3,999.7	2.5%	10 years

Source: Zawya, media

Reflecting the growing interest of Saudi corporates in the sukuk space, National Industrialization Co (Tasnee) placed a SAR2bn issue in May. The seven-year offering was priced at the six-month SAIBOR. Saudi Olayan Group, which is one of the largest private conglomerates in the Kingdom, in June issued its first SAR650mn (USD173.3mn) sukuk. The privately placed issue was priced at 150 bps over the three-month SAIBOR and was 2.5 times oversubscribed.

In the UAE, Dubai Islamic Bank issued a USD500mn five-year *ijarah* sukuk in May. This was the bank’s first issue since March 2007 and was four times oversubscribed. The sukuk commands a profit rate 365 bps above midswaps -- 4.752% -- and was the most expensive regional bank issue during the year to date. Middle Eastern investors took up 73% of the offering, followed by European buyers at 15% and Asians at 12%. The bank’s USD2.5bn trust certificate issuance program is provisionally rated A by Fitch and Baa1 by Moody’s.

Reflecting the progress of Dubai government-related entities toward successfully restructuring their debt burdens, one of the companies most troubling the markets, the Jebel Ali Free Zone (JAFZA) in June issued a USD650mn seven-year sukuk at a profit rate of 7%.

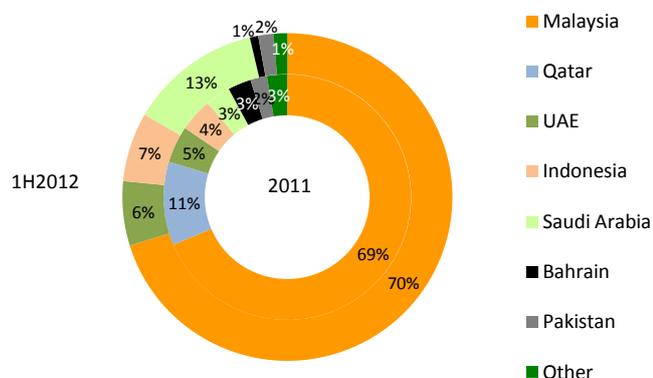
Kuwait-domiciled Gulf Investment Corporation issued USD101.6mn Malaysian Ringgit-denominate sukuk with a 10 and a 15-year tranche in June.

Sovereign sukuk

May saw the return of the Government of Dubai to the sukuk market with a USD1.25bn issue. This was split into a USD600mn five-year tranche with a coupon of 4.9% and a USD650mn 10-year offering with a coupon of 6.45%. Reflecting the growing market confidence in the emirate’s prospects, Dubai’s sukuk was three times oversubscribed with USD4.5bn in orders. Both issuances were listed on the Dubai Financial Market, although trading will take place over the counter. According to media reports, at least part of the sukuk will be used for Dubai’s airport expansion.

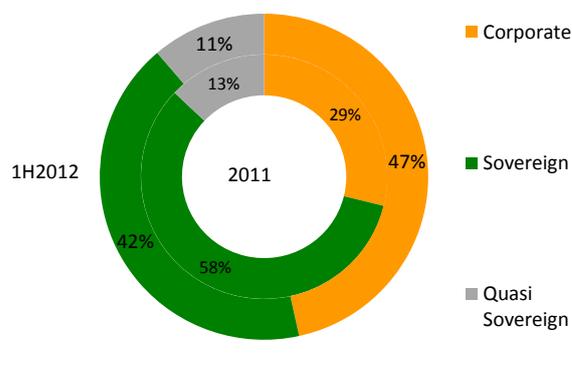
Ongoing short-term *ijarah* (six months) and *al salam* (three months) sukuk issuance by the Central Bank of Bahrain continued with a total of five sukuk with an aggregate value of USD254.7.

Malaysia still dominates in global issuance



Source: Zawya, Bloomberg

GCC issuance by issuer type (all tenors)



Source: Zawya

Strong momentum set to continue

There are no signs of the vibrant sukuk markets losing their momentum in the near term as a number of issuers contemplate a return to the market or a maiden offering. The region's large pipeline of infrastructure projects is likely to be a key growth driver, especially in Saudi Arabia.

Saudi Arabia. Sadara, the USD20bn petrochemical joint venture between Saudi Aramco and Dow Chemical, in June appointed banks for a sukuk as part of its fundraising. This would be the second project sukuk in Saudi Arabia after SATORP's pioneering venture last year. The issue is planned to total some USD1.4bn but may not reach the market before next year. The project will have an annual capacity of more than 3mn tn as of 2016. Banks have also been invited to bid for a USD4bn commercial loan.

The General Authority for Civil Aviation (GACA) is planning to issue a second tranche of its airport sukuk after the successful SAR15bn maiden issue in January. In addition to the ongoing work on the new King Abdulaziz International Airport in Jeddah, GACA announced in May a plan to triple the capacity of Riyadh Airport. The project is due to start in November and will be completed by 2015. It will involve the construction of a new terminal and upgrades of existing ones.

Al Rajhi Bank is understood to be contemplating a sukuk through its Malaysian subsidiary. Also the Bahrain-domiciled but now primarily Saudi-controlled Gulf International Bank has established a MYR3.5bn (USD1.1bn) *sukuk al wakalah* medium-term note program in Malaysia.

The UAE. New sukuk issuance in the UAE looks likely to continue to be dominated by financial service providers. The Shariah-compliant mortgage lender Tamweel was planning to sell a USD235mn sukuk following its successful USD300mn five-year sukuk in January but decided to delay the plan after market feedback in July. Tamweel has a USD300mn sukuk due next January. The Tamweel issue is set to be a rare securitization deal backed by properties and other receivables in Dubai. The instrument is only due in 2046 but callable after five years. Moody's has provisionally rated the issue Aa3, which is significantly higher than Tamweel's own rating of Baa3. Emirates NBD's Islamic unit is also planning to return to the market with a USD500mn issue. Emirates Islamic Bank already placed a USD500mn five-year sukuk at 4.72% in January.

In an eagerly anticipated move the Emirates airline may return to the market having repaid a USD550mn sukuk in June. Emirates raised AED1.9bn from an Islamic loan facility in early June for the purpose of buying three aircraft.

The property developer Emaar is currently placing a USD500mn issue. The property developer Nakheel in April announced plans to issue a second tranche AED4.8bn sukuk to repay its trade creditors. The first, AED3.8bn tranche was issued in August. Dana Gas may refinance its USD1bn sukuk as it faces challenges in its key markets of Egypt and Iraqi Kurdistan.

Qatar. In an important move highlighting its commitment to actively developing the local bond and sukuk markets, the Government of Qatar in May appointed five banks to help arrange a new sovereign sukuk. The USD4bn issue, the largest ever Dollar-denominated sovereign sukuk, was brought to the market in July and attracted subscriptions of USD24bn. The AA/Aa2-rated issue proved one of the cheapest sovereign issues with the 5-year tranche priced at 2.099%. Qatar's first sovereign sukuk was a USD700mn seven-year issue in 2003. Minister of the Economy and Finance Yousef Kamal said in March that the government was planning one or two sovereign issues per year.

Qatar's Barwa Bank is planning to issue a sukuk by 2013.

Oman. The government may issue sukuk next year.

Malaysia. Bank Negara Malaysia is introducing a new Islamic overnight funding facility, a collateralized *murabaha* operation, which could draw also Gulf banks. This will be.

The debut sukuk of the International Islamic Liquidity Management Corporation is understood to be imminent and regular issuance of up to USD3bn is envisaged.

Indonesia. Indonesian sovereign issuance is set to continue. The Indonesia government has issued INR120trn (USD12.8bn) worth of sukuk over the past four years and demand remained strong. Indonesia is now the third largest issuer globally after Malaysia and Saudi Arabia.

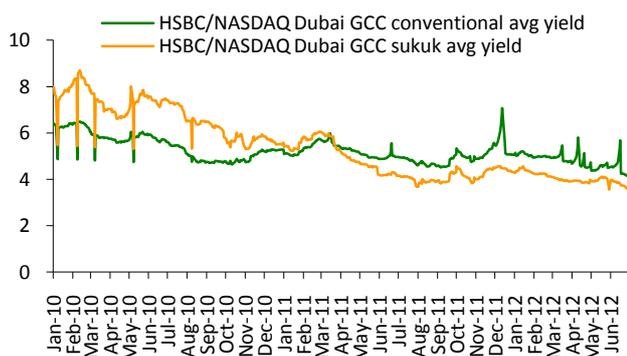
Other. Afghanistan is planning a sukuk next year as foreign aid dwindles. Afghanistan currently sells conventional short-term securities to local banks.

Secondary market stability

The regional secondary markets were characterized by relatively benign trading conditions throughout the quarter in spite of external market stress. Both the bond and sukuk yields have remained at historically low levels, even if temporary spikes attest to the continued sensitivity to exogenous shocks. Sukuk have continued to enjoy an edge over conventional bonds, marking their increasingly established popularity as an asset class and a perceived relative safe haven. Most issuers are high-quality names and the resilience of the market has benefited from clustering around popular structures as well as a greater understanding of how to deal with problem situations. Moreover, tighter spreads have made the sukuk market more competitive as more banks target the asset class. The popularity of sukuk is further reflected in a growing number of GCC-domiciled sukuk funds whose holdings in the region now exceed USD500mn, up 31% YoY, according to Thomson Reuters estimates. Such funds currently number 17.

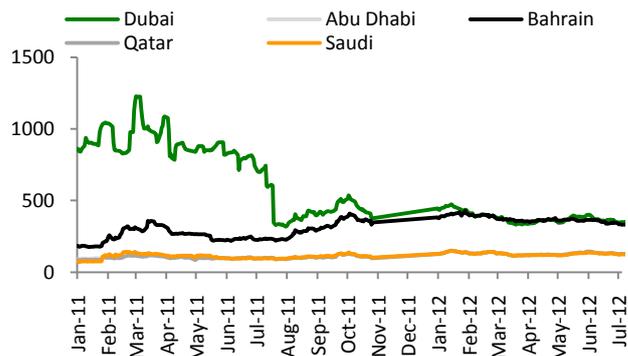
An important impetus to the regional markets has come from the continued improvement of conditions in Dubai and Bahrain, which have tended to be seen as the riskiest jurisdictions. The basic economic and financial market conditions elsewhere in the GCC have remained generally very favorable. In Dubai, the most challenging near-term refinancing/restructuring operations have been successfully dealt with. The Jebel Ali Free Zone (JAFZA) in May received approval from holders of 89% of its outstanding debt. This enabled the company to issue a USD650mn seven-year sukuk in June. Also DIFC Investment seems to be over the worst. The company has secured a USD1.0bn loan to help repay a USD1.3bn debt. It also plans to sell non-core assets to raise funds. Dubai International Capital in April persuaded its lenders to increase the maturity of USD2.15bn of loans for five years at 2%. Another USD350mn was extended by three years. Exotix estimates that Dubai has completed six restructurings totaling USD21.9bn, which compared to the total GRE debt load of USD34bn.

Average yields of sukuk and GCC conventional bond yields



Source: HSBC/NASDAQ Dubai, Bloomberg

GCC Credit Default Swaps



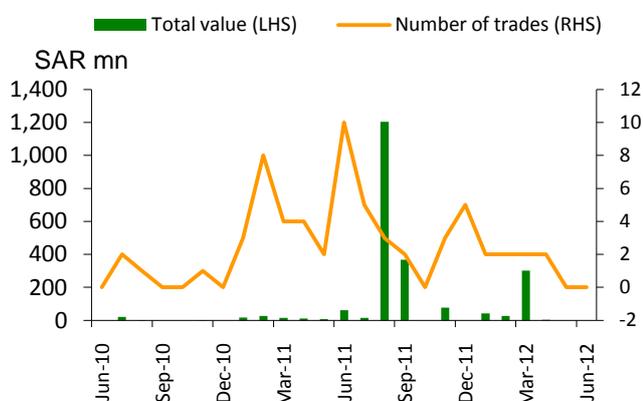
Source: Bloomberg

Some market concern has attached to USD6bn of loans being negotiated by the Dubai Group. Other outstanding debt includes Drydocks World (USD2.2bn), Zabeel Investments (USD1.6bn), Dubai Holding Investment Group (USD1.2bn), and Limitless (USD1.2bn). Dubai Group in April resumed USD10bn debt talks with its creditors after talks stalled at the beginning of the year. Proposed loan tenors would run up to 12 years. The group has paid no interest since August 2010. Also Dana Gas in May hired Blackstone Group to advise on the restructuring of its USD1bn bond maturing in October.

The general expectation now is that the key Dubai names will be able to restructure their debts without major disruptions even if some asset disposals may become necessary as USD80bn of debt matures in the next five years. At the same time, the fiscal situation in these economies, as well as the region as a whole has improved. Dubai's government budget deficit narrowed to AED3.7bn (USD1bn) last year from USD6.0bn a year before, in spite of spending exceeding the original plans. Bahrain successfully placed a large bond offering and is seen to enjoy the security support of Saudi Arabia at a time when domestic tensions seem to be subsiding.

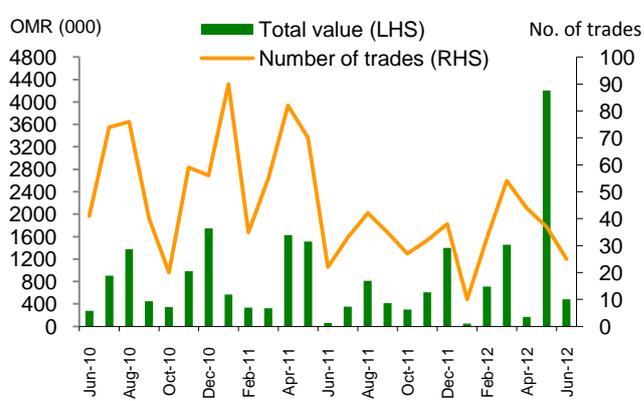
Secondary trading on the region's organized bond and sukuk platforms remained modest, highlighting the continuing challenges of creating liquid secondary market conditions even as efforts are underway to establish more platforms. Saudi Arabia's Tadawul only recorded two trades worth a total of SAR3.5mn in April. There was no activity in May and June. Oman's MSM platform had a total of 106 transactions during the quarter with an aggregate value of OMR4.9mn. The most notably activity was heavy trading in the bonds of Ahli Bank in May. Qatar Exchange's new T-bill platform witnessed 22 transactions in April-May and none in June. The total value of the deals was QAR248.7mn.

Tadawul secondary sukuk market activity



Source: Tadawul

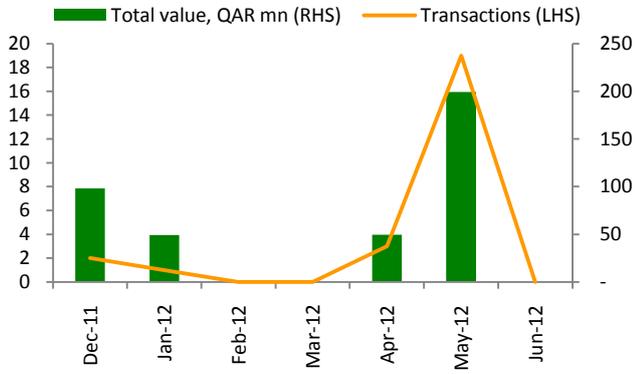
Muscat secondary bond market activity



Source: Muscat Securities Market

In Dubai, JAFZA's USD650mn sukuk was listed on NASDAQ Dubai. The total nominal value of issues listed on the platform now stands at USD7.1bn. However, most trading in the UAE is done over the counter. The Kuwait Stock Exchange is introducing a new trading system with Nasdaq OMX to enable, among other things, trading in debt securities.

Qatar Exchange T-bill trading



Source: Qatar Exchange

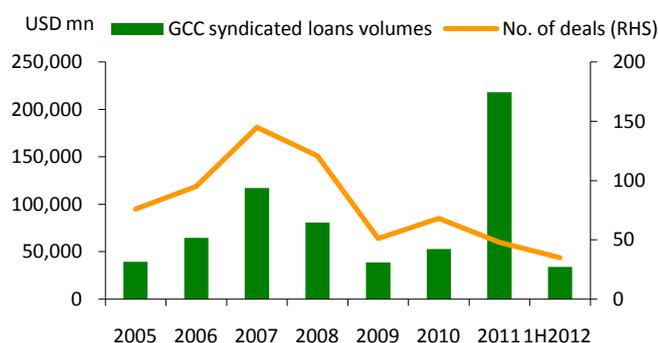
Alternative sources

Loan syndications decline

The reshaping of the regional syndicated loans market appears to be continuing with European banks generally expected to play a less central role than in the past. By contrast, the regional lenders are clearly stepping to the plate and filling some of the vacuum. In particular Saudi banks have reached a historic record in loans syndications, arranging an estimated total of USD4.2bn in the first five months of the year. SAMA estimated the total syndicated loans (including lending by foreign banks) to Saudi residents at SAR93.7bn (USD25.0bn) and to non-residents at SAR24.6bn (USD6.6bn) in 2010.

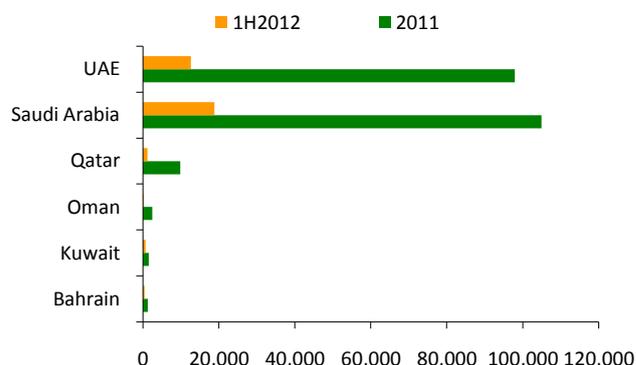
Overall loan syndications during the quarter reached approximately USD20.4bn. Activity was dominated by Saudi Arabia which accounted for 49% of the total, followed by the UAE's 41% share. The only other regional markets to see activity were Qatar (9%) and Kuwait which saw one USD700mn deal for Zain. The largest deal during the quarter was a SAR7bn five-year facility for the Maaden Bauxite and Alumina Co. There were another 11 deals worth USD1-1.5bn each. Notable examples included Emirates Airline, Dubai International Financial Center, and a landmark securitization by Dubai Duty Free in the UAE. Major deals in Saudi Arabia included some of the petrochemicals projects, Jebel Omar Property Development, and hotel companies. Aggregate syndications activity in the region nearly doubled on the USD11.2bn recorded in 1Q12.

GCC syndicated loan volumes



Source: Dealogic, Thomson Reuters, Bloomberg, NCB estimates

Geographic breakdown of syndicated loans



Source: Dealogic, Thomson Reuters, Bloomberg, NCB estimates

Private equity lethargy

Anecdotal evidence points to a marked increase in the deal pipeline in the regional private equity space. However, the number of reported deals is still modest. A total four transactions were announced in Q2, two of them in the UAE, one in Saudi Arabia, and one in Kuwait. The aggregate value of three of the deals was USD178.2.

A USD10mn mezzanine deal in the UAE deals involved the Eikon university operator which supports international education providers in the region. Eikon has

an association with the UK's Heriot-Watt University. Eikon's new private equity partner will support its Dubai university facility with 33 academic programs. Eikon is a free-zone company set up in the Dubai International Academic City in 2005.

The Islamic Development Bank sold its 38.9% stake in AES Oasis Ltd to Qatar Electricity & Water Co. The IDB Infrastructure Fund originally reportedly paid some USD150mn for a 43% stake in the company in 2003. AES Oasis operates power and desalination plants.

A Saudi investment group disposed of its stake in the Al Tayyar Travel Group in connection with the company's IPO. The minority stake was originally acquired in 2005.

The sole Kuwaiti deal involve Kuwait Energy, which is one of the fastest growing independent upstream oil and gas companies in the Middle East. The company has a diversified portfolio of assets across the region, including Egypt, Yemen, and Oman, as well as additional operations in Ukraine, Latvia, and Russia.

Recently reported GCC private equity deals

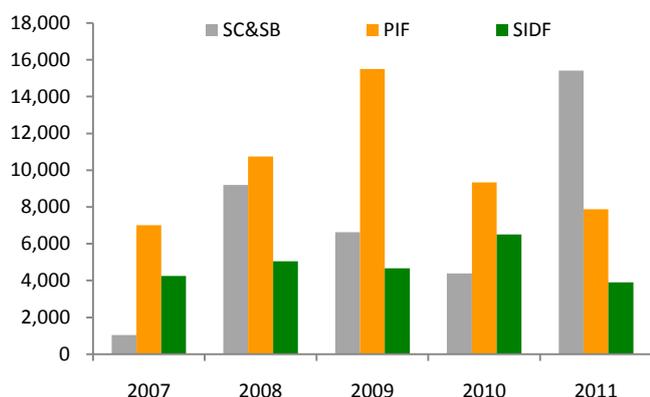
Date	Buy/Sell	Target company	Country	Sector	Industry	Size (USD mn)
23 June	Buy	Eikon International Holding	UAE	Education	Other support services – education	10
4 June	Sell	Al Tayyar Travel Group	Saudi Arabia	Tourism	Travel agencies and tour operation	18.19
April	Sell	AES Oasis Energy Inc	UAE	Power and utilities	Fossil fuel power generation	-
10 April	Buy	Kuwait Energy Company	Kuwait	Oil and gas	Oil production services	-

Source: Zawya, media

The role of the government normalizing

The regional governments paid an important role in supporting economic activity in the aftermath of the Lehman Brothers crisis when alternative sources of funding became scarce. They have generally remained active supporters of infrastructure projects, especially in cases where market stress has called other types of funding solutions into question. However, the latest data suggest that the direct role of the government may be diminishing somewhat as other sources become more readily available. Bank credit has resumed in much of the region, including loans to public sector entities. At the same time, the development of the regional bond and sukuk markets has made it possible to pool private and institutional capital for what otherwise might have been government projects. The most welcome developments in this regard have taken place in Saudi Arabia where the 'Jeddah airport sukuk' by the General Authority for Civil Aviation is widely seen as a precedent for other similar solutions.

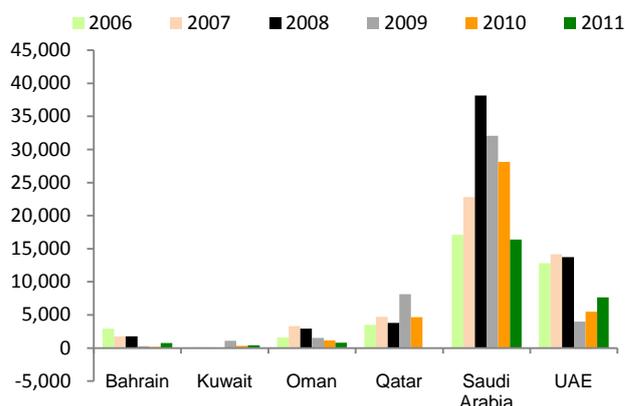
Lending by Saudi specialized credit institutions (SAR mn)



SC&SB = Saudi Credit & Savings Bank; PIF = Public Investment Fund; Saudi Industrial Development Fund

Source: SAMA

Foreign direct investment inflows in the GCC (USD mn)



Source: United Nations Conference on Trade and Development

Lending by the Public Investment Fund (PIF) and the Saudi Industrial Development Fund (SIDF) fell by 16% and 40% respectively in 2011. PIF lending last year totaled SAR7.9bn, down from a peak of SAR15.5bn in 2009. SIDF loans last year fell from SAR6.5bn to SAR3.9bn. Saudi Credit & Savings Bank (along with the Real Estate Development Fund) has defied the trend, thanks in part to new initiatives to prioritize small and medium-sized companies. Nonetheless, the government funds will likely continue to play a key role in supporting high-profile projects. For instance the Sadara petrochemicals venture is expected to raise USD1.3bn from PIF and USD530mn from the SIDF.

Qatar's budget surplus in the 2011-12 fiscal year (ending in March) tripled to QAR44.5bn (USD12.2bn), double the budget projection, thanks to strong LNG revenues. This windfall should among other things support spending on preparations for the 2022 football World Cup. Qatar's FY2012-13 budget foresees a 12% increase in spending to QAR178.6bn.

Foreign direct investment under pressure

The region's FDI boom seems to have come under mounting stress in recent years. The UAE was the first one of the regional economies to take a major hit when the Dubai housing bubble imploded. FDI inflows plummeted from USD13.7bn in 2008 to USD4.0bn in 2009, although a gradual recovery has subsequently taken them to USD7.7bn as of 2011. Qatar, initially relatively exceptional in defying the downward trend, has seen FDI flows contract from USD8.7bn in 2009 to USD4.7bn in 2010 and a small negative figure in 2011. Even the hitherto fairly resilient Saudi market now appears to have been caught in the whirlwind. According to the latest SAMA data, FDI flows into Saudi Arabia dropped to an estimated USD16.4bn in 2011, down sharply on USD28.1bn in 2010 and 32.1bn in 2009. The peak was reached with USD38.2bn in 2008.

These negative trends are in large part due to international developments. The UNCTAD data shows global FDI inflows fell by 16% in 2008 and by a further 37%

in 2009. While the market subsequently bottomed out and rose to USD1.4trn as of 2011, the recovery has been slow and the situation is far from 'normalizing' to the pre-crisis levels. The 2007 aggregate FDI figure was USD2.0trn. As a result, FDI almost everywhere is down as investors retrench in a much more challenging economic environment. Capital is less plentiful and confidence and risk tolerance have been tested by the persistent economic woes of especially the Western economies. The Western brands that led the influx of investment into the GCC region have generally grown much more cautious. Although emerging market names have picked up some of the slack, they are less well positioned to do so because of their less advanced strategies and plans, in large part due to their traditional home bias in rapidly growing domestic markets.

But it is clear that the recent pressures also have regional causes. The Arab Spring was a story that dominated the international headlines last year and would have left many potential investors even more cautious than usual. The overall investor reserve is highlighted by the performance of the regional stock market which, while by no means directly comparable to the dynamics of FDI flows, highlights the elevated levels of risk aversion until the closing months of the year when something of a rebound took root in a belated recognition of the region's strong fundamentals and the economic stimulus measures adopted by most governments. Additional investor concern anecdotally appears to have been linked to new restrictions in the labor market and the perceived lack of new reform initiatives to foster investment.

Appendix

Sources of funding

Asset class			
Bank credit (USD bn):	2010	2011	May-12
- Saudi Arabia	206.8	237.4	245.4
- UAE*	264.9	270.3	270.3
- Kuwait	96.6	98.6	99.6
- Qatar	80.7	103.5	116.1
- Bahrain*	15.1	17.1	17.1
- Oman	27.4	31.9	34.7
IPO (USD bn):	2010	2011	2012H1
- Saudi Arabia	1.02	0.46	0.46
- UAE	0	0.27	0.271
- Kuwait	0	0	0
- Qatar	0.14	0	0
- Bahrain	0.39	0	0
- Oman	0.47	0	0.064
Bonds and sukuk (USD bn):	2010	2011	2012H1
- Saudi Arabia	6.59	5.77	8.8
- UAE	13.79	21.59	9.86
- Kuwait	6.80	0.57	2.28
- Qatar	10.15	12.01	2.00
- Bahrain	5.35	0.13	2.32
- Oman	0.77	0.42	0.42
Foreign direct investment inward (USD bn):	2009	2010	2011
- Saudi Arabia	32.1	28.1	16.4
- UAE	4.0	3.9	7.6
- Kuwait	1.1	0.8	0.399
- Qatar	8.1	5.5	-87
- Bahrain	0.3	0.2	0.781
- Oman	1.5	2.0	0.788
Private equity investments (USD mn):	2010	2011	2012H1
- Saudi Arabia	154.36	0	88.19
- UAE	128	384.4	368.03
- Bahrain	25	0	0
- Qatar	0	0	0
- Kuwait	0	0	0
- Oman	0	0	0

Source: Bloomberg, Zawya; & Central Banks.

* Bank credit for Bahrain and UAE are up till March 2012 and December 2011, respectively

Key sukuk and conventional bonds issuance and IPO in 2Q12

Issuer	Issue date	Tenor	Amount issued (USD mn)
Sovereign sukuk issuance			
Central Bank of Bahrain	19-Jun-12	182 Days	52.9
Central Bank of Bahrain	28-May-12	91 Days	47.6
Central Bank of Bahrain	15-May-12	91 Days	52.9
Central Bank of Bahrain	23-Apr-12	91 Days	47.6
Central Bank of Bahrain	17-Apr-12	182 Days	52.9
Dubai DOF Sukuk Limited	25-Apr-12	10 Years	1.25
Corporate sukuk issuance			
ORECO Sukuk Limited	27-Jun-12	5 Years	173.3
DIB Sukuk Company Limited	22-May-12	5 Years	500
National Industrialization Company	21-May-12	7 Years	533.3
Banque Saudi Fransi Limited	15-May-12	5 Years	750
Ajil Cayman	14-Apr-12	3 Years	133.3
Sovereign bond issuance			
	Issue date	Maturity	
Oman Development Bond	19-Jun-12	2 Years	259.0
Bahrain Government International Bond	5/8/2012	7/5/2022	1500.0
Central Bank of Kuwait	16/5/2012	2 Years	177.7
Central Bank of Kuwait	9/5/2012	3 Years	177.7
Central Bank of Kuwait	9/5/2012	5 Years	177.7
Central Bank of Kuwait	30/5/2012	7 years	71.1
Corporate bond issuance			
Doric Nimrod Air Finance Alpha Ltd 2012-1 Class A Pass Through Trust	6/28/2012	11/30/2024	433.8
Doric Nimrod Air Finance Alpha Ltd 2012-1 Class B Pass Through Trust	6/28/2012	5/30/2021	153.7
MAF Global Securities Ltd	6/27/2012	7/5/2019	500.0
ADCB Finance Cayman Ltd	6/21/2012	7/5/2017	31.4
ADCB Finance Cayman Ltd	6/20/2012	7/6/2032	30.0
Emirates NBD PJSC	20/6/2012	2022	30.0
Emirates NBD PJSC	6/13/2012	6/20/2022	35.0
Emirates NBD PJSC	31/5/2013	2017	25.0
Emirates NBD PJSC	30/5/2012	2014	41.6
National Bank of Abu Dhabi PJSC	5/8/2012	5/22/2042	25.0
Mashreqbank	5/2/2012	2014	50.0
ADCB Finance Cayman Ltd	4/24/2012	5/3/2017	101.2
Al Omaniya Financial Services	4/19/2012	2017	26.0
Emirates NBD PJSC	4/12/2012	2014	15.0
Al Argan International Real Estate Co	4/11/2012	4/11/2017	11.9
Al Argan International Real Estate Co	4/11/2012	4/11/2017	83.4
Oman Arab Bank SAOC	4/10/2012	5/10/2017	129.9
CBQ Finance Ltd	4/3/2012	4/11/2017	500.0
IPO			
	Subscription Period		
Al Tayyar Travel Group	14-May-12	20-May-12	364.8
Bank Nizwa	23-Apr-12	22-May-12	159.0
Najran Cement Company	16-Apr-12	22-Apr-12	226.7

Source: Bloomberg and Zawya

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