

## News Updates

**Saudi Arabia Mandates Banks for Year's Second Bond Sale** – Saudi Arabia mandated banks for a two-part bond sale, returning to the bond market for a second time this year to raise cash buffers amid the coronavirus pandemic. The world's largest crude exporter may sell euro-denominated three-year and nine-year bonds, according to people familiar with the matter, who asked not to be identified. Saudi Arabia raised \$5 billion from a two-part dollar bond offering in January. Saudi Arabia mandated BNP Paribas, Goldman Sachs and HSBC as global coordinators, and Citigroup, JPMorgan, Standard Chartered and Samba Capital as passive joint bookrunners to organize a global investor call. A euro-denominated dual-tranche 3-year and 9-year Regulation S / Rule 144A benchmark senior notes offering under Saudi Arabia's GMTN program will follow, subject to market conditions. Saudi Arabia is rated A1 by Moody's and A by Fitch. *(Source: Bloomberg)*

**Moody's downgrades Tunisia's ratings to B3, maintains negative outlook** – Moody's Investors Service ("Moody's") has today downgraded the Government of Tunisia's long-term foreign-currency and local-currency issuer ratings to B3 from B2 and maintained the negative outlook. Moody's has also downgraded the Central Bank of Tunisia's senior unsecured rating to B3 from B2 and the senior unsecured shelf rating to (P)B3 from (P)B2, and maintained the negative outlook. The Central Bank of Tunisia is legally responsible for the payments on all of the government's bonds. These debt instruments are issued on behalf of the government. *(Source: Bloomberg)*

**Powell Signals Fed to Keep Buying Bonds Even as Outlook Improves** – Federal Reserve Chairman Jerome Powell signaled that the central bank was nowhere close to pulling back on its support for the pandemic-damaged U.S. economy even as he voiced expectations for a return to more normal, improved activity later this year. He also played down concerns of an inflationary outbreak from another big fiscal stimulus package or from an unleashing of pent-up demand as a growing number of Americans are vaccinated against the virus. And he called the recent run-up in bond yields that has unsettled the stock market “a statement of confidence” in a robust economic outlook . The Fed is currently buying \$120 billion of assets per month - \$80 billion of Treasury securities and \$40 billion of mortgage-backed debt - and has pledged to keep up that pace “until substantial further progress” has been made toward its goals of maximum employment and 2% inflation. *(Source: Bloomberg)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.86	-0.58	KSA	2025	1.24	-0.42
Abu Dhabi	2030	1.89	-2.55	KSA	2030	2.28	-2.32
Abu Dhabi	2050	3.17	-7.74	KSA	2050	3.69	-6.91
Bahrain	2026	3.36	-0.66	Oman	2025	3.62	1.75
Bahrain	2030	5.25	-3.42	Oman	2029	5.24	1.10
Bahrain	2047	6.65	-6.44	Oman	2048	6.97	-2.78
Dubai	2029	2.54	-0.17	Qatar	2025	0.91	-0.54
Kuwait	2022	0.42	-0.57	Qatar	2030	1.99	-3.05
Kuwait	2027	1.39	-1.95	Qatar	2050	3.30	-8.19

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.60	8.08	-0.09	-1.55
S&P MENA Bond and Sukuk Index	2.18	NA	-0.19	-2.05
Bloomberg Emerging Markets USD Index	3.65	6.80	-0.01	-1.73
Bloomberg Global Aggregate Index	1.03	7.42	-0.02	-1.97

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	24/2/2021	31/12/2020	24/2/2021	31/12/2020	24/2/2021	31/12/2020
KIBOR	1.5000	1.4375	1.7500	1.6875	1.9375	1.9375
SAIBOR	0.8013	0.8175	0.8475	0.8700	0.9213	0.9413
BHIBOR	2.0333	2.2500	2.2667	2.5333	2.5700	2.6833
QATAR	1.0428	1.1206	1.1326	1.1960	1.3042	1.3636
AEIBOR	0.3213	0.5125	0.5575	0.4908	0.4884	0.6538
EURIBOR	-0.5430	-0.5450	-0.5160	-0.5260	-0.4940	-0.4990
LIBOR	0.1755	0.2384	0.2040	0.2576	0.2855	0.3419

## USD Swap Rates

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	0.1784	-0.10	-7.3	KWD	0.3019	0.0000	0.46	Gold	1,808.20	-4.81
2-Year	0.2035	-0.18	2.9	SAR	3.7506	0.0027	0.04	Silver	27.81	5.05
5-Year	0.6983	-0.29	62.4	BHD	0.3771	0.0000	-0.01	Copper	417.60	18.50
7-Year	1.0533	-0.44	60.9	QAR	3.6416	-0.0027	-0.01	Nat. Gas	2.85	12.75
10-Year	1.4183	-0.65	53.3	OMR	0.3850	0.0000	0.00	Aluminum	2,126.00	7.51
30-Year	1.9293	-0.68	37.6	AED	3.6731	0.0000	0.00	Crude Oil	65.10	25.63

## US Treasuries

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.11	0.01	0.03	0.00	-0.64	-0.01
5-Year	0.56	0.03	0.27	-0.09	-0.68	-0.04
10-Year	1.34	0.06	0.72	-0.47	-0.42	-0.20
30-Year	2.17	0.18	1.32	-1.60	0.19	-0.77

## UK Gilts

	Yield %	1D Δ (%)
2-Year	0.03	0.00
5-Year	0.27	-0.09
10-Year	0.72	-0.47
30-Year	1.32	-1.60

## German Bunds

	Yield %	1D Δ (%)
2-Year	-0.64	-0.01
5-Year	-0.68	-0.04
10-Year	-0.42	-0.20
30-Year	0.19	-0.77

## Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	A1	AA-	AA
KSA	A1	A-u	A
UAE	Aa2	NR	AA-
Abu Dhabi	Aa2	AA	AA
Qatar	Aa3	AA-	AA-
Bahrain	B2	B+	B+
Oman	Ba3	B+	BB-
Egypt	B2	B	B+
Lebanon	C	SD	RD
Jordan	B1	B+	BB-
Turkey	B2	B+u	BB-
Tunisia	B3	NR	B
Morocco	Ba1	BBB-	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+
<b>USD 5Yr CDS</b>	<b>24-Feb 2021</b>	<b>31-Dec 2020</b>	
Kuwait	41.12	40.69	
KSA	61.80	63.77	
Abu Dhabi	41.38	36.03	
Dubai	96.05	104.06	
Qatar	42.03	36.70	
Bahrain	227.46	233.58	
Oman	324.92	353.60	
Iraq	510.25	542.74	
Egypt	299.45	330.47	
Morocco	102.41	102.56	
Turkey	292.12	299.47	
US	10.64	11.52	
UK	13.73	15.13	
China	28.60	26.70	
Japan	14.16	14.74	
Germany	8.94	9.09	
France	14.29	14.42	