

## News Updates

**Saudi Arabia prepares to offer its first green bond** – The Saudi government and the kingdom's sovereign wealth fund are preparing to launch green bonds in the coming months, according to Bloomberg. The deals may raise billions of dollars each and will help the Public Investment Fund (PIF) finance projects that will be powered entirely by renewable energy, Bloomberg reported citing people familiar with the plans. This step will encourage the Gulf state to plot a path away from fossil fuels, some investors said. Saudi Arabia is trying to recast itself as a viable target for capital in a more environmentally friendly world increasingly shaped by climate change concerns, Bloomberg said. Last month, the kingdom pledged to neutralize greenhouse gas emissions within its borders by 2060, and has earmarked billions for carbon-capture technology as part of that goal. *(Source: Arab News)*

**Fitch Affirms Abu Dhabi Islamic Bank at 'A+'; Outlook Stable** – Fitch Ratings has affirmed UAE-based Abu Dhabi Islamic Bank's (ADIB) Long-Term Issuer Default Rating (IDR) at 'A+' with a Stable Outlook and Viability Rating (VR) at 'bb'. Fitch's view of support factors in the sovereign's strong capacity to support the banking system, sustained by sovereign wealth funds and recurring revenue mostly from hydrocarbon production, despite lower oil prices. Fitch also expects a high willingness from the UAE authorities to support the banking sector. This has been demonstrated by their long record of supporting domestic banks, and is also underlined by the state's close ties with and partial ownership of a number of lenders. *(Source: Fitch Ratings)*

**Fed Looks Likely to Consider Faster Drawdown in Asset Purchases** – The Federal Reserve looks on course to consider a more rapid drawdown of its bond-buying program just weeks after it instituted a plan to scale the purchases back in a methodical manner. A trio of policy makers -- Vice Chairman Richard Clarida, Governor Christopher Waller and St. Louis Federal Reserve Bank President James Bullard -- signaled this week that the topic of a faster taper might be on the table when the Federal Open Market Committee meets Dec. 14-15. "I'll be looking closely at the data that we get between now and the December meeting," Clarida said Friday. "It may well be appropriate at that meeting to have a discussion about increasing the pace at which we are reducing" our asset purchases. *(Source: Bloomberg)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	1.12	-2.57	KSA	2025	1.42	-2.18
Abu Dhabi	2030	2.02	-4.17	KSA	2030	2.37	-3.37
Abu Dhabi	2050	2.96	-4.25	KSA	2050	3.51	-4.35
Bahrain	2026	3.90	-4.41	Oman	2025	3.47	1.53
Bahrain	2030	5.55	-6.09	Oman	2029	4.97	2.39
Bahrain	2047	7.11	-11.51	Oman	2048	6.76	-0.26
Dubai	2029	2.46	-1.02	Qatar	2025	1.24	-3.11
Kuwait	2022	-0.08	-2.12	Qatar	2030	2.19	-5.27
Kuwait	2027	1.63	-4.29	Qatar	2050	3.10	-5.09

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.75	8.08	0.11	0.52
S&P MENA Bond and Sukuk Index	2.35	NA	0.17	0.12
Bloomberg Emerging Markets USD Index	4.37	6.80	0.12	-1.57
Bloomberg Global Aggregate Index	1.25	7.42	0.17	-4.53

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	21/11/2021	31/12/2020	21/11/2021	31/12/2020	21/11/2021	31/12/2020
KIBOR	1.5000	1.4375	1.7500	1.6875	2.0000	1.9375
SAIBOR	0.8386	0.8175	0.8871	0.8700	0.9571	0.9413
BHIBOR	1.5167	2.2500	1.5583	2.5333	1.7667	2.6833
QATAR	1.1583	1.1206	1.2114	1.1960	1.3333	1.3636
AEIBOR	0.3681	0.5125	0.4754	0.4908	0.7097	0.6538
EURIBOR	-0.5590	-0.5450	-0.5280	-0.5260	-0.4900	-0.4990
LIBOR	0.1640	0.2384	0.2294	0.2576	0.3918	0.3419

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	0.3618	2.93	87.9	KWD	0.3027	-0.0991	0.20	Gold	1,854.30	-3.12
2-Year	0.7814	3.91	295.0	SAR	3.7513	0.0000	0.01	Silver	24.84	-7.10
5-Year	1.3310	1.09	209.5	BHD	0.3770	0.0000	-0.01	Copper	439.60	24.87
7-Year	1.4766	-1.19	125.6	QAR	3.6417	0.0000	-0.01	Nat. Gas	5.07	73.88
10-Year	1.5940	-3.30	72.3	OMR	0.3850	0.0000	0.01	Aluminum	2,699.75	34.48
30-Year	1.7235	-5.01	22.9	AED	3.6730	0.0000	0.00	Crude Oil	78.89	55.88

US Treasuries			UK Gilt		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.51	0.00	0.47	0.10	-0.90	0.00
5-Year	1.22	0.00	0.63	0.21	-0.81	0.13
10-Year	1.55	0.37	0.88	0.41	-0.49	0.49
30-Year	1.91	1.35	1.02	1.42	-0.04	1.30

Sovereign Ratings			
	Moody's	S&P	Fitch
Kuwait	A1	A+	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	Caa1	NR	B-
Morocco	Ba1	BB+	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS	21-Nov 2021	31-Dec 2020
Kuwait	44.99	40.69
KSA	45.70	63.77
Abu Dhabi	39.11	36.03
Dubai	84.76	104.06
Qatar	39.08	36.70
Bahrain	263.96	233.58
Oman	242.99	353.60
Iraq	538.97	542.74
Egypt	460.21	330.47
Morocco	85.78	102.56
Turkey	443.12	299.47
US	14.94	11.52
UK	9.47	15.13
China	47.50	26.70
Japan	16.44	14.74
Germany	7.72	9.09
France	19.03	14.42