

## News Updates

**Saudi miner Ma'aden reschedules phosphate subsidiary's debt** – Saudi Arabian Mining Co's phosphate subsidiary is rescheduling and refinancing about \$4.1 billion of debt to give it more flexibility to pursue growth and development projects, the company said on Sunday. The subsidiary, Ma'aden Wa'ad Al Shamal Phosphate Company, will reschedule 6.7 billion riyals (\$1.8 billion) owed to Saudi Arabia's sovereign wealth fund, the Public Investment Fund (PIF), and transfer the debt to the Public Pension Agency. It will refinance 8.6 billion riyals owed to a syndicate of banks and other financial institutions by using new debt from a syndicate of commercial banks, Ma'aden said in a bourse filing. "The new financing facilities provide attractive and flexible corporate loan terms and conditions, in place of the more restrictive project financing terms and conditions originally put in place," Ma'aden said. Ma'aden Wa'ad Al Shamal Phosphate Company is 60% owned by Ma'aden, 25% owned by Mosaic Company and 15% owned by SABIC. Ma'aden is majority owned by PIF. (Source: Zawya)

**Emirates NBD Capital successfully closes Islamic Development Bank (IsDB)'s landmark USD 1.5 billion sustainability Sukuk** – Emirates NBD Capital Limited, the investment banking arm of Emirates NBD has successfully closed Islamic Development Bank (IsDB)'s first ever USD Sustainability Sukuk. The bank acted as Joint Lead Manager and Bookrunner for the landmark transaction by IsDB, rated Aaa/AAA/AAA by Moody's/S&P/Fitch (each with stable outlook). The USD 1.5 billion, five-year Sukuk is testament to IsDB's long-standing commitment to prioritizing the UN Sustainable Development Goals (SDGs) in accordance with the specific development needs of its 57 Member Countries (MCs). As demonstration of this commitment, IsDB became the first AAA-rated institution (as well as first Middle East based SSA) to issue a Green Sukuk in November 2019. (Source: Zawya)

**A 'Buy Everything' Rally Beckons in World of Yield Curve Control** – As central banks pump trillions into the world economy, investors are setting their sights on what could be the next big thing in global monetary policy: yield curve control. The strategy, which involves using bond purchases to pin down yields on certain maturities to a specific target, was once deemed an extreme and unusual measure, only deployed by the Bank of Japan four years ago after it became clear that a two-decade deflationary spiral wasn't going away. Should yield curve control go global, it would cement markets' perception of central banks as the buyers of last resort, boosting risk appetite, lowering volatility and intensifying a broader hunt for yield. While money managers caution that such an environment could fuel reckless investment already stoked by a flood of fiscal and monetary stimulus, they nonetheless see benefits rippling across credit, equities, gold and emerging markets. (Source: Bloomberg)

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	1.72	3.85	KSA	2025	1.50	2.91
Abu Dhabi	2047	2.95	4.16	KSA	2029	2.26	3.61
Bahrain	2024	4.03	-3.26	KSA	2049	3.62	3.62
Bahrain	2029	5.36	-6.49	Oman	2025	5.10	-4.96
Bahrain	2047	6.44	-7.67	Oman	2029	6.62	-8.90
Dubai	2023	1.60	1.30	Oman	2048	7.68	-11.80
Dubai	2029	3.01	-0.41	Qatar	2024	1.33	2.24
Kuwait	2022	0.82	1.34	Qatar	2028	1.93	2.91
Kuwait	2027	1.69	3.12	Qatar	2049	3.08	6.85

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.07	7.32	0.47	2.25
S&P MENA Bond and Sukuk Index	2.53	NA	0.53	3.89
Bloomberg Emerging Markets USD Index	4.66	6.26	0.22	-0.50
Bloomberg Global Aggregate Index	0.98	7.33	-0.13	2.81

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	22/06/2020	31/12/2019	22/06/2020	31/12/2019	22/06/2020	31/12/2019
KIBOR	1.6875	2.7500	1.8750	2.9375	2.1250	3.1875
SAIBOR	1.0071	2.2314	1.0629	2.2557	1.1129	2.3071
BHIBOR	2.2500	2.6667	2.3500	2.7000	2.5000	2.8333
QATAR	1.2295	2.2500	1.2854	2.3500	1.3795	2.5333
AEIBOR	0.6225	2.2086	0.8050	2.1914	1.1205	2.2900
EURIBOR	-0.4070	-0.3830	-0.2340	-0.3240	-0.1690	-0.2490
LIBOR	0.3051	1.9084	0.4145	1.9121	0.5758	1.9963

## USD Swap Rates

	Currencies				Currencies		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)
1-Year	0.2918	-0.24	-83.5	KWD	0.3076	0.0000	-1.48
2-Year	0.2555	-0.28	-84.9	SAR	3.7519	-0.0053	-0.01
5-Year	0.3651	-0.38	-78.9	BHD	0.3771	0.0080	-0.01
7-Year	0.5033	-0.73	-72.0	QAR	3.6413	-0.0027	0.01
10-Year	0.6755	-0.91	-64.4	OMR	0.3850	0.0000	-0.01
30-Year	0.9624	-2.05	-54.0	AED	3.6730	0.0000	0.00

## US Treasuries

	UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.19	0.02	-0.06	0.00
5-Year	0.33	0.04	0.00	-0.03
10-Year	0.69	0.15	0.23	-0.17
30-Year	1.46	0.57	0.71	-1.07

Source: Bloomberg

## Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	Aa2	AA-	AA
KSA	A1	A-u	A
UAE	Aa2	NR	NR
Abu Dhabi	Aa2	AA	AA
Qatar	Aa3	AA-	AA-
Bahrain	B2u	B+	BB-
Oman	Ba2	BB-	BB
Egypt	B2	B	B+
Lebanon	Ca	SD	RD
Jordan	B1	B+	BB-
Turkey	B1	B+u	BB-
Tunisia	B2	NR	B
Morocco	Ba1	BBB-	BBB-
US	Aaa	AA+u	AAA
UK	Aa2	AAu	AA-
China	A1	A+	A+

## USD 5Yr CDS

	22-Jun 2020	31-Dec 2019
Kuwait	71.550	36.700
KSA	90.930	56.915
Abu Dhabi	70.070	36.090
Dubai	170.160	91.005
Qatar	70.130	36.705
Bahrain	331.910	175.995
Oman	494.790	234.400
Iraq	615.050	383.680
Egypt	489.850	277.420
Morocco	135.890	91.435
Turkey	464.200	282.130
US	11.930	10.810
UK	27.060	16.210
China	47.730	31.205
Japan	15.860	21.042
Germany	15.190	7.080
France	22.330	16.130