

News Updates

GCC records \$142bn bond, Sukuk issuances in 11M – The total value of issuances in the GCC region reached about \$142 billion year-to-date (YTD)-November-2020, almost in line with last year's levels. The full-year 2020 issuances are forecast to marginally exceed last year's levels, according to Kamco Invest's report citing data from Bloomberg. Since May 2020, the GCC government and companies have recorded fixed income instrument maturities worth \$38.7 billion, which were largely refinanced. The GCC governments have issued \$47.5 billion bonds since the beginning of 2020 and until November 2020, including \$35.4 billion during the first half (H1) of 2020. Meanwhile, the governments have issued \$28.7 billion Sukuk, which was equally split during the first and second half of 2020. In 2019, the governments' bond and Sukuk issuances amounted to \$48.8 billion and \$34.3 billion, respectively. As for the GCC companies, \$46.2 billion bonds and \$19.9 billion Sukuk were issued in 2020 until November 2020, compared to last year's \$45.3 billion bonds and \$14.8 billion Sukuks. (Source: Mubasher)

Saudi banks raise investments in gov't bonds 12% in 11M – Banks operating in Saudi Arabia have raised their investments in government-issued bonds by 12% or SAR 46.34 billion in the first eleven months of 2020 when compared to 2019. Total bank investments in Saudi bonds reached SAR 430.01 billion during the January-November period, compared with SAR 383.67 billion in 2019, according to data collected by Mubasher based on official figures. In November, Saudi banks' investments in government bonds rose by 13.17% or SAR 50.06 billion yearly, whereas dropped by 0.36% or SAR 1.57 billion when compared to the previous month. (Source: Mubasher)

Tunisia Central Bank Holds Benchmark Interest Rate – Tunisia's central bank on Wednesday held its benchmark interest rate at 6.25%, and renewed calls for greater reforms critical to drawing in investment and reviving the economy. The bank highlighted the domestic and global challenges resulting from the coronavirus pandemic. It stressed “the need to speed up the carrying out of structural reforms that ensures macroeconomic stability and putting in place of safety mechanisms for vulnerable” Tunisians. The bank also took note of: January-November current account deficit 6.2% versus 7.9% the previous year. Worker remittances up 7% year-on-year in January-November. The bank's board also extended until the end of September 2021 a measure that allowing deferrals of loan installments for self-employed individuals and firms. (Source: Bloomberg)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.73	5.40	KSA	2025	1.17	6.75
Abu Dhabi	2030	1.55	9.64	KSA	2030	2.02	10.86
Abu Dhabi	2050	2.74	19.00	KSA	2050	3.26	9.76
Bahrain	2026	3.26	-1.11	Oman	2025	4.11	-1.14
Bahrain	2030	4.77	16.57	Oman	2029	5.42	-1.04
Bahrain	2047	6.10	-3.74	Oman	2048	6.73	-0.81
Dubai	2029	2.57	2.58	Qatar	2025	0.84	6.78
Kuwait	2022	0.04	1.34	Qatar	2030	1.62	12.52
Kuwait	2027	1.07	5.97	Qatar	2050	2.81	22.70

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.46	8.08	-0.08	8.63
S&P MENA Bond and Sukuk Index	2.01	NA	-0.21	9.07
Bloomberg Emerging Markets USD Index	3.51	6.80	0.05	6.43
Bloomberg Global Aggregate Index	0.83	7.42	0.27	9.24

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019	31/12/2020	31/12/2019
KIBOR	1.4375	2.7500	1.6875	2.9375	1.9375	3.1875
SAIBOR	0.8175	2.2314	0.8700	2.2557	0.9413	2.3071
BHIBOR	2.2500	2.6667	2.5333	2.7000	2.6833	2.8333
QATAR	0.9825	2.2500	1.0838	2.3500	1.3542	2.5333
AEIBOR	0.3825	2.2086	0.4975	2.1914	0.6404	2.2900
EURIBOR	-0.5380	-0.3830	-0.5230	-0.3240	-0.4950	-0.2490
LIBOR	0.2539	1.9084	0.2571	1.9121	0.3413	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.1937	0.00	-89.1
2-Year	0.2023	0.03	-88.1
5-Year	0.4372	-0.05	-74.7
7-Year	0.6653	0.13	-63.0
10-Year	0.9400	0.44	-50.4
30-Year	1.4170	0.13	-32.2

US Treasuries

	Yield %	1D Δ (%)
2-Year	0.12	0.01
5-Year	0.37	0.01
10-Year	0.92	0.02
30-Year	1.66	0.04

Source: Bloomberg

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3033	0.0000	-0.07
SAR	3.7526	-0.0027	-0.02
BHD	0.3771	0.0000	0.01
QAR	3.6414	0.0055	0.01
OMR	0.3850	0.0000	-0.01
AED	3.6730	0.0000	0.00

UK Gilts

	Yield %	1D Δ (%)
2-Year	-0.18	-0.01
5-Year	-0.08	-0.02
10-Year	0.21	-0.02
30-Year	0.77	0.08

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.76	-0.02
5-Year	-0.76	-0.06
10-Year	-0.63	-0.06
30-Year	-0.17	-0.31

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	B2	NR	B
Morocco	Ba1	BBB-	BB+
US	Aaa	AA+u	AAA
UK	Aa2	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS	31-Dec 2020	31-Dec 2019
Kuwait	40.69	36.700
KSA	63.77	56.915
Abu Dhabi	36.03	36.090
Dubai	104.06	91.005
Qatar	36.70	36.705
Bahrain	233.58	175.995
Oman	353.60	234.400
Iraq	542.74	383.680
Egypt	330.47	277.420
Morocco	102.56	91.435
Turkey	299.47	282.130
US	11.52	10.810
UK	15.13	16.210
China	26.70	31.205
Japan	14.74	21.042
Germany	9.09	7.080
France	14.42	16.130