

News Updates

Qatar Petroleum Starts Investor Calls Ahead of Debut Jumbo Bond –

The state energy company of Qatar will begin investor calls on Monday ahead of what may be one of the year's biggest corporate bond sales, as it seeks to fund a massive natural-gas project. Qatar Petroleum is aiming to issue dollar notes with maturities of five, 10, 20 and 30 years, according to a person familiar with the matter. A deal would mark the firm's first foray into the public bond markets. The three shortest tranches will be conventional debt, alongside a 30-year dual-listed Formosa bond, the person said. Citigroup Inc. and JPMorgan Chase & Co. will be the global coordinators for any transaction that follows the investor meetings. Bank of America Corp., Credit Suisse Group AG, Deutsche Bank AG, Goldman Sachs Group Inc., HSBC Holdings Plc, Mitsubishi UFJ Financial Group Inc. and Qatar National Bank will also managing the sale. The debt will help the Persian Gulf state pump more gas from the giant North Field that extends into Iran's waters. Qatar, one of the world's richest countries per capita, is planning to spend \$29 billion to lift its output of LNG to 110 million tons per annum by 2027 from 77 million tons today. The expansion will allow it to push further ahead of rival LNG exporters such as the U.S. and Australia and cement its dominance of a market. Qatar is banking on demand rising in the coming decades as governments shift away from dirtier fossil fuels such as oil and coal. (Source: Bloomberg)

Emaar Properties Hires Banks for Fixed-Income Meetings –

Emaar Properties PJSC has mandated Dubai Islamic Bank, Emirates NBD Capital, First Abu Dhabi Bank, Mashreqbank and Standard Chartered Bank as joint lead managers and bookrunners to arrange a global investor call as well as a series of 1-1 and group fixed income investor calls commencing June 28. A benchmark USD Regulation S Senior Unsecured Sukuk with a 10- year tenor under Emaar Properties' \$2.0 billion Trust Certificate Issuance Program may follow subject to market conditions. (Source: Bloomberg)

U.S. 10-Year Yield Heads for Biggest Weekly Increase Since March –

The yield of the benchmark 10-year Treasury jumped above 1.50% Friday to close out a week in which yields notched their largest weekly gains since March. The moves higher came after the Federal Reserve's main inflation reading rose 3.45%, the most in 29 years, as supply constraints and increased demand for services helped lift prices in May. Overall, consumer spending remained flat last month, following an upwardly revised 0.9% jump in April. The pace of inflation will not likely be enough to prompt the Fed to deviate from its plan to raise interest rates twice in 2023 or to begin tapering its support of the bond market, analysts said. Bond yields fell sharply last week after the Fed's hawkish tone at its policy meeting surprised many investors. (Source: Reuters)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.74	-0.65	KSA	2025	1.16	-0.58
Abu Dhabi	2030	2.01	-3.74	KSA	2030	2.26	-2.33
Abu Dhabi	2050	3.06	-5.89	KSA	2050	3.52	-4.58
Bahrain	2026	3.48	-2.13	Oman	2025	3.29	2.59
Bahrain	2030	5.44	-5.09	Oman	2029	4.95	2.83
Bahrain	2047	6.82	-8.65	Oman	2048	6.73	0.19
Dubai	2029	2.44	-0.39	Qatar	2025	0.89	-1.18
Kuwait	2022	0.04	-1.09	Qatar	2030	2.06	-3.92
Kuwait	2027	1.37	-2.30	Qatar	2050	3.21	-6.78

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.61	8.08	0.04	-0.09
S&P MENA Bond and Sukuk Index	2.23	NA	-0.12	-0.80
Bloomberg Emerging Markets USD Index	3.81	6.80	-0.04	-0.70
Bloomberg Global Aggregate Index	1.15	7.42	-0.06	-3.20

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	28/6/2021	31/12/2020	28/6/2021	31/12/2020	28/6/2021	31/12/2020
KIBOR	1.5000	1.4375	1.7500	1.6875	2.0000	1.9375
SAIBOR	0.7929	0.8175	0.8443	0.8700	0.9143	0.9413
BHIBOR	1.6417	2.2500	1.7333	2.5333	1.8667	2.6833
QATAR	1.1006	1.1206	1.1838	1.1960	1.3280	1.3636
AEIBOR	0.3292	0.5125	0.4021	0.4908	0.4645	0.6538
EURIBOR	-0.5380	-0.5450	-0.5130	-0.5260	-0.4780	-0.4990
LIBOR	0.1460	0.2384	0.1655	0.2576	0.2493	0.3419

USD Swap Rates

Yield %		1D Δ (bps)	YTD Δ (%)	USD		1D Δ (bps)	YTD Δ (%)	USD		YTD Δ (%)
1-Year	0.1884	0.26	-2.1	KWD	0.3011	0.0498	0.73	Gold	1,780.90	-6.55
2-Year	0.3379	0.14	70.8	SAR	3.7507	0.0027	0.04	Silver	26.22	-1.39
5-Year	0.9822	0.09	128.4	BHD	0.3770	0.0000	0.01	Copper	426.75	21.00
7-Year	1.2525	0.17	91.3	QAR	3.6410	0.0082	0.01	Nat. Gas	3.53	31.58
10-Year	1.4886	0.26	60.9	OMR	0.3850	0.0026	0.00	Aluminum	2,478.75	24.33
30-Year	1.8295	0.55	30.5	AED	3.6730	0.0000	0.00	Crude Oil	76.09	48.18

US Treasuries

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.26	0.01	0.07	-0.02	-0.70	0.00
5-Year	0.92	0.02	0.37	-0.11	-0.65	0.00
10-Year	1.52	0.01	0.78	-0.44	-0.32	0.00
30-Year	2.15	-0.05	1.28	-1.01	0.34	0.00

UK Gilts

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.26	0.01	0.07	-0.02	-0.70	0.00
5-Year	0.92	0.02	0.37	-0.11	-0.65	0.00
10-Year	1.52	0.01	0.78	-0.44	-0.32	0.00
30-Year	2.15	-0.05	1.28	-1.01	0.34	0.00

German Bunds

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.26	0.01	0.07	-0.02	-0.70	0.00
5-Year	0.92	0.02	0.37	-0.11	-0.65	0.00
10-Year	1.52	0.01	0.78	-0.44	-0.32	0.00
30-Year	2.15	-0.05	1.28	-1.01	0.34	0.00

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	BB+	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+
USD 5Yr CDS	28-Jun 2021	31-Dec 2020	
Kuwait	45.54	40.69	
KSA	53.06	63.77	
Abu Dhabi	37.52	36.03	
Dubai	80.04	104.06	
Qatar	37.73	36.70	
Bahrain	194.73	233.58	
Oman	231.13	353.60	
Iraq	490.36	542.74	
Egypt	317.90	330.47	
Morocco	82.69	102.56	
Turkey	378.45	299.47	
US	7.20	11.52	
UK	8.12	15.13	
China	35.18	26.70	
Japan	16.07	14.74	
Germany	9.13	9.09	
France	20.00	14.42	