

News Updates

Oman and State Oil Firm OQ Hire Banks for Eurobond Sales –

Oman's government has mandated banks for its first international public bond sale in over a year and state oil firm OQ may tap the market soon after. Facing the widest budget deficits among Gulf Arab economies, the government hired HSBC Holdings Plc, Standard Chartered Plc, Citigroup Inc., Natixis SA, Societe Generale SA, Bank Muscat SAOG and First Abu Dhabi Bank PJSC for a benchmark-sized offering of dollar notes due in three, seven and 12 years. The sultanate has considered seeking financial assistance from other Gulf countries and is in preliminary talks on possible support from some states in the region, according to a copy of the bond prospectus seen by Bloomberg. (Source: Bloomberg)

Arab National Bank Hires Advisers for Tier 2 Reg S Sukuk –

Arab National Bank mandates HSBC and JPMorgan as joint lead managers & bookrunners and ANB Invest as joint lead manager to conduct a series of fixed income investor calls from Oct. 19. An offering of 10 year NC5 benchmark Regulation S only, USD- denominated, Basel III compliant Tier 2 Capital Trust Certificates, with expected ratings of Baa3/BBB- by Moody's and Fitch, will follow, subject to market conditions. Arab National Bank is rated A2/BBB+/BBB+ by Moody's/S&P/Fitch. (Source: Bloomberg)

Qatar Islamic Bank Hires Advisers for 5-Year USD Sukuk –

Qatar Islamic Bank mandates Standard Chartered Bank and QInvest as joint global coordinators, and Citi, Credit Agricole CIB, Dukhan Bank, HSBC, QInvest, QNB Capital and Standard Chartered Bank as joint lead managers and joint bookrunners to arrange to arrange a global investor call as well as a series of fixed income investor calls from Oct. 19. A benchmark fixed rate USD Regulation S 5-year senior unsecured sukuk offering under QIB's \$4 billion trust certificate issuance programme will follow subject to market conditions. QIB is rated A1 by Moody's, A- by S&P and A by Fitch (all stable). (Source: Bloomberg)

Tunisia Mulls Central Bank Bond Buy Ahead of Billion-Euros Issue –

Faced with a record budget deficit, Tunisia may ask the central bank to buy bonds for the first time and then attempt to raise as much as 1 billion euros (\$1.2 billion) on international markets next year, the finance minister said. Talks with the International Monetary Fund on a new loan continue but are unlikely to conclude soon, Ali Kooli said in an interview on Monday. “The will is there on both sides for serious discussions regarding the new program,” he said, suggesting the deal could be the biggest Tunisia has received from the lender. “I think we will reach a positive result in months.” (Source: Bloomberg)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.93	4.94	KSA	2025	1.24	6.73
Abu Dhabi	2030	1.62	9.43	KSA	2030	1.98	11.53
Abu Dhabi	2050	2.69	20.38	KSA	2050	3.21	10.93
Bahrain	2026	4.00	-3.73	Oman	2025	5.15	-4.91
Bahrain	2030	5.49	11.18	Oman	2029	6.62	-8.67
Bahrain	2047	6.61	-9.48	Oman	2048	7.77	-12.53
Dubai	2029	2.55	3.12	Qatar	2025	0.95	6.80
Kuwait	2022	0.30	1.49	Qatar	2030	1.64	12.69
Kuwait	2027	1.17	5.80	Qatar	2050	2.74	24.70

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.58	8.08	0.17	7.08
S&P MENA Bond and Sukuk Index	2.06	NA	0.07	8.51
Bloomberg Emerging Markets USD Index	3.95	6.80	0.09	2.96
Bloomberg Global Aggregate Index	0.88	7.42	0.11	6.21

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	20/10/2020	31/12/2019	20/10/2020	31/12/2019	20/10/2020	31/12/2019
KIBOR	1.5625	2.7500	1.8125	2.9375	2.1250	3.1875
SAIBOR	0.8538	2.2314	0.9025	2.2557	0.9675	2.3071
BHIBOR	2.2500	2.6667	2.5333	2.7000	2.6833	2.8333
QATAR	1.2000	2.2500	1.2500	2.3500	1.3500	2.5333
AEIBOR	0.4563	2.2086	0.5848	2.1914	0.7915	2.2900
EURIBOR	-0.5090	-0.3830	-0.4980	-0.3240	-0.4680	-0.2490
LIBOR	0.2184	1.9084	0.2575	1.9121	0.3350	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.2072	-0.05	-88.3
2-Year	0.2318	-0.02	-86.3
5-Year	0.4083	-0.45	-76.4
7-Year	0.5727	-0.52	-68.1
10-Year	0.7938	-0.65	-58.1
30-Year	1.2032	-0.83	-42.5

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3059	0.0654	-0.92
SAR	3.7507	0.0000	0.02
BHD	0.3771	0.0053	0.00
QAR	3.6421	0.0055	0.01
OMR	0.3850	0.0026	-0.01
AED	3.6730	0.0000	0.00

US Treasuries

	Yield %	1D Δ (%)
2-Year	0.15	0.00
5-Year	0.33	0.01
10-Year	0.77	0.05
30-Year	1.55	0.17

Source: Bloomberg

UK Gilts

	Yield %	1D Δ (%)
2-Year	-0.08	0.03
5-Year	-0.09	0.05
10-Year	0.17	0.15
30-Year	0.71	0.51

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.80	0.00
5-Year	-0.84	0.00
10-Year	-0.69	0.00
30-Year	-0.22	0.00

Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	A1	AA-	AA
KSA	A1	A-u	A
UAE	Aa2	NR	NR
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-	BBB-
US	Aaa	AA+u	AAA
UK	Aa2	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS	20-Oct 2020	31-Dec 2019
Kuwait	46.17	36.700
KSA	67.18	56.915
Abu Dhabi	39.66	36.090
Dubai	132.04	91.005
Qatar	38.89	36.705
Bahrain	333.88	175.995
Oman	449.69	234.400
Iraq	639.45	383.680
Egypt	417.33	277.420
Morocco	115.76	91.435
Turkey	510.13	282.130
US	13.53	10.810
UK	18.46	16.210
China	37.59	31.205
Japan	15.41	21.042
Germany	9.73	7.080
France	16.89	16.130