

News Update – 24 December 2019

CBK issues tawarruq bonds worth KD 200 mln – The Central Bank of Kuwait (CBK) issued on Monday KD 200 million (USD 657 million) worth of tawarruq bonds, said a statement. In a statement obtained by KUNA, the CBK announced the most recent issues of bonds related to tawarruq would be for three months with rate of return of 2.750 percent. The Central Bank of Kuwait issued bonds with a total value of KD 280 million (about USD 924 million) on December 9 for a period of six months, and a rate of return 2.875 percent.

Saudi Arabia sets size of December domestic Sukuk issue at 5.099 bln Saudi riyals (\$1.36 billion) – Saudi Arabia's Ministry of Finance announced on Tuesday closure of the December 2019 issuance under the Saudi Arabian Government SAR-denominated Sukuk Program. The issuance size was set at 5.099 billion Saudi riyals. It raised 159 million riyals in bonds due in 2025, 1.183 billion riyals due in 2030, 663 million riyals in bonds due in 2034 and 3.093 billion riyals with a 2049 maturity.

Saudi Arabia's non-oil exports fall 13% in Q3 – Saudi Arabia's non-oil exports to GCC countries fell by 12.9% year-on-year in the third quarter of 2019, official figures showed. Saudi non-oil exports totalled SAR 6.85 billion, falling year-on-year by SAR 1.02 billion in the three-month period ended September, from SAR 7.86 billion, according to the Saudi General Authority for Statistics' (GASTAT) quarterly report. Meanwhile, imports from GCC countries to Saudi Arabia fell by 7% to SAR 13.5 billion in the third quarter, compared with SAR 14.53 billion in the same quarter last year.

TAQA successfully completes refinancing – Abu Dhabi National Energy Company PJSC (TAQA), a leading global energy company headquartered in Abu Dhabi with operations in 11 countries, announced today that it has secured a US\$ 3.5 billion revolving credit facility. The new 5-year multicurrency facility with a syndicate of 13 banks will be used for general corporate purposes and will replace its existing US\$ 3.1 billion revolving credit facility, signed in August 2015. The Bookrunners, Initial Mandated Lead Arrangers and Global Coordinators of the facility were First Abu Dhabi Bank (FAB), Sumitomo Mitsui Banking Corporation (SMBC) and Mizuho Bank. The remaining banks in the syndication were: Mashreqbank, BNP Paribas, Citi, HSBC, Intesa Sanpaolo, MUFG Bank, Bank of China, National Bank of Kuwait (NBK), Industrial and Commercial Bank of China (ICBC) and Scotiabank.

GCC Sovereign Yields (24 December 2019)

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.41	9.36	KSA	2025	2.35	8.58
Abu Dhabi	2047	3.21	20.99	KSA	2029	2.83	12.42
Bahrain	2024	3.42	8.62	KSA	2049	3.85	23.60
Bahrain	2029	4.54	18.79	Oman	2025	4.17	13.71
Bahrain	2047	5.87	25.52	Oman	2029	5.32	4.69
Dubai	2023	2.42	4.12	Oman	2048	6.66	21.64
Dubai	2029	3.12	9.73	Qatar	2024	2.12	4.71
Kuwait	2022	1.91	3.28	Qatar	2028	2.49	9.84
Kuwait	2027	2.31	7.84	Qatar	2049	3.48	23.93

Source: Bloomberg

Bonds and Sukuk Indices (24 December 2019)

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.18	7.33	-0.04	14.38
S&P MENA Bond and Sukuk Index	2.96	NA	-0.11	13.44
Bloomberg Emerging Markets USD Index	4.88	6.28	0.04	12.79
Bloomberg Global Aggregate Index	1.48	7.27	-0.07	6.11

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	24/12/2019	31/12/2018	24/12/2019	31/12/2018	24/12/2019	31/12/2018
KIBOR	2.7500	2.3125	2.9375	2.5625	3.1875	2.8125
SAIBOR	2.2386	2.9750	2.2571	3.1150	2.3071	3.3413
BHIBOR	2.2500	3.5500	2.7000	4.0833	2.8333	4.7000
QATAR	2.3500	2.9056	2.4500	3.0889	2.7000	3.3028
AEIBOR	2.0974	2.8375	2.2779	3.1849	2.3035	3.5737
EURIBOR	-0.3880	-0.3090	-0.3300	-0.2370	-0.2530	-0.1170
LIBOR	1.9348	2.8076	1.9205	2.8756	1.9996	3.0054

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	1.8015	-0.25	-34.7
2-Year	1.7201	-0.65	-35.3
5-Year	1.7382	-1.10	-32.4
7-Year	1.7899	-1.11	-31.8
10-Year	1.8738	-1.32	-30.8
30-Year	2.0534	-1.17	-27.6

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3038	-0.0132	-0.05
SAR	3.7523	-0.0160	-0.02
BHD	0.3771	-0.0053	-0.02
QAR	3.6675	0.0109	-0.31
OMR	0.3850	0.0026	0.00
AED	3.6730	0.0027	-0.01

US Treasuries

	Yield %	1D Δ (%)
2-Year	1.64	0.03
5-Year	1.74	0.06
10-Year	1.92	0.13
30-Year	2.35	0.27

UK Gilts

	Yield %	1D Δ (%)
2-Year	0.53	-0.02
5-Year	0.57	0.00
10-Year	0.77	0.09
30-Year	1.28	0.04

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.67	-0.01
5-Year	-0.53	-0.02
10-Year	-0.25	-0.09
30-Year	0.28	-0.33

Sovereign Ratings

	Moody's	S&P	Fitch
Abu Dhabi	Aa2	AA	AA
Bahrain	B2	B+	BB-
Kuwait	Aa2	AA	AA
Oman	Ba1	BB	BB+
Qatar	Aa3	AA-	AA-
KSA	A1	A-	A
UAE	Aa2	NR	NR
Egypt	B2	B	B+
Lebanon	Caa2	CCC	CC
Turkey	B1	B+	BB-
Tunisia	B2	NR	B+
Morocco	Ba1	BBB-	BBB-
Jordan	B1	B+	BB-
China	A1	A+	A+
UK	Aa2	AA	AA
USA	Aaa	AA+	AAA

USD 5-Year CDS YTD Δ (%)

Abu Dhabi	33.930	-47.03
Kuwait	33.920	-44.24
Dubai	84.370	-30.26
Bahrain	165.760	-39.65
Qatar	34.900	-55.67
KSA	54.660	-46.35
Egypt	273.500	-26.39
Lebanon	2326.510	212.94
Turkey	281.835	-21.52
Iraq	352.820	-21.19
Morocco	84.940	-14.18
China	30.450	-53.43
France	15.870	-54.03
Germany	7.270	-35.75
Japan	19.620	-10.02
UK	16.020	-53.90
US	12.550	-31.42