

## News Updates

**National Bank of Kuwait hires banks for dollar senior bonds - document** – National Bank of Kuwait, the Gulf country's largest lender, has hired banks to arrange the sale of U.S. dollar-denominated six-year bonds that will be non-callable for five years, a bank document showed on Tuesday. Citi, JPMorgan and NBK Capital have been mandated as joint global coordinators. Those banks and BofA Securities, Goldman Sachs International, HSBC, MUFG and Standard Chartered will act as joint lead managers and bookrunners, the document from one of the banks showed. They started arranging investor calls on Tuesday, to be followed by a benchmark issuance of senior unsecured paper, subject to market conditions. Benchmark size typically means at least \$500 million. After a characteristic summer lull, Gulf debt markets have geared up to resume a spate of bond deals from banks so far this year, as they have taken advantage of low rates to raise cash as well as boost tier 1 capital. NBK in February sold \$700 million in Additional Tier 1 bonds, the riskiest debt instruments banks can issue that are designed to be perpetual in nature but can be redeemed after a specified period. In November, it raised \$300 million in 10-year Tier 2 bonds. (Source: Reuters)

**Egypt plans more Green bonds a year after \$750 mln sale** – Egypt intends to increase the number and frequency of its Green bond issuances following the success of a \$750 million sale a year ago, Deputy Finance Minister Ahmed Kouchouk said on Tuesday. Egypt's government became the first in the Middle East and North Africa to sell such bonds when it issued \$750 million in five-year Green bonds in September 2020. The deal offered investors a 5.25% yield. “In principle, one of our top priorities is to continue going in that direction in issuing more Green bonds,” Kouchouk told a GlobalCapital conference on sustainable finance. “Not only as a sovereign, by the way. One of the key objectives for us in going in this market was to create a benchmark for the private sector.” (Source: Reuters)

**Fed's Bullard says stimulus tapering should begin this year - FT** – The U.S. Federal Reserve should move forward with a plan to trim its massive pandemic stimulus programme despite a slowdown in job growth last month, St. Louis Federal Reserve Bank President James Bullard said in an interview with the Financial Times. Bullard dismissed concerns that the labour market recovery was faltering even as the U.S. economy created the fewest jobs in seven months in August after hiring in the leisure and hospitality sector stalled amid a resurgence in COVID-19 infections. Bullard said in late August that he would like the central bank to start reducing its asset purchases soon and finish winding down those purchases by the first quarter of next year. “The big picture is that the taper will get going this year and will end sometime by the first half of next year”, he told the Financial Times. (Source: Reuters)

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## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.72	-0.81	KSA	2025	1.08	-0.68
Abu Dhabi	2030	1.81	-2.48	KSA	2030	2.15	-1.62
Abu Dhabi	2050	3.00	-4.80	KSA	2050	3.51	-4.30
Bahrain	2026	3.76	-3.62	Oman	2025	3.14	2.72
Bahrain	2030	5.44	-5.25	Oman	2029	4.76	3.94
Bahrain	2047	6.78	-8.21	Oman	2048	6.44	3.83
Dubai	2029	2.47	-0.69	Qatar	2025	0.95	-1.76
Kuwait	2022	0.04	-1.62	Qatar	2030	1.92	-3.17
Kuwait	2027	1.26	-2.01	Qatar	2050	3.14	-5.64

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.56	8.08	-0.12	0.89
S&P MENA Bond and Sukuk Index	2.18	NA	-0.18	0.28
Bloomberg Emerging Markets USD Index	3.86	6.80	-0.06	0.47
Bloomberg Global Aggregate Index	1.07	7.42	-0.36	-2.50

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	08/09/2021	31/12/2020	08/09/2021	31/12/2020	08/09/2021	31/12/2020
KIBOR	1.5000	1.4375	1.7500	1.6875	2.0000	1.9375
SAIBOR	0.7957	0.8175	0.8443	0.8700	0.9143	0.9413
BHIBOR	1.5667	2.2500	1.6333	2.5333	1.8250	2.6833
QATAR	1.0260	1.1206	1.1131	1.1960	1.3334	1.3636
AEIBOR	0.3367	0.5125	0.5825	0.4908	0.5190	0.6538
EURIBOR	-0.5490	-0.5450	-0.5200	-0.5260	-0.5000	-0.4990
LIBOR	0.1146	0.2384	0.1488	0.2576	0.2195	0.3419

## USD Swap Rates

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	0.1564	0.11	-18.8	KWD	0.3006	0.0000	0.92	Gold	1,799.30	-5.85
2-Year	0.3094	0.05	56.4	SAR	3.7509	0.0000	0.03	Silver	24.39	-8.52
5-Year	0.9086	-0.30	111.3	BHD	0.3770	-0.0027	0.02	Copper	426.70	21.08
7-Year	1.1575	-0.46	76.8	QAR	3.6420	0.0082	0.00	Nat. Gas	4.60	67.86
10-Year	1.3848	-0.63	49.7	OMR	0.3850	0.0000	0.00	Aluminum	2,741.00	37.07
30-Year	1.7131	-0.56	22.2	AED	3.6731	0.0000	0.00	Crude Oil	71.68	40.83

## US Treasuries

	Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)
2-Year	0.22	0.00		0.19	-0.03		-0.72	0.00
5-Year	0.82	0.02		0.37	-0.11		-0.73	0.00
10-Year	1.37	0.07		0.74	-0.40		-0.48	0.00
30-Year	1.98	0.15		1.07	-0.83		0.16	0.00

## UK Gilts

## German Bunds

## Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	A1	A+	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+
<b>USD 5Yr CDS</b>	<b>8-Sep 2021</b>	<b>31-Dec 2020</b>	
Kuwait	46.11	40.69	
KSA	49.10	63.77	
Abu Dhabi	39.09	36.03	
Dubai	81.16	104.06	
Qatar	38.76	36.70	
Bahrain	244.04	233.58	
Oman	229.61	353.60	
Iraq	512.99	542.74	
Egypt	341.72	330.47	
Morocco	89.36	102.56	
Turkey	363.83	299.47	
US	7.83	11.52	
UK	7.70	15.13	
China	32.75	26.70	
Japan	16.33	14.74	
Germany	8.44	9.09	
France	17.89	14.42	