

News Updates

Dana Gas Fully Redeems \$309 Million of Outstanding Sukuk – Dana Gas says it fully redeemed \$309 million of the outstanding sukuk. Receipt of funds confirmed by principal paying agent. Sukuk, with original balance of \$530 million, was issued on Oct. 31, 2017, with \$221 million of repurchases taking place during the last three years. Company currently has a \$90 million credit facility at corporate level. Run-rate sukuk profit payments at the time of issue of sukuk were \$21.2 million per annum given 4% annual profit rate. Annualized interest cost on \$90 million corporate facility will be slightly less than \$3 million per annum at initial margin of 3% plus Libor. (Source: Bloomberg)

Dubai's Alcazar Energy Weighs Sale, Green Bond as Part of Review

– Dubai-based Alcazar Energy Ltd. has resumed a strategic review that could culminate in a sale of the company at an enterprise value of about \$1 billion, according to people with knowledge of the matter. The company had begun reviewing its options at the start of the year but those plans were put on hold as a result of the coronavirus pandemic, the people said. Alcazar had then attracted interest from local, regional and international players, both trade and private equity firms. A representative for Alcazar confirmed the news, but said the process is at an early stage and no decision has yet been taken on any potential options. Among other strategic options being considered by the company is a green bond, which the people said has already received strong initial expressions of interest from potential investors looking to fund environmental projects. The sale of such securities would rank as one of the largest private renewable energy borrowings in the region, they said. (Source: Bloomberg)

Fitch Affirms CBQ at 'A'; Outlook Stable – Fitch Ratings has affirmed The Commercial Bank (P.S.Q.C.)'s (CBQ) Long-Term Issuer Default Rating (IDR) at 'A' with a Stable Outlook and Viability Rating (VR) at 'bb+'. This reflects the strong ability of Qatar to support its banks, as indicated by its rating (AA-/Stable), although the size of the banking system relative to GDP is high, combined with Fitch's belief that there is a strong willingness to support the banking sector and the bank. (Source: Bloomberg)

HSBC Overtakes StanChart to Lead MENA Debt Underwriting – HSBC surpassed Standard Chartered Bank to become the top underwriter of debt in the Middle East and North Africa region as the value of deals rose 15% from the same time last year. Issuers sold \$120.1 billion of bonds through October vs. \$104.3 billion a year ago, according to data compiled by Bloomberg League Tables. HSBC climbed one spot from a month earlier and captured 16% of the market. Galaxy Pipeline Assets Bidco Ltd. was the biggest issuer in October, at \$4 billion (Source: Bloomberg)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	1.02	4.48	KSA	2025	1.36	6.03
Abu Dhabi	2030	1.76	8.07	KSA	2030	2.20	9.37
Abu Dhabi	2050	2.91	15.37	KSA	2050	3.46	6.28
Bahrain	2026	4.10	-4.15	Oman	2025	5.64	-6.61
Bahrain	2030	5.75	9.03	Oman	2029	7.11	-11.64
Bahrain	2047	6.93	-13.10	Oman	2048	8.27	-17.27
Dubai	2029	2.68	2.05	Qatar	2025	1.09	6.14
Kuwait	2022	0.52	1.14	Qatar	2030	1.86	10.69
Kuwait	2027	1.26	5.15	Qatar	2050	2.98	19.31

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.79	8.08	-0.10	5.30
S&P MENA Bond and Sukuk Index	2.19	NA	-0.11	6.98
Bloomberg Emerging Markets USD Index	4.10	6.80	0.04	1.85
Bloomberg Global Aggregate Index	0.91	7.42	0.00	5.82

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	03/11/2020	31/12/2019	03/11/2020	31/12/2019	03/11/2020	31/12/2019
KIBOR	1.5000	2.7500	1.7500	2.9375	2.0000	3.1875
SAIBOR	0.8450	2.2314	0.8938	2.2557	0.9588	2.3071
BHIBOR	2.2500	2.6667	2.5333	2.7000	2.6833	2.8333
QATAR	0.9935	2.2500	1.0820	2.3500	1.3153	2.5333
AEIBOR	0.4495	2.2086	0.6928	2.1914	0.8761	2.2900
EURIBOR	-0.5230	-0.3830	-0.5210	-0.3240	-0.4890	-0.2490
LIBOR	0.2158	1.9084	0.2421	1.9121	0.3301	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.2127	0.03	-88.0
2-Year	0.2365	-0.04	-86.1
5-Year	0.4358	0.34	-74.8
7-Year	0.6223	0.14	-65.4
10-Year	0.8591	0.47	-54.7
30-Year	1.2595	0.01	-39.8

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3062	0.0000	-1.01
SAR	3.7505	-0.0027	0.03
BHD	0.3771	0.0080	0.00
QAR	3.6414	0.0027	0.01
OMR	0.3850	-0.0052	-0.01
AED	3.6731	0.0000	0.00

US Treasuries

	Yield %	1D Δ (%)
2-Year	0.15	0.01
5-Year	0.37	0.00
10-Year	0.84	0.02
30-Year	1.62	0.03

Source: Bloomberg

UK Gilts

	Yield %	1D Δ (%)
2-Year	-0.09	0.07
5-Year	-0.08	0.18
10-Year	0.21	0.52
30-Year	0.78	1.09

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.81	0.01
5-Year	-0.85	0.04
10-Year	-0.70	0.10
30-Year	-0.23	0.36

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-	BB+
US	Aaa	AA+u	AAA
UK	Aa2	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS

	03-Nov 2020	31-Dec 2019
Kuwait	49.17	36.700
KSA	87.53	56.915
Abu Dhabi	49.75	36.090
Dubai	132.56	91.005
Qatar	49.64	36.705
Bahrain	343.83	175.995
Oman	467.62	234.400
Iraq	706.77	383.680
Egypt	397.03	277.420
Morocco	134.94	91.435
Turkey	561.83	282.130
US	13.57	10.810
UK	18.08	16.210
China	38.30	31.205
Japan	16.02	21.042
Germany	9.72	7.080
France	17.07	16.130