

## News Updates

**Saudi Arabia Says OPEC+ Has a Role in Containing Inflation** – Saudi Arabia's Energy Minister said the OPEC+ alliance has a role in “taming and containing” inflationary pressures, just hours after Brent crude surged back above \$75 a barrel. The comments come as OPEC+ countries weigh whether to increase production further in the coming months. The oil cartel is scheduled to meet online next week to decide its production policy for August and beyond, after boosting output from May to July. The minister cautioned that it was not clear whether oil prices were rising due to “real supply and demand” or because of “expectations and trajectories that are excessively optimistic.” (Source: Bloomberg)

**S&P Affirms Qatar Petroleum at ‘AA-’; Outlook Stable** – S&P equalizes its rating on Qatar Petroleum with Qatar's, reflecting its opinion that Qatar Petroleum would receive extraordinary support from the Qatari government if needed, it says in a statement. S&P assesses Qatar Petroleum's stand-alone credit profile at ‘aa’ due to its access to “very large gas reserves and liquid natural gas production in Qatar, assets across the hydrocarbon value chain, and low oil and gas production costs, which support its solid credit metrics and cash flow visibility” (Source: Bloomberg)

**Yellen warns Congress of 'unthinkable' U.S. default risk without debt limit hike** – U.S. Treasury Secretary Janet Yellen on Wednesday warned Congress that the United States risks a debt default and a new financial crisis as soon as the August recess if lawmakers fail to act quickly to suspend or raise the federal borrowing limit. In testimony to a Senate Appropriations subcommittee, Yellen said defaulting on U.S. debt obligations would be “unthinkable” and “would have absolutely catastrophic economic consequences.” Yellen said that to avoid uncertainty for financial markets, Congress should pass new debt limit legislation - allowing the Treasury to continue borrowing - before the latest suspension expires on July 31. The Treasury in the past has been able to stave off potential default for several months by employing extraordinary cash-flow management measures such as suspending contributions to government employee pension funds. Asked how long these measures could last to allow the government to continue borrowing, Yellen said it was difficult to estimate that because spending on COVID-19 relief programs has added more uncertainty to Treasury's payment flows. (Source: Reuters)

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.74	-0.55	KSA	2025	1.07	-0.30
Abu Dhabi	2030	2.00	-3.64	KSA	2030	2.25	-2.26
Abu Dhabi	2050	3.04	-5.39	KSA	2050	3.51	-4.22
Bahrain	2026	3.52	-2.18	Oman	2025	3.30	2.55
Bahrain	2030	5.51	-5.51	Oman	2029	4.95	2.85
Bahrain	2047	6.90	-9.45	Oman	2048	6.73	0.09
Dubai	2029	2.44	-0.39	Qatar	2025	0.90	-1.16
Kuwait	2022	0.00	-1.04	Qatar	2030	2.05	-3.92
Kuwait	2027	1.38	-2.35	Qatar	2050	3.22	-6.92

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.60	8.08	0.05	-0.12
S&P MENA Bond and Sukuk Index	2.22	NA	0.00	-0.70
Bloomberg Emerging Markets USD Index	3.80	6.80	-0.03	-0.64
Bloomberg Global Aggregate Index	1.14	7.42	0.12	-3.11

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	24/6/2021	31/12/2020	24/6/2021	31/12/2020	24/6/2021	31/12/2020
KIBOR	1.5000	1.4375	1.7500	1.6875	2.0000	1.9375
SAIBOR	0.7929	0.8175	0.8429	0.8700	0.9143	0.9413
BHIBOR	1.6417	2.2500	1.7333	2.5333	1.8667	2.6833
QATAR	1.0072	1.1206	1.1054	1.1960	1.2859	1.3636
AEIBOR	0.4250	0.5125	0.6575	0.4908	0.8000	0.6538
EURIBOR	-0.5400	-0.5450	-0.5080	-0.5260	-0.4770	-0.4990
LIBOR	0.1338	0.2384	0.1606	0.2576	0.2456	0.3419

## USD Swap Rates

Yield %		1D Δ (bps)	YTD Δ (%)	USD		1D Δ (bps)	YTD Δ (%)	USD		YTD Δ (%)
1-Year	0.1861	0.11	-3.3	KWD	0.3011	0.0498	0.73	Gold	1,775.10	-6.86
2-Year	0.3294	0.16	66.5	SAR	3.7503	-0.0027	0.04	Silver	25.97	-2.35
5-Year	0.9613	0.30	123.6	BHD	0.3770	-0.0027	0.00	Copper	427.35	21.17
7-Year	1.2301	0.32	87.9	QAR	3.6421	0.0000	0.00	Nat. Gas	3.31	23.31
10-Year	1.4673	0.50	58.6	OMR	0.3850	0.0026	0.00	Aluminum	2,425.25	21.64
30-Year	1.7989	0.94	28.3	AED	3.6730	0.0000	0.00	Crude Oil	75.28	46.60

## US Treasuries

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.26	0.00	0.08	0.03	-0.72	0.00
5-Year	0.88	0.01	0.38	0.03	-0.66	0.00
10-Year	1.49	-0.03	0.78	-0.01	-0.34	0.00
30-Year	2.11	-0.10	1.28	-0.28	0.30	0.00

## Currencies

## Commodities

## 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

	24-Jun 2021	31-Dec 2020
Kuwait	45.56	40.69
KSA	54.31	63.77
Abu Dhabi	38.13	36.03
Dubai	82.52	104.06
Qatar	38.36	36.70
Bahrain	190.78	233.58
Oman	239.03	353.60
Iraq	494.44	542.74
Egypt	324.03	330.47
Morocco	76.26	102.56
Turkey	379.50	299.47
US	7.19	11.52
UK	8.65	15.13
China	35.50	26.70
Japan	15.99	14.74
Germany	9.45	9.09
France	20.58	14.42