

News Updates

Saudi Arabia reduces US bonds holdings by 27.9% in 2021 – The Saudi Arabia reduced its holdings of US Treasury bonds to \$132.9 billion by the end of February, down by \$2.2 billion on a monthly basis, Okaz newspaper reported. Saudi Arabia has reduced its holdings by 27.93 percent during the last 12 months to \$132.9 billion by the end of February of this year. The Kingdom maintained its 14th position among the largest holders of US bonds in February 2021. Saudi Arabia's investments in US Treasury bonds included \$105.98 billion in “long-term bonds,” representing 80 percent of the total, and \$26.92 billion in “short-term bonds,” accounting for 20 percent of the total. *(Source: Zawya)*

UAE Overtakes China in \$17 Billion U.S. Treasuries Buying Spree –

The United Arab Emirates bought more U.S. Treasuries than China in February, breaking with other top oil exporters in the Persian Gulf region that cut back on their exposure to one of the world's safest assets. OPEC's third-biggest producer raised its stockpile by almost 50% to \$50.6 billion at the end of February, an increase of nearly \$17 billion that made it the second-biggest buyer of the securities that month after the U.K., according to the latest figures from the U.S. Treasury Department. The monthly haul was the biggest ever for the UAE. The reasons behind the rise weren't clear and the UAE central bank didn't immediately respond to a request for comment. But the UAE, whose capital Abu Dhabi is home to almost 6% of the world's oil reserves, may have built up enough of a buffer to commit the spare petrodollars toward the \$21 trillion Treasuries market. The move took UAE holdings to levels last seen in 2019 before the global pandemic and the crash in oil prices put pressure on its finances. China bought \$9 billion of Treasuries in February to bring its total to \$1.1 trillion, the highest since mid-2019. *(Source: Bloomberg)*

UAE's Etisalat plans bond sale ahead of euro maturity –

Emirates Telecommunication Group (Etisalat) has planned to issue bonds ahead of a EUR 1.2 billion (\$1.45 billion) bond maturity in June, three sources told Reuters. Etisalat, which has not issued bonds since its debut sale in 2014, seeks to sell two euro-denominated tranches worth EUR 1.2 billion each and two US dollar-denominated worth \$500 million each. The sources referred that one of the euro tranches is due on June 18. One of the sources said the planned euro-denominated bond sale could be implemented as early as this week. It is noteworthy to mention that in 2020, the net profits attributable to the equity holders of Etisalat increased by 3.8% to AED 9.027 billion from AED 8.693 billion in 2019. *(Source: Mubasher)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.89	-0.91	KSA	2025	1.39	-1.26
Abu Dhabi	2030	2.02	-3.76	KSA	2030	2.48	-3.81
Abu Dhabi	2050	3.17	-7.62	KSA	2050	3.68	-6.89
Bahrain	2026	3.33	-0.99	Oman	2025	3.25	2.92
Bahrain	2030	5.35	-4.35	Oman	2029	4.97	2.84
Bahrain	2047	6.90	-9.27	Oman	2048	6.64	1.26
Dubai	2029	2.60	-1.15	Qatar	2025	1.02	-1.22
Kuwait	2022	0.22	-0.77	Qatar	2030	2.18	-4.58
Kuwait	2027	1.54	-2.93	Qatar	2050	3.34	-8.74

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.71	8.08	-0.10	-1.48
S&P MENA Bond and Sukuk Index	2.33	NA	-0.04	-2.14
Bloomberg Emerging Markets USD Index	3.90	6.80	-0.12	-2.18
Bloomberg Global Aggregate Index	1.10	7.42	0.13	-2.92

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	21/4/2021	31/12/2020	21/4/2021	31/12/2020	21/4/2021	31/12/2020
KIBOR	1.5000	1.4375	1.6875	1.6875	2.0000	1.9375
SAIBOR	0.7971	0.8175	0.8443	0.8700	0.9171	0.9413
BHIBOR	1.2867	2.2500	1.3917	2.5333	1.6417	2.6833
QATAR	1.1250	1.1206	1.2333	1.1960	1.3667	1.3636
AEIBOR	0.3943	0.5125	0.4948	0.4908	0.5250	0.6538
EURIBOR	-0.5370	-0.5450	-0.5130	-0.5260	-0.4780	-0.4990
LIBOR	0.1860	0.2384	0.2218	0.2576	0.2868	0.3419

USD Swap Rates

Currencies				Commodities						
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	0.2119	-0.04	10.1	KWD	0.3015	0.1161	0.60	Gold	1,787.10	-6.08
2-Year	0.2698	0.05	36.4	SAR	3.7505	-0.0027	0.04	Silver	26.13	-1.30
5-Year	0.8864	0.32	106.1	BHD	0.3770	0.0000	0.01	Copper	423.80	20.18
7-Year	1.2387	0.63	89.2	QAR	3.6420	0.0165	0.01	Nat. Gas	2.71	6.11
10-Year	1.5596	0.93	68.6	OMR	0.3850	0.0000	0.00	Aluminum	2,296.75	15.63
30-Year	1.9926	1.31	42.1	AED	3.6731	0.0000	0.00	Crude Oil	66.27	28.28

US Treasuries

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.15	0.01	0.03	0.00	-0.68	0.00
5-Year	0.79	0.02	0.31	0.00	-0.69	0.01
10-Year	1.56	0.02	0.73	0.00	-0.39	0.00
30-Year	2.26	-0.09	1.26	0.00	0.28	-0.02

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

	21-Apr 2021	31-Dec 2020
Kuwait	46.80	40.69
KSA	64.49	63.77
Abu Dhabi	43.10	36.03
Dubai	91.41	104.06
Qatar	43.21	36.70
Bahrain	190.29	233.58
Oman	267.22	353.60
Iraq	493.36	542.74
Egypt	312.96	330.47
Morocco	90.22	102.56
Turkey	405.11	299.47
US	8.34	11.52
UK	9.40	15.13
China	37.39	26.70
Japan	15.53	14.74
Germany	9.58	9.09
France	20.59	14.42