

News Updates

UAE's Top Oil Producer Prepares to Sell Bonds for First Time – The largest oil producer in the UAE is preparing to sell its first bonds as the country pushes plans to diversify its economy and attract international investors. Abu Dhabi National Oil Co. is creating a new entity to become its primary vehicle for selling debt, the company said in a statement. Adnoc Murban, as the issuer will be known, was assigned the third-highest credit rating by Standard & Poor's and Moody's Investors Service. Adnoc will grant the new entity long-term supply rights to its main crude oil grade, known as Murban, according to S&P and Moody's. Adnoc Murban will then sell the roughly 1 million barrels a day of crude back to the parent company or its trading unit, generating cash to support debt payments, the rating companies said. Adnoc Murban conducted introductory meetings with fixed-income investors on Tuesday ahead of an expected debt sale this year, according to a mandate. JPMorgan Chase & Co. and Morgan Stanley are coordinating the meetings. *(Source: Bloomberg)*

Qatar Eyes Debut Green Bond in Latest Gulf Move to Tap ESG Funds – Qatar's government is planning to issue its first green bond as one of the world's largest liquefied natural gas exporters seeks to tap into a booming global market for sustainable debt, people with knowledge of the matter said. Officials at the Ministry of Finance are in early talks with international banks to potentially raise billions through green bonds, the people said, asking not to be named because they're not authorized to speak publicly. It's not clear what the money would be spent on. Qatar is yet to hire banks for the plans and a deal could potentially be done via state-owned gas firm Qatar Energy, the people said. *(Source: Bloomberg)*

Oil rises on concerns global political risks could tighten supplies – Oil prices rose over 2% on Tuesday on concerns supplies could become tight due to Ukraine-Russia tensions, threats to infrastructure in the United Arab Emirates and struggles by OPEC+ to hit its targeted monthly output increase. Analysts noted that oil prices rose despite a drop in equities markets and the possibility of an interest rate hike by the U.S. Federal Reserve on Wednesday. Brent futures rose \$1.93, or 2.2%, to settle at \$88.20 a barrel, while U.S. West Texas Intermediate (WTI) crude rose \$2.29, or 2.8%, to settle at \$85.60. *(Source: Reuters)*

U.S. Treasury yields advance as Fed policy decision looms – U.S. Treasury yields from 2-year notes and higher rose on Tuesday ahead of a Federal Reserve policy statement that is widely expected to signal an interest rate increase in March, the first since the start of the coronavirus pandemic nearly two years ago. The yield curve steepened a little on the day, after flattening for most of the session, as long-term yields extended their rise. The spread between U.S. 2-year and 10-year yields widened to 76.4 basis points. The Fed will issue its policy statement at 2 p.m. ET (1900 GMT) Wednesday, at the close of its two-day meeting. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	1.98	-1.51	KSA	2027	2.18	-1.89
Abu Dhabi	2031	2.28	-2.42	KSA	2032	2.65	-2.48
Abu Dhabi	2050	3.22	-4.60	KSA	2050	3.73	-4.76
Bahrain	2028	5.04	-2.13	Oman	2027	4.64	-1.96
Bahrain	2032	6.26	-4.10	Oman	2032	5.70	-3.29
Bahrain	2051	7.41	-6.62	Oman	2051	6.99	-5.16
Dubai	2029	2.71	-1.28	Qatar	2026	1.90	-1.23
Kuwait	2022	-0.41	-0.21	Qatar	2030	2.52	-2.36
Kuwait	2027	2.02	-1.83	Qatar	2050	3.30	-4.10

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.09	8.08	-0.22	-2.09
S&P MENA Bond and Sukuk Index	2.66	NA	-0.21	-2.03
Bloomberg Emerging Markets USD Index	4.72	6.80	-0.04	-2.66
Bloomberg Global Aggregate Index	1.48	7.42	-0.14	-1.28

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	26/01/2022	30/12/2021	26/01/2022	30/12/2021	26/01/2022	30/12/2021
KIBOR	1.5000	1.5000	1.7500	1.7500	2.0000	2.0000
SAIBOR	0.9494	0.9057	1.0643	0.9829	1.2043	1.0600
BHIBOR	1.5667	1.5167	1.6500	1.6233	1.7833	1.7667
QATAR	1.1500	1.1250	1.2000	1.2000	1.3500	1.3250
AEIBOR	0.4388	0.3645	0.6937	0.7000	0.9350	0.7396
EURIBOR	-0.5430	-0.5730	-0.5220	-0.5460	-0.4630	-0.4980
LIBOR	0.2671	0.2144	0.4486	0.3451	0.7936	0.5888

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	0.7320	0.74	36.8	KWD	0.3024	0.0000	0.05	Gold	1,849.70	1.02
2-Year	1.1722	1.28	24.5	SAR	3.7517	-0.0080	0.11	Silver	23.78	1.83
5-Year	1.6375	0.54	19.6	BHD	0.3770	0.0027	0.02	Copper	445.55	-0.18
7-Year	1.7448	0.26	18.2	QAR	3.6416	-0.0082	0.00	Nat. Gas	4.05	8.47
10-Year	1.8355	0.11	16.1	OMR	0.3850	0.0000	-0.06	Aluminum	3,106.50	10.75
30-Year	1.9365	0.23	11.9	AED	3.6731	-0.0082	-0.01	Crude Oil	87.95	13.08

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	1.03	-0.01	0.88	-0.05	NA	NA
5-Year	1.56	-0.02	0.99	-0.13	-0.63	-0.03
10-Year	1.77	-0.02	1.16	-0.33	-0.26	-0.19
30-Year	2.12	-0.04	1.28	-0.92	0.20	-0.99

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	Caa1	NR	B-
Morocco	Ba1	BB+	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS	26-Jan 2022	31-Dec 2021
Kuwait	48.54	40.53
KSA	51.41	50.97
Abu Dhabi	48.48	43.09
Dubai	92.85	89.58
Qatar	47.69	42.55
Bahrain	300.46	286.32
Oman	261.13	254.42
Iraq	492.83	507.35
Egypt	542.85	496.58
Morocco	95.22	85.91
Turkey	534.51	555.46
US	10.14	10.01
UK	9.23	8.91
China	47.91	39.86
Japan	16.00	16.23
Germany	6.99	7.53
France	16.95	17.87