

News Updates

Equate Petrochemical mandates 144A / RegS US\$ benchmark – Equate Petrochemical, fully owned subsidiary of Equate Petrochemical Company, mandates Citi, JPMorgan, MUFG and NBK Capital as global coordinators to arrange a series of fixed income investor calls across Asia, Europe and the United States commenced on April 19, 2021 BNP Paribas, HSBC, Mizuho, SMBC Nikko and Standard Chartered Bank together with the global coordinators are mandated as joint lead managers and joint bookrunners. A 144A / RegS US\$ benchmark transaction, consisting of a 7-year conventional bond, will follow in the near future, subject to market conditions. The New Notes will be issued under the U.S.\$4,000,000,000 global medium term note program established by Equate Petrochemical with Equate and TKOC acting as guarantors. (Source: Bloomberg)

Abu Dhabi's TAQA gives initial guidance for dollar bonds – Abu Dhabi National Energy Company (TAQA), owned by Abu Dhabi state-owned holding company ADQ, has given its initial price guidance for dual-tranche U.S. dollar-denominated bonds, a document showed on Tuesday. It gave initial guidance of around 110 basis points over U.S. Treasuries for a seven-year tranche and around 3.75% for a 30-year Formosa portion, the document showed. Formosa bonds are sold in Taiwan by foreign borrowers and are denominated in currencies other than the Taiwanese dollar. Citi and HSBC are global coordinators and Bank of China 601988.SS, First Abu Dhabi Bank, Mashreq, Mizuho and MUFG are also on the deal, which is expected to close later on Tuesday. (Source: Zawya)

UAE central bank extends stimulus measures to mid-2022 to drive economic recovery – The United Arab Emirates central bank said on Tuesday it has extended until mid-2022 some stimulus measures introduced last year to mitigate the impact of the coronavirus crisis on the economy. The Targeted Economic Support Scheme (TESS) helps banks provide temporary relief to companies and individuals affected by the COVID-19 pandemic and facilitates additional lending capacity through the relief of existing capital and liquidity buffers. Banks will continue to be eligible to access a collateralized 50 billion dirham (\$13.61 billion) zero-cost liquidity facility until June 30 next year, the central bank (CBUAE) said in a statement on Tuesday. (Source: Al Arabiya)

Egypt offers treasury bonds worth \$1.05bn – The Central Bank of Egypt has issued treasury bonds worth EGP 16.5 billion (\$1.05 billion), as part of efforts to help the Ministry of Finance clear the government budget deficit. In a statement, the bank said the value of the first offering amounted to EGP 5 billion for a period of three years, the second offering amounted to EGP 6 billion for a period of five years, and the third 10-year term offering was valued at EGP 5.5 billion. The government resorted to financing the budget deficit by offering bonds and treasury bills as debt instruments, and government banks are their largest buyers. Last Saturday, Minister of Finance Mohammed Maait announced that JP Morgan decided to include Egypt in its watchlist for government bonds for emerging markets. (Source: Zawya)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.89	-0.91	KSA	2025	1.32	-1.06
Abu Dhabi	2030	2.01	-3.68	KSA	2030	2.45	-3.61
Abu Dhabi	2050	3.17	-7.53	KSA	2050	3.66	-6.61
Bahrain	2026	3.29	-0.85	Oman	2025	3.23	3.03
Bahrain	2030	5.32	-4.07	Oman	2029	4.90	3.25
Bahrain	2047	6.83	-8.63	Oman	2048	6.56	2.36
Dubai	2029	2.59	-1.09	Qatar	2025	1.02	-1.22
Kuwait	2022	0.20	-0.74	Qatar	2030	2.16	-4.47
Kuwait	2027	1.54	-2.90	Qatar	2050	3.31	-8.37

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.70	8.08	0.11	-1.38
S&P MENA Bond and Sukuk Index	2.33	NA	0.17	-2.10
Bloomberg Emerging Markets USD Index	3.88	6.80	0.13	-2.05
Bloomberg Global Aggregate Index	1.12	7.42	0.21	-3.04

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	20/4/2021	31/12/2020	20/4/2021	31/12/2020	20/4/2021	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	1.2500	2.2500	1.3917	2.5333	1.6417	2.6833
QATAR	1.1500	1.1206	1.2000	1.1960	1.3500	1.3636
AEIBOR	0.3575	0.5125	0.5625	0.4908	0.5150	0.6538
EURIBOR	-0.5380	-0.5450	-0.5110	-0.5260	-0.4780	-0.4990
LIBOR	0.1883	0.2384	0.2236	0.2576	0.2924	0.3419

USD Swap Rates

Yield %		1D Δ (bps)	YTD Δ (%)	USD		1D Δ (bps)	YTD Δ (%)	USD		YTD Δ (%)
1-Year	0.2161	0.00	12.3	KWD	0.3015	0.1161	0.60	Gold	1,768.70	-7.05
2-Year	0.2793	0.35	41.2	SAR	3.7507	-0.0027	0.03	Silver	25.96	-1.94
5-Year	0.9283	1.81	115.9	BHD	0.3770	0.0000	0.01	Copper	429.00	21.65
7-Year	1.2858	2.07	96.4	QAR	3.6421	-0.0110	-0.01	Nat. Gas	2.75	7.79
10-Year	1.6084	2.15	73.8	OMR	0.3850	0.0000	0.00	Aluminum	2,316.65	16.63
30-Year	2.0316	2.21	44.9	AED	3.6731	0.0000	0.00	Crude Oil	67.73	31.11

US Treasuries

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.16	0.00	0.03	0.00	-0.68	0.00
5-Year	0.85	-0.07	0.32	0.00	-0.67	-0.02
10-Year	1.62	-0.16	0.75	0.00	-0.34	-0.13
30-Year	2.32	-0.37	1.29	0.00	0.32	-0.41

UK Gilts

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.16	0.00	0.03	0.00	-0.68	0.00
5-Year	0.85	-0.07	0.32	0.00	-0.67	-0.02
10-Year	1.62	-0.16	0.75	0.00	-0.34	-0.13
30-Year	2.32	-0.37	1.29	0.00	0.32	-0.41

German Bunds

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.16	0.00	0.03	0.00	-0.68	0.00
5-Year	0.85	-0.07	0.32	0.00	-0.67	-0.02
10-Year	1.62	-0.16	0.75	0.00	-0.34	-0.13
30-Year	2.32	-0.37	1.29	0.00	0.32	-0.41

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	20-Apr 2021	31-Dec 2020	
Kuwait	46.69	40.69	
KSA	62.69	63.77	
Abu Dhabi	41.90	36.03	
Dubai	89.75	104.06	
Qatar	42.96	36.70	
Bahrain	189.11	233.58	
Oman	265.47	353.60	
Iraq	491.92	542.74	
Egypt	323.65	330.47	
Morocco	88.52	102.56	
Turkey	395.08	299.47	
US	8.33	11.52	
UK	9.70	15.13	
China	34.97	26.70	
Japan	15.49	14.74	
Germany	9.74	9.09	
France	20.00	14.42	