

News

HAPPY EARTH DAY

Brent Oil Drops to 21-Year Low as Selling Pressure Intensifies - Oil in London tumbled to the lowest in almost 21 years as the global benchmark was sucked into the rout that sent U.S. futures below zero for the first time ever this week. Brent futures for June delivery lost 16% to trade near \$16 a barrel while New York's West Texas Intermediate fell around 9% having lost almost half its value on Tuesday. Prices continue to crash amid fears that the massive glut that sent May WTI to as low as minus \$40.32 a barrel on Monday is only going to get worse.

NMC's Former Top Shareholder KBBO Is Said to Weigh Debt Revamp - Abu Dhabi-based KBBO Group, once one of NMC Health Plc's biggest shareholders, plans to restructure its debt and is weighing strategic options for the business. KPMG LLP is advising the privately-held investment firm on the asset review along with ways to address the company's debt load. The company plans to negotiate with its creditors under a process supervised by the United Arab Emirates' Financial Restructuring Committee, which was set up in 2018 to oversee out-of-court financial restructurings.

Saudi's ACWA Is Said to Plan Raising Up to \$1 Billion in Bonds - Saudi Arabia's ACWA Power International plans to raise as much as 3.75 billion riyals (\$1 billion) from an Islamic bond sale. The company, which develops and operates power and water plants across the Middle East, Africa and Asia, is in talks with local banks about the potential deal that would be denominated in Saudi riyals.

World Body Proposes One-Year Delay to Expo 2020 Dubai - The awarding body for the World Expo will propose a delay of one year to Dubai's 2020 showcase because of the global coronavirus pandemic. The Paris-based Bureau International des Expositions said Tuesday in a statement that it will ask its member states to vote on the proposal.

U.K. Bonds Brace for Virus Supply Deluge That Tops Crisis Highs - The U.K. bond market looks set to face a flood of bond sales that dwarfs the current record for government borrowing set during the global financial crisis. Britain will likely sell 270 billion pounds (\$333 billion) of gilts in the fiscal year that started this month, to fund spending plans needed to combat the economic damage from the coronavirus.

BlackRock Sees Asian Bonds Benefiting From Lower Oil Prices

Lower oil prices will benefit Asian bonds as it gives most central banks in the region scope for further easing, according to BlackRock. Co. has a positive view on the local bonds of India, China and Thailand in terms of duration. More bond issuance and negative rating actions are risks, but Asia is better placed than the rest of EM.

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.54	-1.27	KSA	2025	2.75	-2.44
Abu Dhabi	2047	3.69	-8.03	KSA	2029	3.22	-3.32
Bahrain	2024	6.60	-10.99	KSA	2049	4.58	-11.14
Bahrain	2029	7.57	-19.72	Oman	2025	7.40	-14.70
Bahrain	2047	8.23	-25.01	Oman	2029	10.71	-31.20
Dubai	2023	3.76	-4.28	Oman	2048	10.73	-36.46
Dubai	2029	4.54	-10.73	Qatar	2024	2.27	-0.96
Kuwait	2022	1.67	0.08	Qatar	2028	2.93	-3.51
Kuwait	2027	2.20	0.24	Qatar	2049	3.95	-7.85

Source: Bloomberg

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.40	7.50	-0.61	-6.52
S&P MENA Bond and Sukuk Index		NA	-0.44	-3.50
Bloomberg Emerging Markets USD Index	6.73	6.58	-0.54	-7.94
Bloomberg Global Aggregate Index	1.12	7.47	-0.14	0.45

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	22/04/2020	31/12/2019	22/04/2020	31/12/2019	22/04/2020	31/12/2019
KIBOR	1.7500	2.7500	2.0000	2.9375	2.2500	3.1875
SAIBOR	1.2271	2.2314	1.2329	2.2557	1.2329	2.3071
BHIBOR	1.8500	2.2500	2.0667	2.7000	2.3000	2.8333
QATAR	1.2633	2.2500	1.3189	2.3500	1.4289	2.5333
AEIBOR	1.6408	2.2086	1.5193	2.1914	1.5420	2.2900
EURIBOR	-0.2460	-0.3830	-0.1850	-0.3240	-0.0910	-0.2490
LIBOR	1.0976	1.9084	1.0759	1.9121	0.9821	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)
1-Year	0.5302	-1.10	-70.1	KWD	0.3125	0.0032	-2.74
2-Year	0.4021	-0.75	-76.3	SAR	3.7639	-0.2499	-0.26
5-Year	0.4365	-0.80	-74.8	BHD	0.3783	0.0185	-0.20
7-Year	0.5185	-1.37	-71.2	QAR	3.6838	-0.3729	-0.42
10-Year	0.6195	-1.83	-67.3	OMR	0.3851	-0.0026	-0.02
30-Year	0.7625	-2.93	-63.5	AED	3.6732	0.0000	0.00

US Treasuries

	UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.19	0.02	0.05	0.07
5-Year	0.33	0.05	0.16	0.16
10-Year	0.55	0.20	0.29	0.51
30-Year	1.13	0.95	0.63	2.33

Sovereign Ratings

	Sovereign Ratings		
	Moody's	S&P	Fitch
Abu Dhabi	Aa2	AA	AA
Bahrain	B2u	B+	BB-
Kuwait	Aa2	AA-	AA
Oman	Ba2	BB-	BB
Qatar	Aa3	AA-	AA-
KSA	A1	A-u	A
UAE	Aa2	NR	NR
Egypt	B2	B	B+
Lebanon	Ca	SD	RD
Turkey	B1	B+u	BB-
Tunisia	B2	NR	B+
Morocco	Ba1	BBB-	BBB-
Jordan	B1	B+	BB-
China	A1	A+	A+
UK	Aa2	AA	AA
USA	Aaa	AA+u	AAA
USD 5-Year CDS	22/04/20 30/12/19		
Abu Dhabi	132	36	
Kuwait	104	36.7	
Dubai	263	91	
Bahrain	458	176	
Qatar	123	36.75	
KSA	172	57	
Egypt	615	277	
Oman	691	234	
Turkey	622	281	
Iraq	1117	384	
Morocco	173	92	
China	48	31	
France	45	18	
Germany	24	9	
Japan	32	19	
UK	37	18	
US	18	15	