

## News Updates

**Burgan Bank receives CBK approval to issue Subordinated Tier II Capital Securities** – On 24 November 2020, Burgan Bank has received Central Bank of Kuwait's approval to issue Subordinated Tier II Capital Securities in the amount of up to USD 500 Mn, with an 11-year tenor and a call option for redemption after six years from the date of issuance. (Source: Boursa Kuwait)

**Moody's upgrades Saudi Electricity's ratings to A1 on increased government support** – Moody's Investors Service ("Moody's") has upgraded the ratings of Saudi Electricity Company (SEC) to A1 from A2 on account of increased government support. The outlook on all ratings is negative, in line with the Government of Saudi Arabia (A1 negative). The upgrade to A1 reflects Moody's revised assumption of government support to "Very High" from "High" under the methodology for Government-Related Issuers (GRI). This assumption leads to the alignment of SEC's issuer rating with Saudi Arabia's sovereign rating. The action is underpinned by a proposed new regulatory framework set to be implemented on 1 January 2021. The new framework will offer a more transparent and predictable compensation mechanism for SEC than is currently the case. In addition, the refinancing of unpaid payables and soft loans in a SAR167.9 billion (\$44.8 billion) shareholder instrument (SHI) represents further evidence of government support. The latter leads to a cleaner capital structure given the perpetual nature of the SHI and its subordination to senior debtholders. (Source: Bloomberg, Moody's)

**Dubai Raises \$1.5 Billion From Private Bond Placement** – Dubai's government raised \$1.5 billion this week by reopening existing debt instruments, data compiled by Bloomberg show. Emirates NBD Capital, a unit of Dubai's biggest bank, was the sole manager of the transactions on Nov. 23 and 24, according to the data. The transactions: \$150 million and \$100 million from reopening a September facility of \$1 billion. \$300 million and \$200 million from reopening a January 2013 facility of \$500 million. \$300 million and \$200 million from reopening a September Islamic facility of \$1 billion. \$150 million and \$100 million from reopening an April 2014 facility of \$750 million. The yield on Dubai's bond due 2050 was at 4.17% on Tuesday, compared with a high of 4.39% in September. (Source: Bloomberg)

**CIRA mulls issuance of Ijara Sukuk** – Cairo for Investment and Real Estate Development (CIRA) is currently considering to issue Ijara Sukuk compliant with the Islamic Sharia. In response to news reports about the company seeking to issue EGP 600 million Sukuk, the company said in a bourse disclosure on Tuesday that it is looking for means to finance its projects. (Source: Mubasher)

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.83	5.21	KSA	2025	1.23	6.59
Abu Dhabi	2030	1.57	9.76	KSA	2030	2.06	10.64
Abu Dhabi	2050	2.67	20.80	KSA	2050	3.21	10.86
Bahrain	2026	3.47	-1.66	Oman	2025	4.77	-3.63
Bahrain	2030	4.96	15.29	Oman	2029	6.05	-5.04
Bahrain	2047	6.26	-5.48	Oman	2048	7.35	-8.07
Dubai	2029	2.56	2.89	Qatar	2025	0.91	6.62
Kuwait	2022	0.33	1.27	Qatar	2030	1.70	12.03
Kuwait	2027	1.15	5.84	Qatar	2050	2.75	24.30

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.56	8.08	0.05	7.79
S&P MENA Bond and Sukuk Index	2.04	NA	0.03	8.79
Bloomberg Emerging Markets USD Index	3.72	6.80	0.05	4.77
Bloomberg Global Aggregate Index	0.88	7.42	0.13	7.44

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	26/11/2020	31/12/2019	26/11/2020	31/12/2019	26/11/2020	31/12/2019
KIBOR	1.4375	2.7500	1.6875	2.9375	1.9375	3.1875
SAIBOR	0.8313	2.2314	0.8813	2.2557	0.9488	2.3071
BHIBOR	2.2500	2.6667	2.5333	2.7000	2.6833	2.8333
QATAR	1.1296	2.2500	1.2245	2.3500	1.3627	2.5333
AEIBOR	0.4925	2.2086	0.5692	2.1914	0.7642	2.2900
EURIBOR	-0.5230	-0.3830	-0.5100	-0.3240	-0.4820	-0.2490
LIBOR	0.2323	1.9084	0.2545	1.9121	0.3356	1.9963

## USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.2197	-0.04	-87.6
2-Year	0.2560	-0.02	-84.9
5-Year	0.4535	-0.83	-73.8
7-Year	0.6471	-0.34	-64.0
10-Year	0.8810	-0.35	-53.5
30-Year	1.3035	-0.15	-37.7

## Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3053	0.0000	-0.70
SAR	3.7508	-0.0053	0.02
BHD	0.3771	0.0000	-0.01
QAR	3.6414	-0.0027	0.01
OMR	0.3850	0.0000	0.00
AED	3.6731	0.0000	0.00

## US Treasuries

	Yield %	1D Δ (%)
2-Year	0.16	0.00
5-Year	0.39	0.00
10-Year	0.88	0.01
30-Year	1.62	0.02

Source: Bloomberg

## UK Gilts

	Yield %	1D Δ (%)
2-Year	-0.04	0.01
5-Year	0.01	0.04
10-Year	0.31	0.14
30-Year	0.88	0.50

## German Bunds

	Yield %	1D Δ (%)
2-Year	-0.73	0.00
5-Year	-0.77	0.01
10-Year	-0.63	0.04
30-Year	-0.16	0.21

## Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	A1	AA-	AA
KSA	A1	A-u	A
UAE	Aa2	NR	NR
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	B2	NR	B
Morocco	Ba1	BBB-	BB+
US	Aaa	AA+u	AAA
UK	Aa2	AAu	AA-
China	A1	A+	A+

## USD 5Yr CDS

	26-Nov 2020	31-Dec 2019
Kuwait	41.18	36.700
KSA	65.13	56.915
Abu Dhabi	35.58	36.090
Dubai	110.00	91.005
Qatar	37.08	36.705
Bahrain	284.41	175.995
Oman	384.74	234.400
Iraq	582.89	383.680
Egypt	367.93	277.420
Morocco	95.11	91.435
Turkey	383.91	282.130
US	12.32	10.810
UK	17.24	16.210
China	28.84	31.205
Japan	14.92	21.042
Germany	9.36	7.080
France	16.25	16.130