

News Updates

Saudi mortgage finance firm eyes US debut issuance – The Saudi Real Estate Refinance Company (SRC), the mortgage finance giant owned by the Kingdom's sovereign wealth fund, the Public Investment Fund (PIF), is considering an international bond issuance this year, possibly in the US, its CEO told Arab News. The SRC issued an SAR 4 billion (\$1.07 billion) domestic sukuk — the Islamic equivalent of a bond — last month, designed to provide liquidity to the Kingdom's housing market. CEO Fabrice Susini said that the SRC's current balance sheet had more than tripled between the end of 2019 and the end of 2020, but he did not rule out going back to the market for another capital injection. (Source: Arab News)

Egypt expects debt to be 'Euroclearable' by November, says minister – Egypt expects its domestic debt to be "Euroclearable" and open to a larger number of foreign investors by November, Finance Minister Mohamed Maait said on Tuesday. Egypt signed an agreement to create a cross-border link with Euroclear, Europe's biggest settlement house for securities, in 2019. In a speech to the American Chamber of Commerce, Maait said that Egypt also expected to join JPMorgan's GBI-EM investment index in a listing that could lift its local currency bond markets. Egypt and Ukraine have been placed on review for joining the widely tracked index and expect to receive a decision within the next six months. (Source: Zawya)

Fed to Stay Patient as U.S. Outlook Improves: Decision-Day Guide – Federal Reserve Chair Jerome Powell is expected to maintain aggressive U.S. economic support, even as faster vaccinations have brightened the outlook for recovery. The Federal Open Market Committee is all but certain to hold interest rates near zero at the conclusion of a two-day policy meeting Wednesday, and repeat a vow to keep buying bonds at the current \$120 billion monthly pace. The panel will release a statement at 2 p.m. in Washington and Powell will hold a press briefing 30 minutes later. No quarterly forecasts are published at this meeting. (Source: Reuters)

ECB's Panetta: we must maintain stimulus until inflation hits 2% – The European Central Bank should not dial back its aggressive stimulus measures until the euro zone economy achieves its growth potential and inflation is back at 2%, ECB board member Fabio Panetta said on Monday. The ECB, which kept its policy unchanged last week, is set to decide in June the future of its emergency bond purchases, the key plank of its response to the coronavirus pandemic, which crippled the euro zone economy. Panetta said the ECB could and should keep credit cheap for a long time, even if borrowing costs around the world rise as a result of a booming U.S. economy. (Source: Reuters)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.91	-0.96	KSA	2025	1.40	-1.33
Abu Dhabi	2030	2.05	-4.00	KSA	2030	2.51	-4.15
Abu Dhabi	2050	3.22	-8.51	KSA	2050	3.78	-8.43
Bahrain	2026	3.36	-1.03	Oman	2025	3.31	2.73
Bahrain	2030	5.40	-4.70	Oman	2029	4.96	2.82
Bahrain	2047	6.92	-9.46	Oman	2048	6.70	0.56
Dubai	2029	2.67	-1.37	Qatar	2025	1.02	-1.28
Kuwait	2022	0.20	-0.81	Qatar	2030	2.21	-4.87
Kuwait	2027	1.52	-2.86	Qatar	2050	3.43	-10.21

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.71	8.08	-0.14	-1.58
S&P MENA Bond and Sukuk Index	2.35	NA	-0.22	-2.36
Bloomberg Emerging Markets USD Index	3.92	6.80	-0.17	-2.34
Bloomberg Global Aggregate Index	1.13	7.42	-0.18	-2.97

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	28/4/2021	31/12/2020	28/4/2021	31/12/2020	28/4/2021	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	1.0814	1.1206	1.1621	1.1960	1.2755	1.3636
AEIBOR	0.3847	0.5125	0.5086	0.4908	0.5687	0.6538
EURIBOR	-0.5380	-0.5450	-0.5140	-0.5260	-0.4770	-0.4990
LIBOR	0.1840	0.2384	0.2019	0.2576	0.2820	0.3419

USD Swap Rates

Interest Rates				Currencies				Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)	
1-Year	0.2136	-0.13	11.0	KWD	0.3012	-0.0332	0.71	Gold	1,768.30	-7.07	
2-Year	0.2911	0.24	47.2	SAR	3.7506	0.0000	0.04	Silver	26.06	-1.80	
5-Year	0.9720	1.40	126.0	BHD	0.3770	0.0027	0.01	Copper	443.10	25.65	
7-Year	1.3238	2.08	102.2	QAR	3.6421	-0.0110	-0.01	Nat. Gas	2.87	12.29	
10-Year	1.6405	2.70	77.3	OMR	0.3850	0.0000	-0.01	Aluminum	2,383.45	20.00	
30-Year	2.0440	2.19	45.8	AED	3.6730	0.0000	0.00	Crude Oil	66.72	29.15	

US Treasuries

	Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)
2-Year	0.18	0.01		0.07	-0.03		-0.67	0.00
5-Year	0.89	-0.05		0.36	-0.09		-0.68	-0.04
10-Year	1.64	-0.17		0.80	-0.36		-0.35	-0.20
30-Year	2.31	-0.30		1.33	-0.72		0.31	-0.62

UK Gilts

	Yield %	1D Δ (%)		Yield %	1D Δ (%)
2-Year	0.18	0.01		0.07	-0.03
5-Year	0.89	-0.05		0.36	-0.09
10-Year	1.64	-0.17		0.80	-0.36
30-Year	2.31	-0.30		1.33	-0.72

German Bunds

	Yield %	1D Δ (%)
2-Year	0.18	0.01
5-Year	0.89	-0.05
10-Year	1.64	-0.17
30-Year	2.31	-0.30

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	28-Apr 2021	31-Dec 2020	
Kuwait	46.03	40.69	
KSA	64.54	63.77	
Abu Dhabi	42.69	36.03	
Dubai	93.38	104.06	
Qatar	42.85	36.70	
Bahrain	192.49	233.58	
Oman	261.82	353.60	
Iraq	485.31	542.74	
Egypt	317.77	330.47	
Morocco	91.10	102.56	
Turkey	426.22	299.47	
US	8.10	11.52	
UK	9.43	15.13	
China	38.98	26.70	
Japan	15.77	14.74	
Germany	9.46	9.09	
France	20.35	14.42	