

News Updates

Moody's affirms Arabian Centres rating at Ba2, negative outlook – Moody's Investors Service reaffirmed Arabian Centres Company's (ACC) Ba2 corporate family rating, the ratings agency said in a statement on Thursday. Moody's has also confirmed the Ba3 rating on the \$500 million sukuk due in 2024 issued by Arabian Centres Sukuk Limited. At the same time, Moody's has changed the outlook to negative from ratings under review. This concludes the review initiated on May 26, 2020. (Source: Argaam)

UAE's BPGIC says issues \$200mln inaugural bonds – Brooge Petroleum and Gas Investment Company, a subsidiary of Brooge Energy, issued \$200 million in senior secured bonds with a borrowing limit of \$250 million in the Nordic bond market, the firm said in a statement on Friday. The debut bond issuance has a five-year maturity and will be used, among other things, to repay existing bank debt as the company expands its oil storage business, the company said. (Source: Reuters)

Oman's inflation falls 1.34% in August – The Sultanate's Consumer Price Index (CPI)-based inflation declined by 1.34 per cent in August 2020 compared to the same month in 2019, according to the latest data released by the National Centre for Statistics and Information (NCSI) on CPI. According to the report, the inflation rate of August rose by 0.13 per cent compared to July 2020. (Source: Times of Oman)

Egypt's Inflation at Lowest in 10 Months as Food Prices Ease – Annual inflation in urban parts of Egypt eased to its lowest level since October 2019 as food prices fell, although it's unlikely to prompt any imminent cut in interest rates. The annual rate in August slowed to 3.4%, compared with 4.2% the month before, the state-run statistics agency CAPMAS said Thursday. Food and beverage costs, which account for the largest single component of the inflation basket, dropped an annual 4.1%. On a month-on-month basis, prices fell 0.2%. (Source: Bloomberg)

Moody's downgrades Turkey's ratings to B2 and maintains negative outlook – Moody's Investors Service ("Moody's") has downgraded the government of Turkey's issuer and senior unsecured debt ratings to B2 from B1 and downgraded its senior unsecured shelf rating to (P)B2 from (P)B1. The negative outlook has been maintained. Moody's has also downgraded the senior unsecured backed debt rating of Hazine Mustesarligi Varlik Kiralama A.S. to B2 from B1, a special purpose vehicle wholly owned by the Republic of Turkey from which the Treasury issues sukuk certificates. The negative outlook has been maintained for this issuer. (Source: Bloomberg)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	1.04	4.53	KSA	2025	1.52	5.46
Abu Dhabi	2030	1.69	8.83	KSA	2030	2.17	9.59
Abu Dhabi	2050	2.68	20.50	KSA	2050	3.24	10.37
Bahrain	2026	4.04	-3.67	Oman	2025	4.99	-4.29
Bahrain	2030	5.34	12.51	Oman	2029	6.11	-5.49
Bahrain	2047	6.47	-7.92	Oman	2048	7.61	-10.84
Dubai	2029	2.63	2.59	Qatar	2025	1.23	5.84
Kuwait	2022	0.62	1.35	Qatar	2030	1.83	11.12
Kuwait	2027	1.32	5.23	Qatar	2050	2.82	22.63

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.63	8.08	-0.03	6.18
S&P MENA Bond and Sukuk Index	2.12	NA	0.02	7.70
Bloomberg Emerging Markets USD Index	3.99	6.80	-0.05	3.43
Bloomberg Global Aggregate Index	0.89	7.42	0.03	5.86

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	13/09/2020	31/12/2019	13/09/2020	31/12/2019	13/09/2020	31/12/2019
KIBOR	1.6250	2.7500	1.8125	2.9375	2.1250	3.1875
SAIBOR	0.8900	2.2314	0.9388	2.2557	0.9925	2.3071
BHIBOR	2.2833	2.6667	2.5000	2.7000	2.6833	2.8333
QATAR	1.0569	2.2500	1.1382	2.3500	1.2973	2.5333
AEIBOR	0.3931	2.2086	0.6294	2.1914	0.9729	2.2900
EURIBOR	-0.4840	-0.3830	-0.4550	-0.3240	-0.3950	-0.2490
LIBOR	0.2504	1.9084	0.2819	1.9121	0.4139	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.2337	-0.55	-86.8
2-Year	0.2112	-0.91	-87.6
5-Year	0.3151	-1.59	-81.8
7-Year	0.4675	-1.24	-74.0
10-Year	0.6765	-0.86	-64.3
30-Year	1.0513	-0.22	-49.7

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3058	0.0000	-0.90
SAR	3.7509	0.0000	0.02
BHD	0.3771	0.0000	0.00
QAR	3.6414	0.0055	0.01
OMR	0.3850	0.0000	-0.01
AED	3.6730	0.0000	0.00

US Treasuries

	Yield %	1D Δ (%)
2-Year	0.13	0.03
5-Year	0.25	0.08
10-Year	0.67	0.12
30-Year	1.41	0.21

UK Gilts

	Yield %	1D Δ (%)
2-Year	-0.14	0.02
5-Year	-0.13	0.18
10-Year	0.18	0.53
30-Year	0.75	1.57

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.69	0.03
5-Year	-0.72	0.16
10-Year	-0.55	0.45
30-Year	-0.04	1.34

Source: Bloomberg

Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	Aa2	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	BB-	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-	BBB-
US	Aaa	AA+u	AAA
UK	Aa2	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS

	13-Sep 2020	31-Dec 2019
Kuwait	49.53	36.700
KSA	80.08	56.915
Abu Dhabi	41.95	36.090
Dubai	130.00	91.005
Qatar	41.61	36.705
Bahrain	301.68	175.995
Oman	415.69	234.400
Iraq	531.83	383.680
Egypt	409.34	277.420
Morocco	119.61	91.435
Turkey	503.63	282.130
US	12.99	10.810
UK	16.01	16.210
China	35.42	31.205
Japan	15.86	21.042
Germany	9.47	7.080
France	15.11	16.130