

News Updates

Doha Bank mandates banks for USD 5Y Reg S Bond – Doha Bank, rated Baa1 (stable)/ A (stable) by Moody's/ Fitch, has mandated ING as Sole Global Coordinator and Joint Lead Manager and Barclays, Credit Suisse, Deutsche Bank, J.P. Morgan, Mizuho Securities, MUFG and QNB Capital as Joint Lead Managers to organize a series of investor calls starting 22 March 2021. A benchmark five-year fixed rate US Dollar-denominated senior unsecured Regulation S bond (in registered form) transaction under Doha Bank's USD 2bn euro medium term note programme will follow, subject to market conditions. *(Source: Bloomberg)*

S&P affirms Jordan's rating, citing ambitious reform programme – International credit rating agency Standard and Poor's (S&P) last week affirmed Jordan's B+/B sovereign credit rating, maintaining a stable outlook despite global downgrades to both regional and global countries. The maintained rating by S&P is owed to Jordan "building a track record for implementing an ambitious list of reforms" over time, supported by an "ambitious IMF-sponsored reform agenda aimed at spurring investment, improving competitiveness, widening the tax base, targeting corruption and improving transparency". *(Source: Jordan Times)*

Fed Will Need to Buy Bonds as Stimulus Boosts Yields, Dalio Says – The U.S. Federal Reserve will need to buy more bonds as an oversupply of Treasuries drives up yields, said Ray Dalio, founder of Bridgewater Associates. The recent fiscal stimulus announced by the Biden administration will result in more bond sales to finance the spending, worsening the "supply-demand problem for the bonds, which will exert upward pressure on rates," Dalio said, an annual conference hosted by the Chinese government. That will "prompt the Federal Reserve to have to buy more, which will exhibit downward pressure on the dollar," he said. He said the world is "very overweighted in bonds," and they are yielding minus 1 basis point in real terms, which is "very bad." "And not only might there be not enough demand, but it's possible that we start to see the selling of those bonds," he said. "That situation is bearish for the dollar." Fed Chair Jerome Powell said this week that current monetary policy is appropriate and there's no reason to push back against a surge in Treasury yields over the past month. *(Source: Bloomberg)*

Fed will raise rates when economy meets conditions, Barkin says – Longer-term borrowing costs are rising because of increased economic optimism and some expectations of rising inflation, Richmond Federal Reserve Bank President Thomas Barkin said on Friday, but the Fed won't be raising short-term interest rates until the economy meets clear benchmarks. "I expect to start raising rates when we meet the conditions that we've talked about," Barkin said on CNBC. The Fed has promised not to raise rates until the economy has reached full employment and inflation has not only hit the Fed's 2% goal but is on track to exceed that goal for some time. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	1.06	-1.41	KSA	2025	1.39	-1.27
Abu Dhabi	2030	2.19	-4.96	KSA	2030	2.56	-4.41
Abu Dhabi	2050	3.37	-10.97	KSA	2050	3.93	-10.50
Bahrain	2026	3.40	-0.99	Oman	2025	3.48	2.25
Bahrain	2030	5.74	-6.64	Oman	2029	5.11	1.86
Bahrain	2047	6.96	-9.97	Oman	2048	6.88	-1.73
Dubai	2029	2.72	-1.79	Qatar	2025	1.10	-1.40
Kuwait	2022	0.09	-0.53	Qatar	2030	2.24	-5.02
Kuwait	2027	1.59	-3.09	Qatar	2050	3.50	-11.31

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.81	8.08	0.11	-3.04
S&P MENA Bond and Sukuk Index	2.38	NA	0.27	-3.66
Bloomberg Emerging Markets USD Index	3.90	6.80	0.16	-3.12
Bloomberg Global Aggregate Index	1.16	7.42	-0.01	-3.97

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	21/3/2021	31/12/2020	21/3/2021	31/12/2020	21/3/2021	31/12/2020
KIBOR	1.5000	1.4375	1.6875	1.6875	1.9375	1.9375
SAIBOR	0.7963	0.8175	0.8438	0.8700	0.9163	0.9413
BHIBOR	1.6583	2.2500	1.7583	2.5333	2.1350	2.6833
QATAR	0.9750	1.1206	1.1000	1.1960	1.2000	1.3636
AEIBOR	0.3652	0.5125	0.5838	0.4908	0.5870	0.6538
EURIBOR	-0.5390	-0.5450	-0.5150	-0.5260	-0.4830	-0.4990
LIBOR	0.1969	0.2384	0.2024	0.2576	0.2763	0.3419

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.2027	0.16	5.3
2-Year	0.2616	0.50	32.3
5-Year	0.9785	3.55	127.6
7-Year	1.3888	4.63	112.2
10-Year	1.7464	4.69	88.7
30-Year	2.1845	3.17	55.8

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3020	0.0000	0.43
SAR	3.7507	-0.0053	0.03
BHD	0.3770	0.0000	-0.01
QAR	3.6414	0.0082	0.00
OMR	0.3850	0.0000	0.00
AED	3.6730	0.0000	0.00

Commodities

	USD	YTD Δ (%)
Gold	1,743.90	-8.35
Silver	26.32	-0.57
Copper	411.30	16.71
Nat. Gas	2.54	-0.12
Aluminum	2,249.00	13.46
Crude Oil	64.53	24.62

US Treasuries

	Yield %	1D Δ (%)
2-Year	0.15	0.01
5-Year	0.88	-0.07
10-Year	1.72	-0.09
30-Year	2.43	0.34

UK Gilts

	Yield %	1D Δ (%)
2-Year	0.08	0.03
5-Year	0.38	0.15
10-Year	0.83	0.39
30-Year	1.36	0.84

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.66	0.01
5-Year	-0.71	0.08
10-Year	-0.41	0.26
30-Year	0.28	0.54

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	BBB-	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+
USD 5Yr CDS	21-Mar 2021	31-Dec 2020	
Kuwait	42.36	40.69	
KSA	60.33	63.77	
Abu Dhabi	41.52	36.03	
Dubai	92.59	104.06	
Qatar	41.50	36.70	
Bahrain	187.34	233.58	
Oman	277.48	353.60	
Iraq	406.60	542.74	
Egypt	284.20	330.47	
Morocco	87.40	102.56	
Turkey	304.46	299.47	
US	8.45	11.52	
UK	11.56	15.13	
China	28.13	26.70	
Japan	14.59	14.74	
Germany	8.30	9.09	
France	13.77	14.42	