

## News Updates

### Emirate of Sharjah returns to debt markets with dollar sukuk offering

– The Emirate of Sharjah has hired banks to arrange an issuance of 10-year U.S. dollar-denominated sukuk, or Islamic bonds, a document showed on Monday, the latest Gulf sovereign to tap the world debt markets. HSBC was hired as global coordinator, the document from one of the banks on the deal showed. Abu Dhabi Islamic Bank, Dubai Islamic Bank, Sharjah Islamic Bank, Standard Chartered and The Islamic Corporation for the Development of the Private Sector will join HSBC in arranging investor calls starting on Monday. A sukuk offering, Sharjah's second this year, will follow, subject to market conditions. The deal comes despite governments of the hydrocarbon-rich Gulf benefiting from a rebound from the shock of last year's oil price crash, with Brent crude at around \$76.5 on Monday, and the COVID-19 pandemic's impact lessening. (Source: Reuters)

### Abu Dhabi royalty-owned company hires banks for dollar sukuk –

The Private Department of Sheikh Mohamed Bin Khalid Al Nahyan, owned by members of Abu Dhabi's ruling family, has hired banks for a sale of five-year U.S. dollar-denominated sukuk, or Islamic bonds, a document showed on Monday. The company, which owns a portfolio of mainly residential real estate in Abu Dhabi, hired Emirates NBD Capital and First Abu Dhabi Bank as global coordinators. Abu Dhabi Commercial Bank, Dubai Islamic Bank and Mashreqbank will join them in arranging fixed income investor calls starting on Monday, the document from one of the banks showed. A sukuk issue under the company's \$1 billion trust certificate issuance programme will follow, subject to market conditions. (Source: Reuters)

### Qatar's Dukhan Bank hires banks for perpetual dollar Islamic bonds

– Qatar's Dukhan Bank has hired Standard Chartered as global coordinator for a planned sale of U.S. dollar-denominated Additional Tier 1 Islamic bonds, a document showed on Monday. Citi, Credit Suisse, JPMorgan, KFH Capital, QInvest, QNB Capital and Societe Generale will join Standard Chartered in arranging investor calls starting on Monday, the document from one of the banks showed. An offering of unrated fixed rate resettable AT1 sukuk will follow, subject to market conditions. AT1 bonds, the riskiest debt instruments banks can issue, are designed to be perpetual in nature but issuers can call them in after a specified period. Dukhan's sukuk will be non-callable for five-and-a-half years. (Source: Reuters)

## GCC Sovereign Yields

| Sovereigns | Maturity | Yield % | Price Δ (YTD %) | Sovereigns | Maturity | Yield % | Price Δ (YTD %) |
|------------|----------|---------|-----------------|------------|----------|---------|-----------------|
| Abu Dhabi  | 2025     | 0.73    | -0.58           | KSA        | 2025     | 1.11    | -0.52           |
| Abu Dhabi  | 2030     | 2.02    | -3.84           | KSA        | 2030     | 2.29    | -2.64           |
| Abu Dhabi  | 2050     | 3.07    | -5.89           | KSA        | 2050     | 3.52    | -4.43           |
| Bahrain    | 2026     | 3.67    | -2.72           | Oman       | 2025     | 3.34    | 2.36            |
| Bahrain    | 2030     | 5.48    | -5.31           | Oman       | 2029     | 5.05    | 2.17            |
| Bahrain    | 2047     | 6.82    | -8.41           | Oman       | 2048     | 6.79    | -0.71           |
| Dubai      | 2029     | 2.47    | -0.44           | Qatar      | 2025     | 0.94    | -1.36           |
| Kuwait     | 2022     | 0.09    | -1.20           | Qatar      | 2030     | 2.08    | -4.16           |
| Kuwait     | 2027     | 1.34    | -2.24           | Qatar      | 2050     | 3.23    | -7.06           |

## Bonds and Sukuk Indices

| Index Name                           | Yield % | Duration (yrs) | 1D Δ (%) | YTD Δ (%) |
|--------------------------------------|---------|----------------|----------|-----------|
| Bloomberg GCC FI Index               | 2.62    | 8.08           | 0.01     | -0.12     |
| S&P MENA Bond and Sukuk Index        | 2.20    | NA             | 0.03     | -0.59     |
| Bloomberg Emerging Markets USD Index | 3.82    | 6.80           | 0.02     | -0.58     |
| Bloomberg Global Aggregate Index     | 1.11    | 7.42           | 0.12     | -3.06     |

## Interbank Rates (%)

|         | 3 Months |            | 6 Months |            | 12 Months |            |
|---------|----------|------------|----------|------------|-----------|------------|
|         | 6/7/2021 | 31/12/2020 | 6/7/2021 | 31/12/2020 | 6/7/2021  | 31/12/2020 |
| KIBOR   | 1.5000   | 1.4375     | 1.7500   | 1.6875     | 2.0000    | 1.9375     |
| SAIBOR  | 0.7929   | 0.8175     | 0.8443   | 0.8700     | 0.9143    | 0.9413     |
| BHIBOR  | 1.6417   | 2.2500     | 1.7333   | 2.5333     | 1.8667    | 2.6833     |
| QATAR   | 0.9979   | 1.1206     | 1.0979   | 1.1960     | 1.2820    | 1.3636     |
| AEIBOR  | 0.3390   | 0.5125     | 0.4489   | 0.4908     | 0.4545    | 0.6538     |
| EURIBOR | -0.5460  | -0.5450    | -0.5120  | -0.5260    | -0.4850   | -0.4990    |
| LIBOR   | 0.1379   | 0.2384     | 0.1630   | 0.2576     | 0.2445    | 0.3419     |

## USD Swap Rates

| USD Swap Rates |        |            |           | Currencies |        |            |           | Commodities |          |           |
|----------------|--------|------------|-----------|------------|--------|------------|-----------|-------------|----------|-----------|
| Yield %        |        | 1D Δ (bps) | YTD Δ (%) | USD        |        | 1D Δ (bps) | YTD Δ (%) | USD         |          | YTD Δ (%) |
| 1-Year         | 0.1754 | -0.05      | -8.9      | KWD        | 0.3011 | 0.0332     | 0.75      | Gold        | 1,800.70 | -5.51     |
| 2-Year         | 0.3181 | 0.56       | 60.8      | SAR        | 3.7506 | 0.0000     | 0.03      | Silver      | 26.69    | 0.38      |
| 5-Year         | 0.9455 | 1.23       | 119.9     | BHD        | 0.3770 | 0.0000     | 0.00      | Copper      | 435.95   | 23.60     |
| 7-Year         | 1.1989 | 1.14       | 83.2      | QAR        | 3.6419 | 0.0082     | 0.01      | Nat. Gas    | 3.79     | 39.74     |
| 10-Year        | 1.4256 | 1.42       | 54.1      | OMR        | 0.3850 | 0.0026     | 0.00      | Aluminum    | 2,543.50 | 27.57     |
| 30-Year        | 1.7566 | 2.22       | 25.3      | AED        | 3.6730 | 0.0000     | 0.00      | Crude Oil   | 77.51    | 51.39     |

## US Treasuries

|         | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) |
|---------|---------|----------|---------|----------|---------|----------|
| 2-Year  | 0.24    | 0.00     | 0.05    | 0.00     | -0.71   | 0.00     |
| 5-Year  | 0.87    | -0.04    | 0.31    | 0.02     | -0.67   | 0.00     |
| 10-Year | 1.44    | -0.17    | 0.71    | -0.13    | -0.37   | 0.00     |
| 30-Year | 2.07    | -0.53    | 1.23    | -0.24    | 0.29    | 0.00     |

## UK Gilts

|         | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) |
|---------|---------|----------|---------|----------|---------|----------|
| 2-Year  | 0.24    | 0.00     | 0.05    | 0.00     | -0.71   | 0.00     |
| 5-Year  | 0.87    | -0.04    | 0.31    | 0.02     | -0.67   | 0.00     |
| 10-Year | 1.44    | -0.17    | 0.71    | -0.13    | -0.37   | 0.00     |
| 30-Year | 2.07    | -0.53    | 1.23    | -0.24    | 0.29    | 0.00     |

## German Bunds

|         | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) |
|---------|---------|----------|---------|----------|---------|----------|
| 2-Year  | 0.24    | 0.00     | 0.05    | 0.00     | -0.71   | 0.00     |
| 5-Year  | 0.87    | -0.04    | 0.31    | 0.02     | -0.67   | 0.00     |
| 10-Year | 1.44    | -0.17    | 0.71    | -0.13    | -0.37   | 0.00     |
| 30-Year | 2.07    | -0.53    | 1.23    | -0.24    | 0.29    | 0.00     |

## 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+    |
| <b>USD 5Yr CDS</b> | <b>6-Jul 2021</b> | <b>31-Dec 2020</b> |       |
| Kuwait             | 45.57             | 40.69              |       |
| KSA                | 53.23             | 63.77              |       |
| Abu Dhabi          | 37.85             | 36.03              |       |
| Dubai              | 78.95             | 104.06             |       |
| Qatar              | 37.77             | 36.70              |       |
| Bahrain            | 202.31            | 233.58             |       |
| Oman               | 237.84            | 353.60             |       |
| Iraq               | 502.56            | 542.74             |       |
| Egypt              | 323.36            | 330.47             |       |
| Morocco            | 89.68             | 102.56             |       |
| Turkey             | 383.13            | 299.47             |       |
| US                 | 7.19              | 11.52              |       |
| UK                 | 7.87              | 15.13              |       |
| China              | 35.78             | 26.70              |       |
| Japan              | 15.65             | 14.74              |       |
| Germany            | 9.25              | 9.09               |       |
| France             | 19.04             | 14.42              |       |