

News Updates

Dubai Islamic Bank postpones sukuk amid coronavirus volatility – Dubai Islamic Bank has postponed a planned issuance of U.S. dollar-denominated sukuk due to market conditions resulting from the new coronavirus outbreak, three sources familiar with the matter said. DIB, the largest Islamic bank in the United Arab Emirates, hired banks to arrange the Islamic bonds last month, a document showed on Feb. 20. It was planning to raise the financing - likely to be \$750 million - on Feb. 26, but decided to wait for better market conditions, said one of the sources. DIB did not immediately return a request for comment. The potential deal received a good response from investors while it was being marketed, but volatility in the debt markets as the coronavirus outbreak intensifies would have increased the sukuk profit rate, said the source.

NMC Health hires Moelis for debt restructuring – NMC Health, the UAE healthcare company, has hired Moelis & Co MC.N to advise on a debt restructuring, three sources familiar with the matter said on Sunday. The sources said NMC had hired Moelis in relation to its ability to meet debt obligations. Britain's Financial Conduct Authority (FCA) said on Feb. 27 it would investigate the finances of NMC Health, whose shares were suspended on the London Stock Exchange last week. NMC, part of the FTSE 100 index of leading shares has said it would cooperate with the FCA and any other relevant authorities. It had earlier said it was focused on providing clarity to the market as to its financial position. The company's shares have lost more than half of their value since last December when U.S. based short-seller Muddy Waters first questioned its financial statements.

Saudi GDP rises by 0.3% in 2019 – Saudi Arabia's Gross Domestic Product (GDP) recorded an annual growth rate of 0.3% last year, as shown by preliminary estimates by the General Authority for Statistics (GaStat). Growth in 2019 mainly originated from the expansion of the wholesale and retail trade, restaurants and hotels sector by 6.3%. Finance, insurance, and business services recorded an 8% growth, while transport, storage, and communication increased by 5.6%. GaStat further noted that the Saudi GDP at current prices amounted to SAR 2.97 trillion last year, up by 0.8% from 2018. Meanwhile, real economic growth in the non-oil sector increased by 3.3%, mainly driven by expansion in the private sector by 3.8%, as the Saudi oil GDP declined by 3.6% in 2019.

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Yield Δ (YTD %)	Sovereigns	Maturity	Yield %	Yield Δ (YTD %)
Abu Dhabi	2027	2.02	-15.56	KSA	2025	2.17	-6.32
Abu Dhabi	2047	2.97	-7.63	KSA	2029	2.54	-9.25
Bahrain	2024	3.51	2.87	KSA	2049	3.63	-5.62
Bahrain	2029	4.84	6.90	Oman	2025	4.25	2.03
Bahrain	2047	6.17	5.25	Oman	2029	5.80	9.05
Dubai	2023	2.61	7.31	Oman	2048	7.12	6.89
Dubai	2029	3.14	0.39	Qatar	2024	1.87	-12.65
Kuwait	2022	1.62	-15.03	Qatar	2028	2.28	-8.56
Kuwait	2027	1.98	-14.44	Qatar	2049	3.30	-5.29

Source: Bloomberg

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.01	7.33	-0.27	1.41
S&P MENA Bond and Sukuk Index	2.70	NA	-0.14	2.31
Bloomberg Emerging Markets USD Index	4.78	6.28	-0.37	1.34
Bloomberg Global Aggregate Index	1.07	7.27	0.64	1.96

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	02/03/2020	31/12/2019	02/03/2020	31/12/2019	02/03/2020	31/12/2019
KIBOR	2.5625	2.7500	2.8125	2.9375	3.0625	3.1875
SAIBOR	2.0200	2.2314	2.0171	2.2557	2.0271	2.3071
BHIBOR	2.1500	2.2500	2.6000	2.7000	2.7333	2.8333
QATAR	2.2999	2.2500	2.3999	2.3500	2.6696	2.5333
AEIBOR	1.7900	2.2086	1.7800	2.1914	1.9761	2.2900
EURIBOR	-0.4240	-0.3830	-0.3860	-0.3240	-0.3110	-0.2490
LIBOR	1.4628	1.9084	1.3973	1.9121	1.3815	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.9834	-15.84	-44.5
2-Year	0.8463	-13.87	-50.1
5-Year	0.8781	-10.33	-49.2
7-Year	0.9408	-9.09	-47.7
10-Year	1.0391	-7.84	-45.2
30-Year	1.2485	-5.21	-40.3

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3069	-0.2772	-1.18
SAR	3.7521	0.0053	0.00
BHD	0.3771	-0.0053	0.00
QAR	3.6675	-0.0109	-0.21
OMR	0.3851	0.0052	-0.02
AED	3.6731	0.0000	0.00

US Treasuries

	Yield %	1D Δ (%)
2-Year	0.77	0.29
5-Year	0.83	0.53
10-Year	1.08	0.72
30-Year	1.64	0.79

UK Gilts

	Yield %	1D Δ (%)
2-Year	0.30	0.05
5-Year	0.32	0.13
10-Year	0.44	0.33
30-Year	0.94	0.17

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.79	0.06
5-Year	-0.78	0.18
10-Year	-0.64	0.63
30-Year	-0.16	2.87

	Sovereign Ratings		
	Moody's	S&P	Fitch
Abu Dhabi	Aa2	AA	AA
Bahrain	B2	B+	BB-
Kuwait	Aa2	AA	AA
Oman	Ba1	BB	BB+
Qatar	Aa3	AA-	AA-
KSA	A1	A-	A
UAE	Aa2	NR	NR
Egypt	B2	B	B+
Lebanon	Ca	CC	CC
Turkey	B1	B+	BB-
Tunisia	B2	NR	B+
Morocco	Ba1	BBB-	BBB-
Jordan	B1	B+	BB-
China	A1	A+	A+
UK	Aa2	AA	AA
USA	Aaa	AA+	AAA
USD 5-Year CDS			YTD Δ (%)
Abu Dhabi	38.160		10.27
Kuwait	38.960		13.72
Dubai	109.960		27.54
Bahrain	196.200		14.32
Qatar	46.750		33.52
KSA	74.500		34.47
Egypt	325.410		20.35
Lebanon	16444.53		873.06
Turkey	297.601		6.19
Iraq	419.220		22.48
Morocco	86.960		6.06
China	47.852		56.84
France	15.990		-4.98
Germany	7.910		6.26
Japan	22.124		11.52
UK	17.950		0.67
US	11.560		7.08