

News Updates

Saudi Aramco to supply additional crude to some Asian refiners in November: sources – Saudi Aramco has agreed to supply additional crude to at least two North Asian buyers in November, while meeting full contractual volumes for three others, sources with knowledge of the matter said on Monday. Full supply volumes were expected for the month, one of the sources said. The world's top oil exporter has been supplying full crude volumes to Asia despite limiting output to comply with a pact between the Organization of the Petroleum Exporting Countries and its allies, a group known as OPEC+. Saudi Aramco also cut prices of crude it sells to Asia for a second month in November - slightly more than expected - a sign it's keen to stay competitive as Middle East producers increase output towards year-end. (Source: Reuters)

Egyptian headline inflation rises to 6.6% in September – Egypt's annual urban consumer price inflation (CPI) climbed to its highest in 20 months in September, rising to 6.6% year on year from 5.7% in August, data from the country's statistics agency CAPMAS showed on Sunday. The rate remains well within the target range of between 5% and 9% set by the central bank, which next meets on Oct. 28 to decide interest rates. Headline inflation was last this high in January 2020, when it reached 7.17%. Egypt's fuel pricing committee also raised domestic prices in a quarterly review on Friday, indicating that more price rises may lie ahead. (Source: Reuters)

Tunisian Banks' Improved Profits Hide Increased Risks – Tunisian banks' improved profitability in 1H21 hides several impending risks, Fitch Ratings says. The sector's recovery could be threatened by Tunisia's fragile political situation, the expiry of debt relief measures, and the transition to IFRS 9 accounting. "Aggregated net income for the 10 largest banks increased 37% yoy in 1H21 and the average return on equity improved to 11% (2020: 10.1%; 2019: 16.8%). The average net interest margin held up at 3.8% (2020: 3.8%) as lower funding costs mitigated the impact of steep interest rate cuts since March 2020," the rating agency said. "However, loan impairment charges still consumed 38% of pre-impairment operating profit and overall profitability is unlikely to return to pre-pandemic levels as long as weak credit conditions persist." Fitch stated. (Source: Fitch Ratings)

Yellen confident Congress will raise debt ceiling – U.S. Treasury Secretary Janet Yellen said on Sunday that it will be lawmakers' responsibility to raise the federal debt limit and expressed confidence that Congress would do so after the temporary reprieve runs out on Dec. 3. Following weeks of partisan fighting, the Senate approved a short-term fix on Thursday that will allow the United States to avoid defaulting on its bills through Dec. 3. Those bills were to pay for Congress' past decisions, Yellen noted, referring to spending Republican lawmakers had backed. (Source: Reuters)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.98	-1.84	KSA	2025	1.23	-1.41
Abu Dhabi	2030	2.05	-4.37	KSA	2030	2.39	-3.47
Abu Dhabi	2050	3.18	-8.00	KSA	2050	3.66	-6.77
Bahrain	2026	4.25	-5.54	Oman	2025	3.44	1.71
Bahrain	2030	5.86	-7.84	Oman	2029	5.00	2.36
Bahrain	2047	7.33	-13.69	Oman	2048	6.78	-0.37
Dubai	2029	2.53	-1.23	Qatar	2025	1.12	-2.64
Kuwait	2022	6.92	-5.01	Qatar	2030	2.17	-5.11
Kuwait	2027	1.29	-2.65	Qatar	2050	3.29	-8.10

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.75	8.08	-0.21	-0.43
S&P MENA Bond and Sukuk Index	2.34	NA	-0.29	-0.98
Bloomberg Emerging Markets USD Index	4.28	6.80	-0.21	-1.92
Bloomberg Global Aggregate Index	1.22	7.42	-0.21	-4.41

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	11/10/2021	31/12/2020	11/10/2021	31/12/2020	11/10/2021	31/12/2020
KIBOR	1.5000	1.4375	1.7500	1.6875	2.0000	1.9375
SAIBOR	0.8143	0.8175	0.8600	0.8700	0.9343	0.9413
BHIBOR	1.5500	2.2500	1.6250	2.5333	1.8000	2.6833
QATAR	1.1500	1.1206	1.2000	1.1960	1.3449	1.3636
AEIBOR	0.3113	0.5125	0.4161	0.4908	0.4594	0.6538
EURIBOR	-0.5480	-0.5450	-0.5180	-0.5260	-0.4820	-0.4990
LIBOR	0.1211	0.2384	0.1565	0.2576	0.2470	0.3419

USD Swap Rates				Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)	
1-Year	0.1831	0.91	-4.9	KWD	0.3016	-0.0332	0.55	Gold	1,756.80
2-Year	0.4417	1.03	123.3	SAR	3.7506	0.0000	0.03	Silver	22.76
5-Year	1.1675	2.03	171.5	BHD	0.3770	0.0000	0.01	Copper	429.05
7-Year	1.3542	-5.55	106.9	QAR	3.6414	0.0055	0.00	Nat. Gas	5.75
10-Year	1.6380	0.24	77.0	OMR	0.3850	0.0000	0.01	Aluminum	2,952.30
30-Year	1.9227	0.37	37.1	AED	3.6731	0.0000	0.00	Crude Oil	83.73

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.32	0.00	0.53	-0.15	-0.75	0.00
5-Year	1.06	0.01	0.76	-0.34	-0.69	0.00
10-Year	1.61	0.02	1.16	-0.70	-0.32	0.00
30-Year	2.16	0.03	1.50	-1.46	0.33	0.00

Sovereign Ratings			
	Moody's	S&P	Fitch
Kuwait	A1	A+	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	11-Oct 2021	31-Dec 2020
Kuwait	46.47	40.69
KSA	52.89	63.77
Abu Dhabi	42.92	36.03
Dubai	91.14	104.06
Qatar	42.83	36.70
Bahrain	285.46	233.58
Oman	259.13	353.60
Iraq	500.44	542.74
Egypt	459.02	330.47
Morocco	96.16	102.56
Turkey	434.85	299.47
US	11.76	11.52
UK	7.61	15.13
China	58.69	26.70
Japan	17.17	14.74
Germany	7.80	9.09
France	19.32	14.42