

News Updates

Boubyan Bank Perp Non-Call 6 Tier1 \$ RegS Sukuk priced at 3.95% – Boubyan Bank have priced their offering of fixed rate USD-denominated Regulation S PNC6 Basel III compliant Tier 1 Capital Certificates at 3.95% yesterday. Boubyan Bank have mandated Citi, NBK Capital and Standard Chartered Bank as joint global coordinators and, together with ADIB, Boubyan Capital, Emirates NBD Capital, Kamco Invest, KIB and KFHC Capital as joint lead managers and joint bookrunners. (Source: Bloomberg)

Arabian Centres Mandates Advisers for Sukuk Sale – Arabian Centres hires banks for a series of virtual fixed-income meetings with investors in Hong Kong, Singapore, the UAE, London and New York from March 24 for the potential sale of dollar-denominated sukuk. The Company mandates Credit Suisse, Goldman Sachs and HSBC as joint global coordinators. Credi Suisse, Goldman Sachs, HSBC, JPMorgan, Kamco Investment, Warba Bank and Albilad Capital are joint bookrunners. (Source: Bloomberg)

Oil Retreats After Surge With Volatility Rising Amid Suez Mishap – Oil retreated in Asia as traders monitored efforts to dislodge a massive ship blocking the Suez Canal, with market volatility rising after two wild days that saw prices whipsaw around 6% in both directions. Futures in New York slid 1.6% after prices surged back above \$61 a barrel on Wednesday, clawing back almost all of the losses in the previous session. Work to re-float the container ship that's stuck in the canal -- a key trade route for crude flows -- was suspended until Thursday morning in Egypt. The best chance of freeing the vessel may not come until Sunday or Monday. The bounce in oil following the canal incident gave the market a much needed breather after a series of factors including softening demand combined to drive prices to a six-week low on Tuesday. U.S. crude stockpiles, meanwhile, have continued to climb, although domestic fuel consumption has expanded. Despite the recent sell-off, oil is still up more than 20% this year and there is confidence in the longer-term outlook for demand as coronavirus vaccinations accelerate worldwide while OPEC+ output cuts tighten supply. (Source: Bloomberg)

Fed to set monetary policy on actual economic outcomes, Evans says – Chicago Federal Reserve President Charles Evans on Wednesday said the central bank will set its monetary policy on economic outcomes and will not reduce monetary policy accommodation until it sees actual improvements. “We’re looking for actual improvement in the economy and inflation to get back up to our dual mandate objectives of maximum inclusive employment and 2% inflation on average,” Evans said at an event hosted by the Japan America Society of Chicago. He forecast in the speech that the U.S. economy will grow 6.5% this year, unemployment will fall to 4.5% this year and below 4% next year, and for inflation to rise temporarily before falling back. (Source: Reuters)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	1.03	-1.25	KSA	2025	1.37	-1.13
Abu Dhabi	2030	2.13	-4.54	KSA	2030	2.48	-3.83
Abu Dhabi	2050	3.29	-9.65	KSA	2050	3.83	-9.11
Bahrain	2026	3.36	-0.90	Oman	2025	3.45	2.35
Bahrain	2030	5.65	-6.14	Oman	2029	5.07	2.14
Bahrain	2047	6.95	-10.00	Oman	2048	6.91	-1.97
Dubai	2029	2.70	-1.73	Qatar	2025	1.10	-1.36
Kuwait	2022	0.25	-0.64	Qatar	2030	2.20	-4.78
Kuwait	2027	1.57	-3.05	Qatar	2050	3.41	-9.96

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.78	8.08	0.10	-2.65
S&P MENA Bond and Sukuk Index	2.37	NA	0.16	-3.26
Bloomberg Emerging Markets USD Index	3.92	6.80	0.03	-2.98
Bloomberg Global Aggregate Index	1.11	7.42	-0.06	-3.75

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	25/3/2021	31/12/2020	25/3/2021	31/12/2020	25/3/2021	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	1.5750	2.2500	1.7550	2.5333	2.0417	2.6833
QATAR	1.0202	1.1206	1.1111	1.1960	1.2914	1.3636
AEIBOR	0.3625	0.5125	0.5014	0.4908	0.6800	0.6538
EURIBOR	-0.5370	-0.5450	-0.5180	-0.5260	-0.4930	-0.4990
LIBOR	0.2006	0.2384	0.2054	0.2576	0.2794	0.3419

USD Swap Rates

			Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)	
1-Year	0.2117	0.49	10.0	KWD	0.3020	0.0000	0.43	Gold
2-Year	0.2651	0.40	34.0	SAR	3.7508	0.0000	0.04	Silver
5-Year	0.9325	0.99	116.9	BHD	0.3771	0.0000	-0.01	Copper
7-Year	1.3125	1.19	100.5	QAR	3.6420	0.0082	0.01	Nat. Gas
10-Year	1.6503	1.40	78.4	OMR	0.3850	0.0000	0.00	Aluminum
30-Year	2.0812	1.60	48.4	AED	3.6730	0.0000	0.00	Crude Oil

US Treasuries

	Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)
2-Year	0.15	0.00		0.05	-0.03		-0.68	0.00
5-Year	0.81	-0.03		0.33	-0.02		-0.75	0.03
10-Year	1.62	-0.11		0.75	0.04		-0.47	0.11
30-Year	2.32	-0.27		1.28	0.16		0.21	0.57

UK Gilts

	Yield %	1D Δ (%)		Yield %	1D Δ (%)
2-Year	0.15	0.00		0.05	-0.03
5-Year	0.81	-0.03		0.33	-0.02
10-Year	1.62	-0.11		0.75	0.04
30-Year	2.32	-0.27		1.28	0.16

German Bunds

	Yield %	1D Δ (%)
2-Year	0.15	0.00
5-Year	0.81	-0.03
10-Year	1.62	-0.11
30-Year	2.32	-0.27

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	25-Mar 2021	31-Dec 2020
Kuwait	45.77	40.69
KSA	68.09	63.77
Abu Dhabi	49.05	36.03
Dubai	99.14	104.06
Qatar	48.70	36.70
Bahrain	186.88	233.58
Oman	272.76	353.60
Iraq	527.34	542.74
Egypt	288.48	330.47
Morocco	90.30	102.56
Turkey	450.56	299.47
US	9.22	11.52
UK	13.77	15.13
China	32.66	26.70
Japan	15.24	14.74
Germany	9.35	9.09
France	15.10	14.42