

News Updates

Boubyan Bank Hires Advisers for USD RegS PNC6 Debt, Tender Offer – Boubyan Bank mandates Citi, NBK Capital and Standard Chartered Bank as joint global coordinators and, together with ADIB, Boubyan Capital, Emirates NBD Capital, Kamco Invest, KIB and KFHH Capital as joint lead managers and joint bookrunners, to arrange a global investor conference call, along with a series of fixed income investor calls. An offering of fixed rate USD-denominated Regulation S PNC6 Basel III compliant Tier 1 Capital Certificates (the “New Capital Certificates”) will follow, subject to market conditions. Boubyan has announced an invitation to the holders of its outstanding RegS only \$250 million Perpetual Tier 1 Capital Certificates issued by Boubyan Tier 1 Capital SPC Limited (the “Existing Capital Certificates”) to tender such Existing Capital Certificates for cash, subject to the successful settlement of the issue of the New Capital Certificates and other conditions described in the Tender Offer Memorandum dated March 22. Citi, Standard Chartered Bank and NBK Capital are appointed as joint dealer managers. The expiration deadline has been set at 4:00pm (London time) on March 29. Kuwait-based Boubyan Bank is rated A3 (stable outlook) /A- (stable outlook) /A+ (negative outlook) by Moody's/S&P/Fitch. *(Source: Bloomberg)*

Islamic Development Bank mandates banks for RegS \$ Sustainability Sukuk – The Islamic Development Bank mandates Citi, HSBC, Goldman Sachs, Natixis, Societe Generale, Standard Chartered Bank and Warba Bank as joint lead managers and bookrunners to arrange fixed income investor calls starting March 22. A 5-year fixed rate Regulation S USD benchmark sustainability sukuk issuance under IsDB's Trust Certificate Issuance Program and Sustainable Finance Framework will follow subject to market conditions. The Islamic Development Bank is rated Aaa/AAA/AAA by Moody's/S&P/Fitch, each with stable outlook. *(Source: Bloomberg)*

Recep Tayyip Erdogan Sends Foreign Cash Rushing Out of Turkey – With President Recep Tayyip Erdogan's sacking of his third central bank governor in less than two years, Turkey's dominant political leader of the past century has demonstrated yet again his determination to fight the conventions of modern economics. Investor flight drove the lira down as much as 15% on Monday, adding to losses that have kept inflation in double digits for the past 16 months. The yield on 10-year lira bonds rose by the most on record and stocks had their steepest drop since 2013. “This is a sudden stop in capital flows,” similar to the currency meltdown in 2018, said Robin Brooks, chief economist of the Institute of International Finance in Washington. “The result back then was a deep recession due to tighter financial conditions. It'll be the same now.” Erdogan's decision to fire Naci Agbal as central bank governor in the early morning hours Saturday followed a stunning 200 basis point interest-rate increase last week that drove the benchmark rate to 19%. In his four months in the office, Agbal had lifted the gauge by a cumulative 875 basis points – a direct contrast to the president's unusual belief that higher borrowing costs fuel inflation. *(Source: Bloomberg)*

GCC Sovereign Yields

| Sovereigns | Maturity | Yield % | Price Δ (YTD %) | Sovereigns | Maturity | Yield % | Price Δ (YTD %) |
|------------|----------|---------|-----------------|------------|----------|---------|-----------------|
| Abu Dhabi | 2025 | 1.05 | -1.42 | KSA | 2025 | 1.42 | -1.31 |
| Abu Dhabi | 2030 | 2.19 | -4.98 | KSA | 2030 | 2.54 | -4.27 |
| Abu Dhabi | 2050 | 3.34 | -10.39 | KSA | 2050 | 3.88 | -9.87 |
| Bahrain | 2026 | 3.38 | -0.96 | Oman | 2025 | 3.46 | 2.29 |
| Bahrain | 2030 | 5.66 | -6.27 | Oman | 2029 | 5.05 | 2.32 |
| Bahrain | 2047 | 6.95 | -10.02 | Oman | 2048 | 6.89 | -1.87 |
| Dubai | 2029 | 2.73 | -1.88 | Qatar | 2025 | 1.12 | -1.43 |
| Kuwait | 2022 | 0.08 | -0.54 | Qatar | 2030 | 2.22 | -4.90 |
| Kuwait | 2027 | 1.59 | -3.12 | Qatar | 2050 | 3.46 | -10.71 |

Bonds and Sukuk Indices

| Index Name | Yield % | Duration (yrs) | 1D Δ (%) | YTD Δ (%) |
|--------------------------------------|---------|----------------|----------|-----------|
| Bloomberg GCC FI Index | 2.80 | 8.08 | 0.16 | -2.88 |
| S&P MENA Bond and Sukuk Index | 2.39 | NA | 0.08 | -3.58 |
| Bloomberg Emerging Markets USD Index | 3.94 | 6.80 | -0.04 | -3.15 |
| Bloomberg Global Aggregate Index | 1.14 | 7.42 | 0.25 | -3.73 |

Interbank Rates (%)

| | 3 Months | | 6 Months | | 12 Months | |
|---------|-----------|------------|-----------|------------|-----------|------------|
| | 23/3/2021 | 31/12/2020 | 23/3/2021 | 31/12/2020 | 23/3/2021 | 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 | 1.1117 | 1.1206 | 1.1889 | 1.1960 | 1.3311 | 1.3636 |
| AEIBOR | 0.4246 | 0.5125 | 0.5414 | 0.4908 | 0.7243 | 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

| | Currencies | | | Commodities | | |
|---------|------------|------------|-----------|-------------|------------|-----------|
| | Yield % | 1D Δ (bps) | YTD Δ (%) | USD | 1D Δ (bps) | YTD Δ (%) |
| 1-Year | 0.2089 | 0.26 | 8.5 | KWD | 0.3020 | 0.0000 |
| 2-Year | 0.2655 | 0.15 | 34.2 | SAR | 3.7506 | 0.0027 |
| 5-Year | 0.9533 | -1.05 | 121.7 | BHD | 0.3771 | 0.0000 |
| 7-Year | 1.3447 | -1.81 | 105.4 | QAR | 3.6419 | 0.0055 |
| 10-Year | 1.6861 | -2.64 | 82.2 | OMR | 0.3850 | 0.0000 |
| 30-Year | 2.1121 | -3.29 | 50.6 | AED | 3.6730 | 0.0000 |

US Treasuries

| | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) |
|---------|---------|----------|---------|----------|---------|----------|
| 2-Year | 0.15 | 0.01 | 0.06 | 0.03 | -0.67 | 0.00 |
| 5-Year | 0.85 | 0.08 | 0.36 | 0.09 | -0.72 | 0.03 |
| 10-Year | 1.67 | 0.27 | 0.81 | 0.26 | -0.43 | 0.14 |
| 30-Year | 2.36 | 0.76 | 1.34 | 0.55 | 0.26 | 0.45 |

Currencies

| | USD | 1D Δ (bps) | YTD Δ (%) | | USD | 1D Δ (bps) | YTD Δ (%) |
|----------|----------|------------|-----------|-----------|-------|------------|-----------|
| Gold | 1,737.10 | -8.71 | | Silver | 25.66 | -3.09 | |
| Copper | 408.85 | 16.02 | | Nat. Gas | 2.56 | 0.87 | |
| Aluminum | 2,256.50 | 13.84 | | Crude Oil | 64.00 | 23.60 | |

UK Gilts

| | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) |
|---------|---------|----------|---------|----------|---------|----------|
| 2-Year | 0.15 | 0.01 | 0.06 | 0.03 | -0.67 | 0.00 |
| 5-Year | 0.85 | 0.08 | 0.36 | 0.09 | -0.72 | 0.03 |
| 10-Year | 1.67 | 0.27 | 0.81 | 0.26 | -0.43 | 0.14 |
| 30-Year | 2.36 | 0.76 | 1.34 | 0.55 | 0.26 | 0.45 |

Commodities

| | USD | 1D Δ (bps) | YTD Δ (%) | | USD | 1D Δ (bps) | YTD Δ (%) |
|----------|----------|------------|-----------|-----------|-------|------------|-----------|
| Gold | 1,737.10 | -8.71 | | Silver | 25.66 | -3.09 | |
| Copper | 408.85 | 16.02 | | Nat. Gas | 2.56 | 0.87 | |
| Aluminum | 2,256.50 | 13.84 | | Crude Oil | 64.00 | 23.60 | |

German Bunds

| | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) | Yield % | 1D Δ (%) |
|---------|---------|----------|---------|----------|---------|----------|
| 2-Year | 0.15 | 0.01 | 0.06 | 0.03 | -0.67 | 0.00 |
| 5-Year | 0.85 | 0.08 | 0.36 | 0.09 | -0.72 | 0.03 |
| 10-Year | 1.67 | 0.27 | 0.81 | 0.26 | -0.43 | 0.14 |
| 30-Year | 2.36 | 0.76 | 1.34 | 0.55 | 0.26 | 0.45 |

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 | 23-Mar 2021 | 31-Dec 2020 | |
| Kuwait | 47.40 | 40.69 | |
| KSA | 68.16 | 63.77 | |
| Abu Dhabi | 48.05 | 36.03 | |
| Dubai | 100.97 | 104.06 | |
| Qatar | 48.07 | 36.70 | |
| Bahrain | 206.15 | 233.58 | |
| Oman | 283.87 | 353.60 | |
| Iraq | 533.53 | 542.74 | |
| Egypt | 293.98 | 330.47 | |
| Morocco | 95.29 | 102.56 | |
| Turkey | 430.51 | 299.47 | |
| US | 10.05 | 11.52 | |
| UK | 12.71 | 15.13 | |
| China | 32.25 | 26.70 | |
| Japan | 15.57 | 14.74 | |
| Germany | 9.49 | 9.09 | |
| France | 15.80 | 14.42 | |