

News Updates

Saudi mall operator Arabian Centres sells \$650m in sukuk – Saudi mall operator Arabian Centres on Tuesday launched \$650 million in 5-1/2 year sukuk, or Islamic bonds, at 5.625%, a document showed. The yield was tightened from initial guidance of around 5.875% after orders topped \$1.35 billion, the document from one of the banks on the deal showed. Credit Suisse, Goldman Sachs, HSBC, Albilad Investment, JPMorgan, Kamco Invest and Warba Bank arranged the deal. Sources told Reuters earlier this month that Arabian Centres, which operates 21 shopping centres across Saudi Arabia, was planning to raise \$500 million via sukuk. The company has said the debt sale will be used for general corporate purposes and to fulfil its financial and strategic objectives. (Source: Zawya)

'Optimistic' Fed policymakers see U.S. economy about to boom – Federal Reserve policymakers are optimistic about the U.S. economic outlook as more Americans are vaccinated and government aid gets to households and businesses, and they are not going to stand in its way. Richmond Fed President Thomas Barkin compared the pandemic economy to a roller-coaster pausing just before a thrilling high-speed plunge. “The final stretch should absolutely be something, as excess savings and fiscal stimulus fund pent-up demand from consumers who are exhausted from isolation and who will be freed by vaccines and warmer weather,” he told the Montgomery County Chamber of Congress in Maryland on Tuesday. With nearly \$6 trillion in government relief since the start of the pandemic and super-easy Fed policy, he said, he is “very bullish” on growth this year and expects spending to stay strong in 2022 and 2023. (Source Reuters)

IMF to boost global outlook again, warns financial conditions uncertain – The International Monetary Fund will raise its forecast for global economic growth in 2021 and 2022 after last year's 3.5% contraction, but financial conditions remain highly uncertain, IMF Managing Director Kristalina Georgieva said on Tuesday. Georgieva said the global economy was on firmer footing after governments spent some \$16 trillion on fiscal measures to contain the COVID-19 pandemic and mitigate its economic impact. However, developments are diverging dangerously across regions and countries, and even within nations. “Vaccines are not yet available to everyone and everywhere. Too many people continue to face job losses and rising poverty,” she told the Council on Foreign Relations ahead of next week's release of the fund's updated World Economic Outlook. “Too many countries are falling behind.” Georgieva said the world was at a critical turning point, much as it was in 1945 when the IMF and World Bank were created, and called for continued strong actions to safeguard the recovery, ramp up vaccine production and distribution, and invest in a new green and digital infrastructure. (Source: Reuters)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	1.04	-1.37	KSA	2025	1.45	-1.50
Abu Dhabi	2030	2.21	-5.19	KSA	2030	2.55	-4.45
Abu Dhabi	2050	3.37	-11.01	KSA	2050	3.89	-10.09
Bahrain	2026	3.41	-1.15	Oman	2025	3.53	1.98
Bahrain	2030	5.62	-6.05	Oman	2029	5.33	0.46
Bahrain	2047	7.05	-10.96	Oman	2048	7.09	-4.16
Dubai	2029	2.73	-1.85	Qatar	2025	1.13	-1.53
Kuwait	2022	0.27	-0.69	Qatar	2030	2.24	-5.08
Kuwait	2027	1.61	-3.23	Qatar	2050	3.49	-11.25

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.81	8.08	-0.27	-3.03
S&P MENA Bond and Sukuk Index	2.39	NA	-0.17	-3.54
Bloomberg Emerging Markets USD Index	4.01	6.80	-0.22	-3.56
Bloomberg Global Aggregate Index	1.16	7.42	-0.27	-4.57

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	31/3/2021	31/12/2020	31/3/2021	31/12/2020	31/3/2021	31/12/2020
KIBOR	1.4375	1.4375	1.6875	1.6875	1.9375	1.9375
SAIBOR	0.7963	0.8175	0.8438	0.8700	0.9163	0.9413
BHIBOR	1.2697	2.2500	1.3917	2.5333	1.6417	2.6833
QATAR	0.9903	1.1206	1.1069	1.1960	1.2389	1.3636
AEIBOR	0.2660	0.5125	0.6014	0.4908	0.6125	0.6538
EURIBOR	-0.5360	-0.5450	-0.5130	-0.5260	-0.4880	-0.4990
LIBOR	0.2025	0.2384	0.2029	0.2576	0.2815	0.3419

USD Swap Rates

			Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)	
1-Year	0.2168	0.13	12.6	KWD	0.3022	-0.0827	0.35	Gold
2-Year	0.2854	0.37	44.3	SAR	3.7508	0.0000	0.03	Silver
5-Year	1.0322	2.66	140.0	BHD	0.3771	0.0000	0.00	Copper
7-Year	1.4272	2.85	118.0	QAR	3.6413	-0.0082	0.00	Nat. Gas
10-Year	1.7659	2.94	90.8	OMR	0.3850	0.0000	0.00	Aluminum
30-Year	2.1785	2.58	55.4	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		0.06	-0.01		-0.67	0.00
5-Year	0.92	-0.10		0.36	-0.11		-0.71	0.00
10-Year	1.73	-0.23		0.82	-0.41		-0.41	0.00
30-Year	2.39	-0.49		1.36	-0.89		0.26	0.00

UK Gilts

	Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)
2-Year	0.15	0.00		0.06	-0.01		-0.67	0.00
5-Year	0.92	-0.10		0.36	-0.11		-0.71	0.00
10-Year	1.73	-0.23		0.82	-0.41		-0.41	0.00
30-Year	2.39	-0.49		1.36	-0.89		0.26	0.00

German Bunds

	Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)
2-Year	0.15	0.00		0.06	-0.01		-0.67	0.00
5-Year	0.92	-0.10		0.36	-0.11		-0.71	0.00
10-Year	1.73	-0.23		0.82	-0.41		-0.41	0.00
30-Year	2.39	-0.49		1.36	-0.89		0.26	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	BBB-	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+
USD 5Yr CDS	31-Mar 2021	31-Dec 2020	
Kuwait	46.65	40.69	
KSA	70.16	63.77	
Abu Dhabi	50.07	36.03	
Dubai	100.40	104.06	
Qatar	49.90	36.70	
Bahrain	196.21	233.58	
Oman	279.88	353.60	
Iraq	538.40	542.74	
Egypt	318.16	330.47	
Morocco	98.82	102.56	
Turkey	476.77	299.47	
US	9.25	11.52	
UK	11.60	15.13	
China	33.59	26.70	
Japan	15.53	14.74	
Germany	9.22	9.09	
France	15.88	14.42	