

News Updates

Kuwait C.bank issues bonds, Tawarruq worth KWD 200m – The Central Bank of Kuwait (CBK) on Monday issued bonds and related Tawarruq at a total value of KWD 200 million. The bonds have a maturity period of three months with a rate of return of 1.125%, according to a statement on Monday. Bonds and related Tawarruq are local bonds offered by the CBK to banks working in the Kuwaiti financial sector to regulate the market's liquidity. (Source: Mubasher)

Arabian Aramco Total partially redeems Sukuk – Arabian Aramco Total Services Company (AATSC), a subsidiary of Saudi Aramco Total Refining and Petrochemical Company (SATORP), on Monday announced the partial redemption of its semi-annually scheduled Sukuk. A sum of SAR 141.746 million that represents 3.78% of the Sukuk original face value was distributed, as per the redemption schedule of the Sukuk prospectus issued on 10 September 2011 and approved by the Capital Market Authority (CMA), according to a stock exchange statement. Hence, the face value of each certificate becomes SAR 59,980 and the outstanding Sukuk principal becomes SAR 2.249 billion. (Source: Mubasher)

AM Best maintains Insurance House's financial strength at 'B+'; outlook stable – AM Best, the international credit rating agency, has maintained Insurance House's (IH) financial strength at 'B+' and long-term issuer credit rating at 'BBB-', with a stable outlook for both, for the second consecutive year. This rating reflects the company's strong liquidity level, risk-adjusted capitalisation, strong balance sheet, and efficient operating performance, according to a press release on Monday. It is noteworthy to mention that during the first nine months of 2020, the company's net profits reached AED 8.12 million, with net premiums earned amounting to AED 114.46 million during the third quarter (Q3) of 2020. (Source: Mubasher)

U.S. House Passes Covid Relief-Government Funding Package – The U.S. House passes a \$900 billion pandemic relief package along with a \$1.4 trillion measure to fund the government. The bill was passed in two parts. Vote on first segment, which included funding for Defense, Commerce-Justice-Science, Homeland Security and Financial Services, was 327-85. Second part, which included rest of govt spending and Covid relief, passed 359-53. Congressional leaders have said they expect the legislation to easily pass both chambers and the White House has said President Trump would sign it; current government funding runs out midnight Monday. (Source: Bloomberg)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.79	5.22	KSA	2025	1.17	6.80
Abu Dhabi	2030	1.58	9.49	KSA	2030	2.01	11.00
Abu Dhabi	2050	2.71	19.58	KSA	2050	3.21	10.65
Bahrain	2026	3.31	-1.18	Oman	2025	4.18	-1.35
Bahrain	2030	4.77	16.68	Oman	2029	5.50	-1.56
Bahrain	2047	6.10	-3.67	Oman	2048	6.77	-1.45
Dubai	2029	2.47	2.89	Qatar	2025	0.86	6.82
Kuwait	2022	0.10	1.41	Qatar	2030	1.65	12.35
Kuwait	2027	1.08	6.08	Qatar	2050	2.76	23.72

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.46	8.08	-0.07	8.66
S&P MENA Bond and Sukuk Index	2.01	NA	0.00	9.18
Bloomberg Emerging Markets USD Index	3.54	6.80	-0.05	6.08
Bloomberg Global Aggregate Index	0.85	7.42	-0.13	8.66

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	22/12/2020	31/12/2019	22/12/2020	31/12/2019	22/12/2020	31/12/2019
KIBOR	1.3750	2.7500	1.6250	2.9375	1.8750	3.1875
SAIBOR	0.8188	2.2314	0.8700	2.2557	0.9413	2.3071
BHIBOR	2.2500	2.6667	2.5333	2.7000	2.6833	2.8333
QATAR	0.8500	2.2500	0.9750	2.3500	1.3750	2.5333
AEIBOR	0.3701	2.2086	0.5375	2.1914	0.7836	2.2900
EURIBOR	-0.5370	-0.3830	-0.5200	-0.3240	-0.4980	-0.2490
LIBOR	0.2358	1.9084	0.2585	1.9121	0.3340	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.1974	0.05	-88.9
2-Year	0.2046	-0.20	-87.9
5-Year	0.4395	-1.19	-74.6
7-Year	0.6557	-1.48	-63.5
10-Year	0.9210	-1.64	-51.4
30-Year	1.3881	-1.90	-33.6

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3037	0.0494	-0.18
SAR	3.7519	0.0027	-0.01
BHD	0.3771	0.0000	0.00
QAR	3.6421	-0.0027	0.00
OMR	0.3850	0.0000	-0.01
AED	3.6730	0.0000	0.00

US Treasuries

	Yield %	1D Δ (%)
2-Year	0.12	0.01
5-Year	0.37	0.05
10-Year	0.92	0.16
30-Year	1.66	0.43

Source: Bloomberg

UK Gilts

	Yield %	1D Δ (%)
2-Year	-0.14	0.04
5-Year	-0.09	0.17
10-Year	0.20	0.52
30-Year	0.75	1.36

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.76	0.00
5-Year	-0.78	0.00
10-Year	-0.64	0.00
30-Year	-0.18	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	B2	NR	B
Morocco	Ba1	BBB-	BB+
US	Aaa	AA+u	AAA
UK	Aa2	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS

	22-Dec 2020	31-Dec 2019
Kuwait	40.19	36.700
KSA	65.99	56.915
Abu Dhabi	36.72	36.090
Dubai	102.56	91.005
Qatar	37.61	36.705
Bahrain	240.15	175.995
Oman	348.41	234.400
Iraq	526.83	383.680
Egypt	337.41	277.420
Morocco	94.10	91.435
Turkey	331.34	282.130
US	11.58	10.810
UK	15.74	16.210
China	27.51	31.205
Japan	14.13	21.042
Germany	8.90	7.080
France	14.26	16.130