

News Updates

Kuwait's Boubyan Bank to sell \$750 mln 5-yr sukuk – Kuwait's Boubyan Bank plans to sell \$750 million in five-year sukuk, or Islamic bonds, at 120 basis points (bps) over mid-swaps, a document showed on Tuesday. The debt sale, which is expected to close later on Tuesday, garnered over \$4.3 billion in orders, the document by one of the banks arranging the deal said. Boubyan Bank began marketing the notes at around 150 bps over mid-swaps earlier on Tuesday. HSBC and Standard Chartered were hired as joint global coordinators for the deal. Bank ABC, Boubyan Capital, First Abu Dhabi Bank, Islamic Corporation for the Development of the Private Sector, KFH Capital, Kuwait International Bank and Warba Bank are also involved in arranging the deal.

Riyad Bank hires banks for dollar sukuk issue – Saudi Arabia's Riyad Bank has hired international and regional banks to arrange the potential issuance of dollar-denominated sukuk, it said in a stock exchange filing on Tuesday. The country's fourth-largest bank has hired JPMorgan, Riyad Capital, Standard Chartered, First Abu Dhabi Bank and HSBC to lead the deal, the filing said. The tier 2 sukuk sale would be the first debt issuance under the bank's programme to issue primary and secondary bonds. The programme's maximum value is \$3 billion. On Monday, Fitch Ratings assigned Riyad Bank's fundraising programme a BBB+ rating, which it said was “driven by its standalone creditworthiness ... and also underpinned by a high probability of support from the Saudi authorities, if needed.”

Egypt, IMF in talks over structural reform program, says central bank governor Amer – Egypt is in talks with the International Monetary Fund over a non-financial structural reform program, the central bank governor said, as the Middle East's fastest-growing economy targets a surge in foreign investment. “Now that the fiscal and the monetary reform has been done, we're talking about structural reforms,” Tarek Amer said Tuesday at an energy conference in Cairo. That step would mean “trying to overcome the bureaucracy, which we do have and many other countries have, and which we want really to abolish over time.” Amer said Tuesday that the central bank had “opened all channels” for the flow of capital so investors “don't have borders like before.” The institution has also given them a stable foreign-exchange market “that they can read” and in which “the risk premium is not too high like before.”

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Yield Δ (YTD %)	Sovereigns	Maturity	Yield %	Yield Δ (YTD %)
Abu Dhabi	2027	2.16	-9.97	KSA	2025	2.14	-8.58
Abu Dhabi	2047	3.07	-4.65	KSA	2029	2.64	-6.57
Bahrain	2024	3.32	-2.59	KSA	2049	3.67	-5.04
Bahrain	2029	4.49	-0.82	Oman	2025	4.01	-3.64
Bahrain	2047	5.77	-1.48	Oman	2029	5.26	-1.04
Dubai	2023	2.35	-3.53	Oman	2048	6.67	0.14
Dubai	2029	3.05	-2.46	Qatar	2024	1.89	-11.58
Kuwait	2022	1.66	-12.82	Qatar	2028	2.32	-6.87
Kuwait	2027	2.09	-9.70	Qatar	2049	3.29	-5.37

Source: Bloomberg

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.98	7.33	0.03	1.60
S&P MENA Bond and Sukuk Index	2.75	NA	-0.08	1.87
Bloomberg Emerging Markets USD Index	4.72	6.28	0.03	1.86
Bloomberg Global Aggregate Index	1.28	7.27	-0.11	0.51

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	12/02/2020	31/12/2019	12/02/2020	31/12/2019	12/02/2020	31/12/2019
KIBOR	2.6250	2.7500	2.8750	2.9375	3.0625	3.1875
SAIBOR	2.1471	2.2314	2.1671	2.2557	2.2157	2.3071
BHIBOR	2.1500	2.2500	2.6333	2.7000	2.7667	2.8333
QATAR	2.3373	2.2500	2.4373	2.3500	2.7358	2.5333
AEIBOR	1.9649	2.2086	2.0021	2.1914	2.2794	2.2900
EURIBOR	-0.3970	-0.3830	-0.3460	-0.3240	-0.2690	-0.2490
LIBOR	1.7131	1.9084	1.7206	1.9121	1.8005	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	1.5957	0.97	-9.9
2-Year	1.4705	1.44	-13.4
5-Year	1.4338	1.66	-17.1
7-Year	1.4800	1.70	-17.7
10-Year	1.5649	1.76	-17.4
30-Year	1.7516	1.51	-16.2

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3047	0.0230	-0.52
SAR	3.7508	0.0080	0.02
BHD	0.3770	0.0000	0.02
QAR	3.6674	0.0027	-0.20
OMR	0.3850	0.0026	-0.01
AED	3.6732	-0.0027	0.00

US Treasuries

	Yield %	1D Δ (%)
2-Year	1.44	-0.03
5-Year	1.44	-0.07
10-Year	1.62	-0.15
30-Year	2.08	-0.34

UK Gilts

	Yield %	1D Δ (%)
2-Year	0.48	-0.03
5-Year	0.43	-0.10
10-Year	0.57	-0.12
30-Year	1.06	0.08

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.65	0.00
5-Year	-0.63	-0.04
10-Year	-0.43	-0.19
30-Year	0.13	-0.77

	Sovereign Ratings		
	Moody's	S&P	Fitch
Abu Dhabi	Aa2	AA	AA
Bahrain	B2	B+	BB-
Kuwait	Aa2	AA	AA
Oman	Ba1	BB	BB+
Qatar	Aa3	AA-	AA-
KSA	A1	A-	A
UAE	Aa2	NR	NR
Egypt	B2	B	B+
Lebanon	Caa2	CCC	CC
Turkey	B1	B+	BB-
Tunisia	B2	NR	B+
Morocco	Ba1	BBB-	BBB-
Jordan	B1	B+	BB-
China	A1	A+	A+
UK	Aa2	AA	AA
USA	Aaa	AA+	AAA
USD 5-Year CDS			YTD Δ (%)
Abu Dhabi	36.780		6.35
Kuwait	36.960		8.27
Dubai	91.960		5.49
Bahrain	163.840		-1.12
Qatar	39.620		12.33
KSA	60.360		8.73
Egypt	257.810		-1.98
Lebanon	4082.620		80.90
Turkey	274.623		-1.95
Iraq	394.130		15.92
Morocco	82.430		1.10
China	33.936		10.86
France	13.950		-15.78
Germany	6.790		-5.58
Japan	15.166		-22.23
UK	16.350		-7.49
US	12.740		15.65