

News Updates

Lebanon to receive \$1.135 bln in SDRs from IMF – Lebanon's finance ministry said on Monday the central bank would receive \$1.135 billion on Sept. 16 in International Monetary Fund Special Drawing Rights (SDRs), much needed funds as the country struggles with one of the deepest depressions in modern history. The new allocation of the IMF's reserve currency is comprised of \$860 million from 2021 and \$275 million from 2009, a statement by the ministry said. Lebanon is in the throes of a deep financial crisis that has propelled three quarters of its population into poverty. Its central bank has all but run down its reserves. The depletion of foreign currency has translated into worsening shortages of basic goods such as fuel and medication in the past couple of months. After a year of political deadlock, Lebanese leaders finally agreed a new government on Friday opening the way to a resumption of talks with the IMF. (Source: Reuters)

Emerging market corporate bond sales scale record high this year – Emerging market firms have flocked to bond markets to cash in on low interest rates and have raised a record amount of money to fund expansion plans as they look beyond the coronavirus pandemic, data showed. Companies in developing nations have raised a record \$249 billion in the first eight months of this year, overtaking the \$243 billion borrowed in the same period last year, Refinitiv data shows. Companies from India, Brazil, Thailand and Malaysian led the surge in bond sales this year. Indian firms sold bonds worth nearly \$40 billion to end-August, the other three saw corporate bond sales of more than \$20 billion each over the same period. Among top issuers, Qatar Petroleum, one of the world's top liquefied natural gas suppliers, raised \$12.5 billion for operational and investment purposes, while Saudi Arabia's Aramco locked in \$6 billion. (Source: Reuters)

U.S. treasury yields dip with eyes on inflation data – U.S. government bond yields dipped on Monday as traders look ahead to data on Tuesday that is expected to show a continuing slowdown in the pace of consumer price increases. The core reading of the U.S. consumer price index is expected to show a rise of 0.3% in August, down from 0.5% the previous month and 0.9% in June. Shortages of basic materials and parts have created bottlenecks - and price increases - across various supply chains. The U.S. Federal Reserve is paying close attention to price pressures as it mulls when to begin to reduce its massive bond holdings and how soon to begin lifting interest rates from near zero. It also remains on the lookout for any signs that price pressures may broaden. The yield on 10-year Treasury notes was down 1.8 basis points at 1.323%. The yield on the 30-year Treasury bond was down 3.1 basis points at 1.903%. The two-year U.S. Treasury yield, which typically moves in step with interest rate expectations, was down 0.2 basis points at 0.215%. (Source: Reuters)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	0.71	-0.83	KSA	2025	1.08	-0.68
Abu Dhabi	2030	1.78	-2.31	KSA	2030	2.16	-1.65
Abu Dhabi	2050	2.99	-4.61	KSA	2050	3.47	-3.72
Bahrain	2026	3.75	-3.64	Oman	2025	3.17	2.77
Bahrain	2030	5.44	-5.25	Oman	2029	4.75	4.06
Bahrain	2047	6.87	-8.97	Oman	2048	6.42	3.95
Dubai	2029	2.45	-0.59	Qatar	2025	0.93	-1.73
Kuwait	2022	-0.24	-1.57	Qatar	2030	1.88	-2.90
Kuwait	2027	1.21	-1.94	Qatar	2050	3.11	-5.16

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.55	8.08	0.03	1.05
S&P MENA Bond and Sukuk Index	2.16	NA	0.04	0.47
Bloomberg Emerging Markets USD Index	3.85	6.80	0.12	0.69
Bloomberg Global Aggregate Index	1.06	7.42	-0.05	-2.35

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	14/09/2021	31/12/2020	14/09/2021	31/12/2020	14/09/2021	31/12/2020
KIBOR	1.5000	1.4375	1.7500	1.6875	2.0000	1.9375
SAIBOR	0.7971	0.8175	0.8457	0.8700	0.9143	0.9413
BHIBOR	1.5583	2.2500	1.6250	2.5333	1.8000	2.6833
QATAR	1.1458	1.1206	1.2000	1.1960	1.3292	1.3636
AEIBOR	0.4117	0.5125	0.5825	0.4908	0.7875	0.6538
EURIBOR	-0.5440	-0.5450	-0.5190	-0.5260	-0.4950	-0.4990
LIBOR	0.1158	0.2384	0.1494	0.2576	0.2225	0.3419

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)	Currencies			Commodities			
				USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)		
1-Year	0.1593	0.03	-17.2	KWD	0.3008	0.0000	0.85	Gold	1,792.90	-6.19
2-Year	0.3185	0.42	61.0	SAR	3.7509	0.0000	0.02	Silver	23.69	-11.12
5-Year	0.9132	0.96	112.4	BHD	0.3770	0.0000	0.03	Copper	436.10	23.75
7-Year	1.1444	0.71	74.8	QAR	3.6421	-0.0110	-0.01	Nat. Gas	5.23	90.81
10-Year	1.3556	0.37	46.5	OMR	0.3850	0.0000	0.00	Aluminum	2,891.50	44.30
30-Year	1.6534	0.30	17.9	AED	3.6731	0.0000	0.00	Crude Oil	74.03	45.44

US Treasuries

	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.21	0.00	0.22	0.02	-0.71	0.00
5-Year	0.82	-0.05	0.41	0.03	-0.74	0.00
10-Year	1.33	-0.03	0.74	0.13	-0.49	0.00
30-Year	1.91	-0.02	1.05	0.53	0.16	0.00

UK Gilts

German Bunds

Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	A1	A+	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	BB+	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+
USD 5Yr CDS	14-Sep 2021	31-Dec 2020	
Kuwait	45.23	40.69	
KSA	47.17	63.77	
Abu Dhabi	38.35	36.03	
Dubai	83.69	104.06	
Qatar	38.16	36.70	
Bahrain	248.81	233.58	
Oman	229.49	353.60	
Iraq	504.05	542.74	
Egypt	348.98	330.47	
Morocco	89.94	102.56	
Turkey	367.61	299.47	
US	7.85	11.52	
UK	7.64	15.13	
China	32.29	26.70	
Japan	16.38	14.74	
Germany	8.03	9.09	
France	18.01	14.42	