

News Updates

Emirates NBD hires banks for perpetual dollar bonds – Emirates NBD, Dubai's largest bank, has hired banks to arrange an investor call ahead of a potential issuance of U.S. dollar-denominated bonds, a document showed. It has hired Emirates NBD Capital, HSBC and Standard Chartered to coordinate the potential deal, with Bank of America, Citi, and First Abu Dhabi Bank also involved. The planned Additional Tier 1 bonds would be perpetual - meaning they have no maturity - and would be non-callable for six years, according to the document. *(Source: Reuters)*

Dubai World makes final repayment to creditors of \$8.2bln – State conglomerate Dubai World, at the centre of Dubai's debt crisis a decade ago, said on Tuesday it had made a final payment of \$8.2 billion to creditors. The payment, made ahead of its September 2022 maturity, was an "important milestone" for the company and Dubai, Dubai World Chairman Sheikh Ahmed bin Saeed al-Maktoum said in a statement. The company made the payment using funds from a new \$3 billion loan from Dubai Islamic Bank, asset sales and dividend payments, it said. Dubai World, whose assets include global port operator DP World, said it had paid \$18.9 billion to creditors since 2011. *(Source: Zawya)*

Saudi NCB Issues 4.2 Billion Riyals in Additional Tier 1 Sukuk – Saudi's National Commercial Bank (NCB) has issued additional Tier 1 (AT1) sukuk denominated in riyals by way of a private placement, according to a statement. The AT1 Perpetual sukuk have a return of 4.25%. Sukuk may be redeemed early due to a capital event, tax event or at the option of the bank. NCB Capital was sole bookrunner, lead arranger and lead manager for the private placement offer. *(Source: Bloomberg)*

Saudi Arabia's Q1 GDP contracts by 1% as oil sector takes a hit – Saudi Arabia's Gross Domestic Product (GDP) contracted by one percent in the first quarter compared to 1.7 percent in the same quarter last year, according to preliminary estimates from the General Authority of Statistics. "This negative growth originated mainly from the contraction in the oil sector by 4.6%, while the non-oil sector recorded a positive growth rate of 1.6%," the General Authority for Statistics said. In the first quarter of 2020, wholesale & retail trade, restaurants and hotels recorded the largest growth rate (4.8 percent), followed by other mining and quarrying with 4.6 percent, and transport, storage, and communication with 4.1 percent. On the other hand, of the activities that recorded a negative growth rate, petroleum refining contracted the most, by 24.2 percent, followed by crude petroleum & natural gas with 2.9 percent. *(Source: Zawya)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	1.72	3.78	KSA	2025	1.49	2.86
Abu Dhabi	2047	2.92	4.56	KSA	2029	2.25	3.65
Bahrain	2024	4.13	-3.49	KSA	2049	3.61	3.61
Bahrain	2029	5.33	-6.28	Oman	2025	5.10	-4.93
Bahrain	2047	6.51	-8.49	Oman	2029	6.90	-10.63
Dubai	2023	1.76	1.05	Oman	2048	7.88	-13.70
Dubai	2029	3.05	-0.36	Qatar	2024	1.24	2.57
Kuwait	2022	0.67	1.69	Qatar	2028	1.90	3.11
Kuwait	2027	1.54	4.12	Qatar	2049	3.09	6.65

Sovereign Ratings			
	Moody's	S&P	Fitch
Kuwait	Aa2	AA-	AA
KSA	A1	A-u	A
UAE	Aa2	NR	NR
Abu Dhabi	Aa2	AA	AA
Qatar	Aa3	AA-	AA-
Bahrain	B2u	B+	BB-
Oman	Ba3	BB-	BB
Egypt	B2	B	B+
Lebanon	Ca	SD	RD
Jordan	B1	B+	BB-
Turkey	B1	B+u	BB-
Tunisia	B2	NR	B
Morocco	Ba1	BBB-	BBB-
US	Aaa	AA+u	AAA
UK	Aa2	AAu	AA-
China	A1	A+	A+

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.04	7.32	-0.14	2.49
S&P MENA Bond and Sukuk Index	2.47	NA	-0.04	4.32
Bloomberg Emerging Markets USD Index	4.66	6.26	-0.11	-0.47
Bloomberg Global Aggregate Index	0.95	7.33	0.03	3.01

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	01/07/2020	31/12/2019	01/07/2020	31/12/2019	01/07/2020	31/12/2019
KIBOR	1.6250	2.7500	1.8750	2.9375	2.1250	3.1875
SAIBOR	0.9857	2.2314	1.0443	2.2557	1.0943	2.3071
BHIBOR	2.2500	2.6667	2.4333	2.7000	2.5667	2.8333
QATAR	1.1578	2.2500	1.2263	2.3500	1.3385	2.5333
AEIBOR	0.7215	2.2086	0.9557	2.1914	1.3795	2.2900
EURIBOR	-0.4130	-0.3830	-0.2870	-0.3240	-0.2050	-0.2490
LIBOR	0.2961	1.9084	0.3669	1.9121	0.5559	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.2657	0.08	-85.0
2-Year	0.2253	-0.12	-86.7
5-Year	0.3266	1.21	-81.1
7-Year	0.4675	2.16	-74.0
10-Year	0.6390	2.98	-66.3
30-Year	0.9227	4.32	-55.9

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3079	-0.0325	-1.54
SAR	3.7516	-0.0053	0.01
BHD	0.3771	0.0053	0.00
QAR	3.6421	-0.0110	0.00
OMR	0.3850	0.0000	0.00
AED	3.6731	0.0000	0.00

US Treasuries

	Yield %	1D Δ (%)
2-Year	0.15	0.00
5-Year	0.29	-0.07
10-Year	0.66	-0.30
30-Year	1.41	-0.93

UK Gilts

	Yield %	1D Δ (%)
2-Year	-0.10	0.00
5-Year	-0.06	0.01
10-Year	0.17	-0.13
30-Year	0.64	-0.82

German Bunds

	Yield %	1D Δ (%)
2-Year	-0.71	-0.02
5-Year	-0.71	-0.02
10-Year	-0.53	-0.14
30-Year	0.00	-0.78

USD 5Yr CDS	1-Jul 2020	31-Dec 2019
Kuwait	70.550	36.700
KSA	104.450	56.915
Abu Dhabi	71.460	36.090
Dubai	178.090	91.005
Qatar	71.340	36.705
Bahrain	336.490	175.995
Oman	478.560	234.400
Iraq	776.550	383.680
Egypt	485.560	277.420
Morocco	140.550	91.435
Turkey	485.450	282.130
US	11.820	10.810
UK	26.920	16.210
China	49.390	31.205
Japan	16.020	21.042
Germany	14.820	7.080
France	20.490	16.130