

News Updates

Qatar National Bank hires banks for 5-year dollar green bonds –

Qatar National Bank has hired banks to arrange an issuance of U.S. dollar-denominated five-year green bonds, its inaugural green bond sale, a document showed on Monday. QNB hired Barclays, ING, Credit Agricole, HSBC, QNB Capital and Standard Chartered to arrange investor calls starting on Monday, to be followed by a benchmark issuance, subject to market conditions, the document from one of the banks arranging the deal showed. (Source: Zawya)

Bahrain's Gulf International Bank hires banks for 5-year dollar bonds

– Bahrain's Gulf International Bank has hired banks to arrange the issuance of U.S. dollar-denominated five-year bonds, a document showed on Tuesday. Gulf International Bank hired First Abu Dhabi Bank, GIB Capital, HSBC and Standard Chartered to arrange investor calls in Asia, Europe and the Middle East on Tuesday ahead of a benchmark issuance, subject to market conditions, according to the document from one of the banks arranging the deal. GIB is 97.2% indirectly owned by Saudi Arabia through its sovereign wealth fund, the Public Investment Fund. (Source: Zawya)

Morgan Stanley Says a Stimulus Bust Delays Recovery Six Months –

Morgan Stanley economists said failure by Republicans and Democrats to agree on a fresh round of U.S. fiscal stimulus would put off by six months the time it will take for the economy to recover its pre-Covid-19 output. “It’s increasingly difficult to ignore the lack of results in the negotiations,” Ellen Zentner and Michael Zexas, economists at the Wall Street bank, wrote in a note Sunday. “Without negotiating progress in the short term, we’re inclined to remove proactive fiscal stimulus” from baseline forecasts, they wrote. Morgan Stanley had counted on a sequel to March’s \$2 trillion CARES Act, which helped restore growth after a deep contraction in the second quarter. The economists had penciled in a \$1.5 trillion to \$2 trillion package, but talks between the White House and Democratic leaders in Congress broke off in early August. Without a breakthrough on pandemic relief, the economy won’t get back to where it was before the coronavirus until the fourth quarter of 2021, according to the bank. That’s two quarters longer than with the stimulus, the economists estimated. A smaller package could delay the rebound by one quarter, they wrote. “Should Congress fail to pass CARES 2, the loss of fiscal impulse would be sizable,” Zentner and Zexas wrote. (Source: Bloomberg)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	1.03	4.53	KSA	2025	1.50	5.48
Abu Dhabi	2030	1.67	9.01	KSA	2030	2.17	9.60
Abu Dhabi	2050	2.68	20.62	KSA	2050	3.24	10.32
Bahrain	2026	4.03	-3.67	Oman	2025	5.05	-4.55
Bahrain	2030	5.33	12.47	Oman	2029	6.18	-5.96
Bahrain	2047	6.48	-8.09	Oman	2048	7.68	-11.56
Dubai	2029	2.60	2.80	Qatar	2025	1.16	5.95
Kuwait	2022	0.39	1.43	Qatar	2030	1.82	11.11
Kuwait	2027	1.29	5.22	Qatar	2050	2.81	22.82

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	B2	B+	B+
Oman	Ba3	BB-	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-	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	2.64	8.08	0.01	6.19
S&P MENA Bond and Sukuk Index	2.12	NA	-0.02	7.69
Bloomberg Emerging Markets USD Index	4.00	6.80	-0.03	3.40
Bloomberg Global Aggregate Index	0.89	7.42	0.26	6.13

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	15/09/2020	31/12/2019	15/09/2020	31/12/2019	15/09/2020	31/12/2019
KIBOR	1.6250	2.7500	1.8125	2.9375	2.1250	3.1875
SAIBOR	0.8900	2.2314	0.9375	2.2557	0.9925	2.3071
BHIBOR	2.2833	2.6667	2.5000	2.7000	2.6833	2.8333
QATAR	1.0153	2.2500	1.1044	2.3500	1.3199	2.5333
AEIBOR	0.4450	2.2086	0.5025	2.1914	0.9253	2.2900
EURIBOR	-0.4840	-0.3830	-0.4550	-0.3240	-0.3950	-0.2490
LIBOR	0.2504	1.9084	0.2819	1.9121	0.4139	1.9963

USD Swap Rates

	Yield %	1D Δ (bps)	YTD Δ (%)
1-Year	0.2319	-0.07	-86.9
2-Year	0.2156	-0.19	-87.3
5-Year	0.3207	-0.38	-81.5
7-Year	0.4668	-0.67	-74.0
10-Year	0.6705	-0.90	-64.6
30-Year	1.0435	-1.09	-50.1

Currencies

	USD	1D Δ (bps)	YTD Δ (%)
KWD	0.3057	0.0654	-0.83
SAR	3.7512	0.0000	0.01
BHD	0.3771	0.0000	0.00
QAR	3.6421	-0.0082	0.00
OMR	0.3850	0.0000	-0.01
AED	3.6731	0.0000	0.00

US Treasuries

	Yield %	1D Δ (%)
2-Year	0.14	0.01
5-Year	0.26	0.03
10-Year	0.67	0.06
30-Year	1.41	0.08

UK Gilts

	Yield %	1D Δ (%)
	-0.11	-0.06
	-0.10	-0.12
	0.19	-0.17
	0.75	-0.07

German Bunds

	Yield %	1D Δ (%)
	-0.70	0.00
	-0.72	0.00
	-0.55	0.00
	-0.04	0.00

Source: Bloomberg