

CBUAE sells AED 11.6bn of M-bills as liquidity conditions stabilise

Markets | 20 July 2026

- CBUAE sold AED 11.6bn of M-bills across four tenors, with yields ranging from 3.85% to 4.32%.
- Stable M-bill spreads and EIBOR-SOFR pricing suggest steady banking-sector liquidity conditions.

The Central Bank of the UAE auctioned AED 11.6bn of M-bills on Monday (20 July), with liquidity conditions in the banking system broadly stable over recent weeks.

The sale consisted of four tranches, with maturities between 28 and 336 days. Yields on the money-market instruments ranged from 3.85% on the shortest tenor to 4.32% on the longest-term security.

CBUAE M-bill auction results

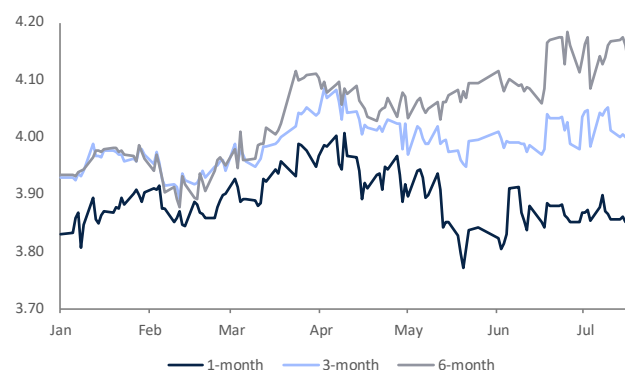
Tenor, days	Size, AED bn	Yield, %
336	28.0	4.32
168	2.0	4.11
84	0.9	4.03
28	2.7	3.85

Source: CBUAE, Emirates NBD Research

Spreads on the newly auctioned bills were 18–30 basis points above comparable US-dollar benchmark rates. Those spreads are broadly similar to the results of recent auctions, suggesting systemwide liquidity conditions have steadied.

Other market indicators point to the same conclusion. The average spread between three-month EIBOR fixings and the SOFR dollar benchmark has remained stable over the past couple of months. Excess liquidity in the banking sector, currently totalling AED 80bn, rebounded from a 7 July low and is similar to late-June levels.

Constant-maturity M-bill yields, %



Source: CBUAE, Bloomberg, Emirates NBD Research



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