

News Updates

Fitch Upgrades Gulf Bank's VR to 'bbb-'; Affirms IDR at 'A'; Outlook Stable – Fitch Ratings has upgraded Gulf Bank K.S.C.P.'s (GB) Viability Rating (VR) to 'bbb-' from 'bb+'. Fitch has also affirmed the bank's Long-Term Issuer Default Rating (IDR) at 'A' with a Stable Outlook. The upgrade of GB's VR reflects the bank's improved risk profile and resilient asset quality. GB's IDRs reflect potential support from the Kuwaiti authorities, if needed. This considers Kuwait's strong capacity to support the banking system and its record of supporting domestic banks. The Stable Outlook on GB's Long-Term IDR reflects that on the Kuwaiti sovereign rating. (Source: Fitch Ratings)

Fitch Affirms Kuwait Finance House at 'A'; Stable Outlook – Fitch Ratings has affirmed Kuwait Finance House (K.S.C.P.)'s (KFH) Long-Term Issuer Default Rating (IDR) at 'A' with a Stable Outlook. Fitch has also affirmed the bank's Viability Rating (VR) at 'bb+'. Fitch stated that KFH's IDRs reflect potential support from the Kuwaiti authorities, if needed. This considers Kuwait's strong capacity to support the banking system and its record of supporting domestic banks. The Stable Outlook on KFH's Long-Term IDR reflects that on the Kuwaiti sovereign rating. (Source: Fitch Ratings)

Fitch Affirms Bahrain at 'B+'; Outlook Stable – Fitch Ratings has affirmed Bahrain's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'B+' with a Stable Outlook. Fitch stated that Bahrain's ratings are supported by strong financial backing from partners in the GCC, the high level of economic development and a robust macroeconomic outlook. Weak public finances, high fiscal dependence on oil revenue, low levels of FX reserves and political constraints on fiscal reform all weigh on the ratings, although fiscal consolidation has made significant progress since the launch of the 2018 Fiscal Balance Programme, which was refreshed with additional measures in late 2021, the rating agency said. (Source: Fitch Ratings)

Sharjah markets 8-year Islamic bonds – The government of Sharjah has begun taking orders for eight-year U.S. dollar-denominated Islamic bonds, a bank document showed on Monday. Sharjah's initial price guidance was between 155 and 160 basis points (bps) over seven-year U.S. Treasuries for the sukuk, the document from one of the banks on the deal showed. Standard Chartered is global coordinator. Abu Dhabi Commercial Bank, Abu Dhabi Islamic Bank, Al Rajhi Capital, Dubai Islamic Bank, First Abu Dhabi Bank, ICBC, National Bank of Bahrain and Sharjah Islamic Bank join Standard Chartered as joint lead managers and bookrunners, the document showed. (Source: Reuters)

Egypt raises samurai bonds worth \$500m – Egypt has secured \$500 million in its first Japanese Yen bonds, despite the repercussions of the Russian-Ukrainian war and soaring commodity prices, the finance ministry announced in a press release. The Arab republic was able to issue samurai bonds worth Yen 60 billion in the Japanese market last week. Japanese Sumitomo Mitsui Banking Corporation Group managed the transaction process. (Source: Mubasher)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.61	-4.85	KSA	2027	2.69	-4.20
Abu Dhabi	2031	2.88	-7.13	KSA	2032	3.15	-6.60
Abu Dhabi	2050	3.72	-12.82	KSA	2050	4.30	-13.07
Bahrain	2028	5.01	-1.91	Oman	2027	4.84	-2.92
Bahrain	2032	6.12	-3.02	Oman	2032	5.69	-3.34
Bahrain	2051	7.33	-5.85	Oman	2051	6.96	-4.83
Dubai	2029	3.10	-3.91	Qatar	2026	2.70	-4.47
Kuwait	2022	NA	-0.52	Qatar	2030	3.15	-6.71
Kuwait	2027	2.53	-4.34	Qatar	2050	3.85	-12.75

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.83	8.08	-0.34	-6.07
S&P MENA Bond and Sukuk Index	3.46	NA	-0.54	-6.63
Bloomberg Emerging Markets USD Index	5.78	6.80	0.22	-10.42
Bloomberg Global Aggregate Index	2.22	7.42	-0.23	-7.28

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	29/03/2022	31/12/2021	29/03/2022	31/12/2021	29/03/2022	31/12/2021
KIBOR	1.6875	1.5000	1.9375	1.7500	2.1875	2.0000
SAIBOR	2.3146	0.9057	2.3208	0.9829	2.5480	1.0600
BHIBOR	1.8833	1.5167	2.1300	1.6233	2.6967	1.7667
QATAR	1.1500	1.1250	1.2000	1.2000	1.3500	1.3250
AEIBOR	1.0075	0.3645	1.5449	0.7000	2.2265	0.7396
EURIBOR	-0.4770	-0.5730	-0.3920	-0.5460	-0.1420	-0.4980
LIBOR	0.9829	0.2144	1.4511	0.3451	2.0887	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	2.0313	3.20	279.7	KWD	0.3045	-0.1150	-0.64	Gold	1,928.00	5.16
2-Year	2.6292	3.28	179.3	SAR	3.7519	0.0000	0.11	Silver	25.01	6.95
5-Year	2.6715	3.25	95.1	BHD	0.3771	0.0000	-0.01	Copper	471.95	5.97
7-Year	2.6127	2.47	77.0	QAR	3.6414	0.0055	0.01	Nat. Gas	5.46	55.55
10-Year	2.5660	1.87	62.3	OMR	0.3851	0.0052	-0.07	Aluminum	3,605.75	28.48
30-Year	2.3857	1.76	37.8	AED	3.6730	0.0082	0.00	Crude Oil	111.00	44.34

US Treasuries			UK Gilt		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	2.41	-0.08	1.34	0.11	NA	NA
5-Year	2.59	-0.13	1.40	0.31	-0.02	-0.05
10-Year	2.48	-0.12	1.61	0.82	0.43	-0.02
30-Year	2.56	-0.30	1.77	2.20	0.64	0.39

	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	B+
Tunisia	Caa1	NR	CCC
Morocco	Ba1	BB+	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS	29-Mar 2022	31-Dec 2021
Kuwait	57.92	40.53
KSA	47.96	50.97
Abu Dhabi	47.45	43.09
Dubai	92.66	89.58
Qatar	46.96	42.55
Bahrain	279.29	286.32
Oman	232.98	254.42
Iraq	360.29	507.35
Egypt	580.00	496.58
Morocco	101.52	85.91
Turkey	579.39	555.46
US	14.80	10.01
UK	13.06	8.91
China	61.52	39.86
Japan	16.76	16.23
Germany	13.72	7.53
France	24.96	17.87