

News Updates

Saudi announces linkage with Euroclear as one of the enablers to develop local debt markets - The Minister of Finance of the Kingdom of Saudi Arabia Mohammed Al-Jadaan announced that a linkage was established with Euroclear, the provider of post-trade services in the Saudi Stock Exchange through Securities Depository Center Company (Edaa). Al-Jadaan indicated that this linkage displays the trend towards achieving the goals of Saudi Vision 2030, which seeks to support the development of the financial sector by endeavoring to expand the investor base to meet KSA local debt financing requirements and to achieve objectives of the Financial Sector Development Program Strategy in supporting the secondary market development by increasing the liquidity of local government debt instruments through attraction of more foreign capital. *(Source: Reuters)*

Qatar Commercial Bank keen to issue green bonds - CEO - The Commercial Bank of Qatar is keen to issue green bonds if it can ensure 100% compliance with green credentials, Chief Executive Officer Joseph Abraham told a conference in Doha on Sunday. *(Source: Reuters)*

Fitch: Lebanon's Exit from Default Still Tough After Inconclusive Election - The inconclusive outcome of Lebanon's elections on 15 May will make it challenging for any camp to form a stable governing majority in parliament, further complicating the country's ability to implement financial and economic reforms, says Fitch Ratings. Such reforms would be preconditions for support from the IMF and other international partners, which in turn could pave the way for Lebanon's exit from default on its sovereign obligations. *(Source: Fitch Ratings)*

Oil climbs ahead of EU meeting on Russia sanctions - Oil prices rose to two-month highs on Monday as traders waited to see if the European Union would reach an agreement on banning Russian oil ahead of a meeting on a sixth package of sanctions against Moscow for its invasion of Ukraine. Brent crude futures gained 46 cents, or 0.4%, to \$119.89 a barrel at 0111 GMT, while U.S. West Texas Intermediate (WTI) crude futures jumped 60 cents, or 0.5%, to \$115.67 a barrel, extending solid gains from last week. The EU is due to meet on Monday and Tuesday to discuss a sixth package of sanctions against Russia for its invasion of Ukraine, which Moscow calls a "special operation" to disarm its neighbour. Underscoring market tightness, OPEC+ are set to rebuff Western calls to speed up their oil output additions when they meet on Thursday. They will stick to their plan to add 432,000 barrels per day in July, six OPEC+ sources told Reuters. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.95	-6.35	KSA	2027	3.00	-5.47
Abu Dhabi	2031	3.30	-9.98	KSA	2032	3.49	-9.18
Abu Dhabi	2050	4.13	-18.54	KSA	2050	4.67	-17.94
Bahrain	2028	5.54	-4.34	Oman	2027	5.11	-4.15
Bahrain	2032	6.48	-5.50	Oman	2032	5.82	-4.34
Bahrain	2051	7.51	-7.85	Oman	2051	7.22	-7.75
Dubai	2029	3.92	-8.71	Qatar	2026	2.97	-5.61
Dubai	2050	5.41	-19.19	Qatar	2030	3.34	-8.54
Kuwait	2027	2.93	-6.14	Qatar	2050	4.18	-17.43

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.28	8.08	0.34	-8.38
S&P MENA Bond and Sukuk Index	3.91	NA	0.35	-9.08
Bloomberg Emerging Markets USD Index	6.29	6.80	0.30	-13.03
Bloomberg Global Aggregate Index	2.51	7.42	0.22	-10.51

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	30/05/2022	31/12/2021	30/05/2022	31/12/2021	30/05/2022	31/12/2021
KIBOR	1.8750	1.5000	2.1250	1.7500	2.5000	2.0000
SAIBOR	3.0278	0.9057	3.0795	0.9829	3.2982	1.0600
BHIBOR	2.6583	1.5167	2.9917	1.6233	3.5417	1.7667
QATAR	1.1500	1.1250	1.3000	1.2000	1.8500	1.3250
AEIBOR	1.6297	0.3645	2.1701	0.7000	2.5500	0.7396
EURIBOR	-0.3680	-0.5730	-0.0760	-0.5460	0.3580	-0.4980
LIBOR	1.5979	0.2144	2.0861	0.3451	2.6957	0.5888

USD Swap Rates					Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	2.5250	0.95	372.0	KWD	0.3058	0.0000	-1.06	Gold	1,865.10	1.59
2-Year	2.8084	1.69	198.4	SAR	3.7511	0.0000	0.12	Silver	22.25	-4.97
5-Year	2.7765	0.85	102.7	BHD	0.3770	0.0000	0.01	Copper	434.35	-2.23
7-Year	2.7808	0.33	88.4	QAR	3.6414	0.0055	0.01	Nat. Gas	8.83	142.66
10-Year	2.8182	-0.65	78.3	OMR	0.3850	0.0000	-0.06	Aluminum	2,853.00	1.80
30-Year	2.7445	-1.70	58.5	AED	3.6730	-0.0082	-0.01	Crude Oil	119.88	58.07

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	2.48	0.00	1.40	0.00	NA	NA
5-Year	2.72	0.00	1.55	0.00	0.35	0.00
10-Year	2.74	0.02	1.91	0.00	0.79	0.00
30-Year	2.96	0.05	2.18	0.00	1.21	0.00

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	BB-	BB-
Egypt	B2	B	B+
Lebanon	C	SD	RD
Jordan	B1	B+	BB-
Turkey	B2	B+	B+
Tunisia	Caa1	NR	CCC
Morocco	Ba1	BB+	BB+
US	Aaa	AA+	AAA
UK	Aa3	AA	AA-
China	A1	A+	A+

USD 5Yr CDS	30-May 2022	31-Dec 2021
Kuwait	65.39	40.53
KSA	60.42	50.97
Abu Dhabi	58.78	43.09
Dubai	114.32	89.58
Qatar	58.78	42.55
Bahrain	300.85	286.32
Oman	249.76	254.42
Iraq	474.20	507.35
Egypt	731.21	496.58
Morocco	196.01	85.91
Turkey	704.36	555.46
US	15.91	10.01
UK	9.00	8.91
China	70.25	39.86
Japan	17.84	16.23
Germany	10.19	7.53
France	19.29	17.87