

## News Updates

**Kuwait's economy set for 5.3% growth on multi-year high oil prices –** Kuwait's economy is set to grow by 5.3% in 2022, followed by a 3% growth the next year, according to a report by World Bank. Oil continued its rally through February and reached multi year highs on the back of rising geo-political tensions and supply constraints against strong recovery in demand. Russia, a key member of OPEC+, produces 10% of the global oil and supplies 40% of Europe's Gas. A steep rise in volatility had major equity indices end the month in red, with MSCI World and S&P 500 equity indices decreasing 2.7% and 3.1% respectively, it stated. According to the World Bank report, the economic growth underscores the contribution of high oil prices to the national budget of the country, and the importance of developing the private sector and human capital for achieving sustainable economic growth. High inflation is seen as a potential risk to the oil price momentum. Inflation in Kuwait rose to 4.3% YoY driven by rising prices of food and housing services, which rose 7.26% and 2.44% YoY respectively in the month of January. (Source: Zawya)

**IMF Sees 'Severe Impact' on Global Economy From War, Sanctions –** The International Monetary Fund warned Russia's war with Ukraine and the subsequent sanctions imposed upon President Vladimir Putin's country will have a "severe impact" on the global economy. "While the situation remains highly fluid and the outlook is subject to extraordinary uncertainty, the economic consequences are already very serious," the Washington-based lender said in a statement on Saturday. Food and energy prices have surged in recent days and supply chains have frayed, adding to the inflationary pressures that policy makers were already struggling to tackle. JPMorgan Chase & Co. economists cut their outlook for global growth this year by about a percentage point, and raised their inflation estimate by a similar amount. (Source: Bloomberg)

**Putin Seeks to Avert Defaults With Ruble Payments to Creditors –** Russia and Russian companies will be allowed to pay foreign creditors in rubles, according to a decree signed by President Vladimir Putin on Saturday, as a way to stave off defaults while capital controls remain in place. The decree establishes temporary rules for sovereign and corporate debtors to make payments to creditors from "countries that engage in hostile activities" against Russia, its companies and citizens. The government will prepare a list of such countries within two days. Russian corporate bonds denominated in foreign currencies have plunged to deeply distressed levels in recent days as investors weighed the impact of sanctions imposed on the country in the wake of its invasion of Ukraine. The Russian government responded to the sanctions by reducing dramatically access to foreign currencies. Separately, clearing houses Clearstream and Euroclear stopped accepting the ruble as settlement currency. (Source: Bloomberg)

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	1.97	-1.54	KSA	2027	2.20	-1.98
Abu Dhabi	2031	2.34	-2.92	KSA	2032	2.68	-2.76
Abu Dhabi	2050	3.29	-5.99	KSA	2050	3.89	-7.30
Bahrain	2028	4.96	-1.82	Oman	2027	4.75	-2.58
Bahrain	2032	6.25	-4.08	Oman	2032	5.66	-3.12
Bahrain	2051	7.45	-7.03	Oman	2051	7.00	-5.28
Dubai	2029	2.88	-2.53	Qatar	2026	2.15	-2.26
Kuwait	2022	-4.97	-0.42	Qatar	2030	2.67	-3.61
Kuwait	2027	2.08	-2.32	Qatar	2050	3.43	-6.34

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.34	8.08	-0.14	-3.11
S&P MENA Bond and Sukuk Index	2.93	NA	0.05	-3.12
Bloomberg Emerging Markets USD Index	5.88	6.80	-0.45	-8.47
Bloomberg Global Aggregate Index	1.70	7.42	0.10	-3.44

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	06/03/2022	31/12/2021	06/03/2022	31/12/2021	06/03/2022	31/12/2021
KIBOR	1.5000	1.5000	1.7500	1.7500	2.0625	2.0000
SAIBOR	1.6329	0.9057	1.5559	0.9829	1.8081	1.0600
BHIBOR	1.6000	1.5167	1.9033	1.6233	2.4000	1.7667
QATAR	1.1500	1.1250	1.2000	1.2000	1.3500	1.3250
AEIBOR	0.6671	0.3645	0.9686	0.7000	1.3813	0.7396
EURIBOR	-0.5200	-0.5730	-0.4820	-0.5460	-0.3590	-0.4980
LIBOR	0.6101	0.2144	0.9394	0.3451	1.3529	0.5888

USD Swap Rates					Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)	
1-Year	1.2790	-0.80	139.1	KWD	0.3032	-0.0330	-0.23	Gold	1,966.60	7.41	
2-Year	1.6716	-4.92	77.6	SAR	3.7521	-0.0027	0.09	Silver	25.79	10.30	
5-Year	1.7323	-9.86	26.5	BHD	0.3770	0.0053	0.01	Copper	493.75	10.87	
7-Year	1.7579	-11.12	19.1	QAR	3.6416	-0.0082	0.00	Nat. Gas	5.02	43.03	
10-Year	1.8175	-11.59	15.0	OMR	0.3850	0.0026	-0.06	Aluminum	3,875.50	38.02	
30-Year	1.8785	-10.64	8.5	AED	3.6730	0.0000	-0.01	Crude Oil	118.11	53.59	
US Treasuries					UK Gilts		German Bunds				
	Yield %	1D Δ (%)			Yield %	1D Δ (%)			Yield %	1D Δ (%)	
2-Year	1.48	0.11			1.04	0.14			NA	NA	
5-Year	1.64	0.46			0.97	0.43			-0.67	0.30	
10-Year	1.73	1.02			1.21	0.99			-0.26	0.73	
30-Year	2.16	1.45			1.45	1.69			0.12	3.61	

## 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	B-
Morocco	Ba1	BB+	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS	06-Mar 2022	31-Dec 2021
Kuwait	53.02	40.53
KSA	53.25	50.97
Abu Dhabi	52.65	43.09
Dubai	95.35	89.58
Qatar	52.88	42.55
Bahrain	297.41	286.32
Oman	245.94	254.42
Iraq	444.75	507.35
Egypt	781.72	496.58
Morocco	93.92	85.91
Turkey	655.13	555.46
US	13.94	10.01
UK	11.86	8.91
China	59.32	39.86
Japan	16.18	16.23
Germany	12.04	7.53
France	22.31	17.87