

News Updates

Egypt's CIRA to issue \$106mIn securitisation bonds - The board of Cairo for Investment and Real Estate Development (CIRA) has approved the issuance of long-term nominal, tradable, non-convertible securitisation bonds of up to EGP 2 billion. With a cash return, the three-year bonds have a nominal value of EGP 100 per bond, according to a bourse filing on Thursday. *(Source: Mubasher)*

High oil, wheat prices to burden Egypt with over \$10 billion, finance minister says - Oil prices staying at \$122 per barrel will cost the Egyptian budget \$7.2 billion, Finance Minister Mohamed Maiit said. Maiit said that higher global wheat prices and pressure on the Egyptian pound would burden the government with an additional \$3 billion. Egypt has been suffering from a shortage of foreign currency since the coronavirus pandemic chased away many tourists, international portfolio investors withdrew funds and the Ukrainian crisis pushed up commodity import prices. *(Source: Reuters)*

Fitch maintains United Kingdom's sovereign rating at 'AA-' - Ratings agency Fitch maintained United Kingdom's sovereign debt rating at 'AA-' on Friday, citing a high-income, diversified and flexible economy. The agency affirmed its outlook at 'stable'. It expects the UK economy to decelerate to 3.8% this year. Fitch said UK's tight labour market will drive strong wage growth and fiscal support measures from the government will partly cushion household incomes in the country. *(Source: Reuters)*

Aggressive Fed Moves Back in Play as Yields Surge on CPI Shock - Investors rushed to price in more aggressive Federal Reserve rate hikes Monday as the US inflation shock continued to upend bets on peak price pressures, sending Treasury yields surging and strengthening the dollar. With a 50 basis point hike seen as a given at the central bank's policy decision Wednesday, market participants are awaiting its updated projections for the US economy, inflation and interest rates. Traders see 50-50 odds of the Fed raising rates by three-quarters of a percentage point in July, while Barclays Plc became the first major bank to predict such a move could even come this week. Two-year Treasury yields climbed to a 15-year high of 3.19% and the 10-year equivalent added as much as 4 basis points to 3.20%. *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.23	-7.79	KSA	2027	3.35	-7.12
Abu Dhabi	2031	3.67	-12.57	KSA	2032	3.78	-11.35
Abu Dhabi	2050	4.38	-21.96	KSA	2050	4.86	-20.49
Bahrain	2028	6.05	-6.64	Oman	2027	5.69	-6.43
Bahrain	2032	6.94	-8.86	Oman	2032	6.45	-8.78
Bahrain	2051	8.02	-13.27	Oman	2051	7.65	-12.54
Dubai	2029	4.02	-9.19	Qatar	2026	4.84	-11.95
Dubai	2050	5.37	-19.31	Qatar	2030	3.76	-10.65
Kuwait	2027	3.08	-6.86	Qatar	2050	4.44	-21.03

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.51	8.08	-0.44	-9.85
S&P MENA Bond and Sukuk Index	4.12	NA	-0.60	-10.51
Bloomberg Emerging Markets USD Index	6.69	6.80	-0.77	-14.91
Bloomberg Global Aggregate Index	2.93	7.42	-0.99	-13.62

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	13/06/2022	31/12/2021	13/06/2022	31/12/2021	13/06/2022	31/12/2021
KIBOR	2.0000	1.5000	2.2500	1.7500	2.5625	2.0000
SAIBOR	3.0759	0.9057	3.2968	0.9829	3.5166	1.0600
BHIBOR	2.8083	1.5167	3.2167	1.6233	3.7583	1.7667
QATAR	1.1500	1.1250	1.3000	1.2000	1.8500	1.3250
AEIBOR	1.3714	0.3645	2.1964	0.7000	2.6277	0.7396
EURIBOR	-0.2980	-0.5730	0.0830	-0.5460	0.6800	-0.4980
LIBOR	1.7447	0.2144	2.3116	0.3451	3.0054	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	3.1813	10.63	494.6	KWD	0.3067	-0.1468	-1.34	Crude Oil	120.09	59.44
2-Year	3.5447	9.84	276.6	SAR	3.7519	-0.0027	0.10	Gold	1,866.00	1.64
5-Year	3.3579	5.72	145.2	EUR	1.0491	-0.2757	-7.74	Silver	21.64	-7.60
7-Year	3.2822	3.74	122.4	GBP	1.2286	-0.2436	-9.22	Copper	424.25	-4.50
10-Year	3.2431	2.16	105.1	JPY	135.0700	-0.4813	-14.79	Nat. Gas	8.61	136.53
30-Year	2.9680	1.23	71.5	CNH	6.7569	-0.3892	-5.91	Aluminum	2,661.25	-5.04

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	3.15	-0.15	2.02	-0.34	NA	NA
5-Year	3.31	-0.22	2.13	-0.85	1.01	0.00
10-Year	3.17	-0.10	2.44	-1.21	1.40	0.00
30-Year	3.21	-0.21	2.57	-1.35	1.63	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	13-Jun 2022	31-Dec 2021
Kuwait	60.79	40.53
KSA	61.47	50.97
Abu Dhabi	59.61	43.09
Dubai	115.74	89.58
Qatar	60.61	42.55
Bahrain	296.21	286.32
Oman	222.46	254.42
Iraq	394.40	507.35
Egypt	821.37	496.58
Morocco	202.78	85.91
Turkey	819.35	555.46
US	16.00	10.01
UK	9.51	8.91
China	76.17	39.86
Japan	17.88	16.23
Germany	10.76	7.53
France	19.77	17.87