

## News Updates

**Fitch Affirms Boubayan Bank at 'A'; Stable Outlook** – Fitch Ratings has affirmed Boubayan Bank's (BBY) Long-Term Issuer Default Rating (IDR) at 'A'; The Outlook is Stable. Fitch has also affirmed BBY's Viability Rating (VR) at 'bbb-'. BBY'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 BBY's Long-Term IDR reflects that on the Kuwaiti sovereign rating. *(Source: Fitch Ratings)*

**SAIB plans to issue SAR-denominated Sukuk programme** – Saudi Investment Bank (SAIB) intends to issue SAR-denominated Tier 1 Sukuk programme, under which it will offer a total value not exceeding SAR 2 billion through a private placement. The bank has assigned Alistithmar for Financial Securities and Brokerage Company (Alistithmar Capital) to be the lead manager and bookrunner for the potential issue. The Saudi lender noted that the exact amount and terms of the Sukuk offering will be disclosed at a later time. Subject to the approval of relevant regulatory authorities, the issuance aims to enhance SAIB's Tier 1 capital and meet its financial and strategic needs. *(Source: Mubasher)*

**Egypt Set to Raise Samurai Bonds Worth \$500 Million This Week** – Egypt plans to raise the equivalent of about \$500 million with its first yen bonds, according to an official, as the government seeks to diversify funding for the economy that's under pressure from the war in Ukraine and soaring commodity prices. The government is issuing the yen-denominated five-year debt in a private placement that will probably be completed Thursday, the head of the finance ministry's debt management unit, Mohamed Hegazy, said in an interview. It will target a yield of between 0.80% and 0.85%, he said. *(Source: Bloomberg)*

**Tunisia Default Risk Rising If IMF Deal Delayed: Morgan Stanley** – Tunisia is unlikely to clinch a loan program with the International Monetary Fund this year, with political opposition to fiscal reforms raising the risk that the government will eventually default on its debt, Morgan Stanley said. "Assuming that Tunisia muddles along in 2022 and without substantial reforms, this raises the probability of default in 2023 on account of the high financing needs," the investment bank wrote. It said the mounting pressure would likely push the government to finalize a new agreement with the IMF in 2023, though that might be too late to avoid some debt restructuring. *(Source: Bloomberg)*

**Goldman Sees Fed Hiking 50 Basis Points at May and June Meetings** – Goldman Sachs Group Inc.'s economists now expect the Federal Reserve to raise interest rates by 50 basis points at both its May and June policy meetings. Economists led by Jan Hatzius said the Fed will likely raise by 25 basis points in the four remaining meetings in the second half of the year, with three quarterly hikes in the first nine months of 2023. The change of forecast by Goldman follows a speech and comments Monday by Fed Chair Jerome Powell that the central bank is prepared to raise interest rates by a half percentage-point at its next meeting if needed, deploying a more aggressive tone toward curbing inflation than he used just a few days earlier. *(Source: Bloomberg)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.46	-4.15	KSA	2027	2.51	-3.42
Abu Dhabi	2031	2.77	-6.27	KSA	2032	3.08	-6.01
Abu Dhabi	2050	3.70	-12.47	KSA	2050	4.34	-13.81
Bahrain	2028	5.08	-2.24	Oman	2027	4.75	-2.61
Bahrain	2032	6.20	-3.60	Oman	2032	5.68	-3.26
Bahrain	2051	7.38	-6.29	Oman	2051	6.94	-4.68
Dubai	2029	2.98	-3.23	Qatar	2026	2.47	-3.65
Kuwait	2022	NA	-0.52	Qatar	2030	2.95	-5.71
Kuwait	2027	2.39	-3.76	Qatar	2050	3.84	-12.73

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.72	8.08	-0.68	-5.61
S&P MENA Bond and Sukuk Index	3.32	NA	-0.64	-5.88
Bloomberg Emerging Markets USD Index	5.79	6.80	-0.41	-10.56
Bloomberg Global Aggregate Index	2.13	7.42	-0.55	-6.55

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	23/03/2022	31/12/2021	23/03/2022	31/12/2021	23/03/2022	31/12/2021
KIBOR	1.6875	1.5000	1.9375	1.7500	2.1875	2.0000
SAIBOR	2.1766	0.9057	2.1809	0.9829	2.4088	1.0600
BHIBOR	1.9000	1.5167	1.9833	1.6233	2.4667	1.7667
QATAR	1.1500	1.1250	1.2000	1.2000	1.3500	1.3250
AEIBOR	0.8828	0.3645	1.3375	0.7000	1.8908	0.7396
EURIBOR	-0.4940	-0.5730	-0.3910	-0.5460	-0.2030	-0.4980
LIBOR	0.9576	0.2144	1.3361	0.3451	1.8681	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	1.8754	2.61	250.5	KWD	0.3042	-0.0822	-0.53	Gold	1,926.80	5.09
2-Year	2.4311	2.06	158.3	SAR	3.7514	-0.0027	0.12	Silver	24.94	6.67
5-Year	2.4955	2.00	82.2	BHD	0.3770	0.0000	0.00	Copper	469.65	5.46
7-Year	2.4839	2.08	68.3	QAR	3.6414	0.0055	0.01	Nat. Gas	5.15	46.79
10-Year	2.4945	2.24	57.8	OMR	0.3851	0.0052	-0.07	Aluminum	3,504.50	24.87
30-Year	2.4521	2.19	41.6	AED	3.6730	0.0000	-0.01	Crude Oil	117.25	52.47

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	2.18	-0.03	1.39	-0.18	NA	NA
5-Year	2.42	-0.08	1.45	-0.43	-0.15	-0.13
10-Year	2.40	-0.16	1.70	-0.75	0.33	-0.29
30-Year	2.62	-0.41	1.92	-1.16	0.63	-0.36

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	23-Mar 2022	31-Dec 2021
Kuwait	58.67	40.53
KSA	46.99	50.97
Abu Dhabi	46.30	43.09
Dubai	96.45	89.58
Qatar	47.39	42.55
Bahrain	288.11	286.32
Oman	240.88	254.42
Iraq	368.40	507.35
Egypt	599.30	496.58
Morocco	103.52	85.91
Turkey	581.34	555.46
US	14.83	10.01
UK	13.05	8.91
China	58.55	39.86
Japan	17.14	16.23
Germany	13.94	7.53
France	24.62	17.87