

News Updates

Saudis Raise Oil Prices More Than Expected Amid Asia Rebound -

Saudi Arabia raised oil prices for its biggest market of Asia by more than expected as the region's main economies ease coronavirus restrictions, helping boost demand. The increase for July shipments resumes a streak of hikes that started in February and was only broken when state producer Saudi Aramco cut prices from record levels a month ago. Aramco raised its key Arab Light crude grade for Asian customers by \$2.10 a barrel from June to \$6.50 above the benchmark it uses. The kingdom, the world's biggest oil exporter, raised prices for shipments sold under long-term contracts after futures surged in the wake of Russia's invasion of Ukraine. Crude has climbed more than 50% this year to almost \$120 a barrel. *(Source: Bloomberg)*

France Is Talking to UAE About Replacing Russian Oil, Diesel -

France is talking to the United Arab Emirates about the supply of oil and diesel as it seeks alternatives to Russian energy sources, Finance Minister Bruno Le Maire said on Sunday. "We are looking for substitutes to the supply of gas or diesel from Russia," Le Maire said. "For example, the United Arab Emirates can be a solution, at least temporarily, to replace Russian oil and diesel. These are discussions that have already begun with the United Arab Emirates." The European Union approved a sixth package of sanctions against Russia over the war in Ukraine last week that included a partial ban on Russian oil imports. *(Source: Bloomberg)*

Moody's affirms the ratings of Egyptian banks; changes outlook to negative -

Moody's Investors Service ("Moody's") has affirmed all ratings and assessments of the five rated Egyptian banks, namely: National Bank of Egypt SAE, Banque Misr SAE, Banque du Caire SAE, Commercial International Bank (Egypt) SAE and Bank of Alexandria SAE. As part of the same rating action Moody's has changed the outlook on the banks' long-term deposit ratings to negative from stable. The rating action follows Moody's decision to affirm Egypt's B2 rating and change its outlook to negative from stable on 26 May 2022. The negative outlook on the sovereign rating captures the narrowing foreign liquidity buffers amid tightening external funding conditions that increase balance of payment risks, and the rise in borrowing costs driven by soaring inflation that exacerbate debt affordability challenges. *(Source: Moody's)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.04	-6.86	KSA	2027	3.14	-6.19
Abu Dhabi	2031	3.41	-10.80	KSA	2032	3.55	-9.62
Abu Dhabi	2050	4.18	-19.28	KSA	2050	4.74	-18.79
Bahrain	2028	5.69	-5.04	Oman	2027	5.25	-4.64
Bahrain	2032	6.66	-6.78	Oman	2032	5.97	-5.44
Bahrain	2051	7.65	-9.30	Oman	2051	7.35	-9.20
Dubai	2029	3.99	-9.15	Qatar	2026	3.11	-5.98
Dubai	2050	5.40	-19.30	Qatar	2030	3.44	-9.02
Kuwait	2027	2.97	-6.34	Qatar	2050	4.30	-18.80

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.35	8.08	-0.13	-8.78
S&P MENA Bond and Sukuk Index	3.98	NA	-0.24	-9.54
Bloomberg Emerging Markets USD Index	6.37	6.80	-0.10	-13.41
Bloomberg Global Aggregate Index	2.67	7.42	-0.13	-11.62

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	06/06/2022	31/12/2021	06/06/2022	31/12/2021	06/06/2022	31/12/2021
KIBOR	1.8750	1.5000	2.1250	1.7500	2.4375	2.0000
SAIBOR	3.0207	0.9057	3.2646	0.9829	3.3378	1.0600
BHIBOR	2.7763	1.5167	3.1338	1.6233	3.7257	1.7667
QATAR	1.1500	1.1250	1.3000	1.2000	1.8500	1.3250
AEIBOR	1.7179	0.3645	2.1978	0.7000	2.6350	0.7396
EURIBOR	-0.3280	-0.5730	-0.0080	-0.5460	0.4860	-0.4980
LIBOR	1.6260	0.2144	2.1093	0.3451	2.7754	0.5888

USD Swap Rates					Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	2.7276	1.84	409.8	KWD	0.3061	-0.0817	-1.16	Gold	1,858.10	1.21
2-Year	3.0488	1.67	223.9	SAR	3.7512	0.0000	0.12	Silver	22.30	-4.78
5-Year	2.9924	0.97	118.5	BHD	0.3770	0.0000	0.01	Copper	442.05	-0.50
7-Year	2.9974	1.21	103.1	QAR	3.6414	0.0055	0.01	Nat. Gas	8.79	141.73
10-Year	3.0313	1.38	91.7	OMR	0.3850	0.0000	-0.07	Aluminum	2,703.00	-3.55
30-Year	2.8946	1.86	67.2	AED	3.6731	0.0000	-0.01	Crude Oil	120.46	59.93

US Treasuries			UK Gilts			German Bunds		
Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)	
2-Year	2.66	-0.01	1.65	-0.17		NA	NA	
5-Year	2.94	-0.03	1.75	-0.36		0.66	0.00	
10-Year	2.95	-0.11	2.15	-0.56		1.12	0.00	
30-Year	3.10	-0.18	2.41	-0.44		1.49	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	06-Jun 2022	31-Dec 2021
Kuwait	65.00	40.53
KSA	62.77	50.97
Abu Dhabi	59.14	43.09
Dubai	113.18	89.58
Qatar	60.35	42.55
Bahrain	300.10	286.32
Oman	248.95	254.42
Iraq	407.51	507.35
Egypt	754.68	496.58
Morocco	193.54	85.91
Turkey	709.97	555.46
US	16.87	10.01
UK	10.21	8.91
China	69.39	39.86
Japan	18.15	16.23
Germany	10.63	7.53
France	20.30	17.87