

News Updates

Saudi Arabia issues \$7bn sukuk in March, Kingdom's debt offices says

– Saudi Arabia’s National Debt Management Center, also known as NDMC, issued a new Saudi riyal-denominated Sukuk worth around SAR 26.2 billion (\$7 billion). The new issuance is part of the Sukuk Issuance Program, NDMC said in a press release. The issuance is divided into four tranches. The two tranches with a value of SAR 13.2 billion and SAR 8.5 billion have the longest maturity — 2032 and 2037, respectively. The remaining two tranches are smaller in size — SAR 2.6 billion and SAR 1.9 billion — and have shorter maturities of 2027 and 2029 respectively. *(Source: Arab News)*

Oil rises as market weighs OPEC filling Russia supply gap – Oil prices rose on Thursday following a sharp drop in the previous session as the market contemplated whether major producers would boost supply to help plug the gap in output from Russia due to sanctions for its invasion of Ukraine. Brent crude futures were up \$3.10, or 2.8%, at \$114.24 a barrel at 0419 GMT after trading in a more than \$5 range. The benchmark contract slumped 13% in the previous session in its biggest one-day drop in nearly two years. U.S. West Texas Intermediate (WTI) crude futures were up \$1.58, or 1.5%, at \$110.28 a barrel, after trading in a more than \$4 range. The contract had tumbled 12.5% in the previous session in the biggest daily decline since November. UAE Energy Minister Suhail al-Mazrouei said on Twitter late on Wednesday his country is committed to the existing agreement by the Organization of the Petroleum Exporting Countries and allies including Russia, together called OPEC+, to ramp up oil supply by 400,000 barrels per day monthly following sharp cuts in 2020. *(Source: Reuters)*

U.S. Treasury Yields rise with inflation data on deck – The benchmark U.S. 10-year Treasury yield rose for a third straight day on Wednesday as concerns over rising prices persisted a day ahead of a report on inflation even as oil prices plunged. Oil prices fell sharply after OPEC member United Arab Emirates said it would support boosting supply into a market in disarray because of supply disruptions caused by sanctions imposed on Russia. Crude prices have been rapidly increasing this year as the conflict between Ukraine and Russia has escalated and served to heighten concerns that inflation could dent economic growth and result in stagflation, an environment of rising prices with slowing growth, or even a recession. The yield on 10-year Treasury notes was up 7.3 basis points at 1.944% after touching 1.95%, its highest level since Feb. 25. The three-day streak of gains in the yield is the longest in a month. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.01	-1.77	KSA	2027	2.25	-2.34
Abu Dhabi	2031	2.41	-3.44	KSA	2032	2.71	-3.03
Abu Dhabi	2050	3.35	-6.87	KSA	2050	3.99	-8.84
Bahrain	2028	5.06	-2.30	Oman	2027	4.66	-2.19
Bahrain	2032	6.25	-4.02	Oman	2032	5.64	-3.04
Bahrain	2051	7.42	-7.49	Oman	2051	6.88	-4.05
Dubai	2029	2.98	-3.06	Qatar	2026	2.15	-2.29
Kuwait	2022	-9.23	-0.44	Qatar	2030	2.65	-3.82
Kuwait	2027	2.21	-2.84	Qatar	2050	3.48	-7.00

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.42	8.08	-0.03	-3.56
S&P MENA Bond and Sukuk Index	3.01	NA	-0.25	-3.66
Bloomberg Emerging Markets USD Index	5.63	6.80	0.19	-10.16
Bloomberg Global Aggregate Index	1.85	7.42	0.07	-4.54

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	10/03/2022	31/12/2021	10/03/2022	31/12/2021	10/03/2022	31/12/2021
KIBOR	1.5000	1.5000	1.7500	1.7500	2.0625	2.0000
SAIBOR	1.7000	0.9057	1.7223	0.9829	1.9677	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	0.7300	0.3645	1.1214	0.7000	1.4925	0.7396
EURIBOR	-0.4990	-0.5730	-0.4430	-0.5460	-0.3280	-0.4980
LIBOR	0.7030	0.2144	1.0237	0.3451	1.4469	0.5888

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	1.4480	1.66	170.7	KWD	0.3040	0.0000	-0.46	Gold	1,982.80	8.29
2-Year	1.8744	0.18	99.1	SAR	3.7520	0.0053	0.11	Silver	25.82	10.41
5-Year	1.9446	-1.36	42.0	BHD	0.3770	0.0053	0.01	Copper	462.00	3.74
7-Year	1.9725	-1.61	33.7	QAR	3.6416	-0.0082	0.00	Nat. Gas	4.54	29.54
10-Year	2.0274	-1.49	28.2	OMR	0.3850	0.0026	-0.06	Aluminum	3,321.00	18.27
30-Year	2.0401	-1.79	17.8	AED	3.6731	0.0000	-0.01	Crude Oil	113.81	48.00

US Treasuries			UK Gilt		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	1.66	0.04	1.40	-0.18	NA	NA
5-Year	1.87	0.07	1.32	-0.44	-0.43	-0.31
10-Year	1.94	0.12	1.52	-0.87	0.02	-0.78
30-Year	2.32	0.30	1.68	-1.46	0.39	-2.77

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	10-Mar 2022	31-Dec 2021
Kuwait	52.92	40.53
KSA	51.61	50.97
Abu Dhabi	51.45	43.09
Dubai	99.99	89.58
Qatar	51.58	42.55
Bahrain	290.15	286.32
Oman	239.26	254.42
Iraq	440.32	507.35
Egypt	977.57	496.58
Morocco	94.17	85.91
Turkey	649.09	555.46
US	15.03	10.01
UK	14.02	8.91
China	55.33	39.86
Japan	16.77	16.23
Germany	15.86	7.53
France	22.70	17.87