

News Updates

Fitch downgrades 11 Kuwaiti Banks – Fitch Ratings has downgraded 11 Kuwaiti banks' Long-Term Issuer Default Ratings (IDRs). Their Outlooks are Stable. The banks are National Bank of Kuwait SAKP (NBK), Kuwait Finance House KSCP, Boubyan Bank KSCP (BBY), Gulf Bank KSCP, Burgan Bank KPSC, Al Ahli Bank of Kuwait KSCP, Commercial Bank of Kuwait KPSC, Ahli United Bank KSCP, Kuwait International Bank KSCP, Warba Bank KSCP and Industrial Bank of Kuwait KSC. Fitch has also downgraded the support-driven Long-Term IDRs of NBK's subsidiaries, NBK (International) PLC (NBKI) and NBK France SA (NBKF) and of BBY's subsidiary, Bank of London and the Middle-East PLC (BLME). Their Outlook are Stable. The rating actions follow a similar action on Kuwait's sovereign rating on 27 January 2022. *(Source: Fitch Ratings)*

Saudi Wealth Fund Edges Closer to Green Bond With Moody's Rating – Saudi Arabia's sovereign wealth fund has received the fifth-highest credit rating from Moody's Investors Service ahead of its plans to tap the international bond market for the first time. The A1 rating for the \$500 billion Public Investment Fund, which matches the agency's sovereign rating on Saudi Arabia, "reflects its standalone creditworthiness" as well as its "very high level of interdependence" with the government and likelihood that the state would provide it with support if needed, Moody's said in a statement on Monday. *(Source: Bloomberg)*

Qatar Said to Weigh Refinancing \$10 Billion Debt Due Next Year – Qatar's government has approached international banks to explore refinancing more than \$10 billion in debt that comes due next year, according to three people familiar with the matter. Officials at the Ministry of Finance are in early talks with international banks for a potential syndicated loan or bond sale, the people said, asking not to be named because they're not authorized to speak publicly. No final decision has been made, the people said. The government may decide to refinance part of the debt or even shelve the plan since the country has financial flexibility, they said. *(Source: Bloomberg)*

Turkey Readies First Global Bond Sale Since Lira Implosion – Turkey is preparing to return to global bond markets for the first time since the lira's implosion, according to people familiar with the matter. The nation has picked banks including HSBC Holdings Plc to manage a sale of Islamic debt which could happen this month, said the people who declined to be identified because the details aren't public. The sale may be used to refinance about \$2 billion of debt maturing this month, they said. *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	1.96	-1.54	KSA	2027	2.35	-2.71
Abu Dhabi	2031	2.38	-3.27	KSA	2032	2.72	-3.11
Abu Dhabi	2050	3.35	-6.89	KSA	2050	3.82	-6.37
Bahrain	2028	4.88	-1.36	Oman	2027	4.68	-2.22
Bahrain	2032	6.08	-2.81	Oman	2032	5.74	-3.62
Bahrain	2051	7.17	-3.86	Oman	2051	7.00	-5.25
Dubai	2029	2.82	-2.08	Qatar	2026	2.21	-2.57
Kuwait	2022	-1.00	-0.28	Qatar	2030	2.73	-3.71
Kuwait	2027	2.22	-2.88	Qatar	2050	3.44	-6.29

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.22	8.08	-0.30	-2.83
S&P MENA Bond and Sukuk Index	2.82	NA	-0.32	-3.01
Bloomberg Emerging Markets USD Index	4.81	6.80	-0.19	-3.26
Bloomberg Global Aggregate Index	1.70	7.42	-0.05	-2.42

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	08/02/2022	31/12/2021	08/02/2022	31/12/2021	08/02/2022	31/12/2021
KIBOR	1.5000	1.5000	1.7500	1.7500	2.0000	2.0000
SAIBOR	1.0362	0.9057	1.1671	0.9829	1.3837	1.0600
BHIBOR	1.5667	1.5167	1.6500	1.6233	1.7833	1.7667
QATAR	1.1500	1.1250	1.2000	1.2000	1.3500	1.3250
AEIBOR	0.4976	0.3645	0.7429	0.7000	1.0453	0.7396
EURIBOR	-0.5480	-0.5730	-0.4730	-0.5460	-0.3460	-0.4980
LIBOR	0.3390	0.2144	0.5554	0.3451	0.9990	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	0.9995	1.36	86.8	KWD	0.3023	0.0827	0.10	Gold	1,822.80	-0.45
2-Year	1.4930	2.23	58.6	SAR	3.7520	0.0000	0.10	Silver	22.95	-1.74
5-Year	1.8705	2.42	36.6	BHD	0.3770	0.0080	0.01	Copper	446.50	0.03
7-Year	1.9460	2.47	31.9	QAR	3.6416	-0.0082	0.00	Nat. Gas	4.26	19.85
10-Year	2.0071	2.21	27.0	OMR	0.3850	0.0000	-0.05	Aluminum	3,164.50	12.82
30-Year	2.0417	1.41	17.9	AED	3.6731	0.0000	-0.01	Crude Oil	92.56	19.66

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	1.32	-0.04	1.25	-0.01	NA	NA
5-Year	1.79	-0.11	1.30	0.00	-0.25	0.06
10-Year	1.94	-0.16	1.41	0.02	0.10	-0.14
30-Year	2.23	-0.26	1.50	-0.46	0.36	-1.07

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	BB-
Tunisia	Caa1	NR	B-
Morocco	Ba1	BB+	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS	08-Feb 2022	31-Dec 2021
Kuwait	50.46	40.53
KSA	52.84	50.97
Abu Dhabi	51.76	43.09
Dubai	94.16	89.58
Qatar	51.12	42.55
Bahrain	290.66	286.32
Oman	232.26	254.42
Iraq	412.33	507.35
Egypt	537.19	496.58
Morocco	91.19	85.91
Turkey	541.57	555.46
US	10.17	10.01
UK	9.35	8.91
China	52.71	39.86
Japan	16.20	16.23
Germany	6.76	7.53
France	17.39	17.87