

## News Updates

**Moody's assigns an A3 insurance financial strength rating to Dubai Insurance Company; stable outlook** – Moody's Investors Service ("Moody's") has assigned an A3 insurance financial strength rating (IFSR) to Dubai Insurance Company (P.S.C.) (DIN). The outlook is stable. Based in United Arab Emirates (UAE), DIN is a mid-tier property and casualty insurer, underwriting motor, medical, general liability, property and engineering and various other personal lines products. The A3 IFSR of DIN reflects its good market position and brand, strong capital adequacy, strong profitability, and strong reserve adequacy. The stable rating outlook reflects Moody's expectation that DIN will grow its business while maintaining underwriting discipline, as well as maintain its strong capital adequacy. *(Source: Moody's)*

**Middle East Crude-Benchmarks slip; Saudi raises crude prices to Asia** – Middle East crude benchmarks slipped on Monday ahead of more supply expected but losses were kept in check after Saudi Arabia raised official selling prices (OSPs) for January. State oil producer Saudi Aramco raised OSPs for all crude grades sold to key market Asia for a second straight month in January, tracking robust gains in Middle East spot market last month. The price hikes, announced by the company on Sunday, were implemented despite a decision last week by the Organization of the Petroleum Exporting Countries and their allies including Russia to continue increasing monthly supplies by 400,000 barrels per day in January. The Organization of the Petroleum Exporting Countries (OPEC) will continue with its supply adjustments for the oil market, the OPEC Secretary General said on Saturday. *(Source: Reuters)*

**U.S. yields rise as risk-off mood ebbs** – U.S. Treasury yields rose on Monday, with the benchmark 10-year climbing back above the 1.4% mark after hitting its lowest level since late September on Friday in the wake of the November jobs report. The yield on 10-year Treasury notes was up 9.2 basis points to 1.433% after falling as low as 1.335% on Friday, its lowest since Sept. 23. While Friday's payrolls report missed expectations, the report was not viewed as enough to substantially alter the Federal Reserve's timeline to taper its bond purchases after Chair Jerome Powell signaled last week the central bank would consider speeding up the process. Concerns about the newly discovered Omicron variant of the coronavirus also contributed to the risk-off mood last week and has now spread to about one-third of U.S. states. However on Sunday Anthony Fauci, the top U.S. infectious disease official, told CNN "thus far it does not look like there's a great degree of severity to it." The yield on the 30-year Treasury bond was up 8.2 basis points to 1.757%. A closely watched part of the U.S. Treasury yield curve measuring the gap between yields on two- and 10-year Treasury notes was at 79.6 basis points after flattening to 74.4 on Friday. *(Source: Reuters)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	1.29	-3.01	KSA	2025	1.49	-2.52
Abu Dhabi	2030	1.99	-4.01	KSA	2030	2.29	-2.79
Abu Dhabi	2050	2.95	-3.93	KSA	2050	3.46	-3.71
Bahrain	2026	4.27	-5.90	Oman	2025	3.41	1.54
Bahrain	2030	5.79	-7.59	Oman	2029	4.89	2.87
Bahrain	2047	7.39	-14.37	Oman	2048	6.72	0.28
Dubai	2029	2.53	-1.51	Qatar	2025	1.37	-3.59
Kuwait	2022	-0.44	-2.16	Qatar	2030	2.15	-5.12
Kuwait	2027	1.60	-4.25	Qatar	2050	3.03	-4.05

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.80	8.08	-0.02	0.64
S&P MENA Bond and Sukuk Index	2.38	NA	-0.12	0.32
Bloomberg Emerging Markets USD Index	4.54	6.80	-0.04	-1.96
Bloomberg Global Aggregate Index	1.24	7.42	-0.10	-4.36

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	07/12/2021	31/12/2020	07/12/2021	31/12/2020	07/12/2021	31/12/2020
KIBOR	1.5000	1.4375	1.7500	1.6875	2.0000	1.9375
SAIBOR	0.8457	0.8175	0.8971	0.8700	0.9700	0.9413
BHIBOR	1.5167	2.2500	1.6017	2.5333	1.7667	2.6833
QATAR	1.1000	1.1206	1.2000	1.1960	1.3500	1.3636
AEIBOR	0.4100	0.5125	0.5122	0.4908	0.7806	0.6538
EURIBOR	-0.5630	-0.5450	-0.5370	-0.5260	-0.5000	-0.4990
LIBOR	0.1876	0.2384	0.2711	0.2576	0.4615	0.3419

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	0.4278	0.54	122.2	KWD	0.3026	0.0000	0.23	Gold	1,778.40	-7.08
2-Year	0.8734	1.38	341.6	SAR	3.7518	0.0000	0.00	Silver	22.32	-16.54
5-Year	1.3386	1.41	211.3	BHD	0.3770	-0.0027	0.00	Copper	432.00	22.71
7-Year	1.4483	1.49	121.2	QAR	3.6416	-0.0082	-0.01	Nat. Gas	3.74	24.25
10-Year	1.5440	1.58	66.9	OMR	0.3851	-0.0026	-0.01	Aluminum	2,605.25	29.78
30-Year	1.6497	1.22	17.7	AED	3.6730	0.0000	0.00	Crude Oil	73.70	45.97

US Treasuries			UK Gilts			German Bunds		
Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)	
2-Year	0.64	-0.01	0.44	0.03		-7.66	0.00	
5-Year	1.22	-0.04	0.56	0.06		-0.76	-0.05	
10-Year	1.45	-0.11	0.73	0.13		-0.52	-0.02	
30-Year	1.78	-0.15	0.82	0.42		-0.13	-0.25	

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	7-Dec 2021	31-Dec 2020
Kuwait	48.53	40.69
KSA	50.47	63.77
Abu Dhabi	42.76	36.03
Dubai	85.24	104.06
Qatar	42.58	36.70
Bahrain	300.12	233.58
Oman	259.88	353.60
Iraq	578.03	542.74
Egypt	501.72	330.47
Morocco	89.81	102.56
Turkey	534.17	299.47
US	12.19	11.52
UK	9.22	15.13
China	50.39	26.70
Japan	16.69	14.74
Germany	7.57	9.09
France	19.44	14.42