

## News Updates

**Global debt hits record of over \$305trln driven by China, US – IIF**

Global debt has increased by \$3.3 trillion in Q1 2022 to a new record of over \$305 trillion, largely driven by the world's two largest economies, China and the US. While China's debt rose by \$2.5 trillion in Q1, the US added \$1.5 trillion. However, total debt in the Euro Area declined, the Institute of International Finance (IIF) said in its Global Debt Monitor Report. The rise was mainly driven by corporate (ex-financials) and general government borrowing, with debt outside the financial sector now topping \$236 trillion—up nearly \$40 trillion since the onset of the pandemic. Debt in Emerging Markets (EMs) are now approaching a record \$100 trillion. *(Source: Zawya)*

**CBE will not hesitate to take measures it deems necessary to curb inflation: CBE Governor**

Governor of the Central Bank of Egypt (CBE) Tarek Amer said that the bank will not hesitate to take the measures it deems appropriate to curb inflation. During his speech at the Arab Banking Conference that took place on Wednesday in Cairo, Amer stressed that central banks must take the necessary measures to curb inflation, regardless of the temporary repercussions. *(Source: Zawya)*

**IMF Warns Against Global Economic Fragmentation From Ukraine War**

The International Monetary Fund warned against global economic fragmentation as a consequence of Russia's invasion of Ukraine, saying that undoing decades of integration will make the world poorer and more dangerous. Nations should lower trade barriers to alleviate shortages and lower prices, after more than 30 countries restricted trade in food, energy and other key commodities, IMF Managing Director Kristalina Georgieva said. *(Source: Bloomberg)*

**Russia makes early debt payment dash to dodge default**

Russia rushed forward two payments on its international debt on Friday in its latest attempt to stave off a default that has looked on cards since its invasion of Ukraine. A week before the interest payments are due and just five days before a key U.S. waiver allowing such transfers expires, Russia's finance ministry said it had wired \$71.25 million for a dollar-denominated bond and 26.5 million euros (\$28 million) for euro-denominated notes. Russia has faced the prospect of sovereign default since Western capitals imposed sweeping sanctions in the wake of its invasion of Ukraine on Feb. 24. The country has been all but cut off from the global financial system and has seen roughly half of its \$640 billion reserves abroad frozen. *(Source: Reuters)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.21	-7.57	KSA	2027	3.28	-6.61
Abu Dhabi	2031	3.52	-11.67	KSA	2032	3.78	-11.37
Abu Dhabi	2050	4.32	-21.16	KSA	2050	4.84	-19.93
Bahrain	2028	5.81	-5.77	Oman	2027	5.61	-6.09
Bahrain	2032	7.13	-10.18	Oman	2032	6.34	-8.00
Bahrain	2051	8.04	-13.50	Oman	2051	7.71	-13.01
Dubai	2029	4.10	-9.62	Qatar	2026	3.29	-6.60
Dubai	2050	5.64	-22.41	Qatar	2030	3.60	-9.80
Kuwait	2027	3.18	-7.16	Qatar	2050	4.43	-20.56

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.48	8.08	0.10	-9.88
S&P MENA Bond and Sukuk Index	4.05	NA	0.28	-10.23
Bloomberg Emerging Markets USD Index	6.54	6.80	0.28	-14.51
Bloomberg Global Aggregate Index	2.57	7.42	0.12	-11.29

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	23/05/2022	31/12/2021	23/05/2022	31/12/2021	23/05/2022	31/12/2021
KIBOR	1.8750	1.5000	2.1250	1.7500	2.3750	2.0000
SAIBOR	2.7316	0.9057	2.9543	0.9829	3.1767	1.0600
BHIBOR	2.5993	1.5167	2.9655	1.6233	3.5417	1.7667
QATAR	1.1500	1.1250	1.3000	1.2000	1.8500	1.3250
AEIBOR	1.5599	0.3645	2.1052	0.7000	2.5875	0.7396
EURIBOR	-0.3480	-0.5730	-0.0780	-0.5460	0.3530	-0.4980
LIBOR	1.5064	0.2144	2.0656	0.3451	2.7300	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	2.5946	3.27	385.0	KWD	0.3065	0.0000	-1.31	Gold	1,861.70	1.41
2-Year	2.9179	4.79	210.0	SAR	3.7513	0.0000	0.11	Silver	22.00	-6.04
5-Year	2.8822	5.40	110.5	BHD	0.3770	0.0000	0.01	Copper	431.90	-2.78
7-Year	2.8753	5.31	94.8	QAR	3.6414	0.0055	0.01	Nat. Gas	8.12	126.77
10-Year	2.8948	5.23	83.1	OMR	0.3850	0.0000	-0.06	Aluminum	2,940.51	4.92
30-Year	2.7615	4.32	59.5	AED	3.6730	0.0082	0.00	Crude Oil	113.77	50.01

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	2.63	-0.08	1.48	0.00	NA	NA
5-Year	2.85	-0.23	1.59	0.00	0.35	0.00
10-Year	2.83	-0.44	1.89	0.00	0.78	0.00
30-Year	3.03	-0.74	2.13	0.00	1.08	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	23-May 2022	31-Dec 2021
Kuwait	62.38	40.53
KSA	66.96	50.97
Abu Dhabi	66.85	43.09
Dubai	116.63	89.58
Qatar	67.10	42.55
Bahrain	322.29	286.32
Oman	256.48	254.42
Iraq	402.57	507.35
Egypt	902.92	496.58
Morocco	187.44	85.91
Turkey	715.97	555.46
US	16.37	10.01
UK	10.09	8.91
China	80.82	39.86
Japan	18.41	16.23
Germany	11.54	7.53
France	19.73	17.87