

News Updates

Fitch Affirms National Bank of Kuwait at 'A+'; Stable Outlook – Fitch Ratings has affirmed National Bank of Kuwait S.A.K.P.'s (NBK) Long-Term Issuer Default Ratings (IDR) at 'A+' with a Stable Outlook. Fitch has also affirmed NBK's Viability Rating (VR) at 'a-'. NBK's IDRs reflect potential support from the Kuwaiti authorities, if needed. This considers Kuwait's strong capacity to support the banking system and its record of supporting domestic banks. The Stable Outlook on NBK's Long-Term IDR reflects that on the Kuwaiti sovereign rating. *(Source: Fitch Ratings)*

Sharjah mandates banks for USD Reg S Senior Unsecured 8-Year Sukuk – The Government of the Emirate of Sharjah acting through the Sharjah Finance Department mandated Standard Chartered Bank as sole global coordinator along with Abu Dhabi Commercial Bank, Abu Dhabi Islamic Bank, Al Rajhi Capital, Dubai Islamic Bank, First Abu Dhabi Bank, National Bank of Bahrain and Sharjah Islamic Bank as joint lead managers and bookrunners and Gulf International Bank B.S.C as co-manager to arrange a series of fixed income investor meetings commenced on March 21. A benchmark fixed-rate USD Regulation S senior unsecured 8-year Sukuk offering, issued by Sharjah Sukuk Programme Limited under its Trust Certificate Issuance Program, will follow, subject to market conditions. FCA/ICMA stabilization applies. *(Source: Bloomberg)*

Abu Dhabi's Mubadala launches \$1.5bln of bonds – Abu Dhabi state investor Mubadala on Monday launched \$1.5 billion five and 10-year bonds for sale, according to a document seen by Reuters. Mubadala's unit Mamoura is selling \$500 million worth of 5-year bonds at 80 basis points over U.S. Treasuries and \$1 billion of 10-year bonds at 120 basis points over U.S. Treasuries, the document showed. *(Source: Reuters)*

Egypt Central Bank Raises Benchmark Rate in Surprise Meeting – Egypt's central bank on Monday raised the benchmark interest rate by 100 basis points, citing what it said were global inflationary pressures stemming from the coronavirus pandemic. The decision, taken after an extraordinary meeting of the bank's Monetary Policy Committee, boosted the deposit rate to 9.25% and the lending rate to 10.25%. *(Source: Bloomberg)*

U.S. Yield Curve Crushed as Short-End Rates Surge on Fed Stance – Treasury yields extended their advance Tuesday and Asian peers followed suit after hawkish comments by Federal Reserve Chairman Jerome Powell spurred investors to dump debt and price in faster policy tightening cycles for global central banks. Five-year yields rose four basis points to 2.36%, outpacing the gain in 30-year yields to send the gap between the two to its lowest since 2007. Benchmark Treasury yields climbed to the highest since 2019 after Powell said Monday the central bank was prepared to "move more aggressively by raising the federal funds rate by more than 25 basis points at a meeting or meetings." *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.32	-3.44	KSA	2027	2.47	-3.24
Abu Dhabi	2031	2.70	-5.71	KSA	2032	2.99	-5.32
Abu Dhabi	2050	3.60	-10.91	KSA	2050	4.24	-12.51
Bahrain	2028	5.01	-1.91	Oman	2027	4.77	-2.66
Bahrain	2032	6.17	-3.39	Oman	2032	5.70	-3.34
Bahrain	2051	7.33	-5.76	Oman	2051	6.83	-3.23
Dubai	2029	2.96	-3.23	Qatar	2026	2.41	-3.41
Kuwait	2022	NA	-0.52	Qatar	2030	2.90	-5.39
Kuwait	2027	2.37	-3.69	Qatar	2050	3.77	-11.63

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.62	8.08	-0.24	-4.96
S&P MENA Bond and Sukuk Index	3.23	NA	-0.06	-5.28
Bloomberg Emerging Markets USD Index	5.73	6.80	-0.48	-10.19
Bloomberg Global Aggregate Index	2.08	7.42	-0.54	-6.03

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	22/03/2022	31/12/2021	22/03/2022	31/12/2021	22/03/2022	31/12/2021
KIBOR	1.6875	1.5000	1.9375	1.7500	2.1875	2.0000
SAIBOR	2.1239	0.9057	2.1509	0.9829	2.3608	1.0600
BHIBOR	1.9000	1.5167	1.9833	1.6233	2.4667	1.7667
QATAR	1.1500	1.1250	1.2000	1.2000	1.3500	1.3250
AEIBOR	0.9287	0.3645	1.2925	0.7000	1.8665	0.7396
EURIBOR	-0.4870	-0.5730	-0.3930	-0.5460	-0.2070	-0.4980
LIBOR	0.9340	0.2144	1.2876	0.3451	1.7864	0.5888

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	1.8593	5.29	247.5	KWD	0.3039	0.0000	-0.44	Gold	1,943.30	5.99
2-Year	2.4080	4.35	155.8	SAR	3.7518	0.0053	0.11	Silver	25.55	9.26
5-Year	2.4449	3.64	78.5	BHD	0.3770	0.0000	0.00	Copper	470.15	5.57
7-Year	2.4262	3.67	64.4	QAR	3.6414	0.0055	0.01	Nat. Gas	4.93	40.60
10-Year	2.4329	3.61	53.9	OMR	0.3850	-0.0026	-0.06	Aluminum	3,522.50	25.51
30-Year	2.3910	3.55	38.1	AED	3.6731	0.0000	-0.01	Crude Oil	118.05	53.51

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	2.17	-0.09	1.30	-0.23	NA	NA
5-Year	2.36	-0.17	1.37	-0.70	-0.20	-0.16
10-Year	2.33	-0.29	1.63	-1.53	0.29	-0.69
30-Year	2.55	-0.68	1.86	-2.59	0.62	-2.32

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	CCC
Morocco	Ba1	BB+	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS	22-Mar 2022	31-Dec 2021
Kuwait	59.01	40.53
KSA	46.64	50.97
Abu Dhabi	47.04	43.09
Dubai	98.64	89.58
Qatar	47.11	42.55
Bahrain	288.66	286.32
Oman	242.21	254.42
Iraq	376.49	507.35
Egypt	590.13	496.58
Morocco	102.25	85.91
Turkey	582.69	555.46
US	13.73	10.01
UK	13.27	8.91
China	60.35	39.86
Japan	17.83	16.23
Germany	13.27	7.53
France	23.53	17.87