

News Updates

Bahrain's Infracorp lists \$900mln green sukuk on London Exchange – Infracorp has announced the issuance of a \$900 million sukuk, the first-ever green sukuk issued by a Bahraini entity, which has been listed on London Stock Exchange. Hisham Alrayes, Chairman of Infracorp commented: "This sukuk will enable positive and sustainable impact on the infrastructure development sector across the Gulf, North Africa and South Asian regions and is a response to the market's appetite for opportunities that generate returns also in addition to participating in leaving a significant and tangible ESG impact." (Source: Trade Arabia)

Bahrain's Alba confirms plan to refinance \$1.24bln loan – Aluminium Bahrain (Alba), the world's largest aluminium smelter ex-China, has confirmed that it is in the process to refinance its syndicated commercial loan facility of \$1.247 billion. The company said in a statement: "Alba would like to confirm that it is in the process to refinance its Syndicated Commercial Loan Facility of US\$1,247,475,000. Further details will be issued in due course," it said. (Source: Trade Arabia)

Oil slumps as Shanghai lockdown raises fears over drop in demand – Oil prices plunged about \$4 on Monday as concerns over slower fuel demand in China grew after authorities in Shanghai said they would shut the country's financial hub for a COVID-19 testing blitz over nine days. The market kicked off another week of uncertainty, buffeted on one side by the ongoing war between Ukraine and Russia, the world's second-largest crude exporter, and the expansion of COVID-related lockdowns in China, the world's largest crude importer. Brent crude futures slid as low as \$116.00 a barrel and were trading down \$3.88, or 3.2%, at \$116.77 at 0131 GMT. U.S. West Texas Intermediate (WTI) crude futures hit a low of \$109.30 a barrel, and were down \$3.92, or 3.4%, at \$109.98. OPEC+ are due to meet on Thursday. OPEC+ has so far resisted calls from major consuming nations, including the United States, to step up an output boost. The group have been raising output by 400,000 barrels per day (bpd) each month since August to unwind cuts made when the COVID-19 pandemic hit demand. (Source: Reuters)

Goldman raises US Treasury yield forecasts on more hawkish Fed – Goldman Sachs said on Thursday that it has raised its forecasts on U.S. Treasury yields for this year, citing more broad-based and persistent price pressures and a more hawkish pivot by the Federal Reserve. The investment bank now expects benchmark 10-year yields to rise to 2.7% by year-end, up from its previous forecast of 2.25%. It also expects two-year yields to rise to 2.9% and 3.15% at year-end 2022 and 2023, respectively. For 30-year bonds, the bank expects a more gradual increase, with the yields likely to end 2022 at 2.75%. Goldman also expects the yield curve between two-year and 10-year notes to invert modestly by year-end, but said that should not necessarily be taken as an indicator that a recession is likely to follow. (Source: Reuters)

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A number of sources which include Bloomberg, Zawya, and daily newspapers were utilized in the creation of this report.

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.56	-4.50	KSA	2027	2.68	-4.10
Abu Dhabi	2031	2.79	-6.43	KSA	2032	3.14	-6.50
Abu Dhabi	2050	3.71	-12.65	KSA	2050	4.31	-13.24
Bahrain	2028	5.06	-2.23	Oman	2027	4.82	-2.85
Bahrain	2032	6.19	-3.54	Oman	2032	5.68	-3.31
Bahrain	2051	7.38	-6.44	Oman	2051	6.94	-4.68
Dubai	2029	3.09	-3.81	Qatar	2026	2.56	-3.93
Kuwait	2022	NA	-0.52	Qatar	2030	2.99	-5.87
Kuwait	2027	2.39	-3.73	Qatar	2050	3.84	-12.55

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.76	8.08	-0.13	-5.75
S&P MENA Bond and Sukuk Index	3.38	NA	-0.18	-6.13
Bloomberg Emerging Markets USD Index	5.80	6.80	-0.22	-10.62
Bloomberg Global Aggregate Index	2.21	7.42	-0.45	-7.06

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	28/03/2022	31/12/2021	28/03/2022	31/12/2021	28/03/2022	31/12/2021
KIBOR	1.6875	1.5000	1.9375	1.7500	2.1875	2.0000
SAIBOR	2.3384	0.9057	2.2982	0.9829	2.5107	1.0600
BHIBOR	1.8833	1.5167	2.1300	1.6233	2.6967	1.7667
QATAR	1.1500	1.1250	1.2000	1.2000	1.3500	1.3250
AEIBOR	1.0113	0.3645	1.3465	0.7000	2.0438	0.7396
EURIBOR	-0.4770	-0.5730	-0.3920	-0.5460	-0.1420	-0.4980
LIBOR	0.9829	0.2144	1.4511	0.3451	2.0887	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	2.0322	7.02	279.9	KWD	0.3041	0.0000	-0.53	Gold	1,951.80	6.46
2-Year	2.6226	8.78	178.6	SAR	3.7511	0.0000	0.11	Silver	25.39	8.57
5-Year	2.7110	9.15	98.0	BHD	0.3770	0.0000	-0.01	Copper	466.25	4.69
7-Year	2.6617	7.82	80.4	QAR	3.6414	0.0055	0.01	Nat. Gas	5.60	59.62
10-Year	2.6200	6.29	65.7	OMR	0.3850	0.0000	-0.07	Aluminum	3,604.25	28.43
30-Year	2.4659	4.29	42.4	AED	3.6730	-0.0082	-0.01	Crude Oil	117.61	52.94

US Treasuries			UK Gilt		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	2.37	-0.18	1.40	-0.13	NA	NA
5-Year	2.63	-0.39	1.46	-0.29	-0.04	-0.19
10-Year	2.53	-0.47	1.69	-0.54	0.43	-0.47
30-Year	2.63	-0.86	1.88	-0.83	0.66	-0.79

	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	28-Mar 2022	31-Dec 2021
Kuwait	59.13	40.53
KSA	47.54	50.97
Abu Dhabi	47.18	43.09
Dubai	91.81	89.58
Qatar	46.34	42.55
Bahrain	286.06	286.32
Oman	233.66	254.42
Iraq	360.37	507.35
Egypt	585.73	496.58
Morocco	101.70	85.91
Turkey	586.99	555.46
US	14.85	10.01
UK	13.29	8.91
China	61.54	39.86
Japan	16.77	16.23
Germany	13.49	7.53
France	25.06	17.87