

News Updates

Qatar's Doha Bank Looking at Green Bonds – Doha Bank hopes for "clear mandate" on green bond issuance before the end of this year. That's according to Chief Executive Officer Raghavan Seetharaman. He also says markets are overly speculative in expecting 6-7 rate hikes by the Fed; the "overall economic momentum" doesn't warrant so much monetary tightening, and that 3-4 Fed hikes would be more "realistic." (Source: Bloomberg)

Turkey gets \$3 bln in first dollar debt sale since lira crash – Turkey sold \$3 billion in Islamic bonds on Wednesday, in its first U.S. dollar-denominated debt sale since September, before unorthodox rate-cutting despite high inflation sent the lira into a tailspin. Turkey's economy fell into turmoil late last year as the central bank cut its policy rate by 500 basis points to 14% since September, causing the lira to end the year down 44% against the dollar, its worst performance during President Tayyip Erdogan's nearly two decades in power. The depreciation sent inflation to nearly 49% in January, its highest in 20 years. Turkey sold the Islamic bonds at 7.25%, tighter than initial guidance of between 7.5% and 7.625% after orders topped \$10.75 billion, the document from one of the banks on the deal showed. (Source: Reuters)

Oil Tumbles on Prospect Iranian Nuclear Deal May Be Within Sight – Oil tumbled on signs that an Iranian nuclear deal may be imminent, which could pave the way for a resumption of official flows from the Arab Gulf producer and ease tightness in the global market. West Texas Intermediate fell more than 2% after closing above \$93 a barrel Wednesday. Iran's top negotiator, Ali Bagheri Kani, tweeted that efforts to restore the deal are "closer than ever" to agreement, although the U.S. State Department was more circumspect. Tehran appears to be taking steps in Asia for its official return to the market, with officials from state-owned National Iranian Oil Co. meeting South Korean refiners to discuss potential supply. (Source: Bloomberg)

Fed Eyes Rate Hike Soon and Faster Tightening Pace If Needed – Federal Reserve officials concluded in January that they would start raising interest rates soon and were on alert for persistent inflation that would justify a faster pace of tightening. Minutes of the Jan. 25-26 Federal Open Market Committee meeting, released Wednesday, said most policy makers "noted that, if inflation does not move down as they expect, it would be appropriate for the Committee to remove policy accommodation at a faster pace than they currently anticipate." (Source: Bloomberg)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.17	-2.59	KSA	2027	2.44	-3.04
Abu Dhabi	2031	2.53	-4.47	KSA	2032	2.83	-3.96
Abu Dhabi	2050	3.46	-8.77	KSA	2050	3.99	-8.75
Bahrain	2028	4.92	-1.57	Oman	2027	4.73	-2.40
Bahrain	2032	6.15	-3.28	Oman	2032	5.78	-3.98
Bahrain	2051	7.27	-5.12	Oman	2051	6.99	-5.14
Dubai	2029	2.82	-2.02	Qatar	2026	2.26	-2.83
Kuwait	2022	-0.89	-0.37	Qatar	2030	2.83	-4.43
Kuwait	2027	2.21	-2.83	Qatar	2050	3.56	-8.12

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.35	8.08	0.06	-3.65
S&P MENA Bond and Sukuk Index	2.96	NA	-0.06	-4.03
Bloomberg Emerging Markets USD Index	4.98	6.80	0.18	-4.04
Bloomberg Global Aggregate Index	1.81	7.42	0.25	-3.32

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	17/02/2022	31/12/2021	17/02/2022	31/12/2021	17/02/2022	31/12/2021
KIBOR	1.5000	1.5000	1.7500	1.7500	2.0000	2.0000
SAIBOR	1.2784	0.9057	1.4071	0.9829	1.6800	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	0.5547	0.3645	0.9520	0.7000	1.3081	0.7396
EURIBOR	-0.5230	-0.5730	-0.4550	-0.5460	-0.2850	-0.4980
LIBOR	0.4687	0.2144	0.7927	0.3451	1.3427	0.5888

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	1.1872	-3.52	121.9	KWD	0.3026	-0.0331	-0.02	Gold	1,875.70	2.44
2-Year	1.6798	-4.50	78.5	SAR	3.7529	0.0000	0.08	Silver	23.57	0.79
5-Year	1.9553	-5.18	42.8	BHD	0.3770	0.0027	0.01	Copper	452.45	1.59
7-Year	2.0105	-5.02	36.2	QAR	3.6416	-0.0082	0.00	Nat. Gas	4.71	32.41
10-Year	2.0706	-4.81	31.0	OMR	0.3850	-0.0026	-0.06	Aluminum	3,265.00	16.27
30-Year	2.1163	-3.62	22.3	AED	3.6730	0.0000	0.00	Crude Oil	94.05	21.59

US Treasuries			UK Gilts			German Bunds		
Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)	
2-Year	1.48	0.09	1.40	0.24		NA	NA	
5-Year	1.87	0.24	1.41	0.47		-0.26	0.05	
10-Year	1.99	0.44	1.52	0.47		0.13	0.19	
30-Year	2.31	0.80	1.58	0.41		0.50	0.41	

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

USD 5Yr CDS	17-Feb 2022	31-Dec 2021
Kuwait	52.52	40.53
KSA	52.50	50.97
Abu Dhabi	50.10	43.09
Dubai	96.15	89.58
Qatar	50.01	42.55
Bahrain	291.94	286.32
Oman	235.52	254.42
Iraq	369.42	507.35
Egypt	537.35	496.58
Morocco	90.41	85.91
Turkey	520.57	555.46
US	10.22	10.01
UK	9.55	8.91
China	51.45	39.86
Japan	16.36	16.23
Germany	5.99	7.53
France	19.47	17.87