

News Updates

Kuwait's Boubyan Bank readies dollar sukuk sale – Kuwait's Boubyan Bank has hired banks to arrange a sale of five-year U.S. dollar-denominated senior unsecured sukuk, a document showed on Monday. NBK Capital, Standard Chartered, Wafra International Investment Company, Bank ABC, Emirates NBD Capital, KFH Capital, Mizuho Securities, MUFG, SMBC Nikko and the Islamic Corporation for the Development of the Private Sector will arrange investor calls on Monday, the document from one of the banks showed. An issuance of benchmark size - typically at least \$500 million - will follow, subject to market conditions, the document said. *(Source: Reuters)*

Treasuries Rally to Send 10-Year Yield Under 1.90% on Ukraine – Treasuries rallied as tensions in Ukraine worsened, sending the benchmark yield back below 1.9% and erasing some of this year's losses in U.S. government bonds. The yield on 10-year notes slid as much as eight basis points to 1.84%, the lowest since Feb. 4, after Russian President Vladimir Putin said he's recognizing separatist republics in eastern Ukraine and raised the possibility of sending in "peacekeeping forces." The U.S. and Europe condemned the moves and kicked off efforts to impose economic penalties. Volatility in the U.S. bond market has picked up in February as expectations for a withdrawal of central bank stimulus collide with haven bids amid escalating tensions in Ukraine. Treasuries had recorded their worst start to a year in four decades after the Federal Reserve accelerated plans to rein in inflation by tightening policy. Treasuries rallied across the curve, with two-year yields falling three basis points to 1.44% and 30-year rates down five basis points to 2.19%. *(Source: Bloomberg)*

Oil jumps as tensions mount over Ukraine – Oil jumped as tensions mounted between Russia and the West over Ukraine, adding to bullish sentiment as leading market participants said they expect global demand to continue its powerful recovery from the pandemic. West Texas Intermediate traded near \$94 a barrel and Brent climbed near \$96 as the Kremlin announced Russian President Vladimir Putin plans to officially recognize separatists in eastern Ukraine, a move that could undermine European-mediated peace talks and further escalate tensions with the West. The Kremlin has repeatedly denied it intends to attack Ukraine. Oil got a boost Monday after Saudi Aramco said it sees signs that demand is rising, especially in Asia. And the chief executive officer of Vitol Group, the world's biggest independent oil trader, said in a Bloomberg Television interview that prices could surpass \$100 a barrel for a sustained period. Adding to oil's gains, several of OPEC+'s biggest oil producers want the group to continue with its strategy and add another 400,000 barrels a day of crude to the market in April, according to people familiar with the matter. That comes despite calls for OPEC+ to increase output faster amid tight supplies. *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.14	-2.47	KSA	2027	2.33	-2.63
Abu Dhabi	2031	2.49	-4.14	KSA	2032	2.78	-3.58
Abu Dhabi	2050	3.43	-8.17	KSA	2050	3.97	-8.47
Bahrain	2028	4.91	-1.52	Oman	2027	4.74	-2.46
Bahrain	2032	6.20	-3.66	Oman	2032	5.77	-3.82
Bahrain	2051	7.31	-5.61	Oman	2051	6.99	-5.14
Dubai	2029	2.80	-1.89	Qatar	2026	2.21	-2.50
Kuwait	2022	-1.17	-0.37	Qatar	2030	2.80	-4.33
Kuwait	2027	2.21	-2.83	Qatar	2050	3.52	-7.54

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.34	8.08	0.00	-3.55
S&P MENA Bond and Sukuk Index	2.95	NA	0.00	-3.83
Bloomberg Emerging Markets USD Index	4.99	6.80	0.02	-4.06
Bloomberg Global Aggregate Index	1.77	7.42	0.00	-3.03

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	22/02/2022	31/12/2021	22/02/2022	31/12/2021	22/02/2022	31/12/2021
KIBOR	1.5000	1.5000	1.7500	1.7500	2.0000	2.0000
SAIBOR	1.3418	0.9057	1.3871	0.9829	1.7329	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	0.6101	0.3645	0.9570	0.7000	1.3687	0.7396
EURIBOR	-0.5280	-0.5730	-0.4870	-0.5460	-0.3290	-0.4980
LIBOR	0.4796	0.2144	0.7813	0.3451	1.2859	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	1.1698	-0.69	118.7	KWD	0.3025	0.0331	0.02	Gold	1,911.10	4.37
2-Year	1.6580	-0.62	76.1	SAR	3.7525	-0.0053	0.09	Silver	24.27	3.80
5-Year	1.8564	-4.57	35.6	BHD	0.3770	0.0000	0.01	Copper	450.15	1.08
7-Year	1.8898	-5.21	28.1	QAR	3.6416	-0.0082	0.00	Nat. Gas	4.72	32.78
10-Year	1.9385	-5.79	22.6	OMR	0.3850	0.0000	-0.06	Aluminum	3,295.75	17.37
30-Year	1.9935	-5.40	15.2	AED	3.6730	0.0000	0.00	Crude Oil	96.91	25.29

US Treasuries			UK Gilts		German Bunds			
	Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)
2-Year	1.45	0.03		1.27	-0.04		NA	NA
5-Year	1.78	0.21		1.30	-0.10		-0.37	-0.05
10-Year	1.87	0.59		1.41	-0.25		0.04	-0.13
30-Year	2.19	1.11		1.49	-0.54		0.44	-0.09

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	22-Feb 2022	31-Dec 2021
Kuwait	52.53	40.53
KSA	52.82	50.97
Abu Dhabi	51.35	43.09
Dubai	95.74	89.58
Qatar	51.18	42.55
Bahrain	292.36	286.32
Oman	232.11	254.42
Iraq	390.19	507.35
Egypt	533.75	496.58
Morocco	91.05	85.91
Turkey	539.97	555.46
US	10.08	10.01
UK	8.99	8.91
China	54.23	39.86
Japan	16.05	16.23
Germany	6.48	7.53
France	20.39	17.87