

## News Updates

**Saudi Arabia closes two trenches of SAR- denominated Sukuk totaling \$1.5bn in June** - Saudi Arabia's National Debt Management Center (NDMC) has closed the issuance of SAR 5.44 billion (\$1.5 billion) SAR-denominated Sukuk in June. NDMC stated that the Sukuk offering was divided into two tranches. The first tranche has a size of SR2.86 billion to mature in 2030, while the second one amounts to SR2.58 billion, maturing in 2034. *(Source: Arab News)*

**Rising rates pressuring countries' credit ratings, S&P Global warns** - A growing group of countries are likely to see their credit ratings come under pressure as rising global interest rates hit already-stretched finances, one of the world's biggest rating agencies, S&P Global, has warned. A report by the firm on Wednesday said that heavily indebted Italy would face its highest debt bill as a percentage of its GDP since 2012 without European Central Bank help, while Ukraine, Brazil, Egypt, Ghana and Hungary were the most vulnerable emerging market countries. "Rising rates look to be fiscally challenging for a minority of developed market sovereigns and at least six out of 19 emerging market sovereigns," said S&P's report, which assumed borrowing costs would rise by up to 300 basis points in the next three years. With many countries already pushing up interest rates up at the fastest pace in decades, richer countries' borrowing costs -- shown by their benchmark bond yield -- are already up over 200 basis points, or 2 percentage points, over the past year. A 300 bps three-year rise from here would, on average, translate into a 1 percentage point (ppt) of GDP increase in interest spending by 2025 compared to this year's median interest expenditure to GDP of 2.2%. *(Source: Reuters)*

**Oman offering to buy up to \$1.75bln of outstanding bonds** - Oman has announced a tender offer to purchase for cash up to a total of \$1.75 billion of several of its outstanding bonds, excluding accrued interest. Oman reserves the right to increase or decrease the aggregate tender amount and accept or reject any offers, the document from one of the banks on the deal showed. "The Issuer is making the Offers as part of its proactive debt management strategy," the document read. "The Notes purchased by the Issuer pursuant to the Offers may be cancelled, held or resold. Upon completion of the Offers, the Issuer intends to cancel the amount of Notes purchased pursuant to the Offers." *(Source: Reuters)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.59	-9.27	KSA	2027	3.61	-7.89
Abu Dhabi	2031	3.91	-14.12	KSA	2032	4.07	-13.41
Abu Dhabi	2050	4.54	-23.92	KSA	2050	5.07	-22.72
Bahrain	2028	6.05	-6.66	Oman	2027	5.84	-6.99
Bahrain	2032	7.11	-9.99	Oman	2032	6.58	-9.58
Bahrain	2051	8.12	-14.33	Oman	2051	7.79	-13.86
Dubai	2029	4.01	-9.20	Qatar	2026	3.55	-7.62
Dubai	2050	5.75	-23.62	Qatar	2030	3.93	-11.95
Kuwait	2027	3.49	-8.46	Qatar	2050	4.64	-23.30

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.76	8.08	0.23	-11.11
S&P MENA Bond and Sukuk Index	4.33	NA	0.35	-11.55
Bloomberg Emerging Markets USD Index	7.06	6.80	0.20	-16.55
Bloomberg Global Aggregate Index	3.03	7.42	0.74	-14.31

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	23/06/2022	31/12/2021	23/06/2022	31/12/2021	23/06/2022	31/12/2021
KIBOR	2.1250	1.5000	2.3750	1.7500	2.7500	2.0000
SAIBOR	3.2378	0.9057	3.3080	0.9829	3.5643	1.0600
BHIBOR	3.4750	1.5167	3.7662	1.6233	4.6417	1.7667
QATAR	1.1500	1.1250	1.3000	1.2000	1.8500	1.3250
AEIBOR	1.8825	0.3645	2.6963	0.7000	3.2961	0.7396
EURIBOR	-0.1630	-0.5730	0.2890	-0.5460	1.1150	-0.4980
LIBOR	2.1544	0.2144	2.8419	0.3451	3.6254	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	3.3685	1.69	529.6	KWD	0.3064	0.1469	-1.27	Crude Oil	109.59	45.50
2-Year	3.4657	1.18	268.2	SAR	3.7529	0.0000	0.07	Gold	1,833.60	-0.13
5-Year	3.2682	-0.45	138.6	EUR	1.0569	0.0284	-7.04	Silver	21.34	-9.02
7-Year	3.2315	-0.49	119.0	GBP	1.2256	-0.0897	-9.44	Copper	388.30	-12.36
10-Year	3.2285	-0.58	104.2	JPY	135.4300	0.6203	-15.02	Nat. Gas	6.77	86.01
30-Year	2.9885	-1.07	72.6	CNH	6.7134	-0.0074	-5.31	Aluminum	2,468.65	-11.78

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	3.07	-0.01	2.12	0.30	#N/A	N/A
5-Year	3.23	0.03	2.15	0.80	1.10	0.00
10-Year	3.15	0.06	2.49	1.46	1.50	0.00
30-Year	3.24	0.24	2.73	2.23	1.80	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-Jun 2022	31-Dec 2021
Kuwait	59.90	40.53
KSA	61.60	50.97
Abu Dhabi	60.12	43.09
Dubai	114.91	89.58
Qatar	60.61	42.55
Bahrain	295.95	286.32
Oman	248.58	254.42
Iraq	465.06	507.35
Egypt	893.31	496.58
Morocco	220.59	85.91
Turkey	798.90	555.46
US	17.00	10.01
UK	11.03	8.91
China	80.19	39.86
Japan	19.95	16.23
Germany	11.06	7.53
France	20.99	17.87