

News Updates

Moody's upgrades Emirates NBD's credit ratings; outlook stable - Moody's Investors Service (Moody's) has upgraded Emirates NBD's long-term credit ratings to 'A2' from 'A3' and short-term ratings to 'P-1' from 'P-2', with a stable outlook. This step was attributed to Moody's decision to upgrade the bank's baseline credit assessment, showing its resilient and higher profitability and improved loan diversification, according to a press release on Monday. The global rating agency forecasts that the rising interest environment would benefit Emirates NBD's profitability. *(Source: Mubasher)*

Egypt's private sector plans to sell \$120m to \$200m in green bonds, minister says - Egypt's private sector plans to sell \$120 million to \$200 million in green bonds to finance eco-friendly projects, the minister of planning and economic development said. However, Halla Al-Saeed did not give details about the duration of the bonds. The sale plan comes on top of \$750 million green bonds that Egypt has sold to finance clean transport projects. It is part of the country's efforts to promote green and circular economy to recover from the COVID-19 pandemic's repercussions. *(Source: Arab News)*

Fed's George sees policy interest rate near 2% by August - Kansas City Federal Reserve Bank President Esther George on Monday said she expects the U.S. central bank to lift its target interest rate to about 2% by August, with further action dependent on how both supply and demand are affecting inflation. "Fed policymakers have emphasized a commitment to act expeditiously to restore price stability, and I expect that further rate increases could put the federal funds rate in the neighborhood of 2% by August, a significant pace of change in policy settings" George said. "Evidence that inflation is clearly decelerating will inform judgments about further tightening." The Fed has been raising interest rates to rein in inflation that is at a 40-year high, lifting short-term borrowing costs from near zero to a range of 0.75%-1% so far this year. Fed Chair Jerome Powell has signaled that the central bank will raise rates by a total of another full percentage point over the next two Fed meetings, in June and July. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.21	-7.55	KSA	2027	3.21	-6.48
Abu Dhabi	2031	3.54	-11.73	KSA	2032	3.76	-11.19
Abu Dhabi	2050	4.30	-20.93	KSA	2050	4.82	-19.83
Bahrain	2028	5.87	-5.99	Oman	2027	5.53	-5.85
Bahrain	2032	7.12	-10.05	Oman	2032	6.32	-7.83
Bahrain	2051	8.05	-13.50	Oman	2051	7.69	-12.78
Dubai	2029	4.05	-9.39	Qatar	2026	3.20	-6.42
Dubai	2050	5.70	-22.84	Qatar	2030	3.58	-9.67
Kuwait	2027	3.12	-6.98	Qatar	2050	4.39	-20.16

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.47	8.08	0.18	-9.72
S&P MENA Bond and Sukuk Index	4.06	NA	-0.04	-10.26
Bloomberg Emerging Markets USD Index	6.54	6.80	0.10	-14.42
Bloomberg Global Aggregate Index	2.60	7.42	0.10	-11.20

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	24/05/2022	31/12/2021	24/05/2022	31/12/2021	24/05/2022	31/12/2021
KIBOR	1.8750	1.5000	2.1250	1.7500	2.4375	2.0000
SAIBOR	2.7812	0.9057	2.9628	0.9829	3.2357	1.0600
BHIBOR	2.6026	1.5167	2.9667	1.6233	3.5417	1.7667
QATAR	1.1500	1.1250	1.3000	1.2000	1.8500	1.3250
AEIBOR	1.5243	0.3645	2.1151	0.7000	2.6225	0.7396
EURIBOR	-0.3480	-0.5730	-0.0780	-0.5460	0.3530	-0.4980
LIBOR	1.5064	0.2144	2.0656	0.3451	2.7300	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	2.5915	0.07	384.4	KWD	0.3065	0.0000	-1.31	Gold	1,860.20	1.32
2-Year	2.9083	-0.53	209.0	SAR	3.7508	0.0027	0.13	Silver	21.70	-7.32
5-Year	2.8796	-1.04	110.3	BHD	0.3770	0.0000	0.00	Copper	430.25	-3.15
7-Year	2.8722	-1.06	94.6	QAR	3.6414	0.0055	0.01	Nat. Gas	8.74	144.26
10-Year	2.8937	-0.88	83.0	OMR	0.3850	0.0000	-0.06	Aluminum	2,940.25	4.92
30-Year	2.7787	-0.24	60.5	AED	3.6730	0.0000	0.00	Crude Oil	112.63	48.51

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	2.61	0.03	1.54	-0.11	NA	NA
5-Year	2.86	0.06	1.65	-0.32	0.42	0.00
10-Year	2.84	0.13	1.97	-0.78	0.86	0.00
30-Year	3.05	0.12	2.18	-1.05	1.16	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	24-May 2022	31-Dec 2021
Kuwait	65.39	40.53
KSA	65.05	50.97
Abu Dhabi	64.42	43.09
Dubai	115.68	89.58
Qatar	64.26	42.55
Bahrain	312.33	286.32
Oman	246.85	254.42
Iraq	474.20	507.35
Egypt	852.02	496.58
Morocco	191.50	85.91
Turkey	701.28	555.46
US	16.00	10.01
UK	9.15	8.91
China	78.59	39.86
Japan	18.35	16.23
Germany	10.67	7.53
France	19.29	17.87