

## News Updates

**Kuwait's state oil company seeks to borrow up to \$1 billion** - The state-owned Kuwait Petroleum Corporation is seeking to borrow up to \$1 billion from banks including HSBC and JPMorgan, according to a parliamentary document. "The Kuwait Petroleum Corporation is currently negotiating with the Japanese export credit agency to provide insurance cover for the financing that the corporation will obtain from a group of international banks, including HSBC and JPMorgan, with a value not exceeding \$1 billion for a period of 13 years," Oil Minister Mohammad al-Fares said. The financing will be used for capital expenditure, including on oil and gas production, Fares said. *(Source: Reuters)*

**Saudi GDP grows 9.9% in Q1, beating flash estimate** - Saudi Arabia's gross domestic product grew 9.9% in the first quarter, the fastest in a decade and more than a flash estimate last month of 9.6%, official data showed on Tuesday. It was the fastest expansion since the third quarter of 2011 with the increase in oil production a key factor, said Monica Malik, chief economist at Abu Dhabi Commercial Bank. "This growth is due to the high increase in oil activities by 20.3%," the General Authority for Statistics said. *(Source: Reuters)*

**Turkish 5-yr CDS jump, bond prices under pressure** - The cost to ensure exposure to Turkey's sovereign debt jumped on Tuesday and Turkey's dollar-denominated bond prices fell a day after President Tayyip Erdogan's pledge to continue cutting interest rates. Turkey 5-year credit default swaps added 17 basis points (bps) from Monday's close to 736 bps, levels last seen during the global financial crisis in 2008, data from S&P Global showed. Bond prices were lower by more than 1 cent for most issues, with the September 2027 bond down 1.05 cents to 96.83 and yielding 9.1%. *(Source: Reuters)*

**Stagflation Danger Sees World Bank Cut Global Growth Outlook** - The World Bank cut its forecast for global economic expansion in 2022 further, warning that several years of above-average inflation and below-average growth lie ahead with potentially destabilizing consequences for low- and middle-income economies. The Washington-based lender reduced its estimate for global growth this year to 2.9% from a January prediction of 4.1% and April's 3.2% estimate due to a surge in energy and food prices, supply disruptions triggered by Russia's invasion of Ukraine and a drive by central banks globally to increase interest rates from rock-bottom levels. *(Source: Bloomberg)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.09	-7.16	KSA	2027	3.21	-6.43
Abu Dhabi	2031	3.51	-11.39	KSA	2032	3.64	-10.30
Abu Dhabi	2050	4.30	-20.75	KSA	2050	4.80	-19.51
Bahrain	2028	5.63	-4.83	Oman	2027	5.32	-4.97
Bahrain	2032	6.63	-6.63	Oman	2032	6.04	-5.94
Bahrain	2051	7.67	-9.61	Oman	2051	7.45	-10.32
Dubai	2029	3.98	-9.04	Qatar	2026	3.17	-6.29
Dubai	2050	5.36	-18.62	Qatar	2030	3.47	-9.33
Kuwait	2027	2.97	-6.34	Qatar	2050	4.37	-19.84

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.38	8.08	-0.05	-9.05
S&P MENA Bond and Sukuk Index	3.96	NA	0.22	-9.47
Bloomberg Emerging Markets USD Index	6.44	6.80	0.05	-13.70
Bloomberg Global Aggregate Index	2.74	7.42	0.01	-12.02

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	08/06/2022	31/12/2021	08/06/2022	31/12/2021	08/06/2022	31/12/2021
KIBOR	1.8750	1.5000	2.1250	1.7500	2.4375	2.0000
SAIBOR	3.0529	0.9057	3.2942	0.9829	3.3958	1.0600
BHIBOR	2.7917	1.5167	3.1737	1.6233	3.7234	1.7667
QATAR	1.1500	1.1250	1.3000	1.2000	1.8500	1.3250
AEIBOR	1.6300	0.3645	2.1400	0.7000	2.6970	0.7396
EURIBOR	-0.3140	-0.5730	0.0090	-0.5460	0.5210	-0.4980
LIBOR	1.6650	0.2144	2.1880	0.3451	2.8523	0.5888

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	2.7697	2.18	417.7	KWD	0.3062	0.0000	-1.19	Crude Oil	121.01	60.66
2-Year	3.1079	1.82	230.2	SAR	3.7515	0.0000	0.11	Gold	1,850.70	0.81
5-Year	3.0703	2.83	124.2	EUR	1.0689	-0.1308	-5.99	Silver	22.14	-5.44
7-Year	3.0664	3.16	107.8	GBP	1.2571	-0.1747	-7.11	Copper	442.25	-0.45
10-Year	3.0903	3.36	95.5	JPY	133.1800	-0.4430	-13.59	Nat. Gas	9.33	156.32
30-Year	2.9465	3.21	70.2	CNH	6.6771	-0.0764	-4.79	Aluminum	2,749.00	-1.91

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	2.75	-0.03	1.72	0.06	NA	NA
5-Year	3.01	-0.12	1.83	0.13	0.69	0.00
10-Year	3.00	-0.24	2.21	0.32	1.14	0.00
30-Year	3.15	-0.51	2.42	0.99	1.49	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	08-Jun 2022	31-Dec 2021
Kuwait	63.97	40.53
KSA	59.46	50.97
Abu Dhabi	58.44	43.09
Dubai	111.82	89.58
Qatar	59.70	42.55
Bahrain	289.67	286.32
Oman	242.02	254.42
Iraq	369.21	507.35
Egypt	744.51	496.58
Morocco	190.51	85.91
Turkey	730.92	555.46
US	16.00	10.01
UK	9.52	8.91
China	67.95	39.86
Japan	18.48	16.23
Germany	10.18	7.53
France	19.47	17.87