

News Updates

First Abu Dhabi Bank set to sell \$500 million sukuk – First Abu Dhabi Bank, the United Arab Emirates' largest lender, is set to sell \$500 million in senior unsecured Islamic bonds at 75 basis points over U.S. Treasuries, bank documents showed. The spread on the sukuk was tightened from initial price guidance of around 85 basis points over UST after FAB drew around \$1.4 billion in orders excluding interest from joint lead managers, the documents showed. Bond sales out of the Gulf have been slow this year as issuers wait out debt markets rattled by a more hawkish U.S. Federal Reserve expected to begin an aggressive tightening cycle next month, while political tensions over Ukraine further cloud the outlook. Gulf issuance volumes were already expected to be subdued this year as high oil prices reduce government funding needs. Dubai Islamic Bank, Emirates NBD Capital, First Abu Dhabi Bank, KFH Capital, Saudi National Bank, Sharjah Islamic Bank, Standard Chartered and The Islamic Corporation for the Development of the Private Sector are arranging FAB's sukuk sale. *(Source: Reuters)*

Qatar Energy will not sell green bonds, CEO says – Qatar's state-owned oil and gas firm Qatar Energy will not go to the international markets for green bonds, its CEO and Qatari Minister of State for Energy Affairs Saad al-Kaabi said on Tuesday. Qatar Energy will seek a loan for a petrochemicals project but has no intention to borrow more for its North Field expansion project, al-Kaabi added. *(Source: Reuters)*

HSBC, Citi Among Banks Selected for Egypt's First Islamic Bonds – Egypt has named six international lenders, including Citigroup Inc. and HSBC Holdings Plc, to manage its first sale of sovereign Islamic bonds as one of the Middle East's most indebted nations looks to diversify funding sources and ease the burden on its economy. Abu Dhabi Islamic Bank PJSC, Credit Agricole SA, Emirates NBD Bank PJSC and First Abu Dhabi Bank PJSC were also selected to help the government sell a sukuk of around \$2 billion, according to people familiar with the decision. The issuance could take place in the second quarter of the year, said the people, who asked not to be identified because they weren't authorized to speak to the media. *(Source: Bloomberg)*

Treasuries, Haven Assets Rally as Putin Moves on Eastern Ukraine – Treasuries rallied to lead gains in developed-market bonds as rising geopolitical risks overshadowed concerns about aggressive U.S. rate hikes. The yield on 10-year U.S. notes dropped as much as 13 basis points to 1.86% after Russian forces attacked cities across Ukraine with President Vladimir Putin ordering an operation aimed at demilitarizing the country. Gold gained, U.S. equity index futures slumped more than 2% and the dollar surged along with the yen. Treasuries yields have fallen back after jumping to post-pandemic highs earlier this month on speculation that the Federal Reserve will hike aggressively to rein in inflation. *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	2.14	-2.50	KSA	2027	2.31	-2.57
Abu Dhabi	2031	2.51	-4.31	KSA	2032	2.80	-3.72
Abu Dhabi	2050	3.44	-8.44	KSA	2050	3.99	-8.80
Bahrain	2028	5.09	-2.43	Oman	2027	4.78	-2.63
Bahrain	2032	6.27	-4.18	Oman	2032	5.83	-4.30
Bahrain	2051	7.37	-6.22	Oman	2051	7.09	-6.29
Dubai	2029	2.76	-1.81	Qatar	2026	2.20	-2.58
Kuwait	2022	-3.43	-0.32	Qatar	2030	2.67	-3.80
Kuwait	2027	2.27	-3.14	Qatar	2050	3.54	-7.91

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	3.37	8.08	-0.11	-3.64
S&P MENA Bond and Sukuk Index	2.95	NA	-0.07	-3.79
Bloomberg Emerging Markets USD Index	5.20	6.80	-0.74	-5.14
Bloomberg Global Aggregate Index	1.83	7.42	-0.20	-3.37

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	24/02/2022	31/12/2021	24/02/2022	31/12/2021	24/02/2022	31/12/2021
KIBOR	1.5000	1.5000	1.7500	1.7500	2.0625	2.0000
SAIBOR	1.3486	0.9057	1.4466	0.9829	1.7329	1.0600
BHIBOR	1.5667	1.5167	1.6500	1.6233	1.8833	1.7667
QATAR	1.1500	1.1250	1.2000	1.2000	1.3500	1.3250
AEIBOR	0.6046	0.3645	0.9675	0.7000	1.3524	0.7396
EURIBOR	-0.5280	-0.5730	-0.4900	-0.5460	-0.3370	-0.4980
LIBOR	0.4879	0.2144	0.7814	0.3451	1.2886	0.5888

USD Swap Rates				Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD
1-Year	1.2100	-6.25	126.2	KWD	0.3028	-0.0826	-0.07	Gold	1,940.60
2-Year	1.6908	-8.37	79.6	SAR	3.7522	-0.0027	0.10	Silver	25.01
5-Year	1.8725	-11.65	36.7	BHD	0.3770	0.0000	0.01	Copper	447.40
7-Year	1.9120	-11.64	29.6	QAR	3.6416	-0.0082	0.00	Nat. Gas	4.85
10-Year	1.9675	-10.90	24.4	OMR	0.3850	-0.0026	-0.06	Aluminum	3,299.00
30-Year	2.0208	-8.19	16.7	AED	3.6730	0.0000	0.00	Crude Oil	101.25

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)		Yield %		Yield %
2-Year	1.51	0.19		1.29	0.08	NA
5-Year	1.79	0.54		1.33	0.13	-0.29
10-Year	1.88	1.01		1.48	-0.06	0.07
30-Year	2.21	1.82		1.56	-0.33	0.43

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	24-Feb 2022	31-Dec 2021
Kuwait	52.52	40.53
KSA	52.44	50.97
Abu Dhabi	51.82	43.09
Dubai	96.35	89.58
Qatar	50.93	42.55
Bahrain	297.02	286.32
Oman	239.27	254.42
Iraq	388.65	507.35
Egypt	532.01	496.58
Morocco	91.35	85.91
Turkey	558.76	555.46
US	10.09	10.01
UK	8.96	8.91
China	55.11	39.86
Japan	16.35	16.23
Germany	6.36	7.53
France	19.61	17.87