

## News Updates

**Local, Kuwaiti banks among investors of Bahraini & Saudi sukuk and bonds** – According to official sources, local and Kuwaiti banks are among the investors who subscribed to the sukuk and bonds offered by Bahrain, which raised \$2 billion from them on Wednesday in Bahrain's second international bond issuance this year, by selling one billion dollar sukuk for 7 and a half years at a price of 3.875 percent, and conventional bonds of one billion dollars for a period of 12 and a half years at a price of 5.625 percent, reports Al- Rai daily. (Source: Arab Times)

**S&P Revised Bahrain Outlook To Stable From Negative** – On Nov. 26, 2021, S&P Global Ratings revised its outlook on Bahrain to stable from negative. At the same time, they affirmed their 'B+/B' long- and short-term foreign and local currency sovereign credit ratings on the sovereign. The transfer and convertibility assessment on Bahrain remains 'BB-'. The stable outlook indicates they expect the government to implement measures to reduce the budget deficit and benefit from support from other GCC sovereigns if needed, in addition to the direct fiscal support already pledged. (Source: S&P Global Ratings)

**CI: Turkey's Outlook Revised to Negative** – Capital Intelligence Ratings (CI Ratings or CI) announced that it has revised the Outlook on Turkey's Long-Term Foreign Currency Rating (LT FCR) and Long-Term Local Currency Rating (LT LCR) to Negative from Stable. At the same time, the sovereign's LT FCR and LT LCR have been affirmed at 'B+', while its Short-Term Foreign Currency Rating (ST FCR) and Short-Term Local Currency Rating (ST LCR) have been affirmed at 'B'. The revision of the outlook to Negative reflects CI's expectation that the recent loosening of monetary policy and the accompanying deterioration in international investor sentiment have increased the likelihood that key risks associated with the country's underlying economic vulnerabilities will materialise, with potentially adverse consequences for financial stability and, ultimately, the public finances. (Source: Capital Intelligence)

**Biden Talked Inflation with Fed, Upcoming Picks to Share Concern** – Joe Biden has discussed inflation with the Federal Reserve and is confident that Chair Jerome Powell, as well as the president's upcoming nominations to the U.S. central bank, are focused on concerns over rising prices. Biden, speaking to reporters Friday in Nantucket, also signaled that inflation would be a priority for the governors that he will soon nominate to fill vacancies on the Fed's board. "I have talked to the Fed about a whole range of things from monetary policy to inflation, and I have confidence that the appointees I've made, and I'm going to have three more, are going to reflect that concern," Biden said. He declined to elaborate and didn't specify when or with whom his conversations took place. He also didn't respond to a question of when he'll announce the remaining Fed nominees. (Source: Bloomberg)

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2025	1.24	-2.86	KSA	2025	1.49	-2.49
Abu Dhabi	2030	2.08	-4.67	KSA	2030	2.43	-3.88
Abu Dhabi	2050	3.02	-5.25	KSA	2050	3.56	-5.25
Bahrain	2026	3.68	-4.60	Oman	2025	3.71	0.73
Bahrain	2030	5.73	-7.30	Oman	2029	5.28	0.48
Bahrain	2047	7.43	-14.73	Oman	2048	7.04	-3.60
Dubai	2029	2.58	-1.82	Qatar	2025	1.31	-3.45
Kuwait	2022	0.05	-2.21	Qatar	2030	2.25	-5.74
Kuwait	2027	1.70	-4.65	Qatar	2050	3.21	-6.80

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	2.85	8.08	-0.01	-0.15
S&P MENA Bond and Sukuk Index	2.38	NA	0.25	-0.16
Bloomberg Emerging Markets USD Index	4.54	6.80	-0.21	-2.60
Bloomberg Global Aggregate Index	1.25	7.42	0.98	-4.56

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	28/11/2021	31/12/2020	28/11/2021	31/12/2020	28/11/2021	31/12/2020
KIBOR	1.5000	1.4375	1.7500	1.6875	2.0000	1.9375
SAIBOR	0.8443	0.8175	0.8957	0.8700	0.9657	0.9413
BHIBOR	1.5167	2.2500	1.5583	2.5333	1.7667	2.6833
QATAR	1.1390	1.1206	1.2035	1.1960	1.3331	1.3636
AEIBOR	0.3595	0.5125	0.4340	0.4908	0.7200	0.6538
EURIBOR	-0.5720	-0.5450	-0.5370	-0.5260	-0.4940	-0.4990
LIBOR	0.1754	0.2384	0.2460	0.2576	0.4104	0.3419

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	0.3546	-7.21	84.2	KWD	0.3030	-0.0330	0.10	Gold	1,788.10	-6.58
2-Year	0.7417	-14.71	275.0	SAR	3.7515	0.0000	0.01	Silver	23.14	-13.49
5-Year	1.2700	-18.89	195.3	BHD	0.3770	0.0000	-0.01	Copper	429.10	21.89
7-Year	1.4190	-17.24	116.8	QAR	3.6417	0.0000	-0.01	Nat. Gas	5.48	82.20
10-Year	1.5301	-16.19	65.4	OMR	0.3850	0.0000	0.00	Aluminum	2,632.50	31.13
30-Year	1.6547	-14.56	18.0	AED	3.6730	-0.0082	0.00	Crude Oil	72.72	43.69

US Treasuries			UK Gilt		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	0.50	0.29	0.44	0.23	-1.57	0.00
5-Year	1.16	0.89	0.60	0.58	-0.79	0.09
10-Year	1.47	1.49	0.82	1.30	-0.50	0.67
30-Year	1.82	3.18	0.92	2.97	-0.02	2.10

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	BB-
Tunisia	Caa1	NR	B-
Morocco	Ba1	BB+	BB+
US	Aaa	AA+u	AAA
UK	Aa3	AAu	AA-
China	A1	A+	A+

USD 5Yr CDS	28-Nov 2021	31-Dec 2020
Kuwait	45.98	40.69
KSA	52.01	63.77
Abu Dhabi	43.55	36.03
Dubai	86.11	104.06
Qatar	43.10	36.70
Bahrain	277.10	233.58
Oman	251.46	353.60
Iraq	638.11	542.74
Egypt	478.04	330.47
Morocco	88.86	102.56
Turkey	500.55	299.47
US	14.90	11.52
UK	9.34	15.13
China	52.23	26.70
Japan	16.50	14.74
Germany	7.97	9.09
France	19.54	14.42