

News Updates

Kuwait central bank raises discount rate by half percentage point –

The central bank of Kuwait raised its discount rate by 0.50% from 3% to 3.50% effective Dec. 7, a central bank statement said on Tuesday. The decision comes in line with the bank's aim of reinforcing a growth-friendly environment, and maintaining financial and monetary stability and the attractiveness of the national currency as a store of wealth, Governor Basel Al-Haroon said in the statement. *(Source: Reuters)*

UAE economy set to grow over 6.5% in 2022 and 2023 –

The UAE economy is projected to grow over 6.5% this year and the next, driven by the new economy sectors as well as new socio-economic initiatives taken by the government, said a senior official on Tuesday. Abdullah bin Touq, Minister of Economy, said 2022 has been a great year for the UAE economy with trade crossing AED 1 trillion and re-exports crossing AED 300 billion for the first time ever. The International Monetary Fund also hiked the UAE's economic growth forecast to over 6% for 2022 last month, a remarkable increase from 3.8% last year. This is driven by the foreign investment inflow into the country's different sectors in 2022. *(Source: Khaleej Times)*

Global growth in 2023 will be as weak as 2009, IIF says –

Worldwide growth in 2023 is expected to be as weak as in 2009, with weakness triggered by deep contractions in Russia and Ukraine to the rest of the world economy, the Institute of International Finance (IIF) said in a report. The global association of the financial industry assessed growth across countries and over time with a focus on “true” growth, which is annual average growth adjusted for statistical carryover from the previous year. “We estimate PPP-weighted global statistical carryover at 0.4% in 2023. Coupled with our forecast for annual average global growth of 1.5%, this means “true” growth is 1.1%,” IIF said in its recently published Global Macro Views. *(Source: Zawya)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.74	-9.66	KSA	2027	4.23	-9.61
Abu Dhabi	2031	3.98	-13.90	KSA	2032	4.33	-14.80
Abu Dhabi	2050	4.78	-26.72	KSA	2050	5.25	-24.73
Bahrain	2028	5.87	-5.31	Oman	2027	5.74	-6.45
Bahrain	2032	6.89	-8.21	Oman	2032	6.02	-6.19
Bahrain	2051	8.00	-12.95	Oman	2051	7.17	-7.32
Dubai	2029	4.55	-12.34	Qatar	2026	4.12	-9.09
Dubai	2050	5.96	-25.38	Qatar	2030	4.15	-14.03
Kuwait	2027	4.20	-10.98	Qatar	2050	4.79	-24.93

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.18	8.08	0.03	-10.63
S&P MENA Bond and Sukuk Index	4.90	NA	0.14	-12.08
Bloomberg Emerging Markets USD Index	7.42	6.80	-0.13	-15.11
Bloomberg Global Aggregate Index	3.45	7.42	0.05	-15.24

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	7/12/2022	31/12/2021	7/12/2022	31/12/2021	7/12/2022	31/12/2021
KIBOR	4.0000	1.5000	4.2500	1.7500	4.5625	4.4375
SAIBOR	5.3212	0.9057	5.7580	0.9829	5.9872	6.3719
BHIBOR	5.8080	1.5167	6.0951	1.6233	6.3583	6.3250
QATAR	4.8250	1.1250	5.0000	1.2000	5.2750	5.1000
AEIBOR	4.5262	0.3645	4.9294	0.7000	5.0821	5.1212
EURIBOR	1.9750	-0.5730	2.4360	-0.5460	2.8410	2.8110
LIBOR	4.7234	0.2144	5.1869	0.3451	5.5124	5.4513

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	5.1289	-0.12	858.7	KWD	0.3069	-0.1629	-1.42	Crude Oil	79.50	9.73
2-Year	4.6826	-0.01	397.5	SAR	3.7601	-0.0160	-0.11	Gold	1,783.70	-3.26
5-Year	3.7859	0.77	176.4	EUR	1.0468	0.0096	-7.93	Silver	22.43	-5.08
7-Year	3.6134	1.47	144.9	GBP	1.2138	0.0330	-10.31	Copper	381.45	-13.12
10-Year	3.5137	2.02	122.2	JPY	137.2900	-0.2040	-16.17	Nat. Gas	5.57	36.21
30-Year	3.1628	2.05	82.7	CNH	6.9715	0.1391	-8.81	Aluminum	2,484.51	-10.21

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.37	0.01	3.21	0.04	NA	NA
5-Year	3.76	-0.02	3.20	0.06	1.94	0.13
10-Year	3.55	-0.11	3.07	0.23	1.72	0.44
30-Year	3.56	-0.33	3.44	-0.01	1.55	0.90

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	B3	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	7-Dec 2022	31-Dec 2021
Kuwait	39.89	40.53
KSA	57.82	50.97
Abu Dhabi	46.55	43.09
Dubai	89.38	89.58
Qatar	46.95	42.55
Bahrain	223.26	286.32
Oman	161.39	254.42
Iraq	414.61	507.35
Egypt	NA	496.58
Morocco	240.14	85.91
Turkey	528.12	555.46
US	25.17	10.01
UK	22.79	8.91
China	73.50	39.86
Japan	21.85	16.23
Germany	17.28	7.53
France	25.17	17.87