

News Updates

Kuwait Projects Gets CMA Approval to Issue 200M Dinar Bonds –

Kuwait Projects gets Capital Markets Authority’s approval to issue and market up to 200 million dinars in fixed and floating bonds with a maturity of 6 years. Interest rate for fixed and floating tranche to be determined according to market rates upon issuance. (Source: Bloomberg)

GCC to grow at double the rate of global economy despite slowdown in 2023 –

The GCC economy is expected to grow at more than twice the pace of the global economy next year despite the regional economy cooling down after two exceptionally strong years of growth, say economists. According to Oxford Economics, the Gulf region will remain an investor hotspot in 2023 with demand for real estate remaining healthy. “The GCC economies are ending 2022 on a high note, as they wrap up the strongest year in terms of GDP growth in more than a decade. We anticipate growth will shift into a lower gear in 2023, albeit remaining firmly positive, in contrast to many advanced and emerging markets,” said Maya Senussi, senior economist at Oxford Economics. The think-tank estimates regional GDP to rise by over 7% this year and 2.9% next year. This comes amidst many advanced and emerging economies slipping into mild recessions. (Source: Khaleej Times)

Emirates REIT closes \$380mIn sukuk issuance at 9.5% profit rate

– Emirates REIT, a sharia-compliant real estate investment trust, has closed a \$380 million sukuk issuance to refinance the \$400 million sukuk issued in 2017. More than 88% of the existing certificate holders participated in the consent solicitation, with more than 99% voting in favor of the proposed refinancing, Equitativa (Dubai) Limited, the manager of Emirates REIT, said in a statement on Wednesday. The new certificates include new features, including a fully secured position and a profit rate increase from 5.125% to 9.5% "which reflects the current credit environment with rising inflation, profit rates and market volatility", the statement said. They will have a new maturity date of December 2024, with the option to extend for one year. (Source: Zawya)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.71	-9.55	KSA	2027	4.04	-8.93
Abu Dhabi	2031	3.89	-13.21	KSA	2032	4.19	-13.80
Abu Dhabi	2050	4.69	-25.58	KSA	2050	5.15	-23.68
Bahrain	2028	5.68	-4.50	Oman	2027	5.58	-5.90
Bahrain	2032	6.79	-7.47	Oman	2032	5.86	-5.20
Bahrain	2051	7.92	-12.19	Oman	2051	7.03	-5.73
Dubai	2029	4.45	-11.65	Qatar	2026	4.00	-8.83
Dubai	2050	5.70	-22.47	Qatar	2030	4.04	-13.61
Kuwait	2027	4.04	-10.49	Qatar	2050	4.68	-23.66

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.09	8.08	-0.28	-9.84
S&P MENA Bond and Sukuk Index	4.79	NA	-0.17	-11.14
Bloomberg Emerging Markets USD Index	7.31	6.80	-0.31	-14.46
Bloomberg Global Aggregate Index	3.49	7.42	-0.38	-15.27

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	18/12/2022	31/12/2021	18/12/2022	31/12/2021	18/12/2022	31/12/2021
KIBOR	4.0000	1.5000	4.2500	1.7500	4.5625	4.4375
SAIBOR	5.3188	0.9057	5.6278	0.9829	5.8671	6.3719
BHIBOR	6.0609	1.5167	6.2213	1.6233	6.5102	6.3250
QATAR	4.8833	1.1250	5.0333	1.2000	5.2667	5.1000
AEIBOR	4.5891	0.3645	4.8461	0.7000	5.0642	5.1212
EURIBOR	2.0470	-0.5730	2.5690	-0.5460	2.9930	2.8110
LIBOR	4.7459	0.2144	5.1869	0.3451	5.4789	5.4513

USD Swap Rates				Currencies			Commodities				
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)	
1-Year	5.0161	-3.98	837.6	KWD	0.3062	0.0327	-1.21	Crude Oil	79.04	9.10	
2-Year	4.5011	-3.86	378.2	SAR	3.7599	0.0133	-0.12	Gold	1,800.20	-2.37	
5-Year	3.6865	0.75	169.2	EUR	1.0590	-0.3952	-6.90	Silver	23.33	-1.28	
7-Year	3.5450	2.41	140.2	GBP	1.2171	-0.2463	-10.23	Copper	376.15	-14.33	
10-Year	3.4720	3.37	119.6	JPY	136.8700	0.8638	-15.75	Nat. Gas	6.60	61.37	
30-Year	3.1579	4.04	82.4	CNH	6.9968	0.1992	-8.89	Aluminum	2,337.10	-15.54	
US Treasuries				UK Gilts			German Bunds				
	Yield %	1D Δ (%)			Yield %	1D Δ (%)			Yield %	1D Δ (%)	
2-Year	4.18	0.11			3.41	-0.09			2.41	-0.10	
5-Year	3.62	-0.03			3.27	-0.31			2.21	-0.28	
10-Year	3.48	-0.29			3.32	-0.73			2.14	-0.59	
30-Year	3.55	-0.94			3.67	-0.31			1.97	-2.21	

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	18-Dec 2022	31-Dec 2021
Kuwait	39.52	40.53
KSA	61.25	50.97
Abu Dhabi	44.36	43.09
Dubai	77.04	89.58
Qatar	46.82	42.55
Bahrain	215.65	286.32
Oman	179.30	254.42
Iraq	406.66	507.35
Egypt	NA	496.58
Morocco	169.31	85.91
Turkey	533.03	555.46
US	22.67	10.01
UK	25.10	8.91
China	72.94	39.86
Japan	19.35	16.23
Germany	17.83	7.53
France	25.31	17.87