

## News Updates

**Kuwait's sovereign credit rating revised from Negative to Stable** – S&P Global Ratings on Friday placed Kuwait's currency sovereign credit rating at A+, raising the Gulf country's future outlook from "negative" to "stable." In its report, the ratings agency expected the major oil exporter to benefit from favorable oil prices and production until the end of next year. It also forecasted a 2022-23 cumulative general government surplus of 18 per cent of GDP based on an USD 75-80 oil price, saying this would allow authorities to "replenish liquidity in the previously depleted main treasury buffer." The report expected Kuwaiti authorities over the next two years to adopt measures to diversify its income sources, "so that the previous fiscal funding impasse with the depletion of liquidity at the General Reserve Fund does not recur, even if oil prices fall below current levels." The agency said it could lower Kuwait's rating if no sustainable comprehensive financing arrangements are made over the next three years. (Source: KUNA)

**Saudi Arabia will increase oil output in case of supply shortage: Al-Jubeir** – Saudi Minister of State for Foreign Affairs Adel Al-Jubeir has said Saudi Arabia will boost oil production only in case of a supply shortage in the market. Speaking to the media early Saturday, Al-Jubeir said the decisions on production will be made in coordination with members of OPEC and OPEC+ group. "The market will continue to determine oil output," he said, adding that in the absence of any supply shortage, Saudi Arabia will not increase production. Al-Jubeir's statement came after US President Joe Biden told a press conference in Jeddah on Friday that he would do all that he could to bring more oil to the market and his country. (Source: Zawya)

**Economic outlook has 'darkened significantly', says IMF** – The International Monetary Fund (IMF) will further downgrade its forecast for global economic growth this month. Kristalina Georgieva, the fund's Managing Director, said the global economic outlook has "darkened significantly", citing that the impact of the war in Ukraine has worsened and that inflation has continued to rise. "The human tragedy of the war in Ukraine has worsened. So, too, has its economic impact especially through commodity price shocks that are slowing growth and exacerbating a cost-of-living crisis," the IMF head noted. (Source: Zawya)

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.24	-7.82	KSA	2027	3.37	-6.97
Abu Dhabi	2031	3.59	-11.89	KSA	2032	3.88	-12.01
Abu Dhabi	2050	4.41	-22.30	KSA	2050	5.04	-22.62
Bahrain	2028	7.10	-11.12	Oman	2027	6.58	-9.76
Bahrain	2032	8.59	-19.29	Oman	2032	7.39	-14.85
Bahrain	2051	9.57	-26.91	Oman	2051	8.61	-21.59
Dubai	2029	4.03	-9.31	Qatar	2026	4.54	-10.91
Dubai	2050	5.99	-26.58	Qatar	2030	3.71	-10.94
Kuwait	2027	3.29	-7.72	Qatar	2050	4.58	-22.63

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.81	8.08	-0.01	-11.17
S&P MENA Bond and Sukuk Index	4.27	NA	-0.15	-10.89
Bloomberg Emerging Markets USD Index	7.44	6.80	0.07	-18.45
Bloomberg Global Aggregate Index	2.86	7.42	0.53	-14.41

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	17/07/2022	31/12/2021	17/07/2022	31/12/2021	17/07/2022	31/12/2021
KIBOR	2.1250	1.5000	2.3750	1.7500	2.7500	2.0000
SAIBOR	2.8342	0.9057	3.1359	0.9829	3.6001	1.0600
BHIBOR	3.7117	1.5167	4.2083	1.6233	4.8520	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	2.2173	0.3645	3.0073	0.7000	3.4927	0.7396
EURIBOR	0.0720	-0.5730	0.5320	-0.5460	1.0570	-0.4980
LIBOR	2.7376	0.2144	3.3113	0.3451	3.8964	0.5888

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	3.5054	-4.35	555.2	KWD	0.3073	-0.0488	-1.56	Crude Oil	101.16	35.24
2-Year	3.3880	-3.25	259.9	SAR	3.7549	0.0027	0.01	Gold	1,703.60	-7.21
5-Year	3.0382	-3.74	121.8	EUR	1.0093	0.6189	-11.35	Silver	18.59	-20.73
7-Year	2.9929	-4.41	102.8	GBP	1.1870	0.2622	-12.39	Copper	323.40	-27.01
10-Year	2.9918	-4.93	89.2	JPY	138.7600	0.2814	-16.95	Nat. Gas	7.02	91.85
30-Year	2.8149	-3.75	62.6	CNH	6.7740	0.0074	-5.97	Aluminum	2,326.50	-16.86

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	3.12	0.03	1.89	0.06	NA	NA
5-Year	3.03	0.15	1.79	0.13	0.41	0.11
10-Year	2.92	0.40	2.09	0.09	0.89	0.30
30-Year	3.08	0.59	2.58	-0.59	1.34	0.39

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	17-Jul 2022	31-Dec 2021
Kuwait	65.33	40.53
KSA	75.54	50.97
Abu Dhabi	72.29	43.09
Dubai	132.48	89.58
Qatar	72.08	42.55
Bahrain	338.82	286.32
Oman	308.18	254.42
Iraq	706.73	507.35
Egypt	365.52	496.58
Morocco	323.85	85.91
Turkey	870.55	555.46
US	21.00	10.01
UK	15.53	8.91
China	85.87	39.86
Japan	27.81	16.23
Germany	16.40	7.53
France	27.00	17.87