

News Updates

Saudi Electricity Hires Banks for \$ Green, Conventional Sukuk – Saudi Electricity to establish an international sukuk program and to start holding meetings with fixed income investors on March 31. Potential dollar denominated green or conventional sukuk may follow. Offer is expected to be offered to eligible investors in Saudi Arabia and internationally. *(Source: Bloomberg)*

Egypt Jumbo Hike Too Small to Beat Inflation, Bond Buyers Say – Egypt's 200 basis-point interest rate hike has not satisfied bond investors who say the central bank must do more if it is to vanquish inflation and revive flagging financial market flows. The jumbo rate rise was delivered late Thursday, after authorities disappointed investors in February by holding borrowing costs unchanged. However, the increase is smaller than the 300-basis-point hike that firms including Goldman Sachs Group Inc. and Abu Dhabi Commercial Bank were forecasting. Derivatives traders are hedging against the prospect of a steeper decline in the pound, threatening to exacerbate inflation which climbed to 31.9% in February, several times the targeted rate. Yields on pound-denominated government bonds have also raced higher, and at Thursday's 12-month T-bill auction, Egypt raised about 3.5 billion pounds (\$115 million) at a record high 22.683% yield. *(Source: Bloomberg)*

OPEC+ to Hold Its Ground Amid Oil Tumult Caused by Bank Crisis – OPEC+ is still finding that the best response to growing oil market uncertainty is to hold its ground. When last month's banking crisis dragged crude futures to a 15-month low near \$70 a barrel in London, speculation swirled that Saudi Arabia and its partners might intervene with fresh production cuts to shore up the market. But despite all the upheaval, OPEC+ shows every sign of sitting tight. The Saudis have said publicly that the 23-nation coalition should keep output levels steady all year. Delegates privately predict that, when key members hold a monitoring meeting on Monday, they won't make any adjustments. Fears over financial contagion are receding and the focus is returning once again to China's resurgent oil demand, coupled with pressure on Russian output since its invasion of Ukraine. Crude futures have recovered sharply to almost \$80 a barrel, buttressing revenue for Riyadh and its allies. *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.86	0.77	KSA	2027	2.47	7.79
Abu Dhabi	2031	3.95	2.23	KSA	2032	4.30	1.33
Abu Dhabi	2050	4.80	0.85	KSA	2050	5.36	-0.22
Bahrain	2028	5.92	1.16	Oman	2027	5.49	1.27
Bahrain	2032	6.90	1.92	Oman	2032	5.95	0.92
Bahrain	2051	8.15	-0.32	Oman	2051	7.12	1.21
Dubai	2029	4.37	0.79	Qatar	2026	2.74	2.88
Dubai	2050	5.85	0.90	Qatar	2030	4.08	0.53
Kuwait	2027	3.73	-0.81	Qatar	2050	4.84	1.41

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.19	8.08	0.01	1.91
S&P MENA Bond and Sukuk Index	4.90	NA	0.05	1.98
Bloomberg Emerging Markets USD Index	7.36	6.80	0.42	2.15
Bloomberg Global Aggregate Index	3.54	7.42	0.13	3.01

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	02/04/2023	31/12/2022	02/04/2023	31/12/2022	02/04/2023	31/12/2022
KIBOR	4.2500	4.0000	4.4375	4.2500	4.6875	4.5625
SAIBOR	5.6879	5.3404	5.6718	5.5978	5.6347	5.8697
BHIBOR	6.3230	6.1417	6.3876	6.2675	6.4453	6.5529
QATAR	5.7833	5.2833	5.8667	5.4167	5.9833	5.5833
AEIBOR	4.9100	4.3095	5.0397	4.9399	4.9795	5.0421
EURIBOR	3.0380	2.1320	3.3410	2.6930	3.6220	3.2910
LIBOR	5.1927	4.7673	5.3130	5.1389	5.3053	5.4821

USD Swap Rates				Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)	
1-Year	5.0230	-3.01	-1.9	KWD	0.3071	-0.2931	Crude Oil	79.89	-5.75
2-Year	4.3557	-9.76	-7.5	SAR	3.7529	0.0213	Gold	1,986.20	6.92
5-Year	3.6335	-11.58	-9.7	EUR	1.0847	-0.6052	Silver	24.16	-0.21
7-Year	3.5142	-10.23	-10.0	GBP	1.2343	-0.3956	Copper	409.45	7.34
10-Year	3.4637	-8.82	-9.7	JPY	133.0000	-0.1204	Nat. Gas	2.22	-43.63
30-Year	3.2143	-7.48	-7.9	CNH	6.8784	0.0670	Aluminum	2,382.75	-0.14

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.03	0.19	3.41	0.05	2.71	0.08
5-Year	3.57	0.50	3.33	0.07	2.32	0.37
10-Year	3.47	0.70	3.48	0.24	2.25	0.66
30-Year	3.65	1.52	3.83	0.18	2.35	1.14

Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	A1	A+	AA-
KSA	A1	Au	A
UAE	Aa2	NR	AA-
Abu Dhabi	Aa2	AA	AA
Qatar	Aa3	AA	AA-
Bahrain	B2	B+	B+
Oman	Ba3	BB	BB
Egypt	B3	B	B+
Lebanon	C	SD	RDu
Jordan	B1	B+	BB-
Turkey	B3	Bu	B
Tunisia	Caa2	NR	CCC+
Morocco	Ba1	BB+	BB+u
US	Aaa	AA+u	AAAu
UK	Aa3	AAu	AA-u
China	A1	A+	A+u

USD 5Yr CDS	02-Apr 2023	31-Dec 2022
Kuwait	40.05	39.45
KSA	60.51	60.05
Abu Dhabi	41.39	43.90
Dubai	74.66	74.01
Qatar	41.05	46.55
Bahrain	237.96	224.63
Oman	153.88	185.75
Iraq	390.09	421.67
Egypt	NA	NA
Morocco	155.21	143.12
Turkey	518.73	506.65
US	42.87	22.82
UK	26.36	25.54
China	72.09	71.08
Japan	24.57	23.60
Germany	13.63	17.15
France	24.98	24.94