

News Updates

Saudi banks raise investments in treasury bonds to SAR 494.8 bln in August

– Saudi banks’ investments in treasury bonds increased by SAR 1.4 billion month-on-month (MoM) to SAR 494.8 billion in August, new data from the Saudi Central Bank (SAMA) showed. SAMA’s assets fell by SAR 6.6 billion in August to around SAR 1.999 trillion. (Source: Argaam)

Oman’s rating fixed at BB- with stable outlook

– Standard & Poor’s affirmed its credit rating for the Sultanate of Oman at (BB-) with a stable outlook as a result of the financial and economic initiatives and measures for sustainability, in addition to the improvement in oil prices. The agency confirmed that the rise in production and oil prices and the increase in the pace of investment projects contributed to the growth of the Omani economy, noting the growth of the gross domestic product at constant prices of 3% in 2021, and its rise to about 3.9% in 2022. Standard & Poor’s also indicates that the government has benefited from the rise in oil revenues in reducing the volume of public debt, bringing the public debt-to-GDP ratio to 63%, down to 45% in 2021 and 2022, respectively. (Source: Times of Oman)

OPEC+ to Consider Output Cut of More Than 1 Million Barrels

– OPEC+ will consider cutting oil output by more than 1 million barrels a day, according to delegates, when it meets in person on Wednesday for the first time in more than two years. A larger-than-expected reduction would reflect the scale of the producer group’s concern that the global economy is slowing fast in the face of rapidly tightening monetary policy. A final decision won’t be made until oil ministers meet in OPEC’s Vienna headquarters, the delegates said. A cut of 1 million would be the biggest since the start of the pandemic. A massive cut risks adding another shock to the global economy, which is already battling energy-driven inflation. (Source: Bloomberg)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.52	-12.96	KSA	2027	4.56	-11.13
Abu Dhabi	2031	4.65	-18.46	KSA	2032	4.78	-17.99
Abu Dhabi	2050	5.10	-30.46	KSA	2050	5.70	-29.40
Bahrain	2028	7.07	-10.63	Oman	2027	6.88	-10.55
Bahrain	2032	8.46	-18.25	Oman	2032	7.35	-14.63
Bahrain	2051	9.27	-24.54	Oman	2051	8.65	-21.87
Dubai	2029	4.40	-11.35	Qatar	2026	4.55	-10.55
Dubai	2050	6.25	-29.28	Qatar	2030	4.73	-16.40
Kuwait	2027	4.40	-11.79	Qatar	2050	5.20	-29.47

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.57	8.08	0.06	-14.37
S&P MENA Bond and Sukuk Index	5.15	NA	-0.42	-15.20
Bloomberg Emerging Markets USD Index	8.16	6.80	-0.03	-20.50
Bloomberg Global Aggregate Index	3.70	7.42	0.22	-19.89

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	03/10/2022	31/12/2021	03/10/2022	31/12/2021	03/10/2022	31/12/2021
KIBOR	3.0000	1.5000	3.3125	1.7500	3.6250	2.0000
SAIBOR	4.2978	0.9057	4.6064	0.9829	5.0535	1.0600
BHIBOR	5.0000	1.5167	5.2333	1.6233	5.6167	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	3.5588	0.3645	4.0606	0.7000	4.3930	0.7396
EURIBOR	1.1730	-0.5730	1.8090	-0.5460	2.5560	-0.4980
LIBOR	3.7547	0.2144	4.2320	0.3451	4.7806	0.5888

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	4.5386	-4.13	748.3	KWD	0.3085	0.0324	-1.94	Crude Oil	87.38	19.13
2-Year	4.4878	-5.82	376.8	SAR	3.7587	-0.0080	-0.06	Gold	1,671.50	-9.20
5-Year	4.0883	-5.29	198.5	EUR	0.9791	-0.1122	-13.89	Silver	19.23	-18.29
7-Year	3.9551	-4.85	168.0	GBP	1.1107	-0.5730	-17.93	Copper	337.30	-23.51
10-Year	3.8325	-4.45	142.4	JPY	144.9300	-0.1242	-20.59	Nat. Gas	6.66	75.99
30-Year	3.3143	-3.97	91.5	CNH	7.1470	-0.0644	-11.05	Aluminum	2,164.25	-22.21

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	4.20	0.15	4.17	0.22	NA	NA
5-Year	4.04	0.24	4.36	0.17	1.67	0.00
10-Year	3.78	0.38	4.08	0.41	1.98	0.00
30-Year	3.74	0.68	3.81	1.66	2.07	0.00

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

	03-Oct 2022	31-Dec 2021
Kuwait	58.92	40.53
KSA	59.23	50.97
Abu Dhabi	48.30	43.09
Dubai	111.37	89.58
Qatar	57.94	42.55
Bahrain	293.06	286.32
Oman	264.64	254.42
Iraq	805.46	507.35
Egypt	NA	496.58
Morocco	281.10	85.91
Turkey	776.58	555.46
US	26.00	10.01
UK	44.86	8.91
China	107.35	39.86
Japan	26.63	16.23
Germany	22.41	7.53
France	30.13	17.87