

News Updates

ACWA Power's APMI One offers to buy back bonds worth \$400mln –

ACWA Power Management and Investments One Ltd (APMI One) has offered to buy back a part of its senior secured bonds (ACWA39) - issued in 2017 and due 2039 - and cancel them in order to reduce its debt service obligations. APMI One, a special purpose vehicle (SPV) company incorporated in DIFC Dubai, has offered to purchase bonds up to a value of \$400 million of its total \$814 million pre-amortisation aggregate, "with existing cash resources of APMI One and ACWA Power Co. and certain of its subsidiaries and affiliates," the statement said. Number and percentage of the purchased bonds will be determined once the transaction is complete. Original issuance par value of the minimum denomination size is \$200,000 pre-amortisation and \$199,600 post-amortisation. *(Source: Zawya)*

Egypt's Outlook Cut to Negative by Fitch on Weakened Liquidity –

Fitch Ratings downgraded its outlook for Egypt, saying weaker external liquidity and reduced prospects for access to bond markets leave the North African nation vulnerable to global shocks. The ratings agency changed its outlook to negative from stable, but affirmed Egypt's B+ ranking. It also cited a decline in foreign reserves this year, saying they were now equal to just over three months of current external payments. While recent outflows of foreign investment in local debt will likely be partly reversed after October's currency devaluation, interest-rate hike and \$3 billion loan deal with the International Monetary Fund, "portfolio holdings remain a significant vulnerability," Fitch said Tuesday in a statement. *(Source: Bloomberg)*

German 2-year yield hits fresh 14-year high as central banks zero in on inflation –

Germany's short-dated yields hit fresh multi-year highs on Tuesday, with investor focus on central banks' fight against inflation. Yields on the 10-year Bund, which serves as a benchmark for the wider region, fell 5 bps to 2.27%. The yield curve was flattening with the spread between German 10-year and 2-year yields at its lowest level since Sept. 22. U.S. Treasury yields drifted lower on Tuesday with the 10-year down 7 bps to 4.14%. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.58	-13.10	KSA	2027	4.82	-11.92
Abu Dhabi	2031	4.79	-19.12	KSA	2032	5.14	-20.29
Abu Dhabi	2050	5.48	-34.37	KSA	2050	6.10	-33.28
Bahrain	2028	6.72	-9.05	Oman	2027	6.21	-8.20
Bahrain	2032	7.91	-14.79	Oman	2032	6.79	-11.09
Bahrain	2051	8.77	-20.32	Oman	2051	8.22	-18.06
Dubai	2029	4.82	-13.36	Qatar	2026	4.78	-11.12
Dubai	2050	6.47	-30.75	Qatar	2030	4.97	-17.84
Kuwait	2027	4.61	-12.52	Qatar	2050	5.51	-32.72

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.86	8.08	0.13	-15.49
S&P MENA Bond and Sukuk Index	5.55	NA	0.12	-17.04
Bloomberg Emerging Markets USD Index	8.41	6.80	0.39	-20.59
Bloomberg Global Aggregate Index	3.88	7.42	0.58	-20.03

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	09/11/2022	31/12/2021	09/11/2022	31/12/2021	09/11/2022	31/12/2021
KIBOR	4.0000	1.5000	4.1875	1.7500	4.4375	2.0000
SAIBOR	5.7121	0.9057	5.8713	0.9829	6.4182	1.0600
BHIBOR	5.7167	1.5167	6.0333	1.6233	6.3250	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	4.0762	0.3645	4.5845	0.7000	5.0084	0.7396
EURIBOR	1.7420	-0.5730	2.2960	-0.5460	2.8200	-0.4980
LIBOR	4.5573	0.2144	5.0229	0.3451	5.6121	0.5888

	USD Swap Rates			Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)		
1-Year	5.2222	1.49	876.1	KWD	0.3093	0.1132	-2.17	Crude Oil	94.95	30.28
2-Year	5.0190	0.73	433.2	SAR	3.7598	-0.0186	-0.09	Gold	1,711.10	-7.05
5-Year	4.3696	1.06	219.1	EUR	1.0070	-0.0397	-11.43	Silver	21.40	-9.09
7-Year	4.2264	1.08	186.4	GBP	1.1545	0.0000	-14.69	Copper	364.85	-17.26
10-Year	4.1451	0.84	162.2	JPY	145.5600	0.0824	-20.94	Nat. Gas	6.20	55.59
30-Year	3.7782	-0.13	118.3	CNH	7.2481	-0.2428	-12.29	Aluminum	2,360.01	-14.92

	US Treasuries		UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.66	0.00	3.18	-0.05	NA	NA
5-Year	4.30	-0.03	3.47	0.12	2.15	0.03
10-Year	4.13	-0.04	3.54	0.73	2.19	0.22
30-Year	4.27	0.05	3.73	1.40	2.18	1.24

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	09-Nov 2022	31-Dec 2021
Kuwait	55.05	40.53
KSA	65.11	50.97
Abu Dhabi	53.39	43.09
Dubai	100.29	89.58
Qatar	54.16	42.55
Bahrain	245.49	286.32
Oman	213.28	254.42
Iraq	536.05	507.35
Egypt	NA	496.58
Morocco	284.33	85.91
Turkey	604.32	555.46
US	26.45	10.01
UK	24.78	8.91
China	88.08	39.86
Japan	30.28	16.23
Germany	22.17	7.53
France	28.26	17.87