

News Updates

UAE’s biggest clean-energy firm Masdar to look at deals in US, Europe; plans to sell bonds – The United Arab Emirates’ biggest renewable-energy company will make acquisitions and sell bonds as part of a plan to more than double its operations this decade and help the country achieve a net-zero target. Masdar is interested in acquisitions of power firms in places such as the US and Europe, CEO Mohamed al Ramahi said. “Our ambition is big,” the CEO said. “We will consider all possibilities when it comes to financial strategy. Green bonds, specifically, are something we might consider.” Masdar, based in Abu Dhabi, is leading a consortium that will build a 10-gigawatt wind plant in Egypt. Al Ramahi said the \$11bn project will start to produce power in around five years. *(Source: Bloomberg)*

Qatar wealth fund said to transfer \$1bn to Egypt’s central bank – Qatar’s sovereign wealth fund has deposited \$1bn with Egypt’s central bank as it moves closer to a deal to acquire government holdings in some of the North African nation’s major firms, Bloomberg reported Wednesday. Qatar Investment Authority transferred the funds amid discussions over it acquiring state-held stakes in Egyptian companies, Bloomberg News reported citing people with knowledge of the matter. Due diligence on the assets and finalising a deal may take time so the QIA made the deposit to help Egypt to shore up its finances in the interim. Bloomberg last month reported Qatar was in advanced talks over a deal worth about \$2.5bn. *(Source: Bloomberg)*

Fed’s Barkin says no backing off in getting inflation under 2%; Kashkari says ‘entirely premature’ to talk pivot; Evans says it’s time for Fed to slow down – The Federal Reserve will do what it takes to return inflation to its 2% target, and won’t wait for things to settle on their own time, Richmond Fed President Thomas Barkin said. Minneapolis Fed President Neel Kashkari said Wednesday that rate increases of either 50 or 75 basis points next month were on the table, while not ruling out other options. Chicago Fed’s outgoing president Charles Evans also spoke on Wednesday and said it’s time for the central bank to begin slowing down its blistering pace of interest-rate increases given how high they’ve already gone, even if inflation data continue surprising to the upside in the coming months. *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.56	-12.99	KSA	2027	4.82	-11.89
Abu Dhabi	2031	4.78	-19.03	KSA	2032	5.09	-19.96
Abu Dhabi	2050	5.48	-34.39	KSA	2050	6.09	-33.14
Bahrain	2028	6.59	-8.50	Oman	2027	6.13	-7.96
Bahrain	2032	7.81	-14.22	Oman	2032	6.73	-10.80
Bahrain	2051	8.71	-19.81	Oman	2051	8.21	-17.94
Dubai	2029	4.81	-13.32	Qatar	2026	4.74	-11.04
Dubai	2050	6.46	-30.68	Qatar	2030	4.94	-17.83
Kuwait	2027	4.61	-12.56	Qatar	2050	5.52	-32.80

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.84	8.08	0.12	-15.39
S&P MENA Bond and Sukuk Index	5.53	NA	0.18	-16.89
Bloomberg Emerging Markets USD Index	8.37	6.80	0.18	-20.45
Bloomberg Global Aggregate Index	3.84	7.42	0.11	-19.94

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	10/11/2022	31/12/2021	10/11/2022	31/12/2021	10/11/2022	31/12/2021
KIBOR	3.9375	1.5000	4.1875	1.7500	4.4375	2.0000
SAIBOR	5.5372	0.9057	5.8308	0.9829	6.3690	1.0600
BHIBOR	5.7333	1.5167	6.0333	1.6233	6.3250	1.7667
QATAR	4.9000	1.1250	5.0000	1.2000	5.2000	1.3250
AEIBOR	4.2930	0.3645	4.7027	0.7000	5.0236	0.7396
EURIBOR	1.7910	-0.5730	2.3160	-0.5460	2.8460	-0.4980
LIBOR	4.5920	0.2144	5.1344	0.3451	5.6403	0.5888

	USD Swap Rates			Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)		
1-Year	5.1955	1.50	871.1	KWD	0.3092	0.1132	-2.17	Crude Oil	92.65	27.13
2-Year	4.9565	0.00	426.6	SAR	3.7613	0.0239	-0.13	Gold	1,711.60	-7.02
5-Year	4.2952	-0.33	213.6	EUR	1.0028	0.1698	-11.80	Silver	21.16	-10.11
7-Year	4.1588	-0.51	181.8	GBP	1.1405	0.4050	-15.73	Copper	369.05	-16.31
10-Year	4.0899	-0.59	158.7	JPY	146.2000	0.1915	-21.28	Nat. Gas	5.91	48.46
30-Year	3.7681	-1.08	117.7	CNH	7.2610	0.1873	-12.44	Aluminum	2,304.99	-16.91

	US Treasuries		UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.59	-0.01	3.16	0.03	NA	NA
5-Year	4.24	0.03	3.42	0.22	2.10	0.11
10-Year	4.07	0.12	3.44	0.80	2.08	0.62
30-Year	4.25	0.26	3.56	2.18	2.09	1.40

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	10-Nov 2022	31-Dec 2021
Kuwait	53.15	40.53
KSA	64.70	50.97
Abu Dhabi	52.76	43.09
Dubai	97.62	89.58
Qatar	53.89	42.55
Bahrain	246.43	286.32
Oman	212.65	254.42
Iraq	539.06	507.35
Egypt	NA	496.58
Morocco	279.55	85.91
Turkey	617.99	555.46
US	26.45	10.01
UK	25.10	8.91
China	93.34	39.86
Japan	29.61	16.23
Germany	23.22	7.53
France	28.31	17.87