

News Updates

Saudi wealth fund to issue green bonds as soon as next week – Saudi Arabia's \$620 billion sovereign wealth fund, the Public Investment Fund (PIF), is expected to tap international debt markets for a debut green bonds issue as soon as next week, five sources familiar with the matter said. The Crown Prince Mohammed bin Salman said in December that the fund would invest about \$40 billion in the local economy this year, after spending about \$22 billion last year. PIF in February announced a green finance framework that showed net proceeds from a debt sale would go towards eligible projects, including in renewable energy, clean transport and green buildings. *(Source: Reuters)*

Riyad Bank starts the issuance of its riyal-denominated Tier 1 sukuk – Riyadh Bank announced on Thursday the commencement of an additional sukuk offering on a private placement basis, a day after it revealed initial plans for the issuance. Denominated in Saudi riyals, the size and offer price of the issuance are still undetermined and subject to market conditions, Riyadh Bank said. The expected end date of the offering is Dec. 31, 2022. Investors shall subscribe to a minimum of SAR 250,000 (\$66,533), with a return rate yet to be determined. *(Source: Arab News)*

ADCB raises \$500 million with debut green bonds – Abu Dhabi Commercial Bank, the United Arab Emirates' third largest lender, has raised \$500 million with debut green bonds ending an issuance drought in the region. The bonds priced at 115 basis points over U.S. Treasuries on Wednesday, tightening from initial price guidance of about 140 bps over the same benchmark after drawing more than \$1.8 billion in orders for the deal, according to a document and two sources. Proceeds from the debt sale will finance or refinance green loans eligible under ADCB's green bond framework. *(Source: Reuters)*

JPMorgan puts sell sign on emerging market government debt – Analysts at JPMorgan put an 'underweight', or sell sign, on international emerging market sovereign debt on Friday due to the global economic slowdown and ongoing rise in interest rates and the dollar. The lender, viewed as one of the world's most influential investment banks, said the premiums investors demand to hold EM debt rather than ultra-safe U.S. Treasuries could soon balloon out again having improved somewhat recently. The "risks are for the next big spread move to be wider than tighter in our view given late cycle financial conditions tightening and growth risks," the bank's analysts said. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.54	-8.98	KSA	2027	3.69	-8.08
Abu Dhabi	2031	3.85	-13.39	KSA	2032	3.97	-12.54
Abu Dhabi	2050	4.60	-24.73	KSA	2050	5.16	-23.68
Bahrain	2028	6.26	-7.33	Oman	2027	5.71	-6.32
Bahrain	2032	7.66	-13.36	Oman	2032	6.40	-8.59
Bahrain	2051	8.65	-19.20	Oman	2051	7.62	-12.15
Dubai	2029	3.95	-9.00	Qatar	2026	3.62	-7.71
Dubai	2050	5.80	-23.76	Qatar	2030	3.88	-12.19
Kuwait	2027	3.50	-8.46	Qatar	2050	4.67	-23.53

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.81	8.08	0.11	-10.59
S&P MENA Bond and Sukuk Index	4.43	NA	-0.03	-11.45
Bloomberg Emerging Markets USD Index	7.12	6.80	0.29	-16.12
Bloomberg Global Aggregate Index	3.22	7.42	0.40	-16.54

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	11/09/2022	31/12/2021	11/09/2022	31/12/2021	11/09/2022	31/12/2021
KIBOR	2.6250	1.5000	2.9375	1.7500	3.1875	2.0000
SAIBOR	3.2598	0.9057	3.6921	0.9829	4.1733	1.0600
BHIBOR	4.1709	1.5167	4.4917	1.6233	5.1301	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	2.8544	0.3645	3.5800	0.7000	3.7650	0.7396
EURIBOR	0.9340	-0.5730	1.4420	-0.5460	2.0150	-0.4980
LIBOR	3.2454	0.2144	3.8111	0.3451	4.1890	0.5888

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	4.0152	3.96	650.5	KWD	0.3086	0.0810	-1.96	Crude Oil	92.84	25.75
2-Year	3.9073	3.78	315.1	SAR	3.7575	0.0027	-0.06	Gold	1,728.60	-6.10
5-Year	3.4984	1.33	155.5	EUR	1.0052	0.4501	-11.68	Silver	18.77	-20.26
7-Year	3.4187	0.20	131.7	GBP	1.1596	0.7389	-14.36	Copper	356.80	-19.08
10-Year	3.3887	-0.54	114.3	JPY	142.6700	1.1511	-19.23	Nat. Gas	8.00	117.52
30-Year	3.1308	-2.89	80.9	CNH	6.9459	0.3431	-8.37	Aluminum	2,277.25	-18.38

US Treasuries		UK Gilts		German Bunds		
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	3.56	-0.09	3.01	0.04	NA	NA
5-Year	3.44	-0.05	2.96	0.11	1.20	-0.01
10-Year	3.31	0.08	3.09	0.46	1.51	0.14
30-Year	3.45	0.52	3.47	0.29	1.78	-0.49

	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	11-Sep 2022	31-Dec 2021
Kuwait	54.00	40.53
KSA	47.39	50.97
Abu Dhabi	46.11	43.09
Dubai	109.62	89.58
Qatar	46.63	42.55
Bahrain	290.80	286.32
Oman	257.10	254.42
Iraq	845.22	507.35
Egypt	NA	496.58
Morocco	242.80	85.91
Turkey	738.64	555.46
US	19.39	10.01
UK	24.22	8.91
China	70.01	39.86
Japan	18.46	16.23
Germany	14.78	7.53
France	22.72	17.87