

News Updates

Value of MENA debt issuances nearly tripled during Q1 2023 to \$26.9bln – MENA debt issuances nearly tripled in value year-on-year during Q1 2023 to \$26.9 billion in 2022, according to data from Refinitiv. This is the highest start to a year by proceeds since 2011. For the full year 2022, the total proceeds amounted to \$37.3 billion. Saudi Arabia was the most active issuer nation during the period, accounting for 67% of total bond proceeds, followed by United Arab Emirates (17%), Morocco (9%) and Egypt (6%). Government and agencies issuers accounted for 55% of proceeds raised during Q1 while financial issuers represented 45% of the market share. Sukuk or Islamic bonds raised \$6.3 billion during the first quarter of 2023, a 57% increase yoy and a three-year high. Sukuk account for 23% of total bond proceeds raised in the region during Q1 2023, versus 42% during Q1 2022. *(Source: Zawya)*

Fitch revises Oman’s outlook to positive, affirms its rating at ‘BB’ – Fitch Ratings has revised Oman’s outlook to positive from stable and affirmed the rating at ‘BB’. According to Fitch, the positive outlook reflects a significant reduction in Oman’s debt to GDP as a result of fiscal consolidation measures, high oil prices and the associated reduction of external liquidity risks. The agency said that the measures taken by the government helped to contain public debt, stating that the debt to GDP fell from 61% at the end of 2021 to 40% at the end of 2022. Fitch now expects the public debt to decline to 37% at the end of 2024, compared to 48% previously projected by the agency in its report issued in August 2022. Fitch forecasts a budget surplus of 2.3% of GDP and 0.1% in 2023 and 2024, respectively. *(Source: Times of Oman)*

IMF flashes financial risk warnings but urges continued inflation fight – The International Monetary Fund warned on Tuesday that lurking financial system vulnerabilities could erupt into a new crisis and slam global growth this year, but urged member countries to keep tightening monetary policy to fight persistently high inflation. The warnings set an ominous tone for the IMF and World Bank spring meetings in Washington this week, with conflicting economic and market forces clouding the policy path as growth slows in response to rapid central bank interest rate hikes. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.79	1.15	KSA	2027	4.01	1.92
Abu Dhabi	2031	3.71	4.11	KSA	2032	4.19	2.16
Abu Dhabi	2050	4.72	2.23	KSA	2050	5.26	1.29
Bahrain	2028	6.01	0.82	Oman	2027	5.36	1.81
Bahrain	2032	6.96	1.61	Oman	2032	5.84	1.75
Bahrain	2051	8.10	0.35	Oman	2051	7.04	2.19
Dubai	2029	4.29	1.21	Qatar	2026	3.86	1.45
Dubai	2050	5.78	2.20	Qatar	2030	3.97	1.02
Kuwait	2027	3.75	-0.75	Qatar	2050	4.73	3.27

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.06	8.08	0.32	2.95
S&P MENA Bond and Sukuk Index	4.75	NA	0.66	3.14
Bloomberg Emerging Markets USD Index	7.26	6.80	0.10	2.53
Bloomberg Global Aggregate Index	3.52	7.42	-0.14	3.29

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	12/04/2023	31/12/2022	12/04/2023	31/12/2022	12/04/2023	31/12/2022
KIBOR	4.2500	4.0000	4.4375	4.2500	4.6875	4.5625
SAIBOR	5.7118	5.3404	5.6487	5.5978	5.6503	5.8697
BHIBOR	6.3647	6.1417	6.4527	6.2675	6.5159	6.5529
QATAR	5.8000	5.2833	5.8750	5.4167	5.9750	5.5833
AEIBOR	4.9291	4.3095	4.8375	4.9399	4.9799	5.0421
EURIBOR	3.0750	2.1320	3.3390	2.6930	3.5780	3.2910
LIBOR	5.1979	4.7673	5.2374	5.1389	5.1257	5.4821

USD Swap Rates				Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)	
1-Year	5.0651	2.72	-1.1	KWD	0.3071	-0.2931	Crude Oil	85.81	1.24
2-Year	4.3697	1.90	-7.2	SAR	3.7517	0.0000	Gold	2,030.80	9.32
5-Year	3.6191	0.89	-10.0	EUR	1.0931	0.1741	Silver	25.46	5.18
7-Year	3.4889	0.52	-10.6	GBP	1.2434	0.0724	Copper	401.75	5.32
10-Year	3.4303	0.03	-10.6	JPY	133.6500	0.0299	Nat. Gas	2.18	-44.49
30-Year	3.2073	0.25	-8.1	CNH	6.8933	0.0131	Aluminum	2,259.75	-5.29

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.04	-0.02	3.44	0.05	2.76	-0.03
5-Year	3.54	-0.03	3.35	0.09	2.32	-0.03
10-Year	3.42	0.03	3.52	0.13	2.25	0.07
30-Year	3.62	0.09	3.84	0.30	2.36	0.32

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	12-Apr 2023	31-Dec 2022
Kuwait	39.02	39.45
KSA	61.57	60.05
Abu Dhabi	40.94	43.90
Dubai	75.23	74.01
Qatar	41.90	46.55
Bahrain	248.38	224.63
Oman	154.94	185.75
Iraq	375.05	421.67
Egypt	NA	NA
Morocco	158.27	143.12
Turkey	544.55	506.65
US	42.21	22.82
UK	25.68	25.54
China	69.40	71.08
Japan	25.05	23.60
Germany	13.01	17.15
France	24.95	24.94