

News Updates

Oman: State budget achieves \$376.6mln surplus – The State Budget achieved a surplus of RO 145 million at the of January 2023, compared to a surplus of RO 18 million registered over the same period in 2022, according to the Fiscal Performance Monthly Bulletin published by the Ministry of Finance. Public revenue at the end of January 2023 surged by 22% to reach RO 982 compared to RO 804 million registered over the same period in 2022. This is mainly due to an increase in oil and gas revenues, representing 88% of total public revenue. the IMF expects Oman’s real gross domestic product (GDP) growth to reach 4.1% in 2023 and 1.9% 2024. The IMF also expects the current balance account will achieve a positive growth of 2.7% in 2023. *(Source: Times of Oman)*

Fitch Ratings raises oil price assumptions for 2024-2025 – Fitch Ratings has increased its oil price assumptions for 2024-2025 on the expectation that geopolitical issues will extend the period before prices moderate towards lower, long-term levels. Fitch assumes a Brent price of \$75/bbl in 2024 (old assumption - \$65) and \$65 in 2025 (old assumption \$53/bbl). "Our increased 2024-2025 oil price assumptions reflect our view that it will take longer for prices to moderate due to tightening supply from Russia and OPEC+’s cautious approach to supply increases. The market is likely to remain tight over the medium term, given fairly low spare capacity and increasing demand. However, we expect the market to gradually adjust, particularly thanks to production growth outside OPEC (particularly in the US) and the prospect of capacity increases in OPEC countries (particularly in Saudi Arabi and the UAE)," it said. *(Source: Zawya)*

Gold hits over 5-week high on weaker dollar, bank worries – Gold prices rose on Monday to their highest in more than five weeks as the dollar weakened, while jitters over the largest US bank failure since the 2008 financial crisis drove investors to the safe-haven asset. Spot gold was up 0.5 percent at \$1,877.30 per ounce, as of 0051 GMT, after hitting its highest since Feb. 3 earlier in the session at \$1,893.96. US gold futures gained 0.8 percent to \$1,882.10. The dollar index was down 0.4 percent, making bullion cheaper for buyers holding other currencies. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.05	-0.04	KSA	2027	4.36	0.52
Abu Dhabi	2031	4.06	1.31	KSA	2032	4.37	0.69
Abu Dhabi	2050	4.82	0.41	KSA	2050	5.35	-0.07
Bahrain	2028	5.74	1.92	Oman	2027	5.58	1.00
Bahrain	2032	6.79	2.77	Oman	2032	5.96	0.97
Bahrain	2051	7.97	1.86	Oman	2051	7.05	2.06
Dubai	2029	4.26	1.40	Qatar	2026	4.32	0.11
Dubai	2050	5.80	1.62	Qatar	2030	4.25	-0.26
Kuwait	2027	4.06	-1.98	Qatar	2050	4.82	1.78

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.22	8.08	0.92	1.47
S&P MENA Bond and Sukuk Index	4.96	NA	1.01	1.37
Bloomberg Emerging Markets USD Index	7.41	6.80	0.35	1.43
Bloomberg Global Aggregate Index	3.57	7.42	1.14	2.11

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	14/03/2023	31/12/2022	14/03/2023	31/12/2022	14/03/2023	31/12/2022
KIBOR	4.2500	4.0000	4.4375	4.2500	4.6875	4.5625
SAIBOR	5.6926	5.3404	5.7516	5.5978	5.8465	5.8697
BHIBOR	6.3083	6.1417	6.4019	6.2675	6.6917	6.5529
QATAR	5.3500	5.2833	5.4500	5.4167	5.6167	5.5833
AEIBOR	5.0648	4.3095	5.2519	4.9399	5.2796	5.0421
EURIBOR	2.9780	2.1320	3.4450	2.6930	3.9530	3.2910
LIBOR	5.1381	4.7673	5.4283	5.1389	5.7381	5.4821

	USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)	
1-Year	4.7957	19.43	-6.3	KWD	0.3071	-0.2931	-0.26	Crude Oil	79.94	-6.25	
2-Year	4.3811	19.30	-6.9	SAR	3.7548	0.0000	0.11	Gold	1,907.60	3.55	
5-Year	3.8420	8.50	-4.5	EUR	1.0701	-0.2889	-0.05	Silver	21.76	-10.13	
7-Year	3.6990	4.98	-5.2	GBP	1.2152	-0.2627	0.56	Copper	400.80	5.07	
10-Year	3.6025	1.57	-6.1	JPY	133.9000	-0.5079	-2.07	Nat. Gas	2.61	-33.37	
30-Year	3.2615	-1.52	-6.6	CNH	6.8756	-0.3374	0.68	Aluminum	2,306.00	-3.35	

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.16	-0.34	3.35	0.57	2.67	0.70
5-Year	3.76	-0.27	3.26	1.19	2.33	1.34
10-Year	3.57	0.03	3.36	2.22	2.22	2.06
30-Year	3.68	0.66	3.82	3.11	2.25	3.93

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	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	14-Mar 2023	31-Dec 2022
Kuwait	38.60	39.45
KSA	60.69	60.05
Abu Dhabi	42.04	43.90
Dubai	66.90	74.01
Qatar	43.34	46.55
Bahrain	247.01	224.63
Oman	139.72	185.75
Iraq	402.64	421.67
Egypt	NA	NA
Morocco	161.58	143.12
Turkey	534.23	506.65
US	39.90	22.82
UK	22.10	25.54
China	74.62	71.08
Japan	25.34	23.60
Germany	13.23	17.15
France	21.03	24.94