

News Updates

World Bank expects Kuwait growth at 8.5% – The World Bank expected domestic economic growth in the State of Kuwait this year to accelerate to 8.5 percent, provided that the balance of public finances records a 1.1 percent surplus of total output. The World Bank expected a rise in the growth rates of the domestic non-oil sector in Kuwait by 7.7 percent this year, with its expansion in 2023, with the decline of domestic economic growth to 2.5 percent on average in 2023 and 2024. It also expected that the rise in oil revenues would compensate for a large import bill and that this would lead to a large surplus in the country’s external balance by 26.8 percent of the GDP in 2022. *(Source: Arab Times)*

Rawasi Albina plans local sukuk issuance worth SAR 500 mln – Rawasi Albina Investment Co. is planning to establish a SAR-denominated sukuk program to issue local Shariah-compliant sukuk worth SAR 500 million, according to a statement to Tadawul. The move is aimed for the company’s general corporate purposes, in addition to meeting its financial objectives and strategies. The sukuk issuance is subject to the approval of the competent authority. It will be offered in compliance with the relevant laws and regulations. *(Source: Argaam)*

IMF says global economic outlook getting ‘gloomier’, risks abound – The global economic outlook is even gloomier than projected last month, the International Monetary Fund said on Sunday, citing a steady worsening in purchasing manager surveys in recent months. It blamed the darker outlook on tightening monetary policy triggered by persistently high and broad-based inflation, weak growth momentum in China, and ongoing supply disruptions and food insecurity caused by Russia’s invasion of Ukraine. The global lender last month cut its global growth forecast for 2023 to 2.7 percent from a previous forecast of 2.9 percent. A worsening energy crisis in Europe would severely harm growth and raise inflation, while prolonged high inflation could prompt larger-than-anticipated policy interest hikes and further tightening of global financial conditions. That in turn posed increasing risks of a sovereign debt crisis for vulnerable economies. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.22	-11.78	KSA	2027	4.55	-10.81
Abu Dhabi	2031	4.38	-16.61	KSA	2032	4.77	-17.89
Abu Dhabi	2050	5.18	-31.17	KSA	2050	5.76	-30.02
Bahrain	2028	6.22	-7.03	Oman	2027	5.66	-6.37
Bahrain	2032	7.28	-11.16	Oman	2032	6.29	-8.14
Bahrain	2051	8.29	-16.01	Oman	2051	7.83	-14.28
Dubai	2029	4.46	-11.71	Qatar	2026	4.42	-10.08
Dubai	2050	6.12	-27.22	Qatar	2030	4.59	-16.12
Kuwait	2027	4.28	-11.47	Qatar	2050	5.19	-29.45

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.66	8.08	0.04	-14.28
S&P MENA Bond and Sukuk Index	5.31	NA	1.29	-15.45
Bloomberg Emerging Markets USD Index	8.13	6.80	1.42	-19.32
Bloomberg Global Aggregate Index	3.65	7.42	0.67	-17.63

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	14/11/2022	31/12/2021	14/11/2022	31/12/2021	14/11/2022	31/12/2021
KIBOR	3.9375	1.5000	4.1875	1.7500	4.3750	4.4375
SAIBOR	5.6303	0.9057	5.8350	0.9829	6.4418	6.3719
BHIBOR	5.7333	1.5167	6.0333	1.6233	6.3250	6.3250
QATAR	4.8250	1.1250	5.0000	1.2000	5.2000	5.1000
AEIBOR	4.3555	0.3645	4.6960	0.7000	5.1212	5.1212
EURIBOR	1.7620	-0.5730	2.2910	-0.5460	2.8110	2.8110
LIBOR	4.6061	0.2144	5.0840	0.3451	5.4513	5.4513

	USD Swap Rates			Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)		
1-Year	5.0660	-0.44	846.9	KWD	0.3092	0.0162	-2.15	Crude Oil	96.23	32.04
2-Year	4.7716	6.03	406.9	SAR	3.7595	0.0133	-0.11	Gold	1,765.10	-4.12
5-Year	4.0773	7.53	197.7	EUR	1.0311	-0.3576	-9.32	Silver	21.59	-8.29
7-Year	3.9495	7.37	167.6	GBP	1.1765	-0.5579	-13.07	Copper	389.25	-11.72
10-Year	3.8959	7.54	146.4	JPY	139.4100	-0.4304	-17.45	Nat. Gas	6.04	51.54
30-Year	3.6283	5.63	109.6	CNH	7.0530	0.5658	-9.86	Aluminum	2,446.25	-11.82

	US Treasuries		UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.42	-0.16	3.07	-0.07	NA	NA
5-Year	4.02	-0.37	3.31	-0.19	2.14	-0.27
10-Year	3.89	-0.67	3.35	-0.57	2.08	-0.92
30-Year	4.07	-0.93	3.48	-1.11	2.11	-1.75

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	14-Nov 2022	31-Dec 2021
Kuwait	43.50	40.53
KSA	55.06	50.97
Abu Dhabi	46.25	43.09
Dubai	99.94	89.58
Qatar	45.69	42.55
Bahrain	232.95	286.32
Oman	186.24	254.42
Iraq	480.82	507.35
Egypt	NA	496.58
Morocco	269.20	85.91
Turkey	552.41	555.46
US	26.08	10.01
UK	23.90	8.91
China	75.99	39.86
Japan	29.97	16.23
Germany	20.38	7.53
France	27.67	17.87