

## News Updates

**Saudi Arabia Offloads Most US Treasuries Since Pandemic** – Saudi Arabia was the biggest seller of US Treasuries outside Europe in January, offloading \$8.7 billion to bring its stockpile to the lowest in more than six years. While earning an oil windfall, the kingdom has changed the way it manages its petrodollar wealth and barely raised the central bank’s net foreign assets in 2022. To start this year, Saudi Arabia sold the US securities at the steepest pace since the height of the coronavirus pandemic, around the time when the central bank made massive transfers to the kingdom’s sovereign wealth fund to finance stock investments. *(Source: Bloomberg)*

**Goldman Raises US Recession Probability to 35% on Banking Stress** – Goldman Sachs Group Inc. boosted its estimate of the odds of a US recession to 35% over the next 12 months in response to increased uncertainty over the economic impact of bank stress. Economists led by Jan Hatzius raised Goldman’s assessment of the prospects of a slump from a previous one-in-four chance after the collapse of Silicon Valley Bank. The new estimate is still below the 60% median of economists surveyed by Bloomberg. Goldman’s real-time estimate on jobs data suggests the layoff rate ticked up slightly though remains low at 1.2%, while the jobs-workers gap declined to remain above the 2 million level its economists estimate is necessary to “rebalance the labor market.” *(Source: Bloomberg)*

**Credit Suisse Taps Central Bank for \$54 Billion to Stem Crisis** – Credit Suisse Group AG tapped the Swiss National Bank for as much as 50 billion francs (\$54 billion) and offered to repurchase debt, seeking to stem a crisis of confidence that has sent shockwaves across the global financial system. The lender will borrow the money from a central bank liquidity facility and is making a tender offer to buy back up to three billion francs of dollar- and euro-denominated debt, according to a statement released on Thursday. The announcement followed a frantic trading session in which worries about Credit Suisse’s financial health roiled global markets, alarmed regulators across Europe and the US and prompted some firms to reassess their exposure to the bank. *(Source: Bloomberg)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.05	-0.01	KSA	2027	4.39	0.44
Abu Dhabi	2031	4.09	1.08	KSA	2032	4.40	0.47
Abu Dhabi	2050	4.86	-0.17	KSA	2050	5.40	-0.77
Bahrain	2028	6.07	0.44	Oman	2027	5.69	0.57
Bahrain	2032	6.96	1.49	Oman	2032	6.15	-0.43
Bahrain	2051	8.19	-0.64	Oman	2051	7.17	0.52
Dubai	2029	4.39	0.73	Qatar	2026	4.37	-0.18
Dubai	2050	5.87	0.72	Qatar	2030	4.27	-0.38
Kuwait	2027	4.09	-2.10	Qatar	2050	4.85	1.28

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.24	8.08	0.03	1.28
S&P MENA Bond and Sukuk Index	4.94	NA	0.42	1.42
Bloomberg Emerging Markets USD Index	7.46	6.80	0.05	1.08
Bloomberg Global Aggregate Index	3.52	7.42	0.37	1.94

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	16/03/2023	31/12/2022	16/03/2023	31/12/2022	16/03/2023	31/12/2022
KIBOR	4.2500	4.0000	4.4375	4.2500	4.6875	4.5625
SAIBOR	5.5643	5.3404	5.6865	5.5978	5.7890	5.8697
BHIBOR	6.3083	6.1417	6.3836	6.2675	6.4905	6.5529
QATAR	5.4250	5.2833	5.5500	5.4167	5.7500	5.5833
AEIBOR	4.6425	4.3095	4.8616	4.9399	5.1265	5.0421
EURIBOR	2.7530	2.1320	3.0350	2.6930	3.5090	3.2910
LIBOR	4.9410	4.7673	4.9684	5.1389	4.9923	5.4821

USD Swap Rates				Currencies			Commodities				
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)	
1-Year	4.6455	6.16	-9.3	KWD	0.3071	-0.2931	-0.26	Crude Oil	74.61	-12.50	
2-Year	4.2111	3.89	-10.6	SAR	3.7568	-0.0106	0.06	Gold	1,917.50	4.09	
5-Year	3.7086	2.05	-7.8	EUR	1.0607	0.2742	-0.92	Silver	21.87	-9.65	
7-Year	3.5967	2.43	-7.8	GBP	1.2081	0.1908	-0.02	Copper	388.35	1.81	
10-Year	3.5511	2.72	-7.5	JPY	132.9100	0.3913	-1.34	Nat. Gas	2.50	-36.10	
30-Year	3.2683	1.57	-6.4	CNH	6.9003	-0.1072	0.32	Aluminum	2,247.50	-5.80	
US Treasuries				UK Gilts			German Bunds				
	Yield %	1D Δ (%)			Yield %	1D Δ (%)			Yield %	1D Δ (%)	
2-Year	3.96	-0.13			3.26	0.39			2.40	0.79	
5-Year	3.59	-0.16			3.20	0.86			2.14	1.57	
10-Year	3.49	-0.26			3.31	1.38			2.09	2.37	
30-Year	3.66	-0.34			3.75	2.45			2.13	5.42	

## 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	16-Mar 2023	31-Dec 2022
Kuwait	40.51	39.45
KSA	65.32	60.05
Abu Dhabi	44.95	43.90
Dubai	72.29	74.01
Qatar	47.53	46.55
Bahrain	253.45	224.63
Oman	162.42	185.75
Iraq	402.59	421.67
Egypt	NA	NA
Morocco	161.79	143.12
Turkey	559.25	506.65
US	39.84	22.82
UK	23.11	25.54
China	78.10	71.08
Japan	24.29	23.60
Germany	13.08	17.15
France	21.23	24.94