

News Updates

Islamic Development Bank to issue \$4bn in sukuk next year – Islamic Development Bank (IsDB) is targeting a \$4 billion green sukuk issuance in 2023, its chairman told Al Arabiya. The bank’s sukuk issuance plans change according to the volume of loans required by member countries, Muhammad Al-Jasser added. IsDB has so far issued sukuks worth \$3 billion this year, compared to \$5 billion last year. *(Source: Arab News)*

Saudi inflation climbs to 15-month high of 3.1% in September – Saudi Arabia’s annual inflation rate accelerated to a 15-month high of 3.1% in September, up from 3% in August, according to data released by the General Authority for Statistics. The increase in Consumer Price Index, or CPI, is driven by a rise in food and beverage prices, said GASTAT in a press release. *(Source: Arab News)*

ECB could start shrinking balance sheet once rates hit neutral, Knot says – The European Central Bank (ECB) should consider starting to shrink its oversized stock of assets once interest rates rise to a level that neither stimulates nor slows economic growth, Dutch Central Bank chief Klaas Knot said on Saturday. The ECB has been raising rates quickly in recent months and most policymakers see the 0.75% deposit rate hitting somewhere between 1.5% and 2% towards the end of the year. Such a balance sheet run off, also known as quantitative tightening, should initially focus on the 3.3 trillion euros of debt held in the Asset Purchase Programme, Knot said, arguing for a different treatment of debt held in a smaller Pandemic Emergency Purchase Programme. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.73	-13.95	KSA	2027	4.90	-12.19
Abu Dhabi	2031	4.93	-20.13	KSA	2032	5.11	-20.11
Abu Dhabi	2050	5.40	-33.62	KSA	2050	6.10	-33.20
Bahrain	2028	7.20	-11.05	Oman	2027	6.72	-10.06
Bahrain	2032	8.57	-18.80	Oman	2032	7.12	-13.20
Bahrain	2051	9.31	-24.83	Oman	2051	8.42	-19.97
Dubai	2029	4.68	-12.75	Qatar	2026	4.91	-11.61
Dubai	2050	6.41	-30.78	Qatar	2030	5.05	-18.13
Kuwait	2027	4.75	-13.05	Qatar	2050	5.49	-32.54

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.84	8.08	0.02	-15.78
S&P MENA Bond and Sukuk Index	5.48	NA	-0.40	-16.97
Bloomberg Emerging Markets USD Index	8.49	6.80	-0.22	-21.59
Bloomberg Global Aggregate Index	3.91	7.42	-0.23	-21.34

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	16/10/2022	31/12/2021	16/10/2022	31/12/2021	16/10/2022	31/12/2021
KIBOR	3.1875	1.5000	3.5625	1.7500	3.8750	2.0000
SAIBOR	4.8641	0.9057	5.0195	0.9829	5.4946	1.0600
BHIBOR	5.0000	1.5167	5.2417	1.6233	5.7059	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	3.7775	0.3645	4.2550	0.7000	4.5450	0.7396
EURIBOR	1.4030	-0.5730	2.0270	-0.5460	2.6770	-0.4980
LIBOR	4.1937	0.2144	4.6853	0.3451	5.2831	0.5888

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	5.0073	7.49	835.9	KWD	0.3102	-0.2418	-2.47	Crude Oil	91.63	24.92
2-Year	4.8727	6.95	417.7	SAR	3.7574	-0.0106	-0.05	Gold	1,648.90	-10.43
5-Year	4.2895	7.74	213.2	EUR	0.9725	-0.5524	-14.49	Silver	18.07	-23.22
7-Year	4.1369	7.66	180.3	GBP	1.1185	-1.3597	-17.44	Copper	342.35	-22.36
10-Year	4.0214	7.50	154.4	JPY	148.8100	-1.0426	-22.59	Nat. Gas	6.45	70.44
30-Year	3.5198	7.79	103.3	CNH	7.2307	-0.5955	-11.96	Aluminum	2,304.50	-17.16

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	4.50	-0.06	3.82	-0.16	NA	NA
5-Year	4.27	-0.29	4.26	-0.26	1.87	-0.09
10-Year	4.02	-0.55	4.31	-1.04	2.17	-0.25
30-Year	3.99	-1.13	4.76	-2.22	2.40	-1.44

	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	16-Oct 2022	31-Dec 2021
Kuwait	59.64	40.53
KSA	72.43	50.97
Abu Dhabi	48.30	43.09
Dubai	120.07	89.58
Qatar	63.82	42.55
Bahrain	309.45	286.32
Oman	263.26	254.42
Iraq	751.24	507.35
Egypt	NA	496.58
Morocco	284.46	85.91
Turkey	766.28	555.46
US	27.86	10.01
UK	40.63	8.91
China	107.15	39.86
Japan	27.99	16.23
Germany	26.16	7.53
France	32.89	17.87