

News Updates

Islamic banks in Kuwait record 8.5% growth – Fitch Ratings affirmed that the flexible credit quality of Kuwaiti Islamic banks in the first half of this year will further support their operating environment during the coming period, with higher oil and interest rates and stronger credit growth, reports Al-Qabas daily. The agency pointed out that further development of digital banking services will remain a top priority for those banks. In a recent report, Fitch said the assets of Islamic banks in Kuwait grew by 8.5% in the first half of this year, compared to the same period last year, adding the Islamic financing assets in the country constitute 45.5% of the total assets of the Kuwaiti banking sector. *(Source: Arab Times)*

Saudi Arabia’s economy 'booming', shows positive prospects: IMF – Saudi Arabia’s economy is booming and shows positive prospects due to its strong reserves and relatively low inflation levels, Jihad Azour, Director of Middle East and Central Asia Department, International Monetary Fund (IMF), said. Azour said Saudi economic recovery continues its strong momentum. The IMF affirmed its economic growth forecast for Saudi Arabia for 2022 and 2023 at 7.6% and 3.7%, respectively. *(Source: Argaam)*

Oman posts \$2.8bln budget surplus in first eight months of 2022 – Oman posted a budget surplus of 1.09 billion rials (\$2.8 billion) in the first eight months of this year, compared with a deficit of more than OMR 1 billion in the same period in 2021. Oman swung to a budget surplus in the first half of 2022, easing pressure on public finances and improving its ability to meet debt obligations. The GCC member's total revenue jumped by 47.3% to OMR 9.325 billion until the end of August 2022, compared with OMR 6.331 billion as at the end of August 2021, Oman News Agency reported citing the finance ministry. The jump was attributed to higher oil revenues and the ongoing fiscal reforms. *(Source: Zawya)*

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	
	17/10/2022	31/12/2021	17/10/2022	31/12/2021	17/10/2022	31/12/2021
KIBOR	3.1875	1.5000	3.5625	1.7500	3.8125	2.0000
SAIBOR	4.9013	0.9057	5.0704	0.9829	5.5434	1.0600
BHIBOR	5.0250	1.5167	5.3250	1.6233	5.7809	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	4.9970	-1.03	834.0	KWD	0.3102	-0.2418	-2.47	Crude Oil	92.38	25.94
2-Year	4.8485	-2.42	415.1	SAR	3.7580	0.0080	-0.05	Gold	1,656.70	-10.01
5-Year	4.2542	-3.53	210.6	EUR	0.9746	0.2366	-14.29	Silver	18.38	-21.92
7-Year	4.1047	-3.22	178.2	GBP	1.1260	0.7787	-16.80	Copper	341.90	-22.46
10-Year	3.9937	-2.77	152.6	JPY	148.7600	-0.0605	-22.64	Nat. Gas	6.28	65.80
30-Year	3.5003	-1.95	102.2	CNH	7.2115	0.1276	-11.84	Aluminum	2,304.50	-17.16

	US Treasuries		UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.47	0.06	3.83	-0.16	NA	NA
5-Year	4.23	0.16	4.26	-0.26	1.88	0.00
10-Year	3.99	0.24	4.31	-1.04	2.17	0.00
30-Year	3.97	0.37	4.76	-2.22	2.40	0.00

	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	17-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	113.15	39.86
Japan	28.12	16.23
Germany	26.16	7.53
France	32.89	17.87