

News Updates

S&P Affirms Saudi Arabia Rating, Keeps Positive Outlook – S&P Global Ratings affirmed Saudi Arabia’s sovereign credit ranking with a positive outlook, citing higher oil prices and increased crude production. The nation’s rating remains at A-, four notches above junk. The company came short of raising the Middle Eastern nation’s rating, despite a windfall from higher oil prices that’s helping the kingdom end years of budget deficits. Gross domestic product is expected to grow a “robust” 7.5% this year and the government will run a fiscal surplus of 6.3%, S&P said in a statement. Fitch Ratings has Saudi Arabia one notch higher at A, while Moody’s Investors Service rates it A1. (Source: Bloomberg)

Saudi National Bank completes issuance of \$878m worth of sukuk – Saudi National Bank has finalized a SAR 3.3 billion (\$878 million) sukuk issuance in a bid to strengthen its capital base. Denominated in Saudi riyals, the offer started in late August and included a total of 3,300 bonds at a par value of SAR 1 million. SNB Capital acted as the sole book-runner, lead arranger, and lead manager of the issuance. This comes after the Saudi-listed lender reported solid earnings for the first half of 2022, posting a 59% profit surge to SAR 9 billion. (Source: Arab News)

At second attempt, firm owned by Abu Dhabi royals raises \$300 mln via sukuk – The Private Department of Sheikh Mohamed Bin Khalid al-Nahyan LLC (PD), a relatively small real estate company owned by members of Abu Dhabi's ruling family, priced on Thursday \$300 million of sukuk at 8.75%, a bank document showed. PD in July 2021 pulled a \$350 million Islamic bond sale ahead of pricing, saying the interest it received did not match the company's "plan and vision" as laid out to potential investors. This time, the profit rate on the three-year senior unsecured sukuk was tightened from price guidance of around 8.875% after more than \$660 million of orders were placed, including an indicated \$358 million of interest from the joint lead managers. S&P last month assigned PD a 'BB-' rating for its U.S. dollar-denominated sukuk programme, in line with the long-term issuer credit rating. (Source: Reuters)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.80	-10.07	KSA	2027	3.96	-9.00
Abu Dhabi	2031	4.04	-14.67	KSA	2032	4.16	-13.91
Abu Dhabi	2050	4.72	-26.09	KSA	2050	5.24	-24.57
Bahrain	2028	6.32	-7.56	Oman	2027	5.98	-7.30
Bahrain	2032	7.69	-13.58	Oman	2032	6.50	-9.30
Bahrain	2051	8.63	-19.00	Oman	2051	7.82	-14.14
Dubai	2029	3.98	-9.16	Qatar	2026	3.93	-8.67
Dubai	2050	5.87	-24.53	Qatar	2030	4.10	-13.25
Kuwait	2027	3.77	-9.46	Qatar	2050	4.76	-24.56

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.97	8.08	-0.21	-11.30
S&P MENA Bond and Sukuk Index	4.59	NA	-0.29	-12.14
Bloomberg Emerging Markets USD Index	7.37	6.80	-0.40	-17.05
Bloomberg Global Aggregate Index	3.35	7.42	-0.11	-17.29

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	18/09/2022	31/12/2021	18/09/2022	31/12/2021	18/09/2022	31/12/2021
KIBOR	2.6250	1.5000	2.9375	1.7500	3.1875	2.0000
SAIBOR	3.4446	0.9057	3.8718	0.9829	4.3887	1.0600
BHIBOR	4.2194	1.5167	4.5324	1.6233	5.2083	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	3.2890	0.3645	3.4923	0.7000	3.8850	0.7396
EURIBOR	1.0630	-0.5730	1.6720	-0.5460	2.2630	-0.4980
LIBOR	3.5653	0.2144	4.1233	0.3451	4.6721	0.5888

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	4.3806	-1.78	718.8	KWD	0.3086	-0.2107	-1.96	Crude Oil	91.35	23.73
2-Year	4.2502	-2.88	351.5	SAR	3.7575	-0.0133	-0.06	Gold	1,683.50	-8.55
5-Year	3.7159	-2.69	171.3	EUR	1.0021	0.1500	-11.91	Silver	19.38	-17.65
7-Year	3.5970	-1.24	143.7	GBP	1.1426	-0.4099	-15.61	Copper	351.65	-20.25
10-Year	3.5245	-0.11	122.9	JPY	142.9900	0.4198	-19.48	Nat. Gas	7.76	111.21
30-Year	3.2130	3.95	85.6	CNH	7.0062	0.1914	-9.18	Aluminum	2,268.75	-18.68

US Treasuries		UK Gilts		German Bunds		
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	3.87	0.00	3.09	0.01	NA	NA
5-Year	3.63	0.16	3.10	0.00	1.41	0.01
10-Year	3.45	0.02	3.13	0.24	1.61	0.07
30-Year	3.51	-0.79	3.44	0.36	1.73	-0.09

	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	18-Sep 2022	31-Dec 2021
Kuwait	48.01	40.53
KSA	46.68	50.97
Abu Dhabi	46.19	43.09
Dubai	108.04	89.58
Qatar	45.69	42.55
Bahrain	286.16	286.32
Oman	235.90	254.42
Iraq	748.83	507.35
Egypt	NA	496.58
Morocco	240.70	85.91
Turkey	740.68	555.46
US	19.39	10.01
UK	26.67	8.91
China	72.92	39.86
Japan	19.18	16.23
Germany	15.45	7.53
France	22.22	17.87