

News Updates

S&P, Moody's positive on Saudi Arabia's non-oil reforms – S&P Global on Friday raised its sovereign rating on Saudi Arabia to "A/A-1", citing expected reform and diversification plans to boost development of the kingdom's non-oil sector and shift dependence away from oil. Rival ratings agency Moody's also said that Saudi Arabia's plans will support it amid volatile oil price cycles and a global transition to sustainable energy. Moody's changed its outlook on the kingdom to "positive" from "stable", and reaffirmed its "A1" rating. *(Source: Reuters)*

GCC banks more resilient to US banks' distress, but can't let guard down – Bank failures have shaken investor confidence and will likely lead to tightening liquidity across global debt markets. Still, the impact will likely be limited for most rated banks in Gulf Co-operation Council (GCC) countries, according to Moody's Investor Service. This, it said is due to structural features including their broad franchises and large government presence across the banks' balance sheets. Also, GCC banks are not materially exposed to the failed US banks and are not as susceptible to large losses from held-to-maturity debt securities. The spillover effects of the US bank distress are still developing, however. *(Source: Gulf Times)*

Goldman Sachs cuts outlook for European bank debt over Credit Suisse crisis – Goldman Sachs has cut its recommendation on exposure to European bank debt to neutral from overweight, saying a lack of clarity on Credit Suisse's future path would put pressure on the broader sector in the region. Credit Suisse was thrown a \$54 billion lifeline by the Swiss central bank on Thursday to shore up liquidity after a slump in its shares and bonds intensified fears about a global banking crisis. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.03	0.10	KSA	2027	4.36	0.56
Abu Dhabi	2031	4.00	1.79	KSA	2032	4.37	0.78
Abu Dhabi	2050	4.83	0.54	KSA	2050	5.37	-0.41
Bahrain	2028	6.03	0.66	Oman	2027	5.71	0.54
Bahrain	2032	6.98	1.37	Oman	2032	6.18	-0.58
Bahrain	2051	8.23	-1.21	Oman	2051	7.21	0.11
Dubai	2029	4.33	1.04	Qatar	2026	4.18	0.41
Dubai	2050	5.82	1.39	Qatar	2030	4.26	-0.37
Kuwait	2027	4.04	-1.88	Qatar	2050	4.80	2.09

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.21	8.08	0.20	1.54
S&P MENA Bond and Sukuk Index	4.93	NA	0.29	1.56
Bloomberg Emerging Markets USD Index	7.44	6.80	0.22	1.20
Bloomberg Global Aggregate Index	3.48	7.42	0.77	2.62

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	19/03/2023	31/12/2022	19/03/2023	31/12/2022	19/03/2023	31/12/2022
KIBOR	4.2500	4.0000	4.4375	4.2500	4.6875	4.5625
SAIBOR	5.5250	5.3404	5.6852	5.5978	5.7830	5.8697
BHIBOR	6.2284	6.1417	6.2460	6.2675	6.3613	6.5529
QATAR	5.4250	5.2833	5.5500	5.4167	5.7500	5.5833
AEIBOR	4.8677	4.3095	4.6650	4.9399	4.9984	5.0421
EURIBOR	2.7500	2.1320	3.0550	2.6930	3.3800	3.2910
LIBOR	4.9984	4.7673	5.0523	5.1389	5.0341	5.4821

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	4.6589	-23.39	-9.0	KWD	0.3071	-0.2931	-0.26	Crude Oil	72.97	-14.42
2-Year	4.1250	-31.45	-12.4	SAR	3.7566	-0.0106	0.05	Gold	1,990.20	7.13
5-Year	3.6160	-23.59	-10.1	EUR	1.0691	0.5655	-0.33	Silver	22.46	-7.21
7-Year	3.5115	-19.39	-10.0	GBP	1.2198	0.5285	0.74	Copper	389.25	2.04
10-Year	3.4665	-16.16	-9.7	JPY	132.1400	1.4334	-0.55	Nat. Gas	2.34	-40.31
30-Year	3.1930	-8.85	-8.5	CNH	6.9001	0.1336	0.52	Aluminum	2,244.00	-5.95

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	3.84	0.60	3.21	0.37	2.36	0.34
5-Year	3.50	1.08	3.15	0.83	2.10	0.88
10-Year	3.43	1.27	3.28	1.18	2.07	1.52
30-Year	3.62	1.48	3.75	1.72	2.15	3.19

Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	A1	A+	AA-
KSA	A1	Au	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	19-Mar 2023	31-Dec 2022
Kuwait	43.77	39.45
KSA	64.90	60.05
Abu Dhabi	43.83	43.90
Dubai	76.44	74.01
Qatar	45.44	46.55
Bahrain	241.87	224.63
Oman	159.84	185.75
Iraq	402.63	421.67
Egypt	NA	NA
Morocco	166.55	143.12
Turkey	534.19	506.65
US	40.05	22.82
UK	23.15	25.54
China	74.89	71.08
Japan	24.49	23.60
Germany	12.67	17.15
France	24.23	24.94