

News Updates

Dubai Islamic Bank mandates banks for \$ Benchmark Reg S Sustainable Sukuk – Dubai Islamic Bank PJSC, rated A3 by Moody’s and A by Fitch, has mandated Bank ABC, Dubai Islamic Bank, Emirates NBD Capital, First Abu Dhabi Bank, KFH Capital, HSBC, Sharjah Islamic Bank and Standard Chartered Bank as Joint Lead Managers and Bookrunners and Standard Chartered Bank as sole sustainability structuring bank, to arrange a series of fixed income investor meetings on Monday 21 November 2022. A fixed rate 5-year benchmark Regulation S only, USD-denominated, senior unsecured inaugural Sustainable Sukuk offering under DIB Sukuk Limited’s (the "Issuer") USD 7.5bn Trust Certificate Issuance Programme will follow, subject to market conditions. *(Source: Bloomberg)*

Fed’s Bostic Favors Slower Pace of Rate Hikes Ending Near 5% – Federal Reserve Bank of Atlanta President Raphael Bostic said he favors slowing the pace of interest rate increases, with no more than 1 percentage point more of hikes, to try to ensure the economy has a soft landing. “If the economy proceeds as I expect, I believe that 75 to 100 basis points of additional tightening will be warranted,” Bostic said. Bostic’s plan would shift away from 75 basis-point hikes and continue to raise rates to as much as 4.75%-5% over the next several meetings, which he described as a “moderately restrictive landing rate” where the Fed would hold go on hold for an extended period to continue to put downward pressure on prices. *(Source: Bloomberg)*

U.S. dollar positioning turns net short for first time since July 2021 - CFTC – The U.S. dollar’s net positioning turned net short in the latest week for the first time since mid-July 2021, according to calculations by Reuters and U.S. Commodity Futures Trading Commission data. The value of the net short dollar position amounted to \$10.5 million in the week ended Nov. 15, from net longs of \$2.36 billion in the previous week. Investors have turned bearish on the dollar after a tamer-than-expected U.S. inflation report for October which was released on Nov. 10, supporting expectations that the Federal Reserve could slow its tightening pace. That report was the strongest indication yet that inflation may be turning the corner, some analysts said. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.08	-11.12	KSA	2027	4.44	-10.49
Abu Dhabi	2031	4.32	-16.16	KSA	2032	4.74	-17.51
Abu Dhabi	2050	5.14	-30.89	KSA	2050	5.62	-28.58
Bahrain	2028	6.23	-6.94	Oman	2027	5.92	-7.12
Bahrain	2032	7.28	-10.87	Oman	2032	6.29	-8.02
Bahrain	2051	8.29	-15.88	Oman	2051	7.73	-13.38
Dubai	2029	4.79	-13.33	Qatar	2026	4.31	-9.77
Dubai	2050	6.05	-26.55	Qatar	2030	4.55	-15.85
Kuwait	2027	4.43	-11.94	Qatar	2050	5.16	-29.11

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.48	8.08	-0.02	-12.96
S&P MENA Bond and Sukuk Index	5.19	NA	-0.16	-14.54
Bloomberg Emerging Markets USD Index	7.92	6.80	-0.14	-17.91
Bloomberg Global Aggregate Index	3.62	7.42	0.15	-17.20

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	20/11/2022	31/12/2021	20/11/2022	31/12/2021	20/11/2022	31/12/2021
KIBOR	4.0000	1.5000	4.1875	1.7500	4.4375	4.4375
SAIBOR	5.5063	0.9057	5.8772	0.9829	6.3166	6.3719
BHIBOR	5.8250	1.5167	6.0618	1.6233	6.3250	6.3250
QATAR	4.8667	1.1250	5.0000	1.2000	5.1500	5.1000
AEIBOR	4.4293	0.3645	4.7600	0.7000	4.9844	5.1212
EURIBOR	1.8210	-0.5730	2.3420	-0.5460	2.8370	2.8110
LIBOR	4.6649	0.2144	5.1427	0.3451	5.5094	5.4513

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	5.1890	5.60	869.9	KWD	0.3077	0.0488	-1.67	Crude Oil	87.62	20.23
2-Year	4.8541	8.44	415.7	SAR	3.7587	-0.0053	-0.09	Gold	1,769.00	-4.06
5-Year	4.0670	8.40	197.0	EUR	1.0328	-0.3571	-9.19	Silver	21.20	-10.30
7-Year	3.9053	7.73	164.6	GBP	1.1896	0.2192	-12.13	Copper	364.15	-17.06
10-Year	3.8152	6.74	141.3	JPY	140.4200	-0.1211	-18.02	Nat. Gas	6.30	58.25
30-Year	3.4902	4.85	101.6	CNH	7.1396	0.3003	-10.80	Aluminum	2,415.51	-12.70

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	4.53	-0.14	3.12	-0.07	NA	NA
5-Year	4.01	-0.31	3.27	-0.15	2.05	0.06
10-Year	3.83	-0.51	3.23	-0.33	1.95	0.07
30-Year	3.93	-0.87	3.38	-0.47	1.92	0.03

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	20-Nov 2022	31-Dec 2021
Kuwait	41.88	40.53
KSA	57.67	50.97
Abu Dhabi	46.67	43.09
Dubai	91.01	89.58
Qatar	46.27	42.55
Bahrain	231.70	286.32
Oman	174.68	254.42
Iraq	483.83	507.35
Egypt	NA	496.58
Morocco	256.49	85.91
Turkey	572.21	555.46
US	26.96	10.01
UK	22.85	8.91
China	78.10	39.86
Japan	23.26	16.23
Germany	18.40	7.53
France	26.05	17.87