

News Updates

Saudi Arabia ranks first in annual labor force growth rate – Saudi Arabia has ranked first in the labor force growth rate, outperforming other G20 countries, during the period 2012 - 2021, according to the labor market benchmarking report issued by the National Labor Observatory (NLO). This report keeps track of the international indicators issued by the International Labor Organization (ILO) and a set of the main labor indicators for Saudi Arabia. The labor indicators include the annual growth of the labor force, the labor force participation rate, the employment and unemployment rates, in addition to the rate of those outside the scope of education, work, and training. *(Source: Bloomberg)*

Fund Managers Are Piling on Dollar Shorts on Peak Fed Hike Bets – Asset managers are turning ever more bearish on the dollar amid bets that the Federal Reserve may be approaching the peak of its interest-rate hike cycle. Investors boosted short positions on the reserve currency to 321,758 contracts last week, the most since July 2021, according to data from the Commodity Futures Trading Commission on eight currency pairs compiled by Bloomberg. Hedge funds are similarly bearish: they sold the greenback for a fifth straight week. “The dollar’s exceptionalism premium is receding as the Fed approaches maximum hawkishness,” said John Bromhead, strategist at Australia & New Zealand Banking Group Ltd. “The safe haven premium is also falling as the backdrop improves,” with the Europe energy situation looking less dire, he added. *(Source: Bloomberg)*

Warren Buffett’s Berkshire Hathaway Plans Yen Bond Offering – Warren Buffett’s Berkshire Hathaway Inc. is considering a yen-denominated bond offering, adding to a string of global borrowers turning to a Japanese credit market that’s been relatively stable amid a global debt rout. The firm has hired BofA Securities Inc. and Mizuho Securities Co. for the potential offering of SEC-registered fixed senior unsecured notes, according to a note from Mizuho. The global-yen debt deal is expected in the near future subject to market conditions, and the amount and tenor have yet to be decided. *(Source: Bloomberg)*

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	
	21/11/2022	31/12/2021	21/11/2022	31/12/2021	21/11/2022	31/12/2021
KIBOR	4.0000	1.5000	4.2500	1.7500	4.5000	4.4375
SAIBOR	5.5365	0.9057	5.9911	0.9829	6.3727	6.3719
BHIBOR	5.8250	1.5167	6.0618	1.6233	6.3250	6.3250
QATAR	4.8667	1.1250	5.0333	1.2000	5.2333	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	5.1834	-0.56	868.9	KWD	0.3077	0.0488	-1.67	Crude Oil	86.76	19.05
2-Year	4.8181	-3.60	411.9	SAR	3.7587	-0.0053	-0.09	Gold	1,761.20	-4.49
5-Year	4.0338	-3.32	194.5	EUR	1.0277	-0.4649	-9.61	Silver	20.95	-11.36
7-Year	3.8707	-3.46	162.3	GBP	1.1832	-0.4962	-12.57	Copper	360.75	-17.83
10-Year	3.7800	-3.52	139.1	JPY	140.4900	-0.0783	-18.08	Nat. Gas	6.20	55.56
30-Year	3.4623	-2.79	100.0	CNH	7.1676	-0.5706	-11.31	Aluminum	2,415.51	-12.70

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.51	0.05	3.12	-0.07	#N/A N/A	#N/A N/A
5-Year	3.98	0.14	3.27	-0.15	2.06	0.06
10-Year	3.80	0.29	3.23	-0.33	1.95	0.07
30-Year	3.90	0.58	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	21-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	79.52	39.86
Japan	23.26	16.23
Germany	18.40	7.53
France	26.05	17.87