

News Updates

UAE: Arada successfully closes \$100m tap of sukuk issuance – Arada has successfully closed a US\$100 million tap of its existing US\$350 million Sukuk, which was issued in June and listed on the London Stock Exchange. The tap was priced at 99 cents on the dollar, with an investor yield of 8.386 percent. Arada’s existing five-year fixed rate RegS debut Sukuk issuance was rated BB- by Fitch and B1 by Moody’s. The tap witnessed resilient demand from the global finance markets, with a lead order of US\$185 million. The Joint Lead Managers and Bookrunners for the tap were Standard Chartered Bank and Emirates NBD Capital, HSBC, Abu Dhabi Commercial Bank, Mashreq, Sharjah Islamic Bank, Kamco Invest, and Warba Bank. *(Source: Zawya)*

Omantel agrees to buyback \$351m of bonds under its tender offer – Oman Telecommunications Company SAOG on Wednesday announced the early results of its tender offer to buy its bonds due in 2023 and 2028. According to Bloomberg, Omantel accepted to buyback \$210.8m of 6.625% secured notes due April 2028 and \$140.5m of 5.625% secured notes due October 2023. During the first week of October, Omantel invited holders of \$900m 6.625% April 2028 and \$600m 5.625% October 2023 to tender the notes for purchase in cash. *(Source: Bloomberg)*

Global Bond Yields Reach Key Milestones as Rate-Hike Bets Mount – US Treasuries tumbled Friday, driving most benchmark yields to the highest levels since 2007, as policy makers signaled their determination to keep raising rates until inflation is under control. The yield on US five-year notes surpassed 4.5% for the first time since 2007, while 10-year notes jumped as high as 4.34%. That spilled over across global markets, with German bonds slumping to take 10-year yields above 2.5% for the first time since 2011. The collective central-banking pivot from stimulus to tightening is placing strains on governments and economies around the world. Resurgent Treasury yields have also helped fuel dollar strength, driving currencies such as the yen to levels unseen against the greenback in over 30 years. *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.83	-14.12	KSA	2027	5.06	-12.75
Abu Dhabi	2031	5.16	-21.44	KSA	2032	5.49	-22.48
Abu Dhabi	2050	5.69	-36.49	KSA	2050	6.46	-36.46
Bahrain	2028	7.32	-11.58	Oman	2027	6.94	-10.64
Bahrain	2032	8.82	-20.24	Oman	2032	7.36	-14.67
Bahrain	2051	9.61	-27.10	Oman	2051	8.71	-22.27
Dubai	2029	4.75	-13.02	Qatar	2026	4.94	-11.76
Dubai	2050	6.59	-32.11	Qatar	2030	5.16	-18.69
Kuwait	2027	4.75	-12.99	Qatar	2050	5.76	-35.17

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	6.06	8.08	-0.81	-17.06
S&P MENA Bond and Sukuk Index	5.69	NA	-1.08	-18.33
Bloomberg Emerging Markets USD Index	8.70	6.80	-0.35	-22.53
Bloomberg Global Aggregate Index	3.99	7.42	-0.38	-21.88

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	23/10/2022	31/12/2021	23/10/2022	31/12/2021	23/10/2022	31/12/2021
KIBOR	3.2500	1.5000	3.5625	1.7500	3.8750	2.0000
SAIBOR	5.2880	0.9057	5.3490	0.9829	5.8929	1.0600
BHIBOR	5.1188	1.5167	5.5231	1.6233	6.1583	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	4.0857	0.3645	4.4525	0.7000	4.7074	0.7396
EURIBOR	1.5430	-0.5730	2.1070	-0.5460	2.7780	-0.4980
LIBOR	4.3584	0.2144	4.8750	0.3451	5.4756	0.5888

USD Swap Rates			Currencies			Commodities			
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)		
1-Year	5.0049	-9.25	835.5 KWD	0.3103	-0.1128	-2.51	Crude Oil	93.50	27.47
2-Year	4.8668	-14.55	417.0 SAR	3.7575	0.0000	-0.06	Gold	1,656.30	-10.03
5-Year	4.3785	-10.95	219.7 EUR	0.9867	0.7766	-13.26	Silver	19.07	-18.99
7-Year	4.2816	-6.93	190.1 GBP	1.1314	0.6053	-16.47	Copper	347.45	-21.20
10-Year	4.2304	-2.02	167.6 JPY	147.8500	1.6932	-22.06	Nat. Gas	4.96	30.98
30-Year	3.8656	9.31	123.3 CNH	7.2329	0.3278	-12.07	Aluminum	2,195.25	-20.86

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.47	0.26	3.55	-0.18	NA	NA
5-Year	4.34	0.46	4.05	-0.61	2.01	0.11
10-Year	4.22	0.10	4.04	-1.14	2.24	0.07
30-Year	4.33	-1.60	4.05	-1.15	2.44	-1.01

	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	23-Oct 2022	31-Dec 2021
Kuwait	58.02	40.53
KSA	75.07	50.97
Abu Dhabi	48.30	43.09
Dubai	119.57	89.58
Qatar	64.51	42.55
Bahrain	301.16	286.32
Oman	261.69	254.42
Iraq	766.28	507.35
Egypt	NA	496.58
Morocco	278.36	85.91
Turkey	733.04	555.46
US	27.80	10.01
UK	31.38	8.91
China	118.22	39.86
Japan	28.19	16.23
Germany	26.34	7.53
France	32.38	17.87