

News Updates

Al Rajhi Bank plans to issue SAR-denominated Tier 1 sukuk – Al Rajhi

Bank announced its intention to issue SAR-denominated Tier 1 sukuk by way of a public offering in Saudi Arabia. The bank mandated Al Rajhi Capital as the financial advisor, sole arranger and dealer for establishing the SAR-denominated Additional Tier 1 Sukuk Program and the issuance and offering of the sukuk thereunder, according to a statement on Tadawul. The amount and terms of sukuk offer will be determined based on the market conditions. *(Source: Argaam)*

Fitch Affirms Abu Dhabi at 'AA'; Outlook Stable – Fitch Ratings has

affirmed Abu Dhabi's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'AA' with a Stable Outlook. The 'AA' rating reflects Abu Dhabi's high GDP per capita and strong fiscal and external metrics - government debt is among the lowest of Fitch-rated sovereigns' and sovereign net foreign assets among the highest. The rating is constrained by high dependence on hydrocarbons, a fairly weak, but improving, economic policy framework and low governance indicators compared with peers. *(Source: Fitch Ratings)*

U.S. yields climb as hawkish Fed concerns outweigh weaker economic

data – U.S. Treasury yields climbed on Monday as investors remained concerned the Federal Reserve would maintain its ultra hawkish stance on fighting inflation despite economic data pointing to a slowdown in U.S. business activity in October. The Fed is widely expected to increase rates by 75 basis points next week, but investors will be watching closely at any indication from policymakers of a less aggressive approach regarding future rate hikes. (Source: Reuters)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.84	-14.26	KSA	2027	4.99	-12.57
Abu Dhabi	2031	5.10	-21.09	KSA	2032	5.46	-22.25
Abu Dhabi	2050	5.71	-36.60	KSA	2050	6.44	-36.13
Bahrain	2028	7.28	-11.40	Oman	2027	6.82	-10.40
Bahrain	2032	8.78	-19.99	Oman	2032	7.39	-14.78
Bahrain	2051	9.56	-26.78	Oman	2051	8.73	-22.42
Dubai	2029	4.69	-12.73	Qatar	2026	5.00	-11.83
Dubai	2050	6.63	-32.42	Qatar	2030	5.18	-18.78
Kuwait	2027	4.75	-12.95	Qatar	2050	5.79	-35.40

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	6.06	8.08	0.07	-17.00
S&P MENA Bond and Sukuk Index	5.67	NA	0.12	-18.23
Bloomberg Emerging Markets USD Index	8.71	6.80	0.18	-22.39
Bloomberg Global Aggregate Index	3.96	7.42	0.51	-21.48

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	25/10/2022	31/12/2021	25/10/2022	31/12/2021	25/10/2022	31/12/2021
KIBOR	3.3125	1.5000	3.6250	1.7500	3.9375	2.0000
SAIBOR	5.4310	0.9057	5.5806	0.9829	6.0200	1.0600
BHIBOR	5.1220	1.5167	5.5134	1.6233	6.1250	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	4.0364	0.3645	4.4056	0.7000	4.6375	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	5.0205	-0.89	838.4	KWD	0.3100	0.1129	-2.40	Crude Oil	93.49	27.46
2-Year	4.8619	-1.36	416.5	SAR	3.7587	0.0426	-0.07	Gold	1,654.60	-10.12
5-Year	4.3710	-2.92	219.2	EUR	0.9877	0.0304	-13.13	Silver	19.25	-18.21
7-Year	4.2729	-3.37	189.6	GBP	1.1296	0.1507	-16.53	Copper	341.85	-22.47
10-Year	4.2180	-3.66	166.8	JPY	148.9400	-0.0134	-22.73	Nat. Gas	5.20	37.30
30-Year	3.8630	-3.08	123.2	CNH	7.3369	-0.1377	-13.35	Aluminum	2,163.76	-22.00

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.49	0.03	3.32	0.44	NA	NA
5-Year	4.33	0.13	3.77	1.22	1.97	0.00
10-Year	4.21	0.28	3.73	2.50	2.17	0.00
30-Year	4.35	0.44	3.74	3.60	2.33	0.00

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	25-Oct 2022	31-Dec 2021
Kuwait	58.86	40.53
KSA	72.77	50.97
Abu Dhabi	48.30	43.09
Dubai	118.86	89.58
Qatar	63.14	42.55
Bahrain	294.09	286.32
Oman	261.22	254.42
Iraq	767.31	507.35
Egypt	NA	496.58
Morocco	287.94	85.91
Turkey	713.90	555.46
US	27.53	10.01
UK	28.12	8.91
China	132.20	39.86
Japan	28.34	16.23
Germany	25.57	7.53
France	31.70	17.87