

News Updates

Saudi Arabia to buy back around \$1.27 bln of its existing bonds –

Saudi Arabia will buy back just under \$1.27 billion of its existing bonds maturing between 2023 and 2026, a stock exchange filing showed on Tuesday. The indicative final acceptance amount for the bonds, which are being tendered for cash, is non-binding. Saudi Arabia indicated it would buy back just over \$632.5 million of notes due next year, over \$249 million of bonds maturing in April 2025, almost \$99 million of notes due in October 2025 and more than \$287 million in bonds maturing in 2026. The expected settlement date is Oct. 27. *(Source: Reuters)*

GCC companies are in a “good position” to absorb higher interest rates –

Many of the companies rated by Moody’s in the GCC area are in a good position to absorb the effects of higher interest rates, with data showing that 67% are investment grade. The ratings agency said while interest rates are rising general, including in the GCC, rate increases will lower interest coverage and decrease cash flows, which will lower companies’ ability to service and repay their debt. But, there are some key differences between the region and other regions globally, in that the companies in the GCC have offsetting factors, including the predominance of investment grade ratings and strong support from the governments, Moody’s said. *(Source: Zawya)*

Goldman's Solomon: Fed could raise beyond 4.5-4.75% if no 'real changes in behaviour' –

Goldman Sachs CEO David Solomon said on Tuesday the U.S. Federal Reserve said economic conditions will "tighten meaningfully from here" and the U.S. Federal Reserve could hike rates beyond 4.5-4.75% if it does not see real changes in behaviour. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.70	-13.67	KSA	2027	4.92	-12.39
Abu Dhabi	2031	4.92	-20.02	KSA	2032	5.27	-21.13
Abu Dhabi	2050	5.60	-35.53	KSA	2050	6.31	-35.06
Bahrain	2028	7.18	-10.98	Oman	2027	6.66	-9.86
Bahrain	2032	8.60	-18.94	Oman	2032	7.22	-13.72
Bahrain	2051	9.40	-25.54	Oman	2051	8.54	-20.91
Dubai	2029	4.72	-12.93	Qatar	2026	4.91	-11.58
Dubai	2050	6.56	-31.93	Qatar	2030	5.07	-18.29
Kuwait	2027	4.67	-12.67	Qatar	2050	5.66	-34.21

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	6.00	8.08	0.49	-16.59
S&P MENA Bond and Sukuk Index	5.67	NA	0.11	-18.14
Bloomberg Emerging Markets USD Index	8.61	6.80	0.72	-21.83
Bloomberg Global Aggregate Index	3.87	7.42	1.03	-20.67

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	26/10/2022	31/12/2021	26/10/2022	31/12/2021	26/10/2022	31/12/2021
KIBOR	3.3125	1.5000	3.6250	1.7500	3.8750	2.0000
SAIBOR	5.6069	0.9057	5.6007	0.9829	6.0397	1.0600
BHIBOR	5.2107	1.5167	5.5750	1.6233	6.2250	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	4.1186	0.3645	4.4895	0.7000	4.7321	0.7396
EURIBOR	1.5580	-0.5730	2.1320	-0.5460	2.7380	-0.4980
LIBOR	4.3269	0.2144	4.8770	0.3451	5.3660	0.5888

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	5.0000	-1.59	834.6	KWD	0.3100	0.1129	-2.40	Crude Oil	92.67	26.34
2-Year	4.8272	-1.16	412.8	SAR	3.7605	-0.0213	-0.11	Gold	1,659.50	-9.85
5-Year	4.3045	-1.15	214.3	EUR	0.9961	-0.0502	-12.39	Silver	19.44	-17.40
7-Year	4.1843	-1.29	183.5	GBP	1.1462	-0.0959	-15.30	Copper	341.15	-22.63
10-Year	4.1156	-1.54	160.3	JPY	148.1500	-0.1418	-22.32	Nat. Gas	5.70	50.50
30-Year	3.7623	-2.41	117.3	CNH	7.3084	0.0807	-13.01	Aluminum	2,213.30	-20.21

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	4.45	0.03	3.19	0.10	NA	NA
5-Year	4.25	0.07	3.70	0.29	1.91	0.00
10-Year	4.08	0.16	3.62	0.90	2.03	0.00
30-Year	4.22	0.53	3.66	1.05	2.14	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	26-Oct 2022	31-Dec 2021
Kuwait	58.79	40.53
KSA	67.70	50.97
Abu Dhabi	48.30	43.09
Dubai	115.04	89.58
Qatar	60.41	42.55
Bahrain	291.33	286.32
Oman	253.90	254.42
Iraq	766.32	507.35
Egypt	NA	496.58
Morocco	283.05	85.91
Turkey	682.52	555.46
US	27.56	10.01
UK	24.85	8.91
China	125.46	39.86
Japan	29.52	16.23
Germany	24.71	7.53
France	30.98	17.87