

News Updates

Saudi NDMC completes first partial repurchase offer for \$5bn dollar-denominated bonds – Saudi Arabia’s National Debt Management Center has announced the completion of its first partial repurchase offer for the Kingdom’s dollar-denominated bonds and the US dollar-denominated issuance of sukuk and bonds maturing in 2028 and 2032, respectively, with a total value of \$5 billion. According to a statement, the first partial repurchase of the Kingdom’s outstanding US dollar-denominated bonds maturing in 2023, 2025, and 2026 stood at a total value of \$1.26 billion. On Oct. 19, NDMC announced that it received more than \$27 billion in bids for its dollar-denominated sukuk and bonds issuance. This was oversubscribed by five times the total issuance of \$5 billion (*Source: Arab News*)

Global Issuance To Remain Weak In '22, Inch Up In '23 – S&P Global Ratings Credit Research & Insights expects global bond issuance to contract about 19% in 2022 but rise about 2% in 2023. Tighter monetary policy appears here to stay awhile, keeping it difficult for primary bond markets to open up to the typical issuance levels of recent years. Global bond issuance through September totaled \$6 trillion, down 14.5% from the same point in 2021. (*Source: S&P Global Ratings*)

Riskiest Junk Yields Rise at a Two-Year High – US junk bonds posted modest gains following a rally in equities last week, even as Federal Reserve officials repeatedly stressed the need to keep tightening policy to curb inflation. But the riskiest junk bond yields soared to a fresh 30-month high of 15.82% suggesting many investors remain deeply risk-averse. Risk aversion for highly levered debt in the high-yield market has compelled banks to hold onto unsold debt for leveraged buyouts this year. Estimates suggest banks have been saddled with about \$30b of unsold debt. (*Source: Bloomberg*)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.60	-13.22	KSA	2027	4.82	-12.06
Abu Dhabi	2031	4.82	-19.36	KSA	2032	5.19	-20.54
Abu Dhabi	2050	5.46	-34.17	KSA	2050	6.11	-33.32
Bahrain	2028	7.09	-10.59	Oman	2027	6.45	-9.14
Bahrain	2032	8.48	-18.22	Oman	2032	7.06	-12.81
Bahrain	2051	9.15	-23.55	Oman	2051	8.32	-18.90
Dubai	2029	4.68	-12.76	Qatar	2026	4.78	-11.19
Dubai	2050	6.54	-31.68	Qatar	2030	4.92	-17.75
Kuwait	2027	4.62	-12.48	Qatar	2050	5.53	-32.96

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.91	8.08	0.82	-15.91
S&P MENA Bond and Sukuk Index	5.60	NA	0.65	-17.61
Bloomberg Emerging Markets USD Index	8.51	6.80	0.65	-21.32
Bloomberg Global Aggregate Index	3.81	7.42	0.92	-19.94

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	27/10/2022	31/12/2021	27/10/2022	31/12/2021	27/10/2022	31/12/2021
KIBOR	3.2500	1.5000	3.6250	1.7500	3.8750	2.0000
SAIBOR	5.6908	0.9057	5.6844	0.9829	6.1634	1.0600
BHIBOR	5.2150	1.5167	5.5833	1.6233	6.2278	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	4.1461	0.3645	4.5555	0.7000	4.6861	0.7396
EURIBOR	1.5770	-0.5730	2.1060	-0.5460	2.7250	-0.4980
LIBOR	4.3580	0.2144	4.9156	0.3451	5.3997	0.5888

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	4.9625	0.68	827.6	KWD	0.3100	0.1129	-2.40	Crude Oil	95.89	30.73
2-Year	4.7690	0.50	406.6	SAR	3.7595	0.0000	-0.08	Gold	1,669.30	-9.32
5-Year	4.2378	1.16	209.4	EUR	1.0077	-0.0397	-11.37	Silver	19.52	-17.08
7-Year	4.1087	1.05	178.4	GBP	1.1629	0.0258	-14.07	Copper	353.25	-19.89
10-Year	4.0343	1.29	155.2	JPY	145.5200	0.5841	-20.92	Nat. Gas	5.66	49.37
30-Year	3.6721	1.30	112.1	CNH	7.2227	-0.4818	-11.98	Aluminum	2,336.25	-15.78

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.41	-0.02	3.21	0.09	NA	NA
5-Year	4.19	-0.06	3.63	0.33	1.90	0.00
10-Year	4.02	-0.08	3.57	0.47	1.99	0.00
30-Year	4.15	-0.20	3.67	-0.10	2.11	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	27-Oct 2022	31-Dec 2021
Kuwait	57.82	40.53
KSA	65.76	50.97
Abu Dhabi	48.30	43.09
Dubai	113.31	89.58
Qatar	59.80	42.55
Bahrain	271.96	286.32
Oman	244.39	254.42
Iraq	741.07	507.35
Egypt	NA	496.58
Morocco	268.52	85.91
Turkey	672.47	555.46
US	25.91	10.01
UK	25.49	8.91
China	114.08	39.86
Japan	29.42	16.23
Germany	24.94	7.53
France	31.28	17.87