

News Updates

**Abu Dhabi economy expands 11.2% in H1 as oil and non-oil sectors pick up** – Abu Dhabi's GDP grew by 11.2% in the first half of 2022 compared with the same period last year driven by growth in both oil and non-oil sectors, government data showed. For the second quarter, the growth was 11.7% on year, the strongest growth recorded in six years. Earlier this week, IMF projected the UAE to grow at over 6% driven a strong rebound in domestic activity and higher oil prices. *(Source: Zawya)*

**Oil Plunges to Lowest Since 2021 as China Unrest Rattles Market** – Oil tumbled to the lowest level since December as unrest in China hurt investors' appetite for risk and clouded the outlook for energy demand, adding to stresses in an already-fragile global crude market. West Texas Intermediate sank toward \$74 a barrel following three weeks of losses. Protests over harsh anti-virus curbs spread across the world's largest crude importer over the weekend, spurring a selloff in commodities. The unrest boosted the dollar as a haven, making raw materials less attractive, and hurt mobility in China. It also raised the possibility that authorities could respond with tighter curbs, with Covid-19 cases hitting a record this month. *(Source: Bloomberg)*

**Powell to Set Stage for Slowing Fed Rate Hikes Amid Hawkish Tone** – Chair Jerome Powell is expected to this week cement expectations that the Federal Reserve will slow its pace of interest-rates increases next month, while reminding Americans that its fight against inflation will run into 2023. Powell is scheduled to deliver a speech, nominally focused on the labor market, at an event on Wednesday hosted by the Brookings Institution in Washington. Investors expect the Fed to slowdown next month with rates peaking around 5% next year from the current range of 3.75% to 4.00%, according to pricing of contracts in futures markets. Those expectations are in line with Powell's remarks after the Fed's meeting earlier this month, when he indicated that officials could fade the pace of rate increases as soon as next month, even as they ultimately raise rates to a higher peak than they previously thought. *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.93	-10.59	KSA	2027	4.42	-10.21
Abu Dhabi	2031	4.14	-15.04	KSA	2032	4.52	-16.01
Abu Dhabi	2050	4.92	-28.36	KSA	2050	5.36	-25.86
Bahrain	2028	6.07	-6.25	Oman	2027	6.35	-8.63
Bahrain	2032	7.05	-9.39	Oman	2032	6.20	-7.45
Bahrain	2051	8.09	-14.00	Oman	2051	7.66	-12.57
Dubai	2029	4.42	-11.54	Qatar	2026	4.22	-9.54
Dubai	2050	5.90	-25.70	Qatar	2030	4.35	-14.84
Kuwait	2027	4.53	-12.25	Qatar	2050	4.92	-26.40

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.35	8.08	0.60	-11.84
S&P MENA Bond and Sukuk Index	5.06	NA	0.72	-13.32
Bloomberg Emerging Markets USD Index	7.73	6.80	0.57	-16.72
Bloomberg Global Aggregate Index	3.55	7.42	-0.32	-16.47

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	28/11/2022	31/12/2021	28/11/2022	31/12/2021	28/11/2022	31/12/2021
KIBOR	4.0000	1.5000	4.2500	1.7500	4.5000	4.4375
SAIBOR	5.5191	0.9057	5.7968	0.9829	6.1701	6.3719
BHIBOR	5.7721	1.5167	6.0750	1.6233	6.3417	6.3250
QATAR	4.8833	1.1250	5.0333	1.2000	5.2667	5.1000
AEIBOR	4.4474	0.3645	4.7669	0.7000	4.9825	5.1212
EURIBOR	1.9220	-0.5730	2.3740	-0.5460	2.8600	2.8110
LIBOR	4.7339	0.2144	5.2187	0.3451	5.5980	5.4513

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	5.1552	-2.22	863.6	KWD	0.3073	0.2278	-1.55	Crude Oil	81.25	11.48
2-Year	4.7476	-4.71	404.4	SAR	3.7578	-0.0080	-0.06	Gold	1,765.30	-4.26
5-Year	3.8864	-4.96	183.8	EUR	1.0354	-0.3944	-8.94	Silver	21.43	-9.31
7-Year	3.7147	-4.03	151.7	GBP	1.2055	-0.3143	-10.92	Copper	356.40	-18.82
10-Year	3.6109	-5.11	128.4	JPY	138.4600	0.5345	-16.88	Nat. Gas	6.90	73.29
30-Year	3.2609	-3.89	88.4	CNH	7.2238	-0.4043	-11.99	Aluminum	2,339.05	-15.47

  

US Treasuries		UK Gilts		German Bunds		
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	4.43	0.06	3.21	-0.08	NA	NA
5-Year	3.82	0.17	3.26	-0.27	2.10	-0.14
10-Year	3.64	0.40	3.11	-0.74	1.93	-0.69
30-Year	3.70	0.75	3.33	-0.82	1.79	-1.47

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	28-Nov 2022	31-Dec 2021
Kuwait	40.16	40.53
KSA	55.80	50.97
Abu Dhabi	42.76	43.09
Dubai	86.41	89.58
Qatar	43.64	42.55
Bahrain	223.81	286.32
Oman	149.68	254.42
Iraq	483.84	507.35
Egypt	NA	496.58
Morocco	245.85	85.91
Turkey	537.31	555.46
US	23.76	10.01
UK	22.62	8.91
China	74.75	39.86
Japan	22.12	16.23
Germany	16.96	7.53
France	25.57	17.87