

## News Updates

**Real GDP growth in the GCC region will slow to 3.5% in 2023** – Real GDP growth in the GCC region will moderate from an estimated 7.6% in 2022 to 3.5% in 2023, according to a new report by S&P Global Market Intelligence. The decline is expected to be more due to lower year-on-year (y-o-y) oil output and spillovers of weaker global demand on activity momentum in the non-hydrocarbon economy than to tighter financial conditions brought about by the regional central banks mirroring the US Federal Reserve's moves on interest rates. The monetary tightening is likely to reduce lingering inflationary pressures in the GCC region and is supportive of GCC banks' profitability, the report said, with the intelligence provider adding that it does not expect banks to be materially impacted by uncertainty in global financial markets. *(Source: Zawya)*

**Saudi Arabia's Al Rajhi Bank to raise \$1bn with sukuk** – Saudi Arabia's Al Rajhi Bank is set to raise \$1 billion with five-year sustainable Islamic bonds, a document from one of the banks arranging the deal showed on Wednesday. The spread on the sukuk was set at 110 basis points (bps) over U.S. Treasuries (UST), tightened from initial price guidance of around 150 bps over UST after demand topped \$3.75 billion, the document showed. *(Source: Reuters)*

**Saudi Arabia Banks raise their investments in treasury bonds to 516 billion riyals** – Saudi banks' investments in treasury bonds increased by about 4.7 billion riyals during February 2023, reaching 516 billion riyals. It is noteworthy that the assets of the Saudi Central Bank increased by 822.5 million riyals during the month of February to reach about 1923 billion riyals. *(Source: Bloomberg)*

**Oman channels Financial Surplus to Reduce Public Debt by RO 1.1 Billion** – The Sultanate of Oman prepaid part of the government loans, about (USD 1.5 billion), before their maturity date. In total, the government managed to reduce by the end of the first quarter of 2023 an estimated of about RO 1.1 billion, or USD 2.8 billion, without resorting to re-financing. This includes USD 1.3 billion bond repaid by the government in January 2023. The public debt is down to about RO 16.6 billion by the end of March 2023, compared to RO 17.7 billion reported at the end of 2022. *(Source: Oman News Agency)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.89	0.64	KSA	2027	2.81	6.48
Abu Dhabi	2031	3.97	2.08	KSA	2032	4.28	1.44
Abu Dhabi	2050	4.83	0.27	KSA	2050	5.37	-0.42
Bahrain	2028	6.01	0.76	Oman	2027	5.59	0.96
Bahrain	2032	6.97	1.45	Oman	2032	6.05	0.22
Bahrain	2051	8.24	-1.31	Oman	2051	7.18	0.48
Dubai	2029	4.38	0.74	Qatar	2026	2.77	2.57
Dubai	2050	5.83	1.09	Qatar	2030	4.10	0.41
Kuwait	2027	3.80	-1.09	Qatar	2050	4.84	1.39

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.19	8.08	-0.10	1.90
S&P MENA Bond and Sukuk Index	4.87	NA	-0.09	2.04
Bloomberg Emerging Markets USD Index	7.48	6.80	0.18	1.41
Bloomberg Global Aggregate Index	3.57	7.42	-0.11	2.68

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	30/03/2023	31/12/2022	30/03/2023	31/12/2022	30/03/2023	31/12/2022
KIBOR	4.2500	4.0000	4.4375	4.2500	4.6875	4.5625
SAIBOR	5.6581	5.3404	5.6604	5.5978	5.5333	5.8697
BHIBOR	6.3274	6.1417	6.4003	6.2675	6.4561	6.5529
QATAR	5.7000	5.2833	5.7833	5.4167	5.9000	5.5833
AEIBOR	4.9865	4.3095	5.0229	4.9399	4.9179	5.0421
EURIBOR	2.9900	2.1320	3.2690	2.6930	3.5420	3.2910
LIBOR	5.1629	4.7673	5.2467	5.1389	5.1877	5.4821

USD Swap Rates				Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)	
1-Year	4.9990	-1.45	-2.4	KWD	0.3071	-0.2931	Crude Oil	78.28	-8.20
2-Year	4.3905	-3.64	-6.7	SAR	3.7548	0.0080	Gold	1,985.90	6.90
5-Year	3.7299	-2.16	-7.3	EUR	1.0844	0.0000	Silver	23.70	-2.12
7-Year	3.6054	-2.04	-7.6	GBP	1.2330	0.1218	Copper	409.90	7.46
10-Year	3.5479	-2.23	-7.5	JPY	132.4200	0.3399	Nat. Gas	2.13	-45.76
30-Year	3.2885	-1.65	-5.8	CNH	6.8796	0.2137	Aluminum	2,347.00	-1.63

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.06	0.08	3.38	0.00	2.59	0.09
5-Year	3.67	0.07	3.30	0.00	2.26	0.30
10-Year	3.55	0.13	3.47	0.00	2.22	0.48
30-Year	3.75	0.27	3.82	0.00	2.36	0.72

## Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	A1	A+	AA-
KSA	A1	Au	A
UAE	Aa2	NR	AA-
Abu Dhabi	Aa2	AA	AA
Qatar	Aa3	AA	AA-
Bahrain	B2	B+	B+
Oman	Ba3	BB	BB
Egypt	B3	B	B+
Lebanon	C	SD	RDu
Jordan	B1	B+	BB-
Turkey	B3	Bu	B
Tunisia	Caa2	NR	CCC+
Morocco	Ba1	BB+	BB+u
US	Aaa	AA+u	AAAu
UK	Aa3	AAu	AA-u
China	A1	A+	A+u

USD 5Yr CDS	30-Mar 2023	31-Dec 2022
Kuwait	48.42	39.45
KSA	62.72	60.05
Abu Dhabi	42.93	43.90
Dubai	76.91	74.01
Qatar	43.62	46.55
Bahrain	240.98	224.63
Oman	160.17	185.75
Iraq	415.17	421.67
Egypt	NA	NA
Morocco	165.24	143.12
Turkey	520.70	506.65
US	43.58	22.82
UK	27.29	25.54
China	76.70	71.08
Japan	25.02	23.60
Germany	14.10	17.15
France	25.72	24.94