

**News Updates**

**Saudi Arabia’s Riyad Bank plans to issue riyal-denominated sukuk** – Riyad Bank announced on Wednesday its intention to issue riyal-denominated sukuk on private placement basis. Riyad Capital has been mandated as the sole lead manager and book runner for the potential Tier 1 capital sukuk offer. The amount and terms of the prospective issuance will be determined at a later stage, subject to market conditions. In February, the bank completed the offering of \$750 million worth of US dollar-denominated sukuk to investors in the Kingdom and abroad. The issuance of 3,750 bonds was the first sustainable additional Tier 1 sukuk globally, having the lowest-ever credit spread achieved by a Gulf Cooperation Council bank for an AT1 sukuk of 4%. *(Source: Arab News)*

**Saudi’s Q2 GDP grows 12.2%, fastest in over 10 years** – Saudi Arabia's economy grew at its fastest pace in more than ten years in the second quarter of the year, as the oil exporter continued to benefit from high energy prices. Real gross domestic product (GDP) grew by 12.2% during the second quarter compared to a year ago, the highest since 2011, according to data released by the General Authority of Statistics on Wednesday. The growth was largely driven by oil activities, which expanded by 22.9%, while non-oil activities recorded an 8.2% growth. The International Monetary Fund had forecast that Saudi Arabia will be one of the world's fastest-growing economies, with the kingdom's GDP set to grow by 7.6% this year, the fastest in nearly a decade. *(Source: Zawya)*

**UAE sharia requirements for sukuk partly adopted, but untested, Fitch says** – Fitch Ratings said on Wednesday that sharia compliance standards for Islamic bonds adopted by the Central Bank of the United Arab Emirates have been taken up "to an extent" in the wider market, but their practical impact is "untested". UAE investors are key players in the global sukuk market, and Dubai has long aimed to establish itself as a major global centre for issuance of sukuk, or Islamic bonds. *(Source: Reuters)*

**Egypt Net Foreign Reserves Mostly Unchanged as IMF Deal in Focus** – Egypt’s net international reserves saw a slight decline in August, as authorities strive to secure International Monetary Fund assistance and more investments from Gulf allies. The figure was \$33.142 billion last month versus \$33.143 billion in July, the central bank said Wednesday in a statement. It’s the lowest since June 2017. Egypt’s government has said there’s reassuring progress in talks with the IMF on a so-called Extended Fund Facility. Pressure is mounting on the Egyptian pound even after it was devalued by about 15% in March, with economists and analysts saying it needs to fall further. The reserve figures are being closely watched amid speculation on how the nation will handle its external funding gap and debt commitments. *(Source: Bloomberg)*

**GCC Sovereign Yields**

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.56	-9.03	KSA	2027	3.67	-8.00
Abu Dhabi	2031	3.90	-13.76	KSA	2032	4.01	-12.80
Abu Dhabi	2050	4.63	-25.00	KSA	2050	5.18	-24.00
Bahrain	2028	6.21	-7.12	Oman	2027	5.78	-6.58
Bahrain	2032	7.67	-13.45	Oman	2032	6.35	-8.21
Bahrain	2051	8.63	-19.07	Oman	2051	7.80	-13.92
Dubai	2029	3.95	-9.01	Qatar	2026	3.61	-7.76
Dubai	2050	5.89	-24.70	Qatar	2030	3.96	-12.53
Kuwait	2027	3.51	-8.52	Qatar	2050	4.71	-24.03

**Bonds and Sukuk Indices**

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.82	8.08	-0.10	-10.72
S&P MENA Bond and Sukuk Index	4.43	NA	-0.27	-11.44
Bloomberg Emerging Markets USD Index	7.15	6.80	0.26	-16.42
Bloomberg Global Aggregate Index	3.16	7.42	0.15	-16.71

**Interbank Rates (%)**

	3 Months		6 Months		12 Months	
	08/09/2022	31/12/2021	08/09/2022	31/12/2021	08/09/2022	31/12/2021
KIBOR	2.6250	1.5000	2.9375	1.7500	3.1875	2.0000
SAIBOR	3.2709	0.9057	3.7187	0.9829	4.2031	1.0600
BHIBOR	4.1610	1.5167	4.4917	1.6233	5.1333	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	2.9773	0.3645	3.5500	0.7000	3.7680	0.7396
EURIBOR	0.8160	-0.5730	1.3370	-0.5460	1.9210	-0.4980
LIBOR	3.1679	0.2144	3.7103	0.3451	4.1706	0.5888

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	3.9304	0.74	634.7	KWD	0.3089	-0.1781	-2.04	Crude Oil	88.72	20.17
2-Year	3.8018	-0.93	303.9	SAR	3.7590	-0.0053	-0.07	Gold	1,726.00	-6.24
5-Year	3.3925	-3.47	147.7	EUR	0.9994	-0.1199	-12.10	Silver	18.37	-21.97
7-Year	3.3259	-3.62	125.4	GBP	1.1509	-0.2081	-14.95	Copper	345.95	-21.54
10-Year	3.3085	-3.59	109.3	JPY	144.0400	-0.2013	-20.10	Nat. Gas	7.86	113.74
30-Year	3.0667	-3.00	77.2	CNH	6.9681	-0.1263	-8.77	Aluminum	2,227.00	-20.18

  

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	3.42	0.03	2.96	0.30	NA	NA
5-Year	3.33	0.15	2.90	0.48	0.99	0.00
10-Year	3.23	0.30	3.03	0.58	1.38	0.00
30-Year	3.38	0.52	3.36	0.60	1.65	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	08-Sep 2022	31-Dec 2021
Kuwait	54.00	40.53
KSA	47.39	50.97
Abu Dhabi	46.11	43.09
Dubai	109.62	89.58
Qatar	46.63	42.55
Bahrain	290.80	286.32
Oman	257.10	254.42
Iraq	845.22	507.35
Egypt	NA	496.58
Morocco	242.80	85.91
Turkey	738.64	555.46
US	19.39	10.01
UK	24.22	8.91
China	70.01	39.86
Japan	18.46	16.23
Germany	14.78	7.53
France	22.72	17.87