

**News Updates**

**Oman’s sovereign ratings, stable outlook affirmed** – International ratings agency Capital Intelligence Ratings (CI) announced on Saturday that it has affirmed Oman’s Long-Term Foreign Currency Rating and Long-Term Local Currency Rating at ‘BB’. At the same time, CI Ratings has affirmed Oman’s Short-Term Foreign Currency Rating and Short-Term Local Currency Rating at ‘B’. The Outlook for the ratings remains Stable. The ratings reflect the decline in central government debt in addition to the improvement in fiscal and external strength due to high hydrocarbon revenues and exports. *(Source: Oman Daily Observer)*

**S&P affirms Jordan’s sovereign credit rating** – Standard & Poor’s (S&P) has affirmed Jordan’s long-term sovereign credit rating to remain at "B+/Stable/B". S&P said Jordan's public financial indicators achieved positive results and better than the targeted estimates in the general budget law during the past two years due to structural reforms undertaken by the government represented in expanding the tax base, closing gaps, improving tax compliance, and customs reforms, which led to a decrease in the central government deficit from 7% as a percentage to GDP in 2020 to reach 5.4% in 2021. *(Source: Jordan News Agency)*

**Moody’s Expects Islamic Bond Sales to Decline Further This Year** – Global sukuk sales are set to extend its decline to \$160 billion-\$170 billion in 2022 given major sovereign issuers’ improved fiscal positions and higher interest rates, Moody’s says in a report. Issuance fell last year to \$181 billion from a record \$205 billion in 2020. Moody’s sees gross sukuk issuance of \$70 billion-\$80 billion in the second half. The rating agency doesn’t expect the GCC countries’ strong performance in the first half to continue into the second half. Sukuk sales reached \$92 billion in the first half vs \$102 billion in the same period of 2021. *(Source: Bloomberg)*

**Fed’s Waller Backs ‘Significant’ September Hike, Joining Bullard** – Federal Reserve Governor Christopher Waller said he favors “another significant” increase in interest rates when the central bank meets later this month, signaling his backing for a 75 basis-point move. His remarks were the latest to stress the Fed’s commitment to cooling the hottest price pressures in close to four decades. Earlier, St. Louis Fed President James Bullard told Bloomberg in an interview that he leans toward a third consecutive 75-basis-point move in September. *(Source: Reuters)*

**GCC Sovereign Yields**

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.54	-8.98	KSA	2027	3.69	-8.08
Abu Dhabi	2031	3.85	-13.39	KSA	2032	3.97	-12.54
Abu Dhabi	2050	4.60	-24.73	KSA	2050	5.16	-23.68
Bahrain	2028	6.26	-7.33	Oman	2027	5.71	-6.32
Bahrain	2032	7.66	-13.36	Oman	2032	6.40	-8.59
Bahrain	2051	8.65	-19.20	Oman	2051	7.62	-12.15
Dubai	2029	3.95	-9.00	Qatar	2026	3.62	-7.71
Dubai	2050	5.80	-23.76	Qatar	2030	3.88	-12.19
Kuwait	2027	3.50	-8.46	Qatar	2050	4.67	-23.53

**Bonds and Sukuk Indices**

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.81	8.08	0.11	-10.59
S&P MENA Bond and Sukuk Index	4.43	NA	-0.03	-11.45
Bloomberg Emerging Markets USD Index	7.12	6.80	0.29	-16.12
Bloomberg Global Aggregate Index	3.22	7.42	0.40	-16.54

**Interbank Rates (%)**

	3 Months		6 Months		12 Months	
	12/09/2022	31/12/2021	12/09/2022	31/12/2021	12/09/2022	31/12/2021
KIBOR	2.6250	1.5000	2.8750	1.7500	3.1875	2.0000
SAIBOR	3.2997	0.9057	3.7017	0.9829	4.1634	1.0600
BHIBOR	4.1417	1.5167	4.4800	1.6233	5.1207	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	2.8544	0.3645	3.5800	0.7000	3.7650	0.7396
EURIBOR	0.9340	-0.5730	1.4420	-0.5460	2.0150	-0.4980
LIBOR	3.2454	0.2144	3.8111	0.3451	4.1890	0.5888

USD Swap Rates			Currencies			Commodities			
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)		
1-Year	4.0203	0.51	651.5 KWD	0.3083	0.1136	-1.85	Crude Oil	91.55	24.00
2-Year	3.9098	0.25	315.4 SAR	3.7587	-0.0106	-0.07	Gold	1,723.60	-6.37
5-Year	3.5151	1.67	156.7 EUR	1.0085	0.4282	-11.30	Silver	18.82	-20.03
7-Year	3.4405	2.18	133.1 GBP	1.1616	0.2244	-14.17	Copper	353.80	-19.76
10-Year	3.4118	2.31	115.8 JPY	143.1500	-0.4681	-19.60	Nat. Gas	8.09	120.02
30-Year	3.1570	2.62	82.4 CNH	6.9430	-0.0720	-8.44	Aluminum	2,277.25	-18.38

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	3.56	0.00	3.01	0.04	NA	NA
5-Year	3.45	-0.07	2.96	0.11	1.20	0.00
10-Year	3.33	-0.18	3.09	0.46	1.51	0.00
30-Year	3.47	-0.36	3.47	0.29	1.78	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	12-Sep 2022	31-Dec 2021
Kuwait	50.00	40.53
KSA	46.02	50.97
Abu Dhabi	44.34	43.09
Dubai	108.65	89.58
Qatar	44.68	42.55
Bahrain	288.84	286.32
Oman	245.74	254.42
Iraq	845.26	507.35
Egypt	NA	496.58
Morocco	240.76	85.91
Turkey	675.79	555.46
US	18.92	10.01
UK	26.06	8.91
China	65.32	39.86
Japan	18.96	16.23
Germany	14.63	7.53
France	21.91	17.87