

News Updates

**Saudi National Bank eyes additional sukuk issuance** – The Saudi National Bank has mandated SNB Capital Co. to advise on the proposed issuance of an additional riyal-denominated sukuk, it said in a bourse filing on Thursday. The amount and terms of the offering, which seeks to strengthen the bank’s capital base, will be determined subject to market conditions. SNB Capital will act as the sole book-runner, lead arranger, and lead manager of the potential offer. *(Source: Arab News)*

**Turkey Downgraded by Moody’s Amid Balance-of-Payments Risk** – Turkey’s rating was cut deeper into junk by Moody’s Investors Service as balance-of-payments risks mount and authorities struggle to stabilize the lira and restore foreign-reserve buffers. The nation was downgraded to B3 from B2 on Friday by Moody’s, which also changed its outlook to stable from negative. The rating company pointed to odds that Turkey’s current-account deficit will probably exceed earlier expectations by a wide margin, which increases its external financing needs just as global financial conditions tighten. Moody’s estimates that the country’s current-account deficit will be close to 6% of gross domestic product this year, more than three times bigger than anticipated prior to Russia’s invasion of Ukraine. *(Source: Bloomberg)*

**OPEC, in contrast to IEA, sees lower 2022 oil demand growth** – OPEC on Thursday cut its 2022 forecast for growth in world oil demand for a third time since April, citing the economic impact of Russia's invasion of Ukraine, high inflation and efforts to contain the coronavirus pandemic. The view from the Organization of the Petroleum Exporting Countries contrasts with that of the International Energy Agency, the adviser to industrialised countries, which earlier on Thursday raised its 2022 demand growth outlook. OPEC in a monthly report said it expects 2022 oil demand to rise by 3.1 million barrels per day (bpd), or 3.2%, down 260,000 bpd from the previous forecast. The IEA raised its forecast by 380,000 bpd to 2.1 million bpd. *(Source: Reuters)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.01	-6.80	KSA	2027	3.20	-6.21
Abu Dhabi	2031	3.36	-10.13	KSA	2032	3.46	-8.86
Abu Dhabi	2050	4.19	-19.39	KSA	2050	4.76	-19.13
Bahrain	2028	5.67	-4.69	Oman	2027	5.07	-3.94
Bahrain	2032	6.78	-7.56	Oman	2032	5.74	-3.99
Bahrain	2051	7.86	-11.50	Oman	2051	7.12	-6.82
Dubai	2029	3.83	-8.32	Qatar	2026	3.19	-6.28
Dubai	2050	5.48	-20.29	Qatar	2030	3.51	-9.82
Kuwait	2027	3.16	-7.16	Qatar	2050	4.28	-18.68

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.42	8.08	-0.27	-8.19
S&P MENA Bond and Sukuk Index	4.04	NA	-0.20	-8.86
Bloomberg Emerging Markets USD Index	6.69	6.80	0.06	-14.18
Bloomberg Global Aggregate Index	2.74	7.42	-0.28	-12.49

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	14/08/2022	31/12/2021	14/08/2022	31/12/2021	14/08/2022	31/12/2021
KIBOR	2.5000	1.5000	2.7500	1.7500	3.0625	2.0000
SAIBOR	3.0241	0.9057	3.4281	0.9829	3.8617	1.0600
BHIBOR	4.1417	1.5167	4.4583	1.6233	5.0923	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	2.7780	0.3645	3.2693	0.7000	3.5377	0.7396
EURIBOR	0.3330	-0.5730	0.7660	-0.5460	1.1630	-0.4980
LIBOR	2.9216	0.2144	3.5093	0.3451	3.9590	0.5888

	USD Swap Rates			Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)		
1-Year	3.6758	3.58	587.1	KWD	0.3068	-0.0489	-1.39	Crude Oil	98.15	32.08
2-Year	3.5519	2.82	277.3	SAR	3.7550	0.0373	0.01	Gold	1,815.50	-1.38
5-Year	3.0032	-2.90	119.3	EUR	1.0265	-0.5911	-9.77	Silver	20.85	-11.43
7-Year	2.9081	-4.49	97.1	GBP	1.2158	-0.5490	-10.30	Copper	366.85	-17.20
10-Year	2.8832	-5.82	82.4	JPY	133.5800	-0.2998	-13.75	Nat. Gas	8.77	140.55
30-Year	2.8036	-5.85	62.0	CNH	6.7427	0.0861	-5.65	Aluminum	2,438.15	-12.75

	US Treasuries		UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	3.24	-0.04	2.02	-0.08	NA	NA
5-Year	2.96	0.14	1.91	-0.22	0.50	-0.11
10-Year	2.83	0.50	2.11	-0.53	0.76	-0.17
30-Year	3.11	0.99	2.53	-1.50	1.22	-0.15

	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	14-Aug 2022	31-Dec 2021
Kuwait	62.51	40.53
KSA	48.41	50.97
Abu Dhabi	47.30	43.09
Dubai	113.83	89.58
Qatar	47.49	42.55
Bahrain	274.76	286.32
Oman	247.79	254.42
Iraq	641.73	507.35
Egypt	NA	496.58
Morocco	263.71	85.91
Turkey	649.90	555.46
US	17.85	10.01
UK	14.38	8.91
China	70.16	39.86
Japan	19.22	16.23
Germany	14.24	7.53
France	23.60	17.87