

**News Updates**

**Saudi Arabia Set to Deposit \$5 Billion at Turkish Central Bank** – Saudi Arabia is set to deposit \$5 billion at Turkey’s central bank, a major boost for President Recep Tayyip Erdogan’s bid to keep the lira stable ahead of presidential elections next year. The kingdom is in the “final” stage of discussions to offer Turkey assistance, a Saudi Ministry of Finance spokesperson said, confirming an earlier report by Reuters. Turkey’s Ministry of Treasury and Finance also confirmed that the two countries are about to finalize the deposit deal. Erdogan told journalists earlier that Turkey’s official reserves would likely rise to \$130 billion soon, up from the 2022 peak of \$117.5 billion seen during the week of Nov. 11. *(Source: Bloomberg)*

**Morgan Stanley Sees Emerging-Debt Rally Topping US Credit in ‘23** – As developing-world sovereign bonds get ready to close the door on their worst year in over a quarter of a century, things can only get better, according to Morgan Stanley strategists. Emerging-market sovereign debt will return 10% through the end of 2023 and will be a better bet for investors than US corporate debt, according to strategists including James Lord, Simon Waeber and Emma Cerda. They expect US credit to sell off, with investment-grade spreads widening 155 basis points and high-yield counterparts by 575. The firm forecasts 10-year Treasury yields will drop to 3.75% by the second quarter, which will help spreads on the emerging-market bond gauge shrink by 460 basis points, according to the bank’s strategists. *(Source: Bloomberg)*

**Fed Minutes Set to Show Breadth of Support for Higher Peak Rate** – The Federal Reserve is set to show how united policymakers were at their meeting this month over a higher peak for interest rates than previously signaled as they calibrate their fight against decades-high inflation. At the conclusion of the Nov. 1-2 meeting of the US central bank’s policy-setting Federal Open Market Committee, Chair Jerome Powell told reporters that rates would probably have to go higher than the FOMC’s quarterly projections in September had indicated. *(Source: Bloomberg)*

**GCC Sovereign Yields**

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.04	-10.91	KSA	2027	4.47	-10.54
Abu Dhabi	2031	4.29	-15.92	KSA	2032	4.65	-16.94
Abu Dhabi	2050	5.10	-30.33	KSA	2050	5.57	-28.06
Bahrain	2028	6.25	-6.97	Oman	2027	5.86	-6.87
Bahrain	2032	7.26	-10.71	Oman	2032	6.30	-8.02
Bahrain	2051	8.27	-15.67	Oman	2051	7.73	-13.32
Dubai	2029	4.81	-13.42	Qatar	2026	4.37	-9.86
Dubai	2050	6.09	-26.77	Qatar	2030	4.52	-15.74
Kuwait	2027	5.08	-14.03	Qatar	2050	5.11	-28.57

**Bonds and Sukuk Indices**

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.48	8.08	0.18	-12.84
S&P MENA Bond and Sukuk Index	5.19	NA	0.14	-14.41
Bloomberg Emerging Markets USD Index	7.89	6.80	0.37	-17.62
Bloomberg Global Aggregate Index	3.60	7.42	0.49	-17.23

**Interbank Rates (%)**

	3 Months		6 Months		12 Months	
	23/11/2022	31/12/2021	23/11/2022	31/12/2021	23/11/2022	31/12/2021
KIBOR	4.0000	1.5000	4.2500	1.7500	4.4375	4.4375
SAIBOR	5.5339	0.9057	5.8427	0.9829	6.2993	6.3719
BHIBOR	5.7763	1.5167	6.0611	1.6233	6.3250	6.3250
QATAR	4.8667	1.1250	5.0333	1.2000	5.2333	5.1000
AEIBOR	4.2750	0.3645	4.7868	0.7000	5.0520	5.1212
EURIBOR	1.8170	-0.5730	2.3270	-0.5460	2.8350	2.8110
LIBOR	4.6919	0.2144	5.1716	0.3451	5.5659	5.4513

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	5.2042	0.06	872.7	KWD	0.3080	0.0649	-1.77	Crude Oil	88.22	21.05
2-Year	4.8260	0.40	412.7	SAR	3.7587	-0.0106	-0.07	Gold	1,749.60	-5.11
5-Year	4.0127	0.77	193.0	EUR	1.0322	0.1650	-9.23	Silver	21.13	-10.60
7-Year	3.8320	0.14	159.7	GBP	1.1882	-0.0421	-12.20	Copper	360.35	-17.93
10-Year	3.7220	-0.13	135.4	JPY	141.4400	-0.1414	-18.63	Nat. Gas	6.98	75.30
30-Year	3.3745	0.15	94.9	CNH	7.1623	-0.3505	-11.24	Aluminum	2,413.53	-12.77

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	4.51	0.00	3.06	0.07	NA	NA
5-Year	3.94	0.00	3.20	0.22	2.04	0.00
10-Year	3.76	0.01	3.13	0.40	1.92	0.07
30-Year	3.82	0.03	3.31	-0.12	1.88	0.31

**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	23-Nov 2022	31-Dec 2021
Kuwait	46.10	40.53
KSA	57.71	50.97
Abu Dhabi	46.18	43.09
Dubai	96.33	89.58
Qatar	45.83	42.55
Bahrain	236.32	286.32
Oman	162.12	254.42
Iraq	483.83	507.35
Egypt	NA	496.58
Morocco	256.07	85.91
Turkey	556.33	555.46
US	24.74	10.01
UK	22.97	8.91
China	80.41	39.86
Japan	23.07	16.23
Germany	17.83	7.53
France	25.67	17.87