

News Updates

Kuwait's inflation edges up to 4.52% – Kuwait's annual inflation has edged up to 4.52 percent in May, recording an annual increase in the general measurement of consumer prices, said Central Statistical Bureau, Kuwait in its latest report. The report suggests that the spike in the inflation is a result of the increase in the prices of some major commodity groups, the movement of indices and a decrease in the prices of some other groups. "The rise in oil prices is one of the direct reasons for the increase in prices globally as the rise in the costs of transportation and shipments of essential commodities added to the inflation pressure, said Maitham Al-Shakhs, an independent economic researcher. (Source: Kuwait Times)

Saudi Arabia closes two tranches of SR-dominated sukuk totaling \$771m in July – Saudi Arabia's National Debt Management Center has closed the issuance of SR2.9 billion (\$771 million) SR-denominated sukuk in July. In a statement, the office said the sukuk offering was divided into two tranches. The first tranche has a size of SR480 million to mature in 2030, while the second one amounts to SR2.45 billion, maturing in 2034. (Source: Arab News)

IMF cuts global growth outlook, warns high inflation threatens recession – The International Monetary Fund cut global growth forecasts again on Tuesday, warning that downside risks from high inflation and the Ukraine war were materializing and could push the world economy to the brink of recession if left unchecked. Global real GDP growth will slow to 3.2% in 2022 from a forecast of 3.6% issued in April, the IMF said in an update of its World Economic Outlook. It added that world GDP actually contracted in the second quarter due to downturns in China and Russia. The fund cut its 2023 growth forecast to 2.9% from the April estimate of 3.6%, citing the impact of tighter monetary policy. "The outlook has darkened significantly since April. The world may soon be teetering on the edge of a global recession, only two years after the last one," IMF Chief Economist Pierre-Olivier Gourinchas told a news conference. (Source: Reuters)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.09	-7.14	KSA	2027	3.17	-6.21
Abu Dhabi	2031	3.37	-10.26	KSA	2032	3.64	-10.28
Abu Dhabi	2050	4.21	-19.75	KSA	2050	4.82	-19.87
Bahrain	2028	6.65	-9.25	Oman	2027	5.94	-7.39
Bahrain	2032	7.94	-15.50	Oman	2032	6.86	-11.49
Bahrain	2051	9.01	-22.44	Oman	2051	8.14	-17.22
Dubai	2029	3.99	-9.12	Qatar	2026	3.23	-6.41
Dubai	2050	5.92	-25.15	Qatar	2030	3.53	-10.08
Kuwait	2027	3.24	-7.49	Qatar	2050	4.31	-19.12

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.64	8.08	0.18	-9.68
S&P MENA Bond and Sukuk Index	4.15	NA	0.18	-9.66
Bloomberg Emerging Markets USD Index	7.16	6.80	-0.04	-16.84
Bloomberg Global Aggregate Index	2.74	7.42	-0.05	-13.24

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	27/07/2022	31/12/2021	27/07/2022	31/12/2021	27/07/2022	31/12/2021
KIBOR	2.1250	1.5000	2.3750	1.7500	2.6875	2.0000
SAIBOR	2.9371	0.9057	3.3134	0.9829	3.7126	1.0600
BHIBOR	4.0117	1.5167	4.4056	1.6233	5.0667	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	2.6657	0.3645	3.0550	0.7000	3.3177	0.7396
EURIBOR	0.2330	-0.5730	0.6330	-0.5460	1.0400	-0.4980
LIBOR	2.7693	0.2144	3.2853	0.3451	3.7753	0.5888

USD Swap Rates				Currencies			Commodities			
Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)		
1-Year	3.4562	1.19	546.0	KWD	0.3071	0.0326	-1.48	Crude Oil	104.48	39.68
2-Year	3.2955	-0.18	250.1	SAR	3.7565	0.0080	-0.02	Gold	1,731.10	-5.96
5-Year	2.9170	0.42	113.0	EUR	1.0150	0.3163	-10.74	Silver	18.47	-21.28
7-Year	2.8707	-0.07	94.5	GBP	1.2058	0.2411	-10.90	Copper	339.10	-23.46
10-Year	2.8847	-0.18	82.5	JPY	137.0300	-0.0876	-16.02	Nat. Gas	8.92	144.03
30-Year	2.7855	0.02	60.9	CNH	6.7674	0.0030	-6.06	Aluminum	2,428.25	-13.11

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)		Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	3.05	0.01	1.79	0.00	NA	NA
5-Year	2.90	0.00	1.67	0.05	0.31	0.15
10-Year	2.80	0.03	1.91	0.19	0.70	0.61
30-Year	3.03	0.05	2.47	0.28	1.17	1.62

	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	B2	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	27-Jul 2022	31-Dec 2021
Kuwait	63.97	40.53
KSA	71.15	50.97
Abu Dhabi	68.98	43.09
Dubai	121.04	89.58
Qatar	69.18	42.55
Bahrain	332.66	286.32
Oman	303.52	254.42
Iraq	749.23	507.35
Egypt	365.52	496.58
Morocco	300.03	85.91
Turkey	882.30	555.46
US	20.00	10.01
UK	15.23	8.91
China	80.84	39.86
Japan	23.74	16.23
Germany	15.20	7.53
France	26.49	17.87