

News Updates

Saudi National Bank Starts Offer of Tier 1 Sukuk in Riyals – Saudi

National Bank has announced the issuance of its additional sukuk offering on Aug. 28, in a bid to strengthen the bank’s capital base. Denominated in Saudi riyals, the size and offer price of the issuance are still undetermined and subject to market conditions. The expected end date of the offering is Dec. 31, 2022. Investors shall subscribe to a minimum of SAR 1 million (\$266,000), with a return rate yet to be determined. SNB Capital will act as the sole book-runner, lead arranger, and lead manager of the offer. This comes after the bank reported strong earnings for the first half of 2022, posting a 59% profit surge to SAR 9 billion. *(Source: Arab News)*

Saudi pilgrimage complex developer converts \$1.4 billion debt to equity

– Jabal Omar Development Company, one of Saudi Arabia's largest listed property developers, said on Sunday it has reached an agreement with one of its debt holders to convert 5.3 billion riyals (\$1.41 billion) of debt into new shares. Jabal Omar Development said it will issue more than 225 million new shares and in exchange will extinguish all debts it owes to the Alinma Makkah Real Estate Fund and settle all rights and obligations related to the Fund. *(Source: Reuters)*

Fitch upgrades OQ and Omantel ratings to ‘BB’–

Fitch Ratings on Friday upgraded the long-term issuer default ratings (IDRs) of the sultanate’s international integrated energy group OQ and Omantel to ‘BB’ from ‘BB-’. The rating agency’s outlooks on both companies’ ratings are stable. The rating actions on OQ and Omantel follow the upgrade of Oman’s sovereign rating to ‘BB’ from ‘BB-’ on August 15, 2022, Fitch said in its statement. *(Source: Muscat Daily)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.27	-7.85	KSA	2027	3.42	-7.07
Abu Dhabi	2031	3.55	-11.48	KSA	2032	3.63	-10.15
Abu Dhabi	2050	4.36	-21.59	KSA	2050	4.91	-20.89
Bahrain	2028	5.97	-6.10	Oman	2027	5.38	-5.18
Bahrain	2032	7.19	-10.34	Oman	2032	6.06	-6.24
Bahrain	2051	8.28	-15.74	Oman	2051	7.47	-10.52
Dubai	2029	3.85	-8.46	Qatar	2026	3.31	-6.68
Dubai	2050	5.67	-22.23	Qatar	2030	3.63	-10.62
Kuwait	2027	3.33	-7.77	Qatar	2050	4.44	-20.73

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	4.56	8.08	-0.04	-9.12
S&P MENA Bond and Sukuk Index	4.17	NA	-0.05	-9.73
Bloomberg Emerging Markets USD Index	6.89	6.80	-0.03	-15.02
Bloomberg Global Aggregate Index	2.99	7.42	-0.15	-14.80

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	29/08/2022	31/12/2021	29/08/2022	31/12/2021	29/08/2022	31/12/2021
KIBOR	2.6250	1.5000	2.8750	1.7500	3.1875	2.0000
SAIBOR	3.0641	0.9057	3.5193	0.9829	3.9453	1.0600
BHIBOR	4.1293	1.5167	4.4683	1.6233	5.1271	1.7667
QATAR	2.4500	1.1250	2.5000	1.2000	2.7500	1.3250
AEIBOR	2.8113	0.3645	3.4250	0.7000	3.4932	0.7396
EURIBOR	0.5420	-0.5730	0.9830	-0.5460	1.4820	-0.4980
LIBOR	3.0696	0.2144	3.5664	0.3451	4.1233	0.5888

USD Swap Rates			Currencies			Commodities				
Yield %	1D Δ (bps)	YTD Δ (%)	USD	1D Δ (bps)	YTD Δ (%)	USD	YTD Δ (%)			
1-Year	3.8719	6.95	623.7	KWD	0.3077	-0.2925	-1.67	Crude Oil	101.85	37.06
2-Year	3.8202	8.92	305.8	SAR	3.7565	0.0053	0.00	Gold	1,733.00	-5.86
5-Year	3.3740	9.07	146.4	EUR	0.9918	-0.4816	-12.77	Silver	18.44	-21.67
7-Year	3.2554	8.74	120.6	GBP	1.1656	-0.7578	-13.87	Copper	361.35	-18.05
10-Year	3.2081	8.23	102.9	JPY	138.8700	-0.8786	-17.13	Nat. Gas	9.55	161.87
30-Year	2.9703	6.54	71.6	CNH	6.9271	-0.4634	-8.23	Aluminum	2,499.25	-10.42

US Treasuries			UK Gilts		German Bunds	
Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)	
2-Year	3.47	-0.13	2.78	-0.02	NA	NA
5-Year	3.29	-0.37	2.55	0.05	0.89	-0.20
10-Year	3.12	-0.61	2.60	0.12	1.19	-0.54
30-Year	3.25	-1.06	2.87	0.23	1.50	-0.28

	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	29-Aug 2022	31-Dec 2021
Kuwait	53.98	40.53
KSA	48.60	50.97
Abu Dhabi	47.61	43.09
Dubai	111.45	89.58
Qatar	47.56	42.55
Bahrain	290.77	286.32
Oman	275.21	254.42
Iraq	690.32	507.35
Egypt	NA	496.58
Morocco	240.63	85.91
Turkey	739.38	555.46
US	18.11	10.01
UK	20.05	8.91
China	68.20	39.86
Japan	17.74	16.23
Germany	14.80	7.53
France	22.10	17.87