

News Updates

KIPCO Gets Approval to Issue Up to 150m Dinar of Local Sukuk

– Kuwait Projects gets approval of Capital Markets Authority to market and offer dinar-denominated sukuk with a value of as much as 150 million dinars. Sukuk will be offered in two tranches, floating and fixed, in Kuwait with maturity of six years. Proceeds will be used for general corporate purposes. Kamco Investment, KFH Capital Investment and Warba Bank assigned as joint lead managers and subscription agents. (Source: Bloomberg)

SRC completes Sukuk issuance worth SAR 3.5 bln – Saudi Real Estate Refinance Co. (SRC), wholly owned by the Public Investment Fund (PIF), completed its latest Sukuk issuance of SAR 3.5 billion, which marks the sixth tranche under the upsized SAR 20 billion Sukuk program, guaranteed by Saudi Arabia through the Ministry of Finance, Saudi Press Agency reported. (Source: Argaam)

FAB successfully prices \$600m 5-Year Green Bond – First Abu Dhabi Bank (FAB) has successfully issued a 5-year USD 600 million bond at US Treasury +95bps which resulted in an all-in yield of 4.774%. The Green Bond was successfully upsized from the initial target amount of US\$500 million to US\$600 million, thanks to a remarkable 2.8x oversubscribed orderbook. The 5-year Green Bond represents the bank's third successful public issuance in the USD market in 2023. (Source: Zawya)

Oil Rises After Saudis Pledge Million-Barrel Cut at OPEC+ Meet – Oil advanced at the week’s open after Saudi Arabia said it will make an extra 1 million barrel-a-day supply cut in July, taking its production to the lowest level for several years following a slide in prices. West Texas Intermediate jumped almost 5% early in the session before paring gains to trade below \$73 a barrel, while global benchmark Brent changed hands at about \$77. Saudi Energy Minister Prince Abdulaziz bin Salman said he “will do whatever is necessary to bring stability to this market” following a tense OPEC+ meeting over the weekend. (Source: Bloomberg)

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.12	-0.12	KSA	2027	4.29	1.20
Abu Dhabi	2031	4.07	1.73	KSA	2032	4.52	-0.20
Abu Dhabi	2050	4.93	-1.29	KSA	2050	5.46	-1.61
Bahrain	2028	6.08	0.74	Oman	2027	5.68	0.70
Bahrain	2032	7.08	0.80	Oman	2032	5.93	0.92
Bahrain	2051	8.25	-1.40	Oman	2051	7.14	0.99
Dubai	2029	4.24	1.40	Qatar	2026	4.25	0.32
Dubai	2050	6.03	-1.24	Qatar	2030	4.10	-0.08
Kuwait	2027	4.02	-1.76	Qatar	2050	4.97	-0.52

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.25	8.08	0.11	2.18
S&P MENA Bond and Sukuk Index	4.94	NA	0.03	2.18
Bloomberg Emerging Markets USD Index	7.51	6.80	0.04	1.95
Bloomberg Global Aggregate Index	3.69	7.42	-0.25	1.63

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	05/06/2023	31/12/2022	05/06/2023	31/12/2022	05/06/2023	31/12/2022
KIBOR	4.2500	4.0000	4.4375	4.2500	4.6875	4.5625
SAIBOR	5.8912	5.3404	5.7932	5.5978	5.8280	5.8697
BHIBOR	6.5507	6.1417	6.5283	6.2675	6.5312	6.5529
QATAR	6.0000	5.2833	6.0000	5.4167	6.0000	5.5833
AEIBOR	5.3122	4.3095	5.3948	4.9399	5.3378	5.0421
EURIBOR	3.4900	2.1320	3.7280	2.6930	3.8750	3.2910
LIBOR	5.4963	4.7673	5.6234	5.1389	5.6573	5.4821

USD Swap Rates				Currencies				Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	5.4297	2.37	6.0	KWD	0.3074	0.0000	-0.34	Crude Oil	77.07	-7.84
2-Year	4.7182	2.91	0.2	SAR	3.7508	-0.0027	0.21	Gold	1,961.30	4.68
5-Year	3.9620	3.44	-1.5	EUR	1.0697	-0.1027	-0.07	Silver	23.63	-3.12
7-Year	3.8360	3.33	-1.7	GBP	1.2430	-0.1847	2.87	Copper	370.55	-2.90
10-Year	3.7780	3.04	-1.6	JPY	140.1200	-0.1356	-6.42	Nat. Gas	2.21	-46.86
30-Year	3.5245	1.99	1.0	CNH	7.1205	-0.1489	-2.78	Aluminum	2,242.21	-6.79

US Treasuries			UK Gilts			German Bunds		
Yield %	1D Δ (%)		Yield %	1D Δ (%)		Yield %	1D Δ (%)	
2-Year	4.53	-0.06	4.34	-0.10		2.90	0.00	
5-Year	3.88	-0.16	4.09	-0.22		2.36	0.00	
10-Year	3.72	-0.17	4.15	-0.29		2.27	0.00	
30-Year	3.90	-0.23	4.47	-0.30		2.48	0.00	

Sovereign Ratings

	Moody's	S&P	Fitch
Kuwait	A1	A+	AA-
KSA	A1	Au	A+
UAE	Aa2	NR	AA-
Abu Dhabi	Aa2	AA	AA
Qatar	Aa3	AA	AA-
Bahrain	B2	B+	B+
Oman	Ba2	BB	BB
Egypt	B3*-	B	B
Lebanon	C	SD	RDu
Jordan	B1	B+	BB-
Turkey	B3	Bu	B
Tunisia	Caa2	NR	CCC+
Morocco	Ba1	BB+	BB+u
US	Aaa	AA+u	AAAu
UK	Aa3	AAu	AA-u
China	A1	A+	A+u

USD 5Yr CDS	5-Jun 2023	31-Dec 2022
Kuwait	33.59	39.45
KSA	61.39	60.05
Abu Dhabi	37.59	43.90
Dubai	78.70	74.01
Qatar	38.07	46.55
Bahrain	259.21	224.63
Oman	150.06	185.75
Iraq	399.07	421.67
Egypt	NA	NA
Morocco	137.14	143.12
Turkey	546.62	506.65
US	32.69	22.82
UK	24.14	25.54
China	62.63	71.08
Japan	17.22	23.60
Germany	12.22	17.15
France	23.47	24.94