

News Updates

Egypt's External Debt Recorded \$164.7bn End of June Rising 5.8% Y-o-Y: CBE – The Central Bank of Egypt (CBE) said the nation's external debt registered \$164.7bn at the end of June 2023, up by about \$9.0bn or 5.8% year over year (Y-o-Y). This resulted from the rise in net disbursements of loans and facilities by \$8.9bn and the depreciation of the US dollar exchange rate vis-à-vis the other currencies of the external debt, which led to an increase of \$147.9m in book value. Long-term debt accounted for \$136.6bn, whereas short-term debt accounted for \$28.1bn. Egypt's long-term external debt registered \$136.6bn, or 82.9% of total external debt at the end of June 2023, up by about \$7.5bn compared with the end of June 2022. Egypt's external debt distribution by creditors indicates that \$52.9bn was owed to multilateral institutions. The IMF loans alone represent 40% of these institutions' loans, or the equivalent of \$21.2bn. Additionally, \$46.2bn was owed to Arab countries mainly; UAE about \$20.9bn or 12.7% of total external debt, Saudi Arabia \$12.2bn or 7.4%, Kuwait \$7.1bn or 4.3%, and Qatar \$4bn or 2.5%. *(Source: Zawya)*

Credit Market Tension Likely in Coming Years: BIS – The business credit market may witness tensions in the coming years, the Bank for International Settlements said Monday, warning that small businesses were notably vulnerable to refinancing at higher rates. During the phase of exceptionally low interest rates, many companies borrowed under favorable conditions and built up liquidity cushions so they can avoid having to refinance at the currently high borrowing rates, said BIS in its quarterly report. "A substantial amount of debt will become due in the next few years and will need to be refinanced at significantly higher rates. Small corporates are particularly vulnerable to such a scenario." "We are at a stage where inflation is coming down. Now looking forward, the challenges central banks have is basically to decide what to do next," said Claudio Borio, head of the BIS monetary and economic department. *(Source: Zawya)*

Saudi Arabia Says OPEC+ Output Cuts Can Continue Past March If Needed – OPEC+ oil production cuts can "absolutely" continue past the first quarter if needed, Saudi Energy Minister Prince Abdulaziz bin Salman told Bloomberg News on Monday. Last week, OPEC+ oil producers agreed to voluntary output cuts totaling about 2.2 million barrels per day (bpd) for the first quarter of 2024 led by Saudi Arabia rolling over its current voluntary cut. Oil prices fell following the agreement as most analysts said the market was disappointed by protracted talks and fears the cuts could end after March. Prince Abdulaziz said OPEC+ had ordered an analysis of possible inventories builds ahead of the meeting with some forecasts predicting an increase in stocks of as much as 1.7 million barrels per day. He said cuts agreed last week should be enough to offset the increase in stocks. *(Source: Bloomberg)*

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.57	-1.28	KSA	2027	4.80	0.40
Abu Dhabi	2031	4.55	-0.45	KSA	2032	4.94	-2.47
Abu Dhabi	2050	5.42	-8.11	KSA	2050	5.94	-7.79
Bahrain	2028	6.02	1.83	Oman	2027	5.34	1.82
Bahrain	2032	6.88	2.62	Oman	2032	5.71	2.13
Bahrain	2051	7.97	2.07	Oman	2051	6.80	5.21
Dubai	2029	4.64	-0.69	Qatar	2026	4.69	-0.19
Dubai	2050	5.95	0.31	Qatar	2030	4.64	-4.32
Kuwait	2027	4.66	-3.36	Qatar	2050	5.52	-8.10

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.64	6.72	0.18	2.32
S&P MENA Bond and Sukuk Index	5.42	NA	0.18	1.16
Bloomberg Emerging Markets USD Index	7.55	6.21	0.07	5.19
Bloomberg Global Aggregate Index	3.87	6.72	-0.07	1.80

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	05/12/2023	31/12/2022	05/12/2023	31/12/2022	05/12/2023	31/12/2022
KIBOR	4.31	4.00	4.50	4.25	4.75	4.56
SAIBOR	6.34	5.34	6.11	5.60	6.15	5.87
BHIBOR	6.66	6.14	6.65	6.27	6.67	6.55
QATAR	6.00	5.28	6.10	5.42	6.25	5.58
AEIBOR	5.44	4.31	5.58	4.94	5.62	5.04
EURIBOR	3.96	2.13	4.00	2.69	3.90	3.29
LIBOR	5.64	4.77	5.77	5.14	6.04	5.48

USD Swap Rates				Currencies			Commodities			
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD	YTD Δ (%)
1-Year	5.04	-0.72	2.9	KWD	0.3090	0.06	-0.87	Crude Oil	78.03	-3.33
2-Year	4.43	-0.35	-0.3	SAR	3.7515	-0.01	0.19	Gold	2,051.60	6.80
5-Year	3.90	-0.64	4.2	EUR	1.0842	0.06	1.28	Silver	24.94	-0.99
7-Year	3.86	-1.02	6.4	GBP	1.2637	0.02	4.58	Copper	382.95	0.67
10-Year	3.86	-1.42	8.6	JPY	147.1300	0.05	-10.88	Nat. Gas	2.69	-47.31
30-Year	3.72	-1.95	15.9	CNH	7.1512	-0.03	-3.20	Aluminum	2,151.75	-12.44

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.63	0.01	4.57	-0.14	3.20	-0.01
5-Year	4.20	0.04	4.17	-0.33	2.28	-0.03
10-Year	4.24	0.13	4.19	-0.39	2.29	0.05
30-Year	4.39	0.29	4.72	-0.71	2.59	0.77

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	Caa1	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	05-Dec 2023	31-Dec 2022
Kuwait	38.00	39.45
KSA	50.12	60.05
Abu Dhabi	39.21	43.90
Dubai	59.95	74.01
Qatar	40.76	46.55
Bahrain	213.28	224.63
Oman	120.86	185.75
Iraq	447.53	421.67
Egypt	NA	NA
Morocco	123.52	143.12
Turkey	333.02	506.65
US	45.39	22.82
UK	33.90	25.54
China	57.80	71.08
Japan	23.83	23.60
Germany	16.68	17.15
France	23.11	24.94