

## News Updates

**US Corporate Bond Issuance to Slow After Strong Start to 2024** – U.S. corporate bond market issuance is projected to slow next week from a hectic start to the year after economic data sent mixed signals on Friday, but tempered expectations of an interest rate cut in March. The first week of 2024 saw nearly \$59 billion in high-grade bond issuance, beating forecasts of \$50 billion to \$55 billion. The rush was led by top-rated companies aiming to take advantage of relatively lower borrowing costs due to a tightening of credit spreads, the premium charged over Treasuries, and decline in Treasury yields at the end of 2023. *(Source: Reuters)*

**Oman’s Public Debt Drops to 35% of GDP in 2023** – Helped by fiscal reforms and elevated oil prices, Oman’s public debt has substantially decreased to 35% of gross domestic product (GDP) in 2023 from nearly 70% of GDP in 2020 when the dual-shock of the pandemic and oil price collapse severely impacted the government finances. The sultanate’s debt-to-GDP ratio also declined significantly in 2023 compared to 2022 when it stood at 40%, attributed to the government’s spending restraints and higher than budgeted oil prices. This improved debt situation has also contributed to an enhancement in Oman’s sovereign credit ratings. *(Source: Zawya)*

**Oil to Remain Volatile in 2024** – U.S. oil companies and refiners are likely to face another challenging 12 months in 2024, Bank of America (BoFA) analysts wrote in a note on Friday, who expect Brent crude to average \$80 per barrel this year. Crude futures lost over 10% in 2023 in a tumultuous year of trading marked by geopolitical turmoil and concerns about the oil output levels of major producers around the world. "We expect oil to remain volatile, exacerbated by outsize paper market influence, informed by geopolitics and OPEC policy," BoFA wrote in the note. The Organization of the Petroleum Exporting Countries and allies, or OPEC+, is currently cutting output by around 6 million barrels per day, representing about 6% of global supply. *(Source: Reuters)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.33	-0.52	KSA	2027	4.65	-0.78
Abu Dhabi	2031	4.31	-1.23	KSA	2032	4.76	-1.96
Abu Dhabi	2050	5.18	-3.58	KSA	2050	5.67	-4.15
Bahrain	2028	5.96	-1.12	Oman	2027	5.15	-0.56
Bahrain	2032	6.98	-2.83	Oman	2032	5.60	-1.76
Bahrain	2051	8.00	-4.31	Oman	2051	6.56	-2.98
Dubai	2029	4.40	-0.15	Qatar	2026	4.36	-0.39
Dubai	2050	5.66	-0.25	Qatar	2030	4.26	-0.88
Kuwait	2027	4.24	-0.30	Qatar	2050	5.10	-3.44

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.34	8.08	-0.25	-1.26
S&P MENA Bond and Sukuk Index	5.10	NA	-0.20	-1.20
Bloomberg Emerging Markets USD Index	7.26	6.80	-0.22	-1.45
Bloomberg Global Aggregate Index	3.65	7.42	-0.03	-1.38

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	07/01/2024	31/12/2023	07/01/2024	31/12/2023	07/01/2024	31/12/2023
KIBOR	4.31	4.31	4.50	4.25	4.75	4.56
SAIBOR	6.22	6.26	5.99	5.60	5.97	5.87
BHIBOR	6.52	6.51	6.45	6.27	6.45	6.55
QATAR	6.00	6.25	6.10	5.42	6.25	5.58
AEIBOR	5.28	5.42	5.03	4.94	5.08	5.04
EURIBOR	3.94	3.93	3.91	2.69	3.58	3.29
LIBOR	5.59	5.61	5.62	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	4.8402	-2.38	1.8	KWD	0.3090	0.0647	0.00	Crude Oil	78.76	2.23
2-Year	4.2161	-0.66	3.7	SAR	3.7504	0.0000	-0.01	Gold	2,049.80	-1.06
5-Year	3.7066	2.18	5.0	EUR	1.0946	-0.0183	-0.87	Silver	23.32	-3.20
7-Year	3.6562	3.06	5.1	GBP	1.2723	0.2996	-0.09	Copper	380.60	-2.17
10-Year	3.6515	3.96	5.1	JPY	144.7600	0.0000	-2.48	Nat. Gas	2.89	15.08
30-Year	3.5020	4.14	5.6	CNH	7.1677	0.1745	-0.52	Aluminum	2,231.75	-5.09

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.38	0.01	4.21	-0.07	3.22	-0.03
5-Year	4.01	-0.11	3.75	-0.29	2.12	-0.15
10-Year	4.05	-0.38	3.78	-0.45	2.10	-0.26
30-Year	4.20	-0.89	4.39	-0.52	2.37	-0.52

## 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	Ba1	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	07-Jan 2024	31-Dec 2023
Kuwait	37.93	35.96
KSA	54.75	50.21
Abu Dhabi	43.87	39.60
Dubai	59.51	60.36
Qatar	48.24	43.52
Bahrain	209.57	198.10
Oman	116.93	112.12
Iraq	458.74	411.62
Egypt	NA	NA
Morocco	110.82	109.36
Turkey	300.77	279.01
US	45.45	45.19
UK	34.38	33.74
China	64.18	59.80
Japan	23.49	22.74
Germany	14.30	15.61
France	22.42	22.94