

## News Updates

**Kuwait Reports a Negative Growth in Q2 2023 Due to Crude Output Cuts** – Kuwait reported a negative real economic growth of -1.3% year-on-year (YoY) in Q2 2023 due to oil output weighed down by OPEC-mandated production cuts, the National Bank of Kuwait (NBK) said in a new report. The contraction in GDP was due to a decline in oil sector output of -3.9% YoY, the report added. In Q2 23, Kuwait signed up to an additional 128,000 barrels per day (bpd) of voluntary cuts over and above curbs it agreed to in late 2022, lowering its crude production to 2.55 million bpd for 2023. Crude output will be reduced further to 2.41 million bpd through Q1 2024, following OPEC’s November decision to take additional steps to balance the oil market. *(Source: Zawya)*

**Saudi Arabia Launches \$12bln Three-Tranche Bond Amid Strong Demand** – Saudi Arabia launched a \$12 billion, three-part bond issue on Monday, generating more than \$30 billion in orders amid strong investor demand. The kingdom sold \$3.25 billion, \$4 billion and \$4.75 billion in tenors of six, 10 and 30 years respectively, for domestic budgetary purposes, capital markets publication IFR reported. Saudi Arabia, the world's top oil exporter, last week approved an annual borrowing plan that estimates financing needs for 2024 at \$23 billion to help plug a fiscal deficit and repay upcoming maturities. Midway through an economic transformation plan known as Vision 2030 to diversify away from hydrocarbons, it has budgeted for increased spending to drive domestic growth and support non-oil GDP. *(Source: Zawya)*

**UAE's FAB Gives Price Guidance for its 5-year Sukuk** – The United Arab Emirates' largest lender, First Abu Dhabi Bank, has given price guidance of around 100 basis points over U.S. Treasuries for its dollar-denominated Islamic bonds, according to a document seen by Reuters on Monday. The benchmark-sized sukuk is planned under \$5 billion Trust Certificate Issuance Programme and set to be priced later in the day. Dubai Islamic Bank, Emirates NBD Capital, First Abu Dhabi Bank, HSBC, KFH Capital, Sharjah Islamic Bank, Standard Chartered Bank and The Islamic Corporation for the Development of the Private Sector are appointed joint lead managers and bookrunners. *(Source: Zawya)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.35	-0.59	KSA	2027	4.71	-1.00
Abu Dhabi	2031	4.34	-1.41	KSA	2032	4.87	-2.67
Abu Dhabi	2050	5.20	-3.85	KSA	2050	5.75	-5.04
Bahrain	2028	6.01	-1.23	Oman	2027	5.19	-0.66
Bahrain	2032	6.96	-2.65	Oman	2032	5.62	-1.93
Bahrain	2051	8.00	-4.40	Oman	2051	6.59	-3.33
Dubai	2029	4.53	-0.76	Qatar	2026	4.43	-0.46
Dubai	2050	5.74	-1.64	Qatar	2030	4.30	-1.10
Kuwait	2027	4.26	-0.38	Qatar	2050	5.15	-4.10

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.38	8.08	-0.28	-1.54
S&P MENA Bond and Sukuk Index	5.16	NA	-0.40	-1.60
Bloomberg Emerging Markets USD Index	7.27	6.80	-0.05	-1.50
Bloomberg Global Aggregate Index	3.63	7.42	0.16	-1.23

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	09/01/2024	31/12/2023	09/01/2024	31/12/2023	09/01/2024	31/12/2023
KIBOR	4.31	4.00	4.50	4.25	4.75	4.56
SAIBOR	6.21	5.34	5.96	5.60	5.98	5.87
BHIBOR	6.52	6.14	6.45	6.27	6.46	6.55
QATAR	6.00	5.28	6.10	5.42	6.25	5.58
AEIBOR	5.30	4.31	5.04	4.94	5.09	5.04
EURIBOR	3.94	2.13	3.91	2.69	3.58	3.29
LIBOR	5.59	4.77	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	4.8413	-0.56	1.8	KWD	0.3090	0.0647	0.00	Crude Oil	76.30	-0.96
2-Year	4.2120	-0.60	3.6	SAR	3.7506	0.0027	-0.01	Gold	2,038.50	-1.61
5-Year	3.6985	-1.83	4.8	EUR	1.0951	0.0091	-0.80	Silver	23.33	-3.16
7-Year	3.6441	-2.25	4.8	GBP	1.2741	-0.0628	0.07	Copper	382.90	-1.58
10-Year	3.6352	-2.58	4.6	JPY	143.7000	0.3758	-1.84	Nat. Gas	2.94	16.95
30-Year	3.4766	-3.23	4.8	CNH	7.1705	-0.1046	-0.62	Aluminum	2,192.00	-6.78

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.37	0.02	4.19	0.04	3.21	0.02
5-Year	3.97	0.08	3.72	0.11	2.09	0.09
10-Year	4.01	0.20	3.77	0.12	2.07	0.17
30-Year	4.17	0.52	4.38	0.15	2.36	0.19

## 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	09-Jan 2024	31-Dec 2023
Kuwait	38.95	35.96
KSA	56.29	50.21
Abu Dhabi	44.08	39.60
Dubai	66.75	60.36
Qatar	50.01	43.52
Bahrain	213.59	198.10
Oman	118.59	112.12
Iraq	469.76	411.62
Egypt	NA	NA
Morocco	111.18	109.36
Turkey	303.79	279.01
US	45.45	45.19
UK	34.36	33.74
China	64.34	59.80
Japan	23.37	22.74
Germany	14.22	15.61
France	21.75	22.94