

## News Updates

**Moody's Issues an Update to KIPCO's Credit Analysis** – Moody's issued an update to KIPCO's credit analysis and maintains KIPCO's long term deposit rating at “Ba3” with a negative outlook. This rating action reflects the agency's expectation that KIPCO's market value leverage (MVL) will remain above 40% which is higher than what the rating agency originally anticipated. KIPCO's Ba3 continues to reflect the portfolio of companies' strong market positions in the financial services and chemicals industries within the MENA region; the historical track record of maintaining a strong liquidity profile with the expectation of around \$500 million in cash at holding level as of December 2023 and the propensity to actively prefund debt maturities to remove refinancing risk. *(Source: Boursa Kuwait)*

**NDMC Closes the December 2023 Issuance Under the Saudi Arabian Government SAR-Denominated Sukuk Program** – The National Debt Management Center announced the closure of December 2023 issuance under the Saudi Arabian Government SAR-denominated Sukuk Program. The total amount of all bids received was SAR14.125 billion and the Total Amount Allocated was set at SAR10.553 billion. the Sukuk issuance was divided into two tranches as follows: The first tranche has a size of SAR2.579 billion maturing in 2030. The second tranche has a size of SAR7.973 billion maturing in 2035. This issuance confirms the NDMC's statement on the mid of February 2023, that NDMC will continue, in accordance with the approved Annual Borrowing Plan, to consider additional funding activities subject to market conditions and through available funding channels locally or internationally. *(Source: Zawya)*

**PIF-owned SRC Issues \$933mln Sukuk** – The Saudi Real Estate Refinance Company (SRC), a fully owned subsidiary of the Public Investment Fund (PIF), completed its latest Sukuk issuance of SAR 3.50 billion, according to a press release. SRC noted that the issuance marked the final two tranches in five- and seven-year dual tenors under its SAR 20 billion government-guaranteed Sukuk Programme. CEO of SRC, Fabrice Susini, said: “The issuance witnessed interest from the institutional investor community, reinforcing the confidence in the local market and in SRC's operational framework; it also affirms SRC's pivotal role in contributing to Vision 2030 Housing Program as well as to the Financial Sector Development Program”. *(Source: Zawya)*

## GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	4.15	0.13	KSA	2027	4.47	1.41
Abu Dhabi	2031	4.12	2.48	KSA	2032	4.54	0.39
Abu Dhabi	2050	4.99	-1.89	KSA	2050	5.47	-1.55
Bahrain	2028	5.75	2.83	Oman	2027	5.01	2.91
Bahrain	2032	6.68	4.10	Oman	2032	5.40	4.18
Bahrain	2051	7.77	4.41	Oman	2051	6.38	10.93
Dubai	2029	4.39	0.38	Qatar	2026	4.38	0.50
Dubai	2050	5.65	4.78	Qatar	2030	4.25	-2.61
Kuwait	2027	4.15	-1.82	Qatar	2050	4.95	0.00

## Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.24	8.08	0.20	5.53
S&P MENA Bond and Sukuk Index	5.02	NA	0.20	4.61
Bloomberg Emerging Markets USD Index	7.11	6.80	0.17	8.45
Bloomberg Global Aggregate Index	3.60	7.42	0.36	4.71

## Interbank Rates (%)

	3 Months		6 Months		12 Months	
	20/12/2023	31/12/2022	20/12/2023	31/12/2022	20/12/2023	31/12/2022
KIBOR	4.31	4.00	4.56	4.25	4.75	4.56
SAIBOR	6.34	5.34	6.10	5.60	6.06	5.87
BHIBOR	6.57	6.14	6.55	6.27	6.57	6.55
QATAR	6.00	5.28	6.10	5.42	6.25	5.58
AEIBOR	5.30	4.31	5.44	4.94	5.46	5.04
EURIBOR	3.94	2.13	3.90	2.69	3.61	3.29
LIBOR	5.63	4.77	5.68	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	4.8835	-1.45	-0.3	KWD	0.3090	0.0647	-0.87	Crude Oil	79.15	-1.94
2-Year	4.2237	-1.95	-5.0	SAR	3.7517	0.0000	0.19	Gold	2,053.40	6.90
5-Year	3.6347	-2.04	-3.0	EUR	1.0967	-0.1366	2.44	Silver	24.41	-3.10
7-Year	3.5527	-2.09	-2.0	GBP	1.2724	-0.0707	5.30	Copper	391.35	2.88
10-Year	3.5249	-2.18	-0.9	JPY	143.5200	0.2299	-8.63	Nat. Gas	2.55	-50.05
30-Year	3.3245	-2.21	3.6	CNH	7.1350	-0.1948	-2.98	Aluminum	2,231.25	-9.52

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)	Yield %	1D Δ (%)	Yield %	1D Δ (%)
2-Year	4.42	0.04	4.24	0.06	3.16	0.01
5-Year	3.92	0.08	3.65	0.31	2.03	0.17
10-Year	3.91	0.20	3.64	0.33	1.96	0.48
30-Year	4.02	0.40	4.15	0.39	2.20	1.48

## 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	20-Dec 2023	31-Dec 2022
Kuwait	35.92	39.45
KSA	50.45	60.05
Abu Dhabi	39.46	43.90
Dubai	59.39	74.01
Qatar	43.04	46.55
Bahrain	198.01	224.63
Oman	114.52	185.75
Iraq	401.59	421.67
Egypt	NA	NA
Morocco	115.37	143.12
Turkey	283.67	506.65
US	45.16	22.82
UK	34.15	25.54
China	58.10	71.08
Japan	23.21	23.60
Germany	15.44	17.15
France	22.14	24.94