

News Updates

Bahrain's nogaholding prices \$750mln international sukuk – Bahrain's Oil & Gas Holding Company (nogaholding) has announced that it has successfully priced \$750 million international trust certificates with a maturity date of May 25 and a profit rate of 6.625%. The new 10-year senior unsecured Sukuk Al Ijara/Murabaha is rated B+ by top ratings agency Fitch and has priced at a spread of 306.1 bps over US Treasuries, said the statement from nogaholding. The trust certificates will be issued under nogaholding Sukuk Limited's \$3 billion trust certificate issuance programme. The sukuk was more than five times oversubscribed, with participation from investors demonstrating sustained, strong and valued support to nogaholding and the Kingdom of Bahrain.

Oil Declines for Third Day as US Debt Talks Take Center Stage – Oil declined for a third straight session as investors tracked stop-start negotiations in the US to strike a deal on the debt ceiling, with crude forming part of a broad retreat in commodities as the week kicked off. Brent crude fell below \$75 a barrel after losing almost 2% over the prior two sessions. The global crude benchmark is at risk of posting a fifth straight monthly loss in May in what would be the worst run since 2017. In addition to the fallout from the debt-ceiling fight, traders are concerned about the impact on energy demand of China's lackluster economic recovery and the possibility of a recession in the US.

Goldman Says Treasury Will Drop Under Its Cash Minimum June 8-9 – Goldman Sachs Group Inc. economists estimated that the Treasury Department will by June 8 or 9 see its cash levels drop below the \$30 billion it's signaled as a bare minimum for meeting federal obligations falling due. “The estimate is subject to substantial uncertainty so there is certainly a chance that receipts could slow more than expected and leave the Treasury short of cash by June 1 or 2,” Goldman economists Alec Phillips and Tim Krupa wrote in a May 19 note to clients. As of Thursday, the Treasury's cash balance stood at just over \$57 billion. As of the day before, it also had about \$92 billion of special measures available.

GCC Sovereign Yields

Sovereigns	Maturity	Yield %	Price Δ (YTD %)	Sovereigns	Maturity	Yield %	Price Δ (YTD %)
Abu Dhabi	2027	3.79	1.22	KSA	2027	2.94	6.04
Abu Dhabi	2031	4.02	2.03	KSA	2032	4.48	0.10
Abu Dhabi	2050	4.97	-1.83	KSA	2050	5.53	-2.68
Bahrain	2028	6.17	0.31	Oman	2027	5.61	0.96
Bahrain	2032	7.24	-0.39	Oman	2032	5.90	1.18
Bahrain	2051	8.42	-3.32	Oman	2051	7.15	0.84
Dubai	2029	4.22	1.52	Qatar	2026	4.12	0.64
Dubai	2050	6.01	-1.33	Qatar	2030	4.07	0.19
Kuwait	2027	3.79	-1.01	Qatar	2050	5.03	-1.32

Bonds and Sukuk Indices

Index Name	Yield %	Duration (yrs)	1D Δ (%)	YTD Δ (%)
Bloomberg GCC FI Index	5.20	8.08	-0.14	2.10
S&P MENA Bond and Sukuk Index	4.93	NA	-0.23	1.82
Bloomberg Emerging Markets USD Index	7.56	6.80	-0.04	1.45
Bloomberg Global Aggregate Index	3.68	7.42	-0.03	1.58

Interbank Rates (%)

	3 Months		6 Months		12 Months	
	22/05/2023	31/12/2022	22/05/2023	31/12/2022	22/05/2023	31/12/2022
KIBOR	4.2500	4.0000	4.4375	4.2500	4.6875	4.5625
SAIBOR	5.8307	5.3404	5.7869	5.5978	5.7565	5.8697
BHIBOR	6.5283	6.1417	6.5217	6.2675	6.4610	6.5529
QATAR	5.9500	5.2833	6.0000	5.4167	6.0833	5.5833
AEIBOR	5.1027	4.3095	5.2228	4.9399	5.2789	5.0421
EURIBOR	3.4150	2.1320	3.7070	2.6930	3.8780	3.2910
LIBOR	5.3927	4.7673	5.4666	5.1389	5.4446	5.4821

USD Swap Rates				Currencies			Commodities		
	Yield %	1D Δ (bps)	YTD Δ (%)		USD	1D Δ (bps)	YTD Δ (%)		USD
1-Year	5.1515	-1.75	0.6	KWD	0.3069	-0.1629	-0.20	Crude Oil	74.96
2-Year	4.4357	-2.77	-5.8	SAR	3.7505	0.0000	0.22	Gold	1,996.30
5-Year	3.7701	-2.82	-6.3	EUR	1.0820	0.1296	1.06	Silver	23.88
7-Year	3.6833	-2.49	-5.6	GBP	1.2456	0.0804	3.08	Copper	369.70
10-Year	3.6634	-1.95	-4.5	JPY	137.7900	0.1379	-4.84	Nat. Gas	2.54
30-Year	3.4951	-1.24	0.1	CNH	7.0357	-0.1521	-1.61	Aluminum	2,271.25

US Treasuries			UK Gilts		German Bunds	
	Yield %	1D Δ (%)		Yield %	Yield %	1D Δ (%)
2-Year	4.24	0.05		3.92	2.84	0.00
5-Year	3.70	0.14		3.80	2.41	0.00
10-Year	3.65	0.18		3.99	2.38	0.00
30-Year	3.91	0.30		4.41	2.60	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	22-May 2023	31-Dec 2022
Kuwait	36.92	39.45
KSA	63.69	60.05
Abu Dhabi	39.85	43.90
Dubai	72.55	74.01
Qatar	40.75	46.55
Bahrain	259.85	224.63
Oman	160.00	185.75
Iraq	379.14	421.67
Egypt	576.42	NA
Morocco	156.62	143.12
Turkey	659.54	506.65
US	52.39	22.82
UK	20.67	25.54
China	68.06	71.08
Japan	20.03	23.60
Germany	10.96	17.15
France	24.05	24.94