

# Morning Update

May 18, 2022

## Local & MENA Markets

- Prince Khalid, Sullivan discuss ways to strengthen joint cooperation between Saudi and US
- UAE's economy advances to achieve sustainable growth
- Dubai home sales surged 55.9% in April

## International Markets

- Oil prices extend gains on China demand optimism
- Fed's Evans wants smaller U.S. rate hikes by July or Sept
- Euro and sterling helped by improved market sentiment

Source(s): Bloomberg, Daily Star, Reuters, Zawya

## Lebanese Government Bonds

### Eurobonds — Secondary Market

| Maturity   | 27/05/2022 | 12/06/2025 | 17/05/2033 | 23/03/2037 |
|------------|------------|------------|------------|------------|
| Coupon     | 6.25%      | 6.25%      | 8.20%      | 7.25%      |
| Cash Price | 9.91       | 9.83       | 9.70       | 9.89       |

### LBP Securities — Primary Market

|         | 6M    | 1Y    | 2Y    | 3Y    | 5Y    | 7Y    | 10Y   | 15Y   |
|---------|-------|-------|-------|-------|-------|-------|-------|-------|
| T-Bills | 4.00% | 4.50% | 5.00% | 5.50% | 6.00% | 6.50% | 7.00% | 7.50% |
| BDL CDs | -     | -     | -     | -     | -     | 7.32% | 8.50% | 8.92% |

## Chart of the Day

### Bond Pain

Foreign ownership of China's bonds declines as yuan weakness causes losses

■ Foreign ownership of China's government bonds on 4/30/22 (R1) ■ Monthly return on China's government bonds on dollar basis (L1)



## Market Levels

| Indices  | MKT | Last Close | Daily Return | YTD Return |
|----------|-----|------------|--------------|------------|
| DJIA     | US  | 32,654.59  | 1.34%        | -10.14%    |
| S&P 500  | US  | 4,088.85   | 2.02%        | -14.21%    |
| NASDAQ   | US  | 11,984.52  | 2.76%        | -23.40%    |
| DAX      | GE  | 14,185.94  | 1.59%        | -10.70%    |
| FTSE 100 | UK  | 7,518.35   | 0.72%        | 1.81%      |
| CAC 40   | FR  | 6,430.19   | 1.30%        | -10.11%    |
| DFM      | AE  | 3,469.91   | 1.50%        | 8.57%      |
| TASI     | SA  | 12,689.87  | -1.74%       | 12.48%     |

### Currencies

|        |          |        |        |
|--------|----------|--------|--------|
| EURUSD | 1.0543   | -0.08% | -7.34% |
| GBPUSD | 1.2481   | 0.03%  | -7.74% |
| USDJPY | 129.36   | -0.12% | 12.24% |
| USDCAD | 1.2826   | -0.05% | 1.44%  |
| USDCHF | 0.9935   | 0.06%  | 8.99%  |
| USDTRY | 15.8384  | 0.02%  | 19.74% |
| USDLBP | 1,507.50 | 0.00%  | 0.00%  |

### Commodities

|             |          |        |        |
|-------------|----------|--------|--------|
| Gold        | 1,821.41 | -0.64% | -1.06% |
| Silver      | 21.71    | -0.65% | -7.45% |
| Platinum    | 956.06   | -0.05% | -1.36% |
| Palladium   | 2,057.67 | -0.61% | 7.36%  |
| Brent Crude | 111.93   | 0.54%  | 44.69% |
| WTI Crude   | 112.40   | 0.97%  | 50.90% |
| Natural Gas | 394.17   | 0.28%  | 71.36% |
| Cocoa       | 2,513.00 | 0.32%  | -1.95% |

### Beirut Stock Exchange

|             |       |        |         |
|-------------|-------|--------|---------|
| Solidere A  | 39.34 | 0.18%  | 20.49%  |
| Solidere B  | 39.11 | -0.71% | 17.38%  |
| Bank Audi   | 1.71  | 0.00%  | -25.65% |
| Blom Bank   | 2.85  | 0.00%  | -24.00% |
| Byblos Bank | 0.76  | 0.00%  | -7.32%  |

## Interest Rates

| US Federal Funds     |        |        |        |        |
|----------------------|--------|--------|--------|--------|
| Target - Upper Bound |        |        |        | 1.00%  |
| LIBOR                |        |        |        |        |
|                      | 1M     | 3M     | 6M     | 12M    |
| USD                  | 0.94%  | 1.46%  | 2.02%  | 2.66%  |
| EUR                  | -0.62% | -0.58% | -0.56% | -0.49% |
| GBP                  | 0.97%  | 1.28%  | 1.70%  | 0.81%  |
| JPY                  | -0.06% | -0.02% | 0.03%  | 0.05%  |
| TRY                  | 13.90% | 15.25% | 15.75% | 18.00% |

## Major Economic Events

| Market | Time  | Event                     |
|--------|-------|---------------------------|
| US     | 14:00 | MBA Mortgage Applications |
| US     | 15:30 | Housing Starts            |

All times in Beirut time

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