

## GCC market performance

### GCC fixed income:

Global aggregate bond index posted gains last week (ending 3<sup>rd</sup> December 2024). Global Treasuries outperformed other fixed income asset classes for a third consecutive week.

5yr CDS spreads had mixed performances across the GCC countries, Bahrain spreads tightened, Dubai and Kuwait were relatively unchanged from last week while the rest of the GCC spreads widened. In the USD sovereign market, the 10yr USD bond yields declined across all of GCC, with the exception of Kuwait.

### GCC equities:

MSCI GCC equities rose, however ADX declined. Tadawul outperformed. MSCI GCC underperformed both MSCI ACWI and MSCI EM.

### GCC key developments:

- **UAE's first-half non-oil exports jump 25%.**
- Saudi non-oil business activity lifted by stronger demand in Nov, PMI shows.
- Talabat valued at USD10.2bn in the largest global tech IPO of the year.

### GCC bond issuances:

- Central Bank of Bahrain plans to issue USD1.2bn 7-year sukuk

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## GCC Weekly Market Performance

Index				Rates			
	Latest	-1w %	YTD %		Latest	-1w (bp)	YTD (bp)
<b>Fixed Income</b>				<b>3M interbank</b>			
Global Agg	473.0	0.37	1.38	Saudi	5.55	-3.43	-67.89
Global Treasuries	199.9	0.47	-0.06	UAE	-	-	-
EM USD Agg TR	1263.5	0.25	8.84	Kuwait	3.94	-6.3	-37.50
EM LatAm TR	1146.4	0.19	13.37	Bahrain	5.89	4.87	-63.13
EM EMEA TR	373.0	0.31	7.41	Oman	5.08	-	-96.00
EM Asia TR	655.9	0.22	6.04	Qatar	4.90	-2.50	-122.50
Bahrain TR	204.8	0.22	7.94	US SOFR	4.64	7.00	-75.00
Oman TR	158.3	0.27	5.87	<b>5Y Sov. CDS</b>			
Kuwait TR	157.0	0.06	5.92	Saudi Arabia	61.13	0.50	8.10
Qatar TR	140.0	0.43	4.13	Abu Dhabi	42.11	0.30	-1.60
Saudi Arabia TR	143.8	0.35	3.85	Dubai	63.87	-	-
UAE TR	144.2	0.31	4.25	Kuwait	75.90	-	20.80
<b>Equity</b>				Bahrain	190.85	-0.60	-21.80
ADX	9273.5	-0.54	-4.95	Oman	101.50	2.90	-20.70
DFM	4873.6	0.88	18.88	Qatar	42.14	0.10	-4.70
Tadawul	11830.7	1.94	-0.95	<b>10Y yield</b>			
DSM	10378.3	0.27	0.03	Saudi Arabia	4.96	-2.40	20.90
MSM30	4587.6	0.95	-0.13	Abu Dhabi	4.67	-3.90	40.20
BHSE	2036.6	0.05	3.53	Dubai	4.59	-2.70	-9.10
KWSE	7778.6	0.30	1.90	Kuwait	4.66	0.80	38.20
MSCI GCC	701.8	0.83	-1.75	Bahrain	6.46	-3.60	-28.70
MSCI EM	1097.5	0.91	9.41	Oman	5.39	-2.70	-9.70
MSCI ACWI	868.0	1.14	21.49	Qatar	4.54	-1.90	31.40

Note: data from 27<sup>th</sup> November 2024 to 4<sup>th</sup> December 2024, Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

## **UAE's Non-Oil Exports Surge in H1 2024**

The UAE's non-oil exports grew 25% in the first half of 2024, with foreign trade nearing AED1.4tn (USD380bn), surpassing pre-pandemic levels. The Central Bank of the UAE has revised GDP growth projections for 2024 to 4%, supported by strong economic performance and strategic initiatives like the Treasury Bonds and Islamic Sukuk programmes, which raised AED25bn by August. The UAE secured seventh place globally in the 2024 World Competitiveness Report and first regionally in the Human Development Index. Tourism also saw robust growth, with hotel revenues reaching AED24.6bn and passenger numbers across major airports projected to hit 150m by the end of the year.

(Source:Zawya)

## **Saudi Arabia's Non-Oil Business Activity Growth in November 2024**

Saudi Arabia's non-oil business activity grew at its fastest pace since July 2023 in November, driven by strong demand. The seasonally adjusted Riyadh Bank Saudi Arabia Purchasing Managers' Index (PMI) rose to 59.0 from October's 56.9, marking the fourth consecutive monthly increase and staying well above the 50.0 growth threshold. New orders and output subindices also showed significant gains, supported by a growing customer base and investment spending, highlighting the non-oil sector's resilience to oil price fluctuations.

(Source:Zawya)

## **Talabat raises over USD2bn, valued at USD10.2bn in the largest global tech IPO of the year**

Delivery Hero has set the IPO price for its Middle Eastern unit, Talabat, at AED 1.60 per share (USD 0.44), raising AED7.5bn (USD2bn) in gross proceeds. The IPO will list on the Dubai Financial Market (DFM) with a market capitalization of AED37.3bn (USD10.1bn) at the time of listing..

(Source:Zawya)

## **Central Bank of Bahrain Issues USD1.2bn Sukuk**

The Central Bank of Bahrain (CBB) plans to issue a USD1.2bn, seven-year sukuk, maturing on June 5, 2032, with a settlement date of December 5, 2024, and a fixed coupon rate of 5.875%. The sukuk will be listed on the London Stock Exchange's Main Market. The CBB is rated B+ by S&P Global Ratings and Fitch Ratings with a stable outlook.

(Source:Zawya)

# GCC Weekly Market View

December 4 2024

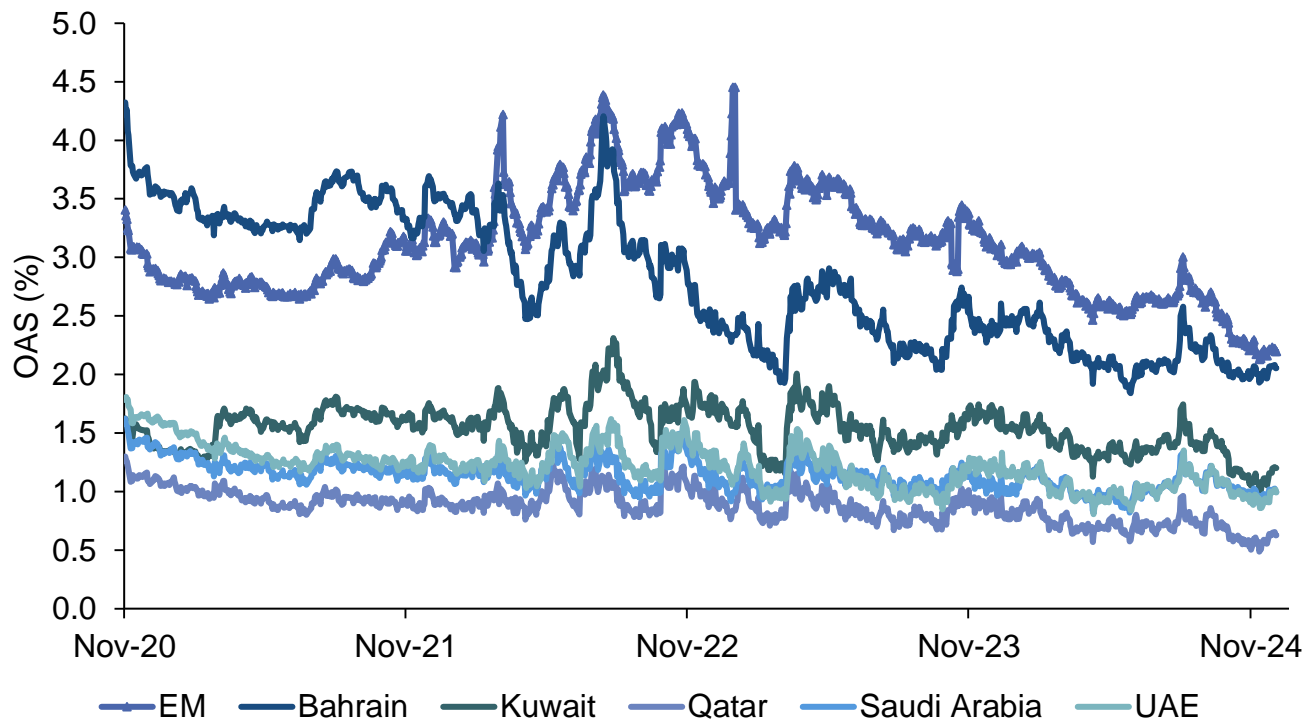
## GCC bond issuances table

Issuer	BBG	Sector	Country	Issue Amt*	Cpn	Maturity	Maturity Type	Currency	Issue Date	Rtg^	YTM	YTC (mid)
Equate Sukuk Spc Ltd	EQPCKW	Agency	KW	750	5	9/5/2031	CALLABLE	USD	9/5/2024	BBB	4.94	4.94
Abu Dhabi Commercial Bank	ADCBUH	Agency	AE	500	5.361	3/10/2035	CALLABLE	USD	9/10/2024	A-	5.14	5.11
Suci Second Investment Co	PIFKSA	Agency	SA	1500	4.375	9/10/2027	AT MATURITY	USD	9/10/2024	A+	4.50	-
National Bank of Ras Al-Khaimah PSC/The	RAKBNK	Financial Institutions	AE	250	5.873	12/10/2034	CALLABLE	USD	9/10/2024	BBB-	6.42	5.73
Gaci First Investment Co	PIFKSA	Agency	SA	500	5.25	10/13/2032	CALLABLE	USD	9/10/2024		4.83	4.82
Adnoc Murban Rsc Ltd	ADNOCM	Agency	AE	1500	5.125	9/11/2054	CALLABLE	USD	9/11/2024	AA	5.19	5.19
Adnoc Murban Rsc Ltd	ADNOCM	Agency	AE	1500	4.5	9/11/2034	CALLABLE	USD	9/11/2024	AA	4.61	4.62
Adnoc Murban Rsc Ltd	ADNOCM	Agency	AE	1000	4.25	9/11/2029	CALLABLE	USD	9/11/2024	AA	4.24	4.24
BOS Funding Ltd	BOSUH	Financial Institutions	AE	500	5.25	9/12/2029	AT MATURITY	USD	9/12/2024	BBB+	5.49	-
Al Ahli Bank of Kuwait KSCP	ALAHKW	Financial Institutions	KW	300	6.5	-	PERP/CALL	USD	9/12/2024	-	6.38	6.42
QIB Sukuk Ltd	QIBKQD	Financial Institutions	QA	750	4.485	9/17/2029	AT MATURITY	USD	9/17/2024	A	4.40	-
QIib Tier 1 Sukuk LLC	QIIKQD	Financial Institutions	QA	300	5.45	-	PERP/CALL	USD	10/2/2024	-	5.42	5.32
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.75	10/2/2034	CALLABLE	USD	10/2/2024	A+	4.80	4.80
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.25	10/2/2029	CALLABLE	USD	10/2/2024	A+	4.39	4.39
Abu Dhabi Developmental	ADQABU	Agency	AE	1000	5.25	10/2/2054	CALLABLE	USD	10/2/2024	AA	5.28	5.28
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.75	10/2/2034	CALLABLE	USD	10/2/2024	A+	5.02	5.02
Abu Dhabi Developmental	ADQABU	Agency	AE	1000	5.25	10/2/2054	CALLABLE	USD	10/2/2024	AA	5.47	5.47
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.25	10/2/2029	CALLABLE	USD	10/2/2024	A+	4.65	4.65
Abu Dhabi Developmental	ADQABU	Agency	AE	1000	4.375	10/2/2031	CALLABLE	USD	10/2/2024	AA	4.68	4.69
QIib Tier 1 Sukuk LLC	QIIKQD	Financial Institutions	QA	300	5.45	-	PERP/CALL	USD	10/2/2024	-	5.64	5.37
QNB Finance Ltd	QNBK	Agency	QA	300	6.012	10/8/2029	AT MATURITY	USD	10/8/2024	-	5.99	-
Abu Dhabi National Energy Co PJSC	TAQAUH	Agency	AE	850	4.75	3/9/2037	AT MATURITY	USD	10/9/2024	AA	5.01	-
Abu Dhabi National Energy Co PJSC	TAQAUH	Agency	AE	900	4.375	10/9/2031	AT MATURITY	USD	10/9/2024	AA	4.70	-
Mazoon Assets Co SAOC	MAZOOM	Agency	OM	750	5.25	10/9/2031	AT MATURITY	USD	10/9/2024	BB+	5.37	-
BBG Sukuk Ltd	DUKHAN	Financial Institutions	QA	800	4.56	10/9/2029	AT MATURITY	USD	10/9/2024	A	4.65	-
Ooredoo International Finance Ltd	QTELQD	Agency	QA	500	4.625	10/10/2034	AT MATURITY	USD	10/10/2024	A	4.77	-
Commercial Bank of Dubai PSC	CBDUH	Financial Institutions	AE	500	4.864	10/10/2029	AT MATURITY	USD	10/10/2024	A-	4.93	-
DIB Tier 1 Sukuk 6 Ltd	DIBUH	Financial Institutions	AE	500	5.25	-	PERP/CALL	USD	10/16/2024	-	5.26	5.32
Sharjah Sukuk Program Ltd	SHARSK	Sovereign	AE	750	5.433	4/17/2035	AT MATURITY	USD	10/17/2024	BB+	5.49	-
National Bank of Kuwait/New York NY	NTBKKK	Financial Institutions	KW	263	5	1/17/2025	AT MATURITY	USD	10/17/2024	-	5.34	-
GFH Senior Sukuk Ltd	GFHSUK	Financial Institutions	BH	500	7.5	11/6/2029	AT MATURITY	USD	11/6/2024	-	8.32	-

\*Amount Issued in USD/AEDmillion, Bloomberg sector classification has been used, ^Issuer rating used where applicable, Fitch rating or equivalent used Source: Fitch Ratings, Moody's ratings, Bloomberg, ADCB Asset Management

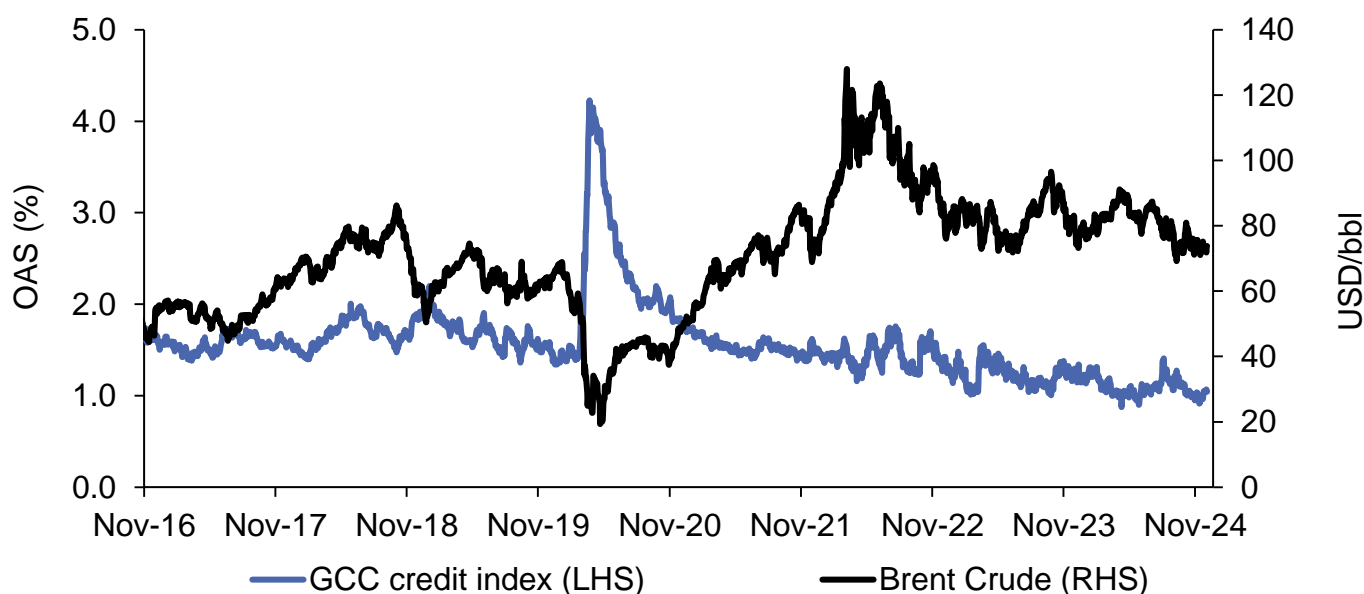
## Appendix

### Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



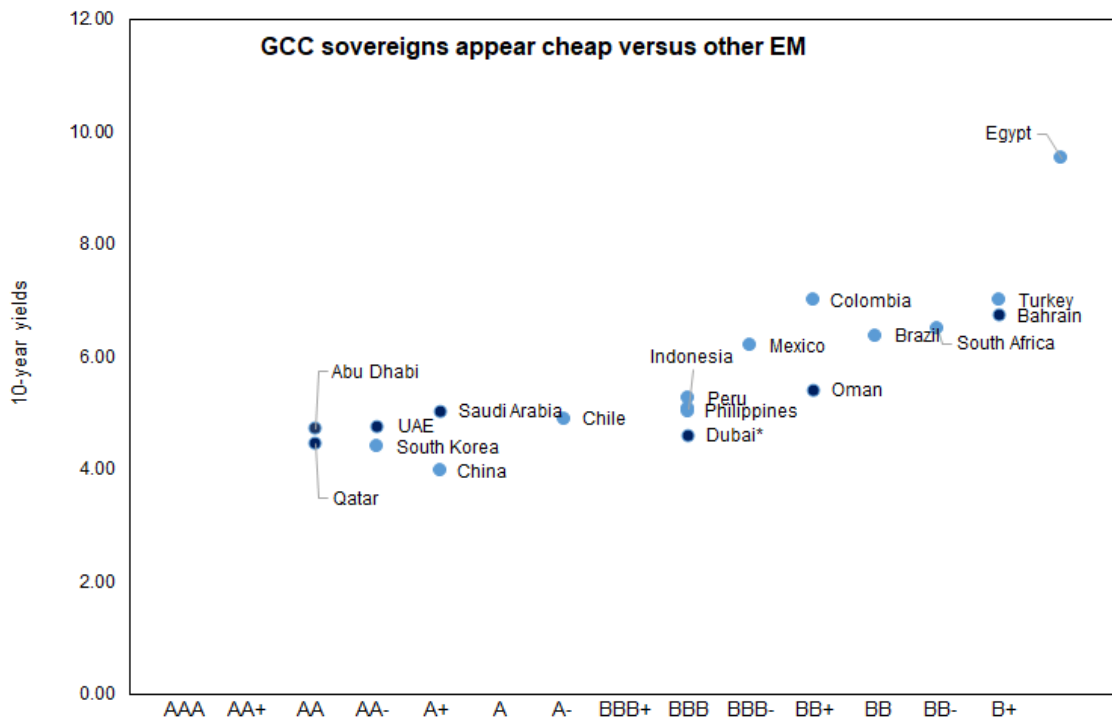
Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

### GCC corporate OAS spread versus Brent Crude



Source: Bloomberg, ADCB Asset Management

## 10yr yield versus Credit ratings (EM vs GCC)



Source: Bloomberg, ADCB Asset Management, \*Dewa rating used as a substitute for Dubai, Fitch ratings are used for all countries

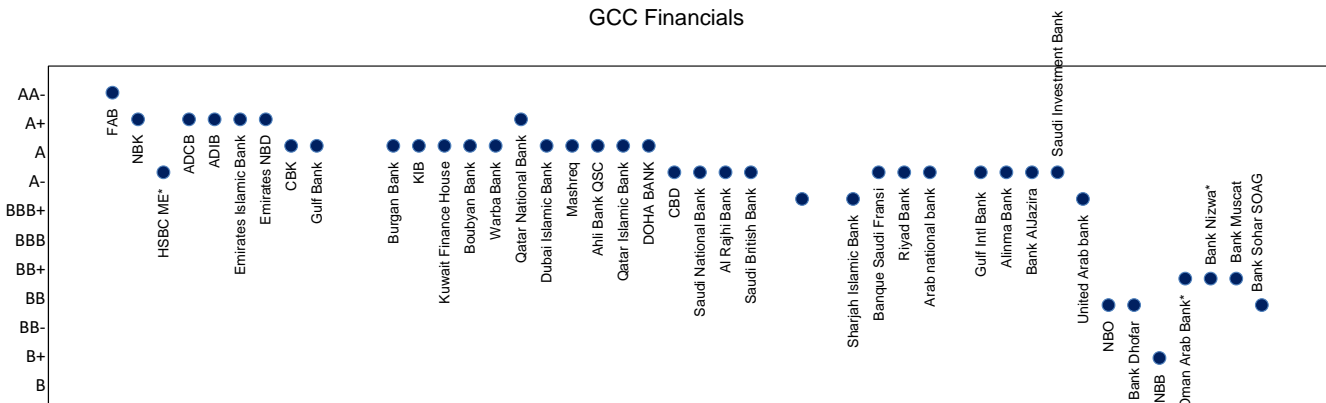
## GCC Sovereign Rating

Country	Saudi Arabia	Abu Dhabi	Dubai*	Kuwait	Bahrain	Oman	Qatar	Egypt
Moody's	Aa3	Aa2	Baa2	A1	B2u	Ba1	Aa2	Caa1
Fitch	A+	AA	-	AA-	B+	BB+	AA	B

Note: \*DEWA rated used as proxy for Dubai

## GCC Financials Credit Rating

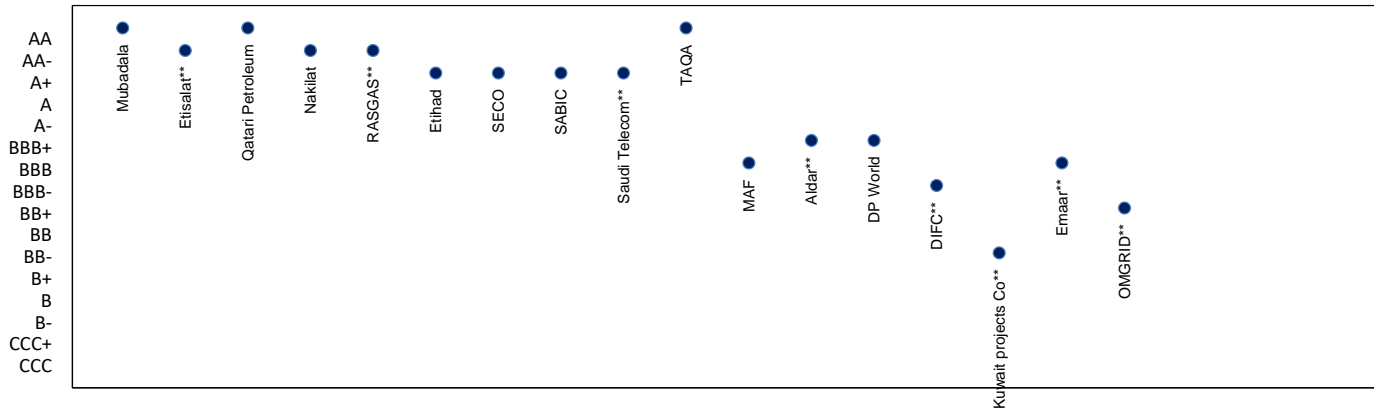
GCC Financials



Note: The ratings refer to Fitch ratings, \*Moody's rating used as substitute where the corporate/bank not rated by Fitch rating  
Source: Bloomberg, ADCB

## GCC Corporate Credit rating

GCC Corporates



Note: The ratings refer to Fitch ratings, \*\*Moody's rating used as substitute where the corporate/bank not rated by Fitch rating  
Source: Bloomberg, ADCB

## GCC equities – performance, earnings, and valuations snapshot

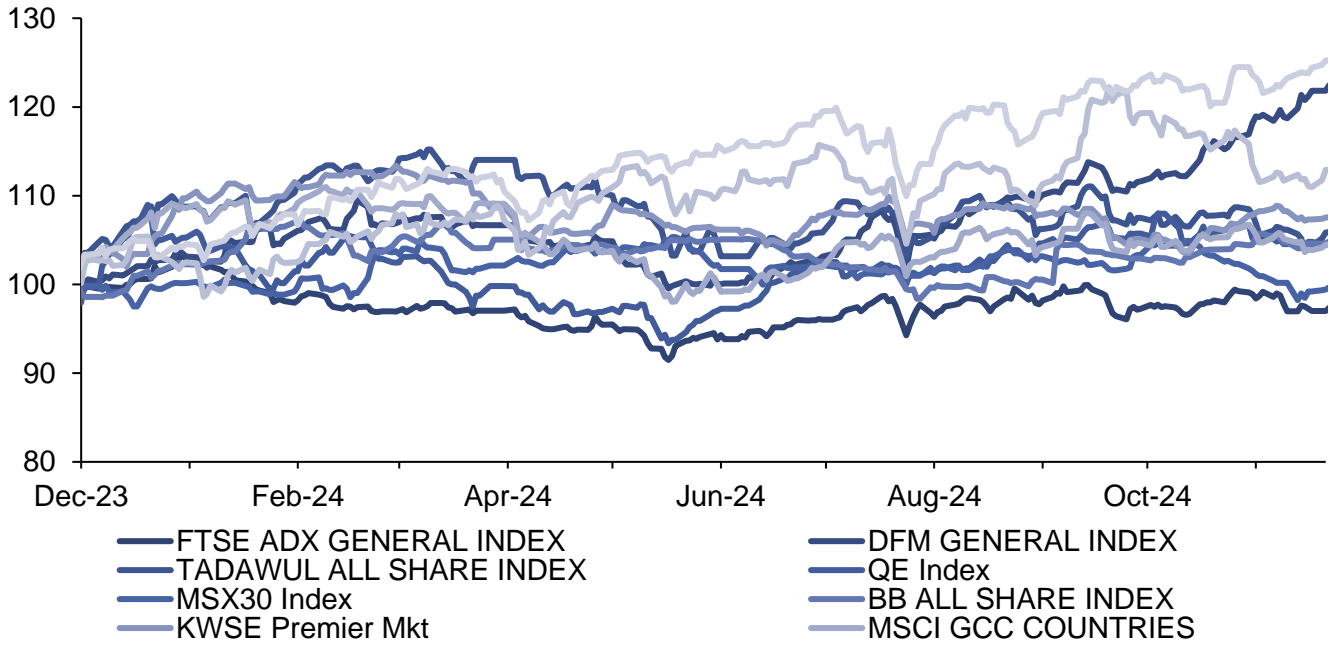
Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	15.0x	1.8%	2.1%
DFM	9.3x	-	5.0%
Tadawul	16.8x	22.3%	3.8%
DSM	11.4x	7.6%	4.1%
MSM30	9.6x	6.9%	5.9%
BHSE	7.9x	-	3.6%
KWSE	12.8x	2.9%	4.0%
MSCI GCC	14.1x	9.4%	3.9%
MSCI EM	13.5x	10.8%	2.6%
MSCI ACWI	20.7x	7.3%	1.8%

Notes: \*data as of 04 December 2024  
Source: Bloomberg, ADCB



## GCC equity 1Y Performance

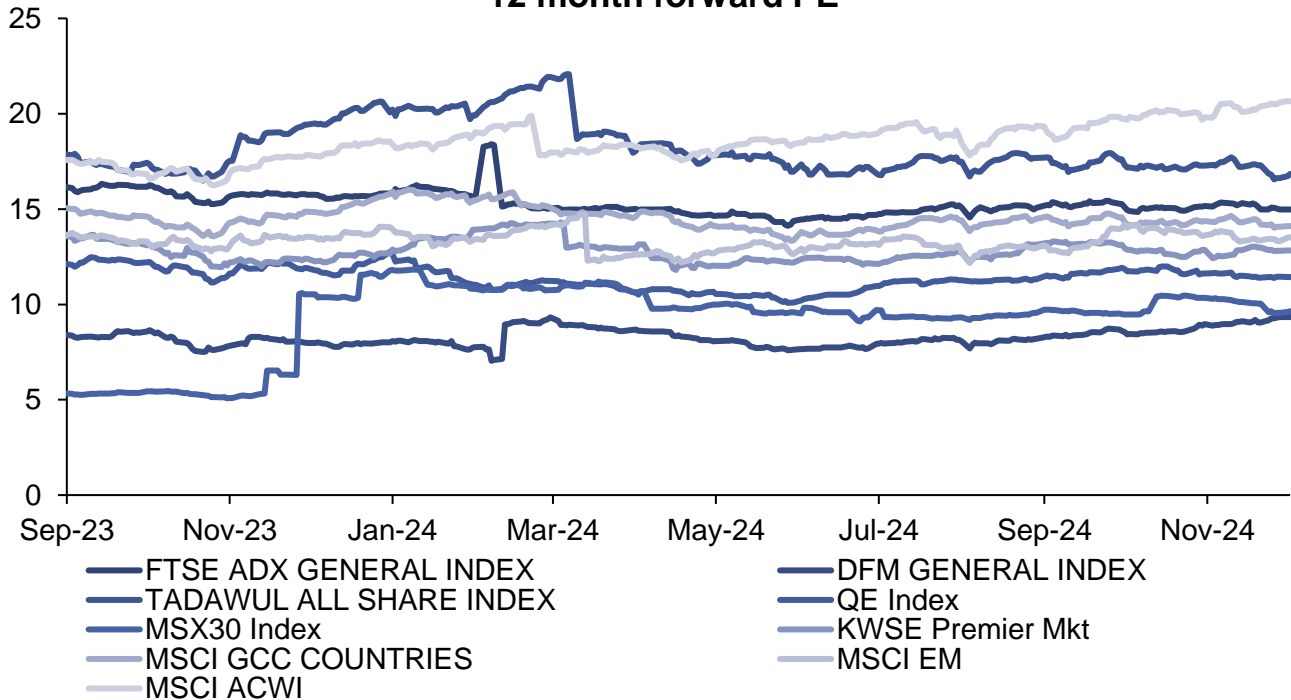
### 1Y performance



Source: Bloomberg, ADCB

## GCC equity 12m forward PE

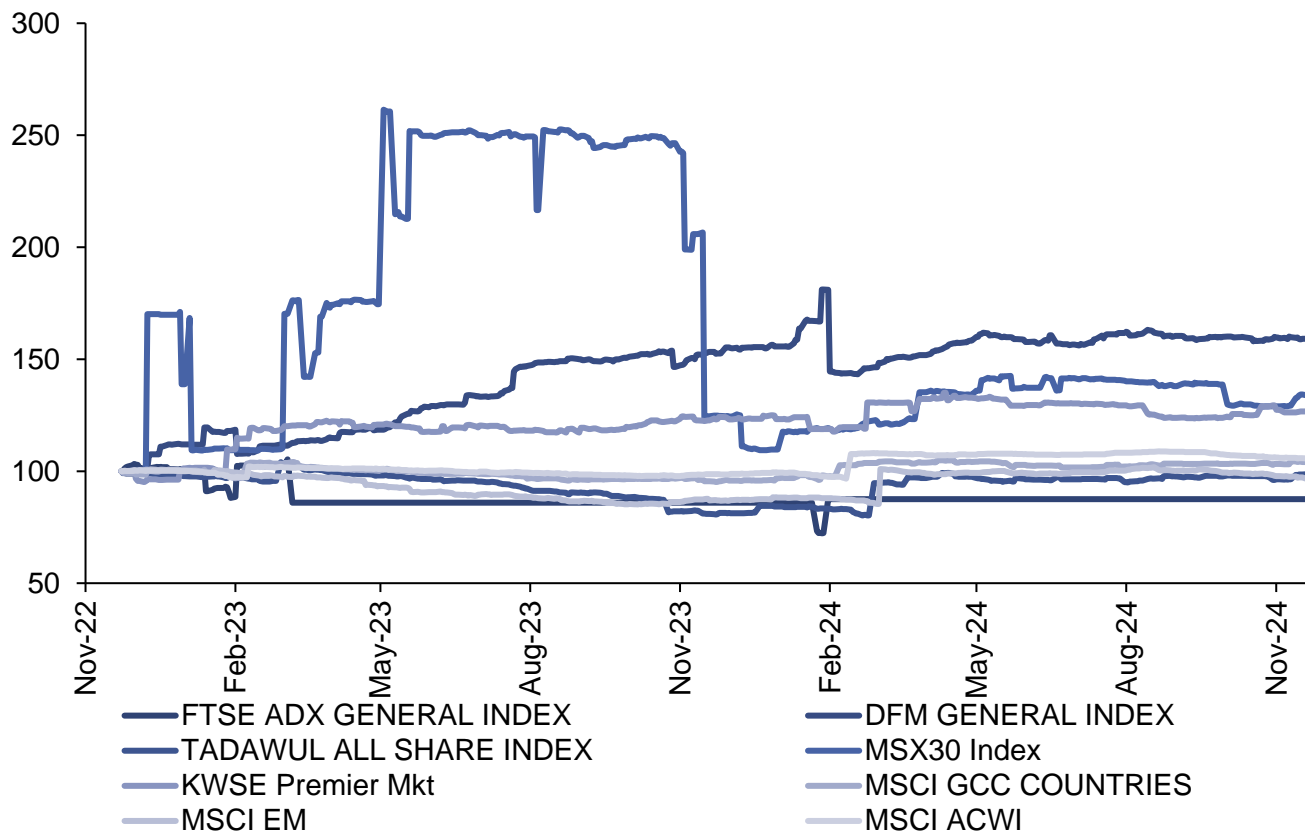
### 12 month forward PE



Source: Bloomberg, ADCB

## GCC equity 12m forward EPS

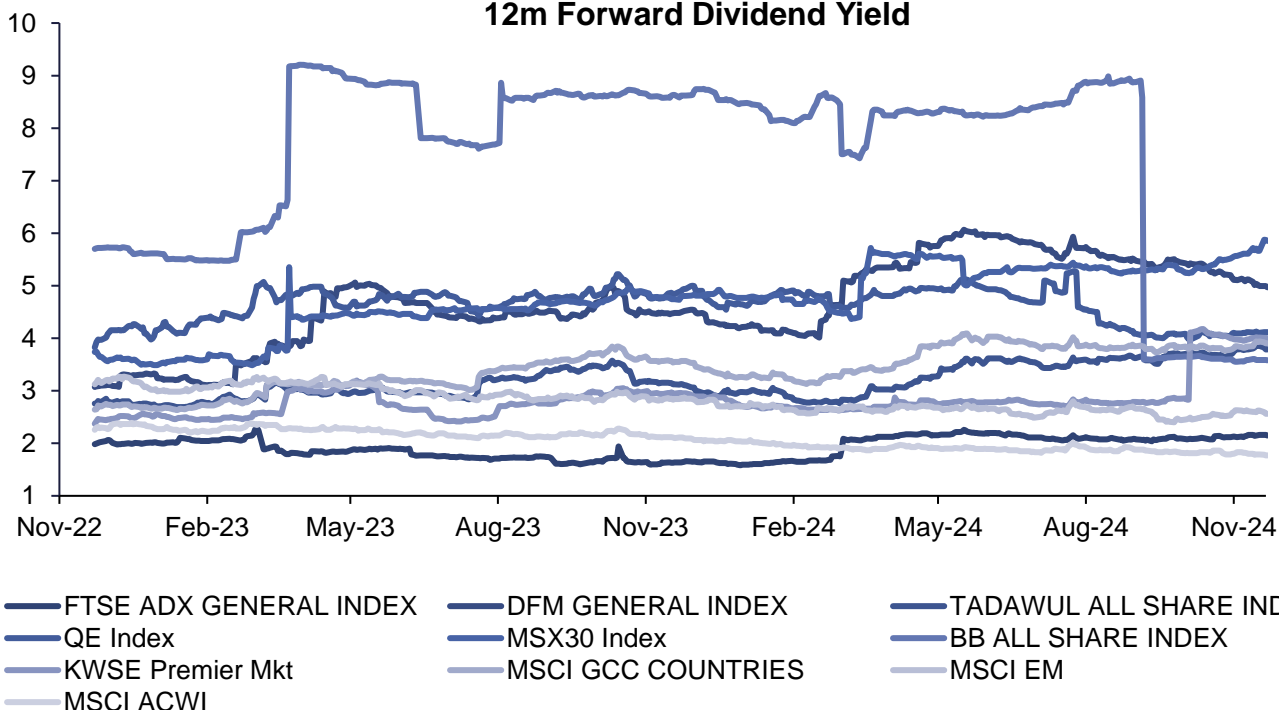
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

## GCC equity 12m forward dividend yields

12m Forward Dividend Yield



Source: Bloomberg, ADCB



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