

GCC market performance and activity summary

GCC fixed income

Global benchmark bond index recorded marginal declines for the week ending 2nd December. The Global Aggregate index declined (0.22%) and Global Treasuries also fell (0.26%). In credit, Global corporate IG index posted declines while Global HY index both posted marginal gains last week. EM USD bonds posted negative declines over the week, led by EM Asia (0.31%).

GCC bond indices ended lower over the week. All GCC indices declined. Qatar underperformed the most, while Oman ended flat. 5Y sovereign CDS spreads widened across all GCC markets, except for Dubai and Oman. In the USD sovereign market, the 10yr bond yields rose across all GCC markets, except for Oman.

GCC equities

GCC regional indices rose – Oman, Bahrain, Dubai, and Abu Dhabi posted gains, while Saudi Arabia, Kuwait and Qatar recorded losses. Overall, MSCI GCC posted losses, underperformed both MSCI EM and MSCI ACWI.

GCC key macro developments

- ▶ UAE's real GDP grew by 4.2% during H1 2025 – Minister of Economy and Tourism.
- ▶ Saudi Arabia's non-oil business activity expanded in November– PMI.
- ▶ Oman's economic outlook remains favourable – IMF.
- ▶ Kuwait's non-oil sector growth accelerated in November 2025 – PMI.
- ▶ Qatar's Industrial Producer Price index fell 3.64% in October – NPC.

GCC Weekly Market Performance

Index				Rates			
	Latest	-1w %	YTD %		Latest	-1w (bp)	YTD (bp)
Fixed Income				3M interbank			
Global Agg	500.1	-0.22	7.83	Saudi	4.98	-1.00	-43.48
Global Treasuries	208.2	-0.26	6.62	UAE	-	-	-
EM USD Agg TR	1382.0	-0.09	10.42	Kuwait	3.81	0.00	-12.50
EM LatAm TR	1274.2	-0.01	12.11	Bahrain	5.17	-1.31	-51.55
EM EMEA TR	407.8	-0.02	10.47	Oman	4.40	-	-51.95
EM Asia TR	703.0	-0.31	8.17	Qatar	4.09	-1.25	-56.25
Bahrain TR	222.9	-0.06	9.55	US SOFR	4.01	-4.00	-39.00
Oman TR	173.2	0.05	10.63	5Y Sov. CDS			
Kuwait TR	167.5	-0.03	6.71	Saudi Arabia	68.13	1.36	-3.32
Qatar TR	149.2	-0.26	8.37	Abu Dhabi	29.27	0.57	14.63
Saudi Arabia TR	154.0	-0.22	9.01	Dubai	55.15	-0.40	7.59
UAE TR	155.1	-0.20	8.66	Kuwait	56.64	1.8	-18.2
Equity				Bahrain	191.73	1.91	-3.46
ADX	9871.3	0.12	4.56	Oman	72.26	-0.10	30.00
DFM	5906.6	0.48	13.26	Qatar	29.25	0.00	14.79
Tadawul	10574.8	-0.93	-12.94	10Y yield			
DSM	10723.5	-0.14	0.97	Saudi Arabia	4.60	3.00	-80.30
MSM30	5836.7	2.43	26.23	Abu Dhabi	4.26	6.00	-76.30
BHSE	2047.7	0.67	3.58	Dubai	3.95	2.60	-88.10
KWSE	9424.7	-0.75	19.55	Bahrain	6.25	3.30	-70.90
MSCI GCC	727.3	-0.33	-0.62	Oman	4.71	-0.20	-102.20
MSCI EM	1373.0	0.18	28.28	Qatar	4.22	3.90	-61.40
MSCI ACWI	1006.4	0.29	19.43				

Note: data from 26th November 2025 to 2nd December 2025, Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

Mohammed Al Hemeiri

Senior Specialist

Tel: +971 (0) 281 264 50

mohammed.alhemeiri@adcb.com

Kishore Muktinutalapati

Head - Investment Strategy

Tel: +971 (0) 281 264 57

kishore.muktinutalapati@adcb.com

Visit [Investment Strategy Webpage](#) to read our other reports

Awarded Best Private Bank UAE & Middle East | Best for HNW Clients UAE & Middle East | Best for Investment Research UAE & Middle East – Euromoney 2025

Key developments

▶ UAE's real GDP grew by 4.2% during H1 2025 – Minister of Economy and Tourism

According to Abdulla bin Touq Al Marri, Minister of Economy and Tourism, UAE's real GDP expanded by 4.2% during H1 of 2025 compared with the same period in 2024, while non-oil GDP grew by 5.7%. Non-oil activities accounted for 77.5% of real GDP, underscoring the country's ongoing economic diversification efforts and the resilience of its economic foundations. (Source: Zawya)

▶ Saudi Arabia's non-oil business activity expanded in November– PMI

Saudi Arabia's non-oil private-sector activity accelerated in November, marking its fastest pace in ten months on the back of strong demand and increased hiring. The headline Purchasing Managers' Index (PMI) eased slightly from 60.2 in October to 58.5 in November but remained well above the neutral 50 mark, indicating robust economic expansion. Output rose sharply, with the subindex climbing to 63.7—the highest reading since January. New orders continued to grow, driven primarily by domestic demand, although the pace moderated from October's surge. The new orders subindex slipped to 64.6 after reaching 68.1 previously. Export orders increased for the fourth consecutive month, though the growth remained modest. (Source: Zawya).

▶ Oman's economic outlook remains favourable – IMF

Oman's economy continues to demonstrate strong performance, supported by resilient non-hydrocarbon growth and sustained fiscal discipline despite global uncertainties. Economic activity expanded in 2024 and in H1 of 2025, driven by sectors such as manufacturing, logistics, construction, trade, agriculture, and fisheries. This growth offset the contraction in hydrocarbon output resulting from OPEC+ production cuts. Inflation remained low, easing to 0.6% in 2024 and holding at 0.9% between January and October 2025. The country posted a fiscal surplus of 3.3% of GDP in 2024, while the current account recorded a surplus of 3.2%. Public debt declined to 36.1% of GDP by September 2025. Looking ahead, growth is expected to strengthen in 2025–2026 as oil production normalizes and non-hydrocarbon sectors expand further. Inflation is projected to remain contained, gradually converging toward 2%. While the current account may shift into deficit in 2025–2027 due to lower oil prices, it is anticipated to return to surplus as production rebounds and non-hydrocarbon exports continue to grow. (Source: Zawya).

▶ Kuwait's non-oil sector growth accelerated in November 2025 – PMI

Kuwait's non-oil private sector saw faster growth in November, with the PMI rising to 53.4 from 52.8 in October—a four-month high. The latest reading, well above the 50.0 threshold, indicates a solid improvement in business conditions. The non-oil sector has now recorded uninterrupted expansion since September 2024, reflecting strengthening economic activity. (Source: ArabNews).

▶ Qatar's Industrial Producer Price index fell 3.64% in October – NPC

Qatar's Industrial Producer Price Index (PPI) declined by 3.64% in October, reaching 100.72 points. The index comprises four main sectors: mining (82.46%), manufacturing (15.85%), electricity (1.16%), and water (0.53%). The mining and quarrying index recorded a notable decrease, largely due to a 4.62% drop in crude oil and natural gas extraction prices, while other mining and quarrying activities remained stable. (Source: Zawya).

GCC Weekly Market View

Investment Strategy | December 04, 2025

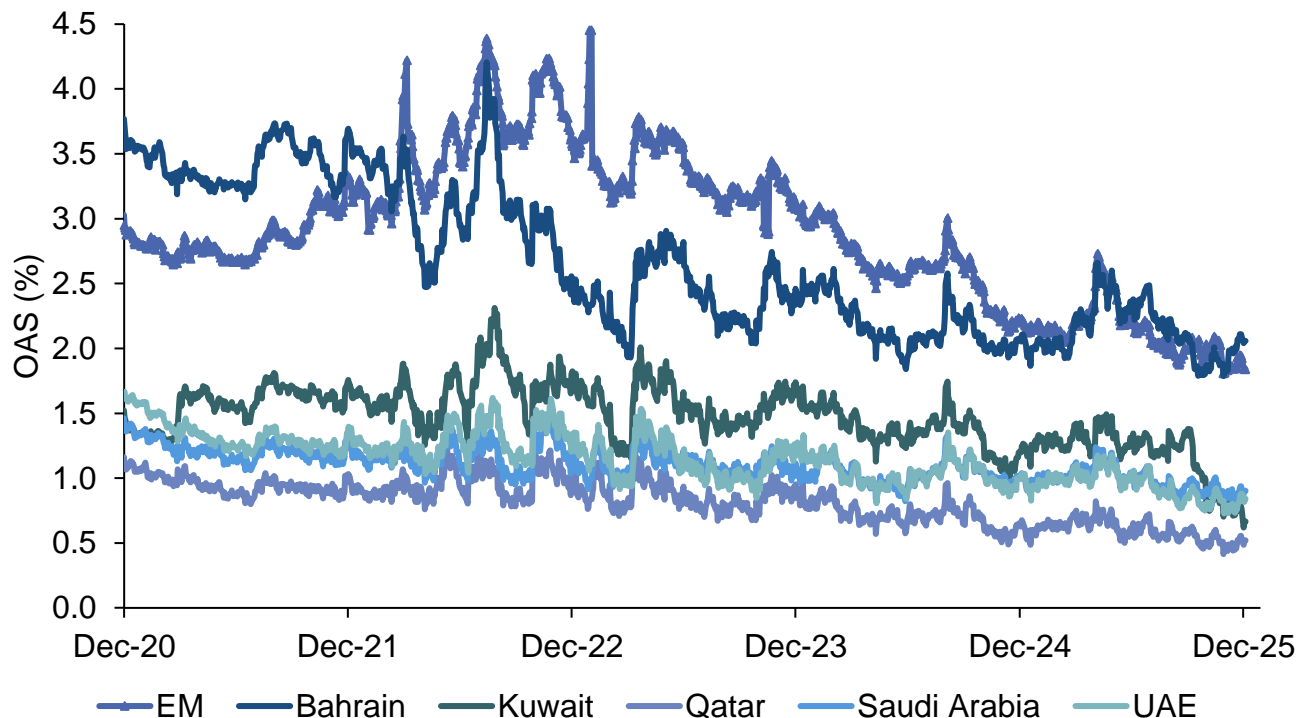
GCC bond issuances

Issuer	BBG	Sector	Country	Issue Amt*	Cpn	Maturity	Maturity Type	Currency	Issue Date	Rtg^	YTM (mid)	YTC (mid)
Qatar Government International Bond	QATAR	Sovereign	QA	1000	3.625	11/10/2028	AT MATURITY	USD	11/10/2025	AA	3.83	-
Global Sukuk Ventures	QATAR	Sovereign	QA	3000	4.25	11/10/2035	AT MATURITY	USD	11/10/2025	AA	4.32	-
National Bank of Kuwait SAKP	NTBKKK	Financial Institutions	KW	300	5.25	2/10/2036	CALLABLE	USD	11/10/2025	A-	5.23	5.23
Alinma Sukuk Ltd	ALINMA	Financial Institutions	SA	500	5.792	11/10/2035	CALLABLE	USD	11/10/2025	BBB	5.81	5.80
Avilease Capital Ltd	AVILES	Agency	SA	850	4.75	11/12/2030	CALLABLE	USD	11/12/2025	-	4.89	4.89
SIB Sukuk Co III Ltd	SIB	Financial Institutions	AE	500	4.6	11/12/2030	AT MATURITY	USD	11/12/2025	-	4.65	-
Gulf International Bank Saudi Arabia	GULFSA	Financial Institutions	SA	500	6.625		PERP/CALL	USD	11/12/2025	-	6.59	6.71
Ittihad International II Ltd	ITTHAD	Financial Institutions	AE	550	7.375	11/13/2030	CALLABLE	USD	11/13/2025	-	7.14	8.59
QIIB Senior Oryx Ltd	QIIKQD	Financial Institutions	QA	500	4.5	11/13/2030	AT MATURITY	USD	11/13/2025	A	4.50	-
Al Rajhi Sukuk Ltd	RJHIAB	Financial Institutions	SA	250	4.2	11/17/2026	AT MATURITY	USD	11/17/2025	-	4.34	-
BOS Funding Ltd	BOSUH	Financial Institutions	AE	500	4.875	11/19/2030	AT MATURITY	USD	11/19/2025	BBB+	5.18	-
DIB Sukuk Ltd	DIBUH	Financial Institutions	AE	1000	4.572	11/19/2030	AT MATURITY	USD	11/19/2025	A	4.60	-
National Bank of Oman SAOG	NBOBOM	Financial Institutions	OM	450	6.625	-	PERP/CALL	USD	11/19/2025	-	6.61	6.60
MAF Global Securities Ltd	MAFUAE	Financial Institutions	AE	500	5.7477	-	PERP/CALL	USD	11/20/2025	BB+	5.99	5.91
KFH Tier 1 Sukuk 2 Ltd	KFHKK	Financial Institutions	KW	850	6.25	-	PERP/CALL	USD	11/20/2025	-	6.11	6.25
Sharjah Sukuk Program Ltd	SHARSK	Sovereign	AE	750	5.192	5/25/2036	AT MATURITY	USD	11/25/2025	-	5.24	-
QNB Finance Ltd	QNBK	Agency	QA	500	4.6763 271	11/25/2028	AT MATURITY	USD	11/26/2025	-	4.70	-
First Abu Dhabi Bank PJSC	FABUH	Agency	AE	1000	5.875	-	PERP/CALL	USD	11/28/2025	-	5.80	5.71
SNB Sukuk Ltd	SNBAB	Financial Institutions	SA	250	5.938	7/18/2036	CALLABLE	USD	12/1/2025	-	5.51	5.54
Arabian Centres Sukuk IV Ltd	ARACEN	Financial Institutions	SA	500	8.875	12/4/2030	CALLABLE	USD	12/4/2025	BB	9.23	11.7

*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

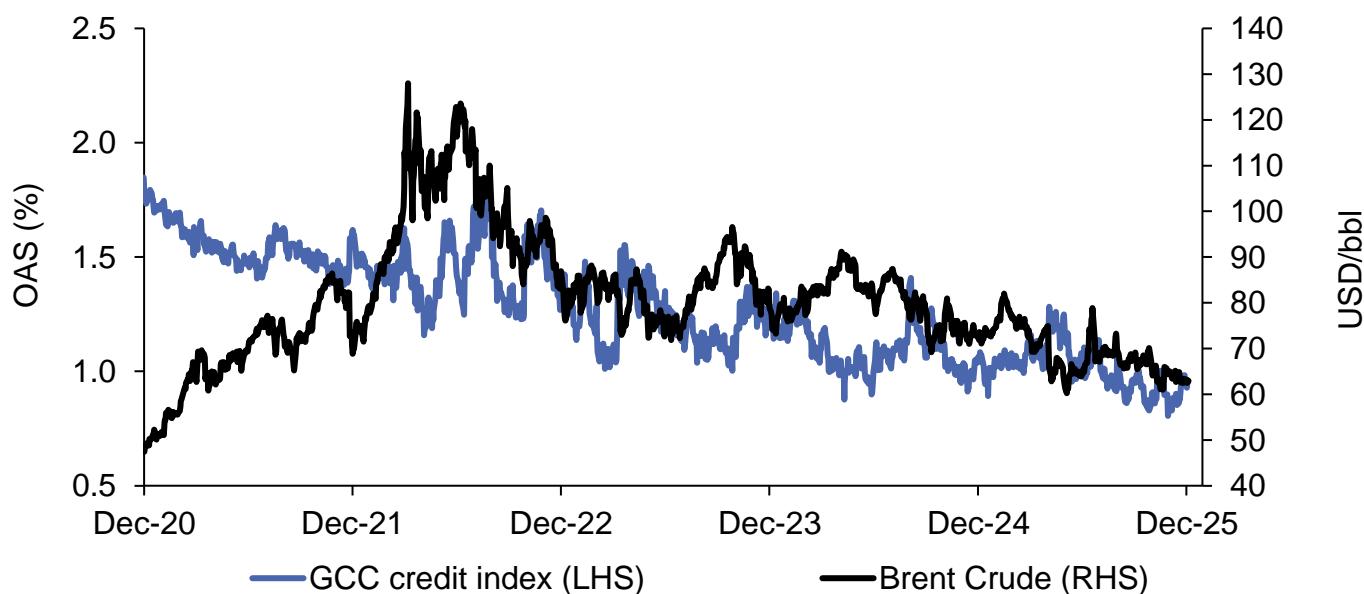
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

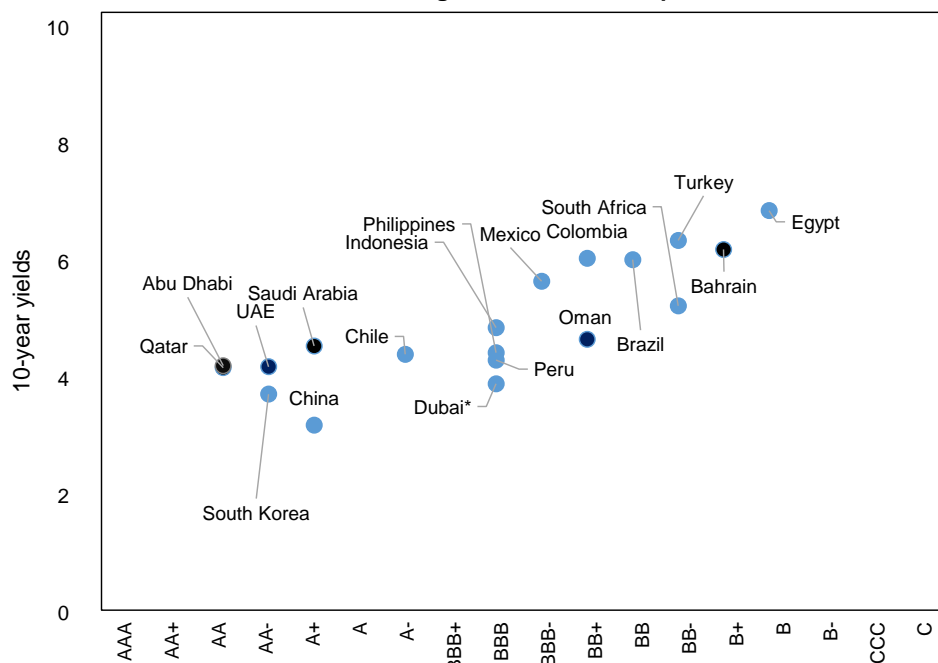
GCC corporate OAS spread versus Brent Crude



Source: Bloomberg, ADCB Asset Management

10yr yield versus Credit ratings (EM vs GCC)

GCC sovereign valuation versus peers



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	Baa3	Aa2	Caa1
Fitch	A+	AA	-	AA-	B+	BB+	AA	B

Note: *DEWA rated used as proxy for Dubai

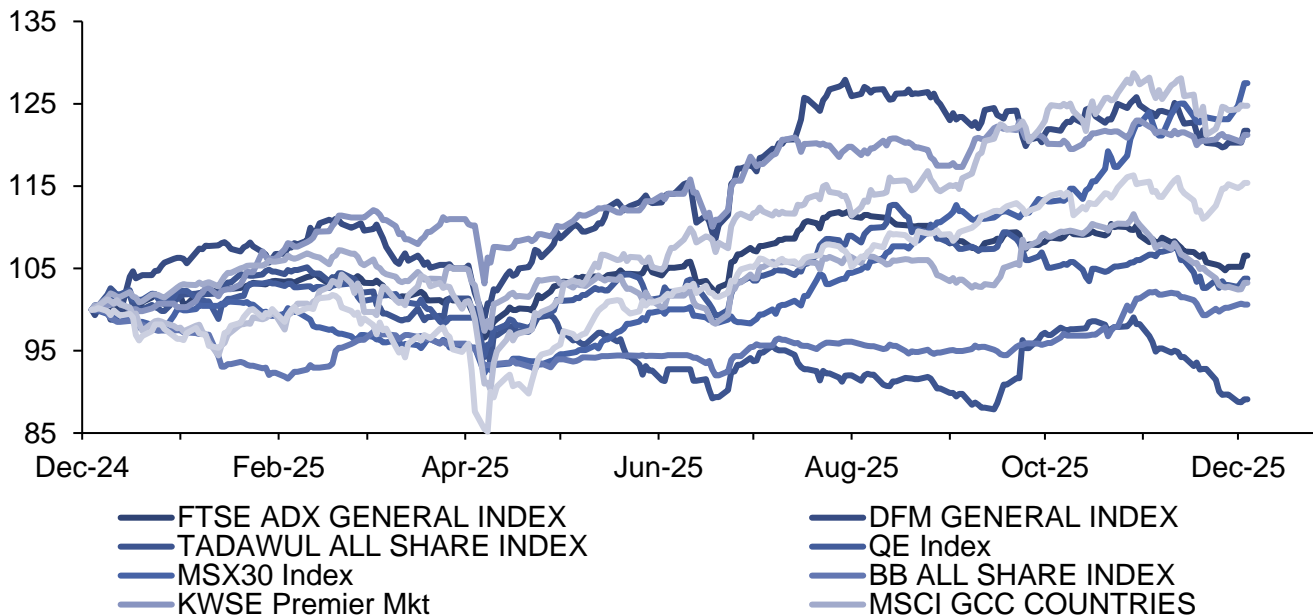
GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	12.0x	33.1%	2.4%
DFM	11.1x	-	4.8%
Tadawul	15.6x	6.3%	3.7%
DSM	12.0x	-2.2%	4.7%
MSM30	10.9x	-	5.3%
BHSE	13.7x	-	9.4%
KWSE	18.5x	-15.8%	3.4%
MSCI GCC	12.9x	12.3%	4.1%
MSCI EM	15.6x	9.3%	2.3%
MSCI ACWI	21.6x	10.6%	1.7%

Notes: *data as of 04 December 2025 | Source: Bloomberg, ADCB

GCC equity 1Y Performance

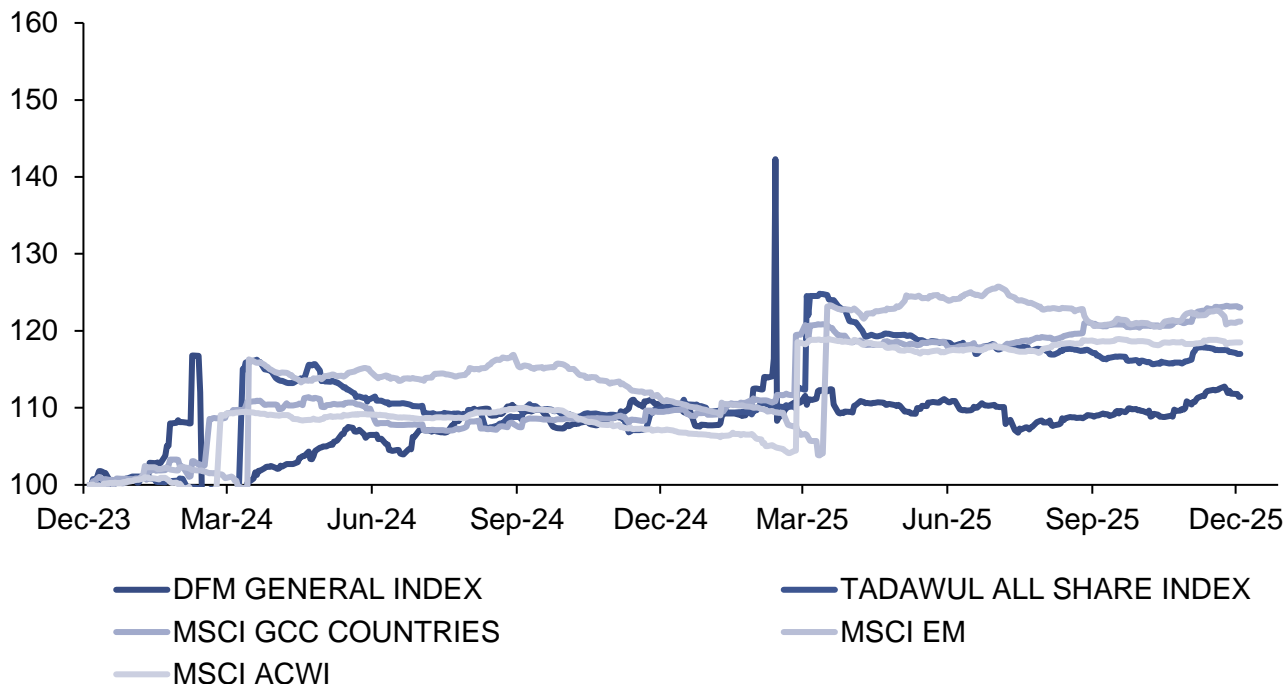
1Y performance



Source: Bloomberg, ADCB

GCC equity 12m forward PE

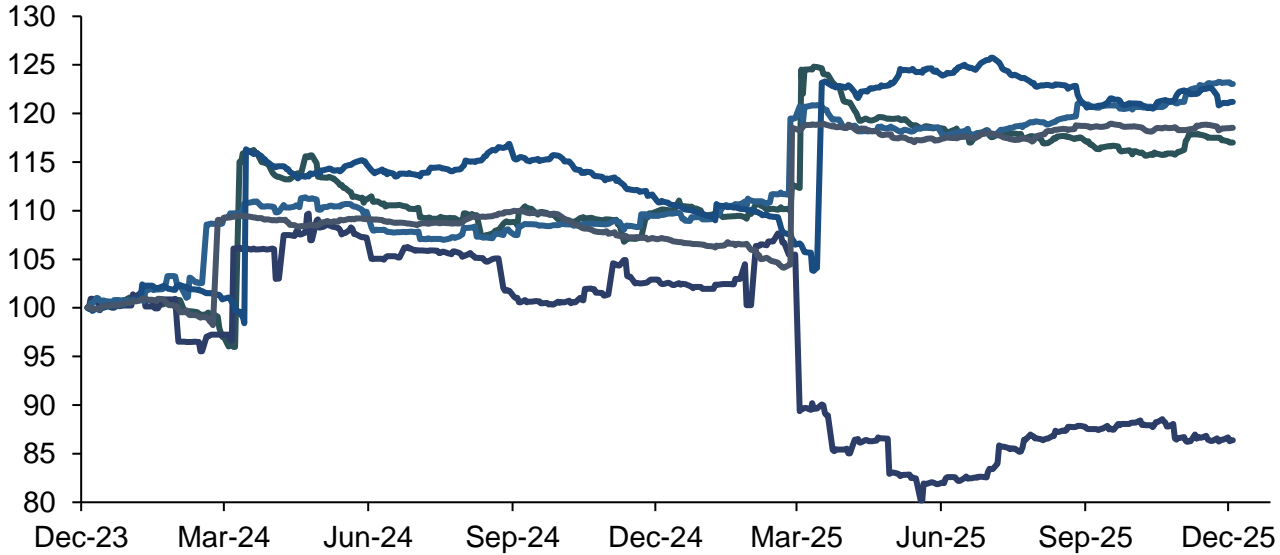
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward EPS

12 month forward EPS (indexed to 100 at start)

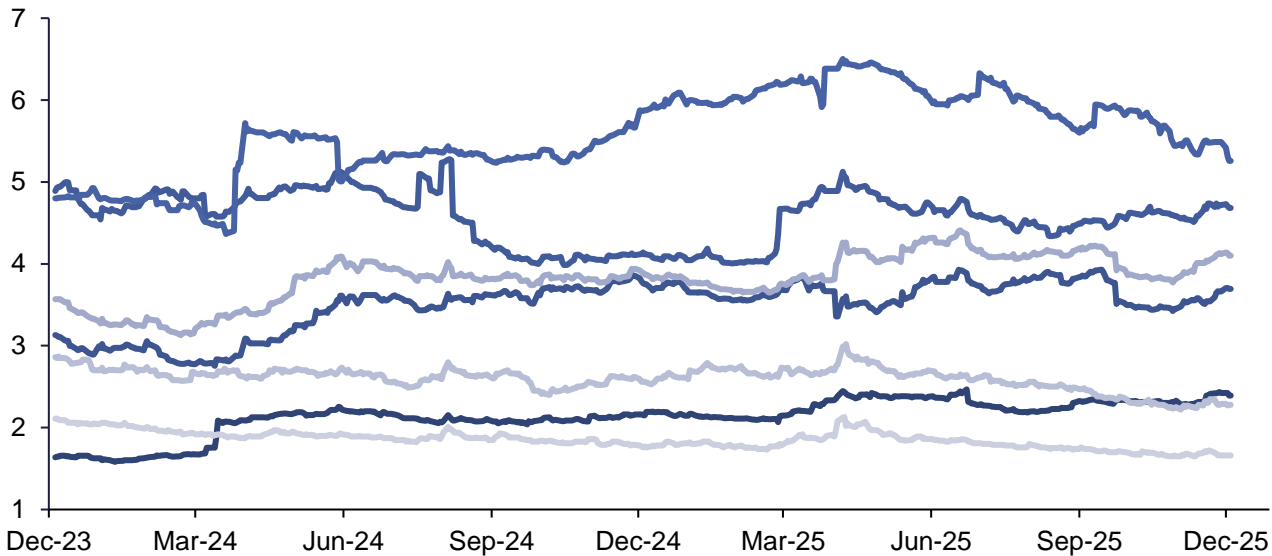


- TADAWUL ALL SHARE INDEX
- MSCI GCC COUNTRIES
- MSCI ACWI
- KWSE Premier Mkt
- MSCI EM

Source: Bloomberg, ADCB

GCC equity 12m forward dividend yields

12m Forward Dividend Yield



- FTSE ADX GENERAL INDEX
- TADAWUL ALL SHARE INDEX
- QE Index
- MSX30 Index
- MSCI GCC COUNTRIES
- MSCI EM
- MSCI ACWI

Source: Bloomberg, ADCB

Disclaimer

ADCB Asset Management Limited ("AAML"), is a member of ADCB Group, licensed by Financial Services Regulatory Authority in Abu Dhabi Global Markets under financial services permission number 170036.

This publication is intended for general information purposes only. It should not be construed as an offer, recommendation or solicitation to purchase or dispose of any securities or to enter in any transaction or adopt any hedging, trading or investment strategy. Neither this publication nor anything contained herein shall form the basis of any contract or commitment whatsoever. Distribution of this publication does not oblige ADCB Group to enter into any transaction.

The content of this publication should not be considered as legal, regulatory, credit, tax or accounting advice. Anyone proposing to rely on or use the information contained in the publication should independently verify and check the accuracy, completeness, reliability and suitability of the information and should obtain independent and specific advice from appropriate professionals or experts regarding information contained in this publication. Investment products are not available to US persons.

Information and opinions contained herein is are based on various sources, including but not limited to public information, annual reports and statistical data that AAML considers accurate and reliable. However, AAML makes no representation or warranty as to the accuracy or completeness of any statement made in or in connection with this publication and accepts no responsibility whatsoever for any loss or damage caused by any act or omission taken as a result of the information contained in this publication. This publication is intended for customers who are either retail or professional investors.

Charts, graphs and related data or information provided in this publication are intended to serve for illustrative purposes only. The information contained in this publication is prepared as of a particular date and time and will not reflect subsequent changes in the market or changes in any other factors relevant to their determination. All statements as to future matters are not guaranteed to be accurate. AAML expressly disclaims any obligation to update or revise any forward looking statement to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

ADCB Group does and may at any time solicit or provide commercial banking, investment banking, credit, advisory or other services to the companies covered in its publications. As a result, recipients of this publication should be aware that any or all of foregoing services may at time give rise to a conflict of interest that could affect the objectivity of this publication. Opinions expressed herein may differ from opinions expressed by other businesses or affiliates of ADCB Group.

Past performance does not guarantee future results. Investment products are not bank deposits and are not guaranteed by ADCB Group. They are subject to investment risk, including possible of loss of principal amount invested. This publication may not be reproduced or circulated without ADCB Group written authority. The manner of circulation and distribution may be restricted by law or regulation in certain jurisdictions. Persons who come into possession of this document are required to inform themselves of, and to observe such restrictions. Any unauthorized use, duplication, or disclosure of this document is prohibited by law and may result in prosecution.