

## GCC market performance and activity summary

### GCC fixed income

Global benchmark bond index posted marginal declines for the week ending 3rd February. The Global Aggregate index declined (-0.53%) and Global Treasuries also posted declines (-0.65%). In credit, Both Global corporate IG index and Global HY index posted negative declines last week. EM USD bonds ended flat.

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

### GCC equities

GCC regional indices ended mix over the week – UAE outperformed the most. Qatar, Kuwait, and Bahrain also posted marginal gains, while Saudi Arabia and Oman underperformed. Overall, MSCI GCC, MSCI and MSCI EM and MSCI ACWI all posted declines.

### GCC key macro developments

- ▶ Saudi Arabia's real GDP posted a 4.5% growth in 2025 – GASTAT.
- ▶ Saudi Arabia's non-oil private sector growth slows in January – PMI.
- ▶ UAE non-oil private sector growth lifted by rise in new orders – PMI.

### GCC corporate news

- ▶ First Abu Dhabi Bank's 5-year Formosa bond priced, raises USD750mn.

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## GCC Weekly Market Performance

Index				Rates			
Fixed Income	Latest	-1w %	YTD %	3M interbank	Latest	-1w (bp)	YTD (bp)
Global Agg	504.2	-0.53	9.02	Saudi	4.78	5.47	-64.04
Global Treasuries	209.3	-0.65	7.55	UAE	3.60	2.47	-84.06
EM USD Agg TR	1392.5	-0.01	11.48	Kuwait	3.56	0.00	-37.50
EM LatAm TR	1292.7	0.00	14.12	Bahrain	4.98	0.97	-70.52
EM EMEA TR	409.4	0.00	11.08	Oman	4.36	-	-56.25
EM Asia TR	706.0	-0.05	8.74	Qatar	3.98	0.00	-67.50
Bahrain TR	221.3	-0.04	8.88	US SOFR	3.69	5.00	-71.00
Oman TR	172.5	-0.13	10.27	5Y Sov. CDS	Latest	-1w (bp)	YTD (bp)
Kuwait TR	168.0	-0.01	7.11	Saudi Arabia	72.25	-1.47	-7.45
Qatar TR	148.6	0.03	7.98	Abu Dhabi	30.67	-1.39	13.23
Saudi Arabia TR	153.3	-0.10	8.61	Dubai	54.02	-1.47	8.72
UAE TR	154.9	-0.07	8.61	Kuwait	55.24	-	1.7
Equity	Latest	-1w %	YTD %	Bahrain	203.03	2.93	-14.76
ADX	10472.6	0.76	12.34	Oman	79.76	-0.67	22.51
DFM	6613.5	1.53	28.33	Qatar	28.77	-0.75	15.27
Tadawul	11328.5	-1.13	-6.40	10Y yield	Latest	-1w (bp)	YTD (bp)
DSM	11420.9	0.42	8.04	Saudi Arabia	4.79	1.10	-61.40
MSM30	6321.5	-0.63	38.23	Abu Dhabi	4.37	4.50	-65.80
BHSE	2056.5	0.20	3.90	Dubai	4.12	2.20	-71.00
KWSE	9375.8	0.73	19.61	Bahrain	6.64	4.30	-32.60
MSCI GCC	799.6	-0.17	10.11	Oman	4.91	2.20	-82.40
MSCI EM	1536.0	-1.34	43.42	Qatar	4.32	2.30	-51.40
MSCI ACWI	1044.0	-0.73	24.29				

Note: data from 28<sup>th</sup> January 2026 to 3<sup>rd</sup> February 2026, Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

## Developments

### ► Saudi Arabi's real GDP posted a 4.5% growth in 2025 - GASTAT

According to the General Authority for Statistics (GASTAT). Saudi Arabia's real gross domestic product (GDP) posted a growth rate of 4.5% during 2025. The Saudi economy also achieved a growth rate of 4.9% in the fourth quarter of 2025. Oil activities achieved the highest growth rate during 2025 at 5.6%, followed by non-oil activities at 4.9%, while government activities recorded growth of 0.9%. Non-oil activities were the largest contributor to real GDP growth, contributing 2.7%, while oil activities contributed 1.4%. Government activities and net taxes on products contributed 0.1% and 0.2% respectively. (Source: Zawya).

### ► Saudi Arabia's non-oil private sector growth slows in January - PMI

Saudi Arabia's non-oil private sector continued to expand at the start of 2026, but at a slower pace than the previous month, as rising demand supported business activity despite increasing cost pressures. The Saudi Arabia Purchasing Managers' Index fell to 56.3 in January from 57.4 in December, to its lowest level in six months, although firmly in expansion territory. PMI readings above 50.0 indicate growth in activity, while those below point to contraction. (Source: Zawya).

### ► UAE non-oil private sector growth lifted by rise in new orders – PMI

The UAE's non-oil private sector recorded its sharpest growth in nearly two years in January, supported by a surge in new orders and improving economic conditions. The UAE Purchasing Managers' Index (PMI) rose to 54.9 in January from 54.2 in December, its highest in 11 months. (Source: Zawya).

### ► First Abu Dhabi Bank's 5-year Formosa bond priced, raises USD750mn

First Abu Dhabi Bank (FAB) has raised USD750mn its 5-year floating rate Formosa bond that saw its price unchanged from final guidance at SOFR +75bp, paid quarterly in arrear, with a reoffer price set at par. The Formosa bond will list on the Taipei Exchange and London Stock Exchange. (Source: Zawya)

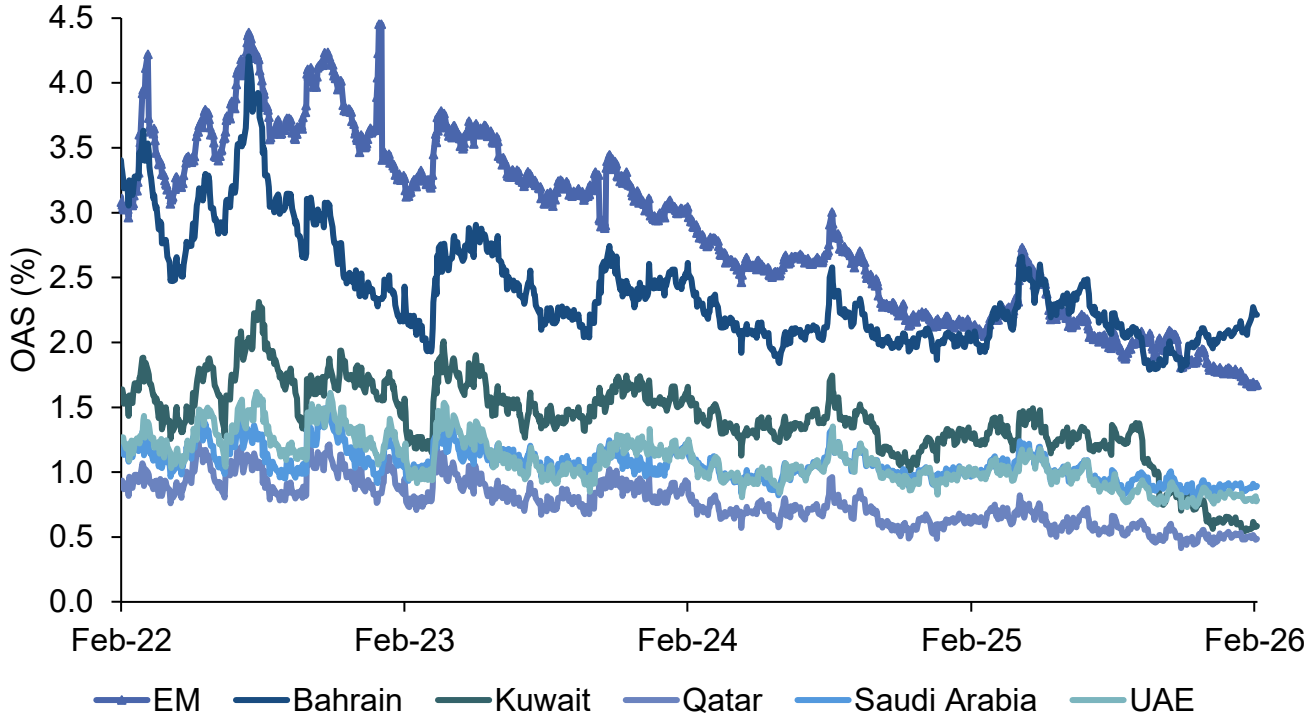
## GCC bond issuances

Issuer	BBG	Sector	Cou ntry	Issue Amt*	Cpn	Maturity	Maturity Type	Curr ency	Issue Date	Rtg^	YTM (mid)	YTC (mid)
Suci Second Investment Co	PIFKSA	Agency	SA	2000	5.133	1/28/2036	AT MATURITY	USD	1/28/2026	A+	5.19	-
QNB Finance Ltd	QNBK	Agency	QA	750	4.5027 795	1/29/2031	AT MATURITY	USD	1/29/2026	-	4.47	-
Al Masraf	MASRAF	Financial Institutions	AE	500	5.113	1/29/2031	AT MATURITY	USD	1/29/2026	A	5.00	-
Ma'aden Sukuk Ltd	MAADEN	Agency	SA	1000	5.25	1/29/2036	CALLABLE	USD	1/29/2026	-	5.23	5.23
Saudi Arabian Oil Co	ARAMCO	Agency	SA	1250	5	2/2/2036	CALLABLE	USD	2/2/2026	A+	5.18	5.19
Saudi Arabian Oil Co	ARAMCO	Agency	SA	750	6	2/2/2056	CALLABLE	USD	2/2/2026	A+	6.16	6.16
Saudi Arabian Oil Co	ARAMCO	Agency	SA	1500	4.375	2/2/2031	CALLABLE	USD	2/2/2026	A+	4.56	4.56
Saudi Arabian Oil Co	ARAMCO	Agency	SA	500	4	2/2/2029	CALLABLE	USD	2/2/2026	A+	4.21	4.22
Bahrain Government International Bond	BHRAIN	Sovereign	BH	1300	7.1	2/3/2038	AT MATURITY	USD	2/3/2026	B+	7.09	-
CBB International Sukuk Programme Co	BHRAIN	Sovereign	BH	800	6.124	9/3/2034	AT MATURITY	USD	2/3/2026	B+	6.05	-

\*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

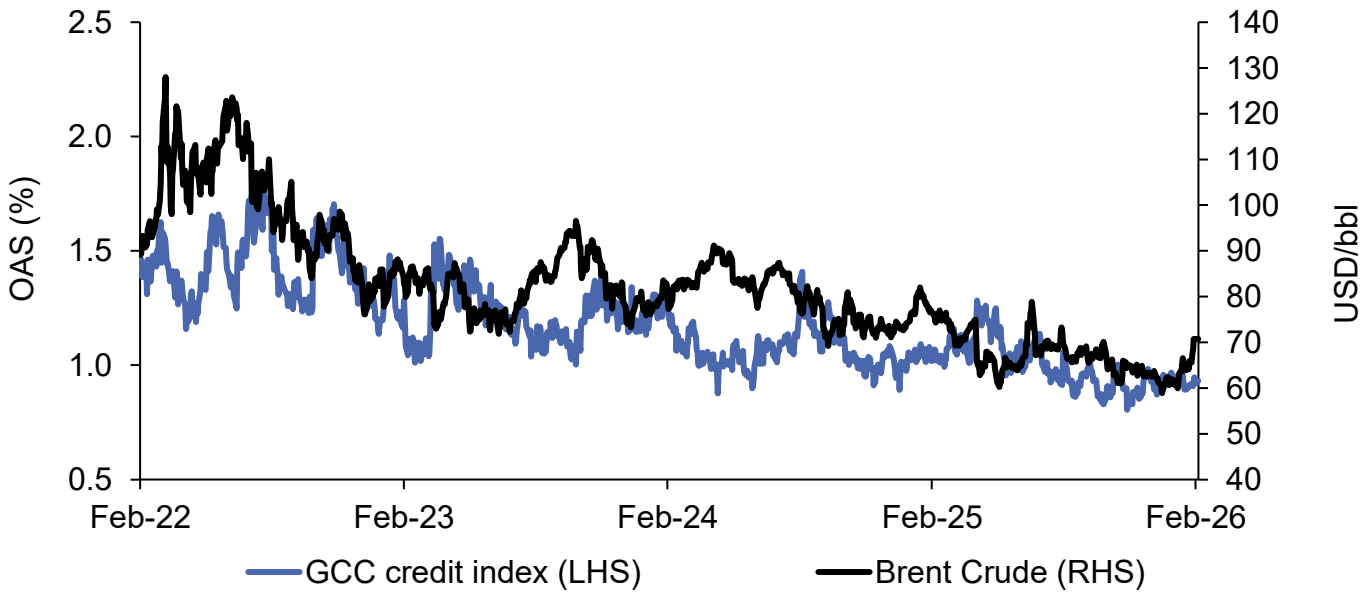
## Appendix

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



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

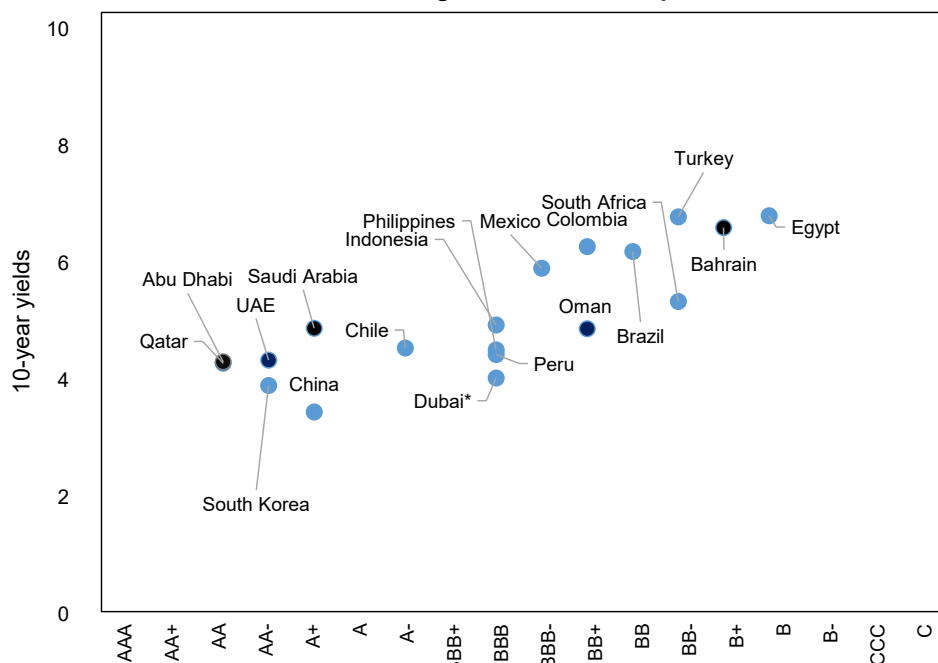
### GCC corporate OAS spread versus Brent Crude



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+	BBB-	AA	B

Note: \*DEWA rated used as proxy for Dubai

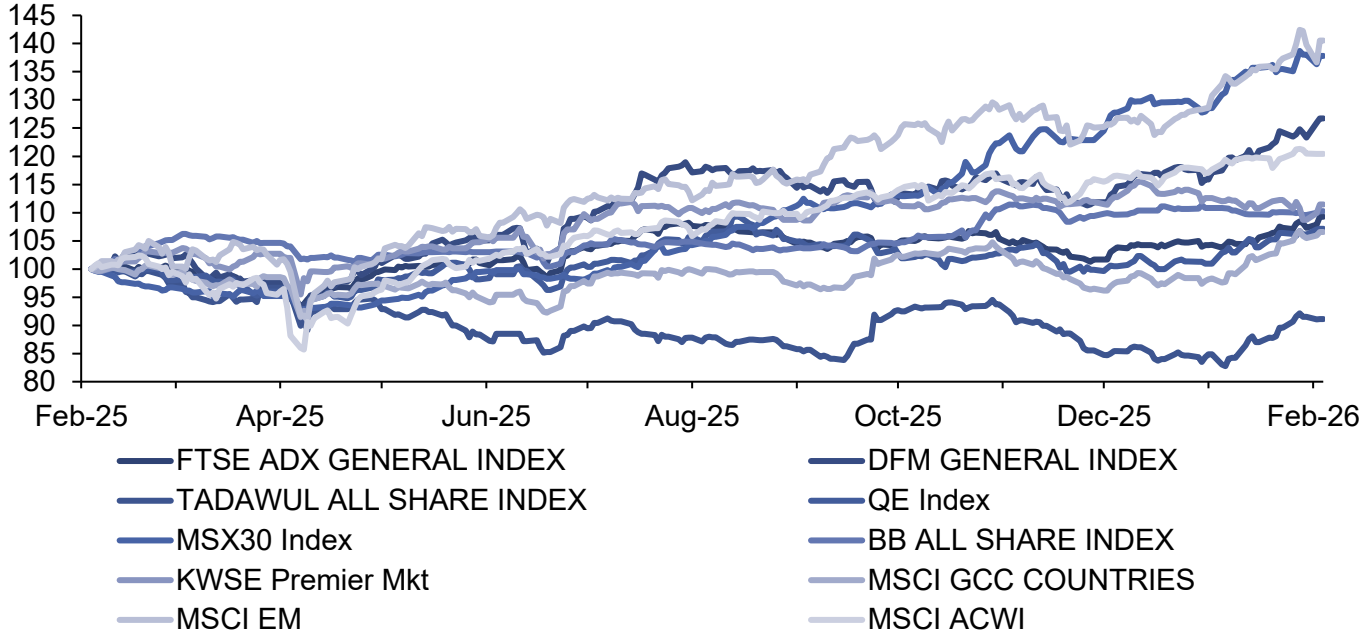
## GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	12.1x	40.1%	2.2%
DFM	11.4x	-	4.3%
Tadawul	17.6x	0.5%	3.4%
DSM	12.5x	-2.4%	4.3%
MSM30	12.4x	-	4.9%
BHSE	14.8x	-	3.7%
KWSE	18.2x	-17.6%	3.4%
MSCI GCC	14.4x	9.9%	3.7%
MSCI EM	16.7x	12.0%	2.1%
MSCI ACWI	22.7x	11.8%	1.6%

Notes: \*data as of 05 February 2026 | Source: Bloomberg, ADCB

## GCC equity 1Y Performance

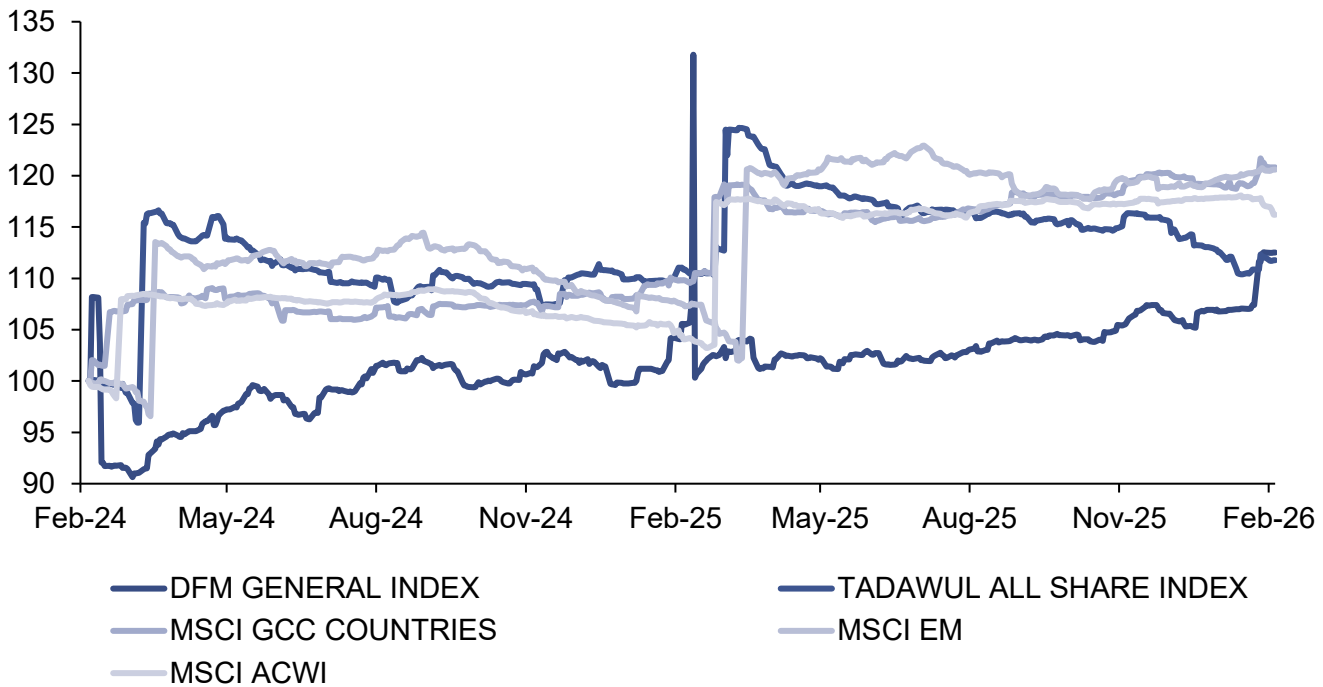
### 1Y performance



Source: Bloomberg, ADCB

## GCC equity 12m forward PE

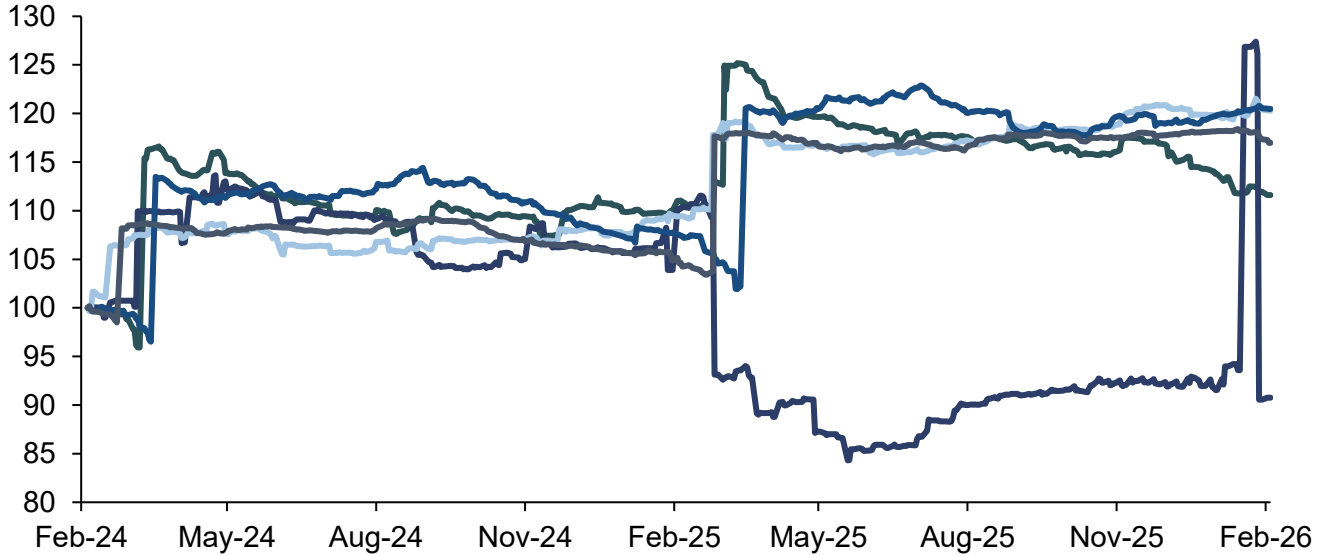
### 12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

## GCC equity 12m forward EPS

12 month forward EPS (indexed to 100 at start)

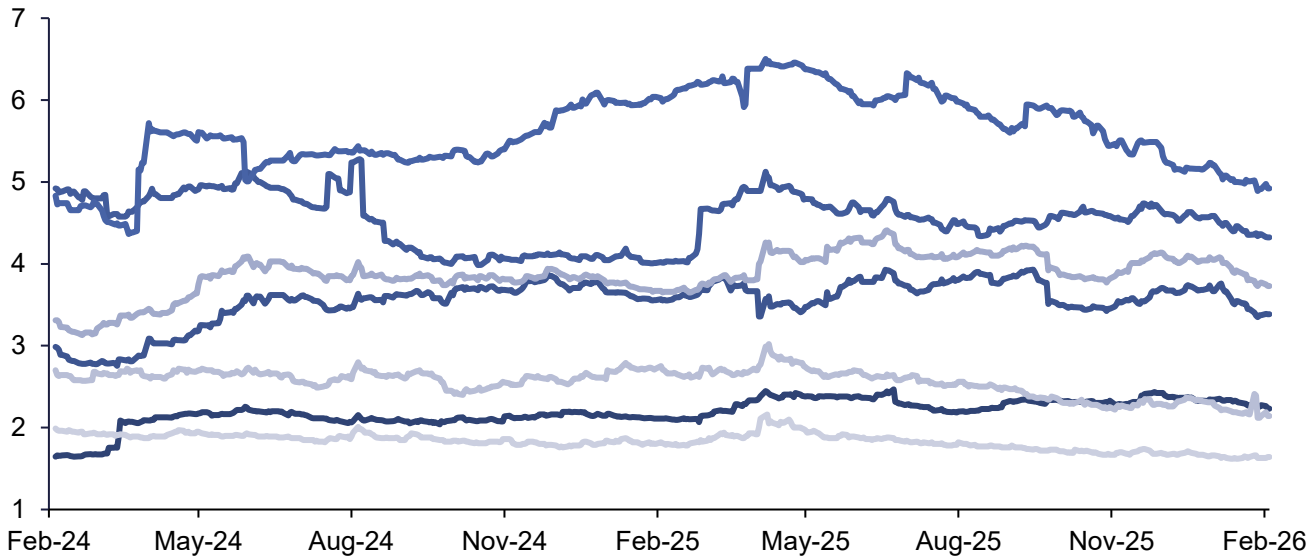


- TADAWUL ALL SHARE INDEX
- MSCI GCC COUNTRIES
- MSCI ACWI
- KWSE Premier Mkt
- MSCI EM

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

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