

GCC market performance and activity summary

GCC fixed income

Global benchmark bond index posted marginal gains for the week ending 10th February. The Global Aggregate index gained (0.99%) and Global Treasuries also posted gains (1.08%). In credit, Both Global corporate IG index and Global HY index posted positive gains last week. EM USD bonds recorded gains. Led by EMEA (0.63%).

All GCC bond indices recorded gains over the week. Oman, Qatar and Saudi Arabia outperformed the most UAE, Bahrain and Kuwait also posted gains. 5Y sovereign CDS spreads tightened across GCC markets, except for Saudi Arabia and Oman. In the USD sovereign market, the 10yr bond yields declined across all GCC markets.

GCC equities

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

GCC key macro developments

- ▶ Moody's upgrades UAE banking outlook to positive despite profitability pressures.
- ▶ Abu Dhabi GDP expanded 7.7% YoY in Q3 2025.
- ▶ Saudi Arabia's industrial production increased by 8.9% YoY in December 2025.
- ▶ Oman accelerates manufacturing strategy to strengthen non-oil growth.
- ▶ Qatar producer price index (PPI) increased 0.64% MoM in December 2025.

GCC corporate news

- ▶ Nasdaq Dubai welcomes Al Masraf's USD500mn debut bond.
- ▶ Emirates NBD sets IPTs for 5-year EUR green bond.
- ▶ Dar Al Arkan redeemed USD400mn sukuk.

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

GCC Weekly Market Performance

Index				Rates			
	Latest	-1w %	YTD %		Latest	-1w (bp)	YTD (bp)
Fixed Income				3M interbank			
Global Agg	508.6	0.99	9.96	Saudi	4.89	-3.11	-52.61
Global Treasuries	211.2	1.08	8.54	UAE	3.58	11.86	-85.89
EM USD Agg TR	1400.0	0.53	12.08	Kuwait	3.56	0.00	-37.50
EM LatAm TR	1297.5	0.43	14.55	Bahrain	4.99	-0.64	-69.50
EM EMEA TR	412.2	0.63	11.84	Oman	4.23	-3.60	-69.15
EM Asia TR	709.6	0.49	9.29	Qatar	3.96	-8.50	-68.51
Bahrain TR	222.4	0.47	9.45	US SOFR	3.63	-2.00	-77.00
Oman TR	174.0	0.75	11.19	5Y Sov. CDS			
Kuwait TR	168.8	0.36	7.60	Saudi Arabia	74.86	2.28	-10.06
Qatar TR	149.7	0.66	8.79	Abu Dhabi	30.84	-0.12	13.07
Saudi Arabia TR	154.3	0.61	9.35	Dubai	53.39	-0.66	9.35
UAE TR	155.9	0.58	9.34	Kuwait	55.28	-	1.7
Equity				Bahrain	202.74	-0.21	-14.47
ADX	10650.9	1.03	14.25	Oman	81.39	1.31	20.88
DFM	6771.6	1.64	31.40	Qatar	28.71	-0.71	15.33
Tadawul	11214.0	-1.12	-7.34	10Y yield			
DSM	11502.0	1.03	8.81	Saudi Arabia	4.69	-9.30	-70.50
MSM30	6892.4	8.02	50.71	Abu Dhabi	4.23	-12.10	-79.20
BHSE	2058.4	-0.10	4.00	Dubai	4.06	-4.70	-76.40
KWSE	9281.1	-0.33	18.40	Bahrain	6.51	-10.20	-45.10
MSCI GCC	800.2	-0.19	10.19	Oman	4.83	-7.00	-90.40
MSCI EM	1549.7	1.11	44.70	Qatar	4.22	-9.70	-61.20
MSCI ACWI	1054.7	1.41	25.57				

Note: data from 4th February 2026 to 10th February 2026. Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

Developments

► **Moody's upgrades UAE banking outlook to positive despite profitability pressures**

Moody's has revised the outlook on UAE banks from stable to positive, citing continued economic diversification and structural reforms within the financial system. The rating agency acknowledged that profitability remains modest and geopolitical risks persist; however, operating conditions in the UAE remain robust. Strong liquidity buffers, sustained economic momentum, and steady population growth are expected to support deposit inflows and lending expansion. Moody's noted that UAE banks are well-positioned to capitalize on growth opportunities, underpinned by ample liquidity and improving structural fundamentals. (Source: Zawya).

► **Abu Dhabi GDP expanded 7.7% YoY in Q3 2025**

Abu Dhabi's real GDP reached AED325.7bn (USD88.68bn) in Q3 of 2025, marking a 7.7% YoY expansion, according to the Abu Dhabi Statistics Centre. Non-oil activities grew by 7.6% over the same period and accounted for 54% of total GDP, highlighting continued progress in economic diversification. The data reflect sustained growth momentum across both hydrocarbon and non-hydrocarbon sectors. (Source: Zawya).

► **Saudi Arabia's industrial production increased by 8.9% YoY in December 2025**

Saudi Arabia's Industrial Production Index increased by 8.9% year-on-year in December 2025, driven by stronger performance across mining, manufacturing, and utilities sectors, according to GASTAT. Mining and quarrying activity increased by 13.2%, while manufacturing output rose 3.2%. Water supply, sewerage, and waste management activities recorded a 9.4% increase. Oil-related activities advanced 10.1% year-on-year, while non-oil industrial activity grew by 5.8%, reflecting continued industrial diversification efforts. (Source: Zawya).

► **Oman accelerates manufacturing strategy to strengthen non-oil growth**

Oman is advancing its long-term economic diversification agenda through a renewed focus on manufacturing, in line with Oman Vision 2040. Officials at the "Together We Advance" forum in Muscat reaffirmed the sector's strategic importance in boosting non-oil GDP and exports. By the end of August 2025, manufacturing helped lift non-oil exports to OMR4.421bn. The sector contributes approximately OMR4bn to GDP through 412 industrial establishments spanning 17 sectors. Manufacturing currently accounts for 10% of GDP and ranks second only to oil and gas in attracting investment. Under the Eleventh Five-Year Plan, the Oman Investment Authority is launching strategic projects aimed at strengthening local supply chains, increasing domestic value-added, supporting job creation, and expanding export capacity. Key growth segments include petrochemicals, refining, food production, metals, plastics, and renewable energy manufacturing, positioning Oman as an emerging regional industrial hub. (Source: Zawya)

► **Qatar producer price index (PPI) increased 0.64% MoM in December 2025**

Qatar's Producer Price Index (PPI) for the industrial sector rose 0.64% MoM in December 2025, reaching 101.09 points, according to the National Planning Council. However, the index declined 8.36% compared to December 2024. The mining and quarrying sector — which carries an 82.46% weight in the index, recorded a 0.39% monthly decline, primarily due to lower crude petroleum and natural gas prices. On an annual basis, the sector fell 11.20%. Conversely, the manufacturing sector increased 4.90% MoM, driven by higher prices in chemicals, metals, plastics, cement, and beverages. Year-on-year, manufacturing rose 6.05%, supported by stronger chemical product prices despite declines in refined petroleum products and certain metals. The electricity, gas, steam, and air conditioning supply sector increased 5.90% month-on-month but declined 8.25% YoY, while the water supply sector rose 4.40% monthly and 12.14% annually. (Source: Zawya)

► **Nasdaq Dubai welcomes Al Masraf's USD500mn debut bond**

Nasdaq Dubai has welcomed the listing of a USD500mn bond issued by Arab Bank for Investment and Foreign Trade PJSC (Al Masraf), marking the Bank's debut in the international debt capital markets and reinforcing Dubai's position as a leading hub for global fixed-income issuances. Issued under Al Masraf's USD5bn Medium Term Note (EMTN) Programme, the 5-year bond matures on 29th January 2031 and carries a coupon of 5.113% per annum, equivalent to a credit spread of 125bp over US Treasuries. The issuance attracted strong investor demand, with the order book peaking at over USD1.3bn, representing an oversubscription rate of 2.6x. Rated 'A' by Fitch, the bond is listed on both the London Stock Exchange's International Securities Market and Nasdaq Dubai. (Source: Zawya)

► **Emirates NBD sets IPTs for 5-year EUR green bond**

Emirates NBD Bank (ENBD) has opened books for a benchmark-sized EUR denominated 5-year green senior unsecured bond, guiding investors at mid-swaps plus 100–105bp. The Reg S only notes, issued under the bank's USD20bn EMTN programme, are expected to carry ratings of A1/A+. The benchmark sized transaction will offer a fixed annual coupon, with a settlement on 13 February 2026. The notes will be listed on Euronext Dublin and Nasdaq Dubai. Proceeds will fund eligible green and Shariah compliant assets under ENBD's Sustainable Finance Framework 2025. (Source: Zawya)

► **Dar Al Arkan redeemed USD400mn sukuk**

Dar Al Arkan Real Estate Development Company has announced that it has successfully redeemed its USD400mn Islamic bond (sukuk), settling the principal in full on the maturity date. The sukuk, issued on July 7, 2022, comprised 400,000 certificates with a par value of USD1,000 each. The trading of the sukuk ended on February 7 with 100% of the outstanding amount redeemed, leaving no remaining issuance. (Source: Zawya)

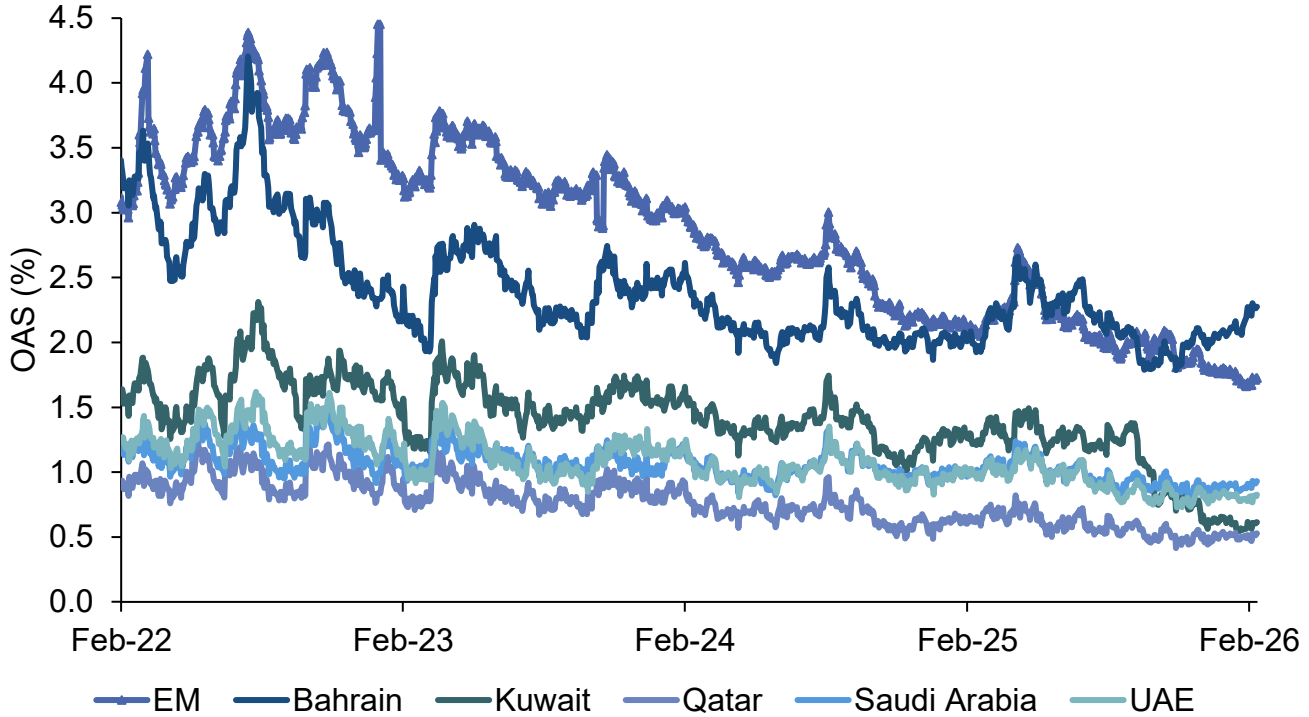
GCC bond issuances

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	-
Alpha Star Holding X Ltd	DAMACR	Financial Institutions	AE	600	6.125	8/5/2029	CALLABLE	USD	2/5/2026	Ba1	6.10	6.10
First Abu Dhabi Bank PJSC	FABUH	Agency	AE	750	4.3967 715	2/11/2031	AT MATURITY	USD	2/11/2026	Aa3	4.33	-
Abu Dhabi Commercial Bank	ADCBUH	Agency	AE	300	4.4267 715	2/11/2031	AT MATURITY	USD	2/11/2026	A+ (EXP)	4.37	-

*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

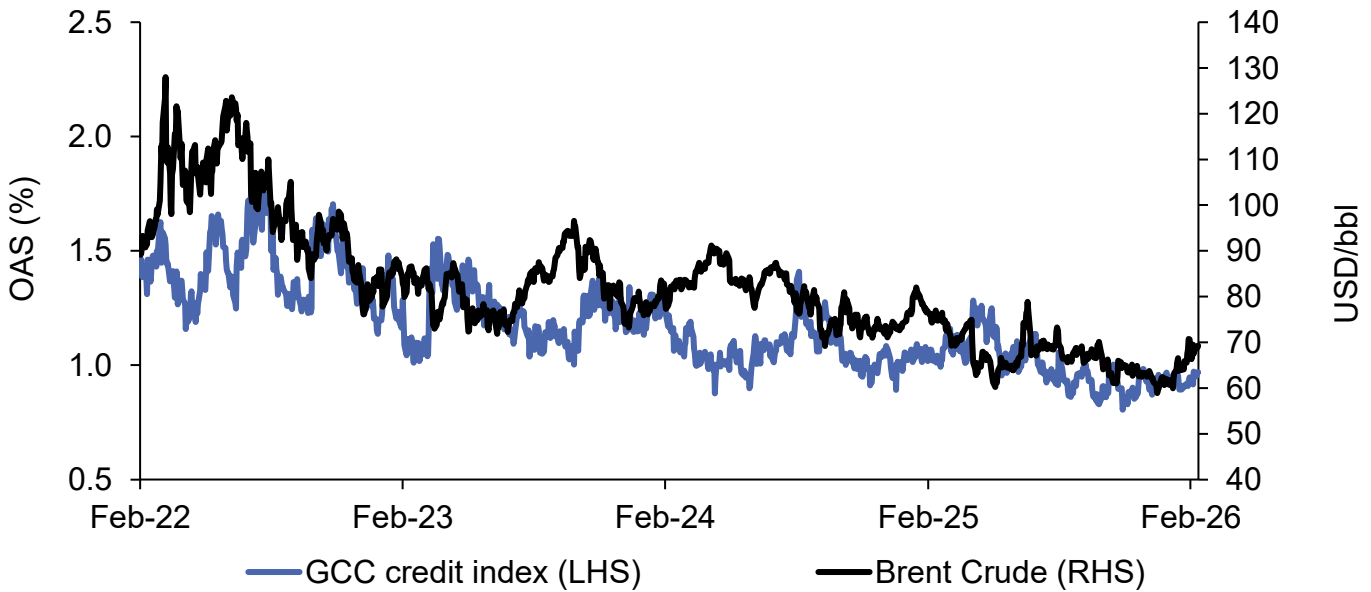
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

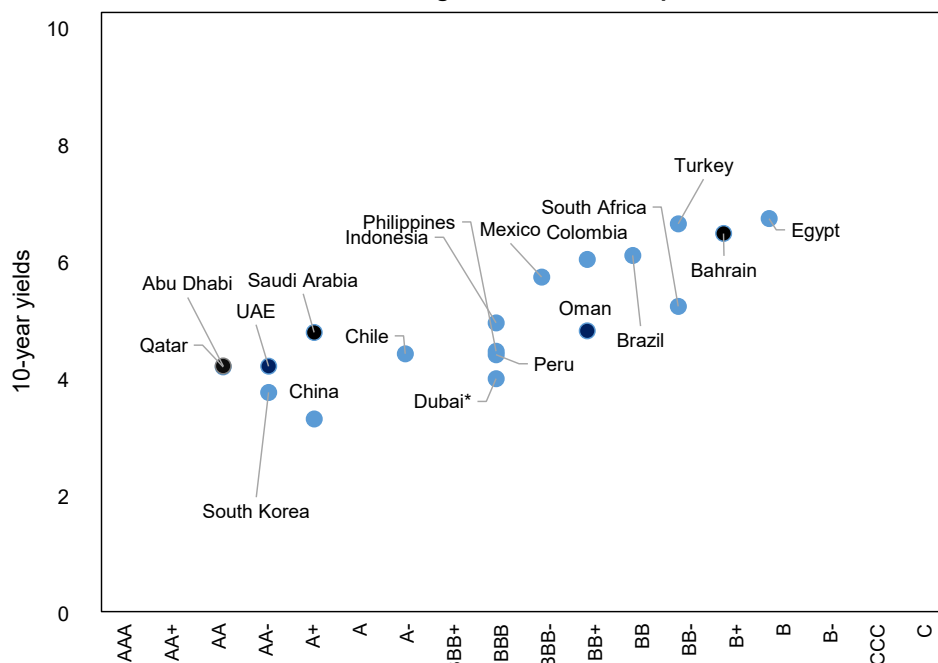
GCC corporate OAS spread versus Brent Crude



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

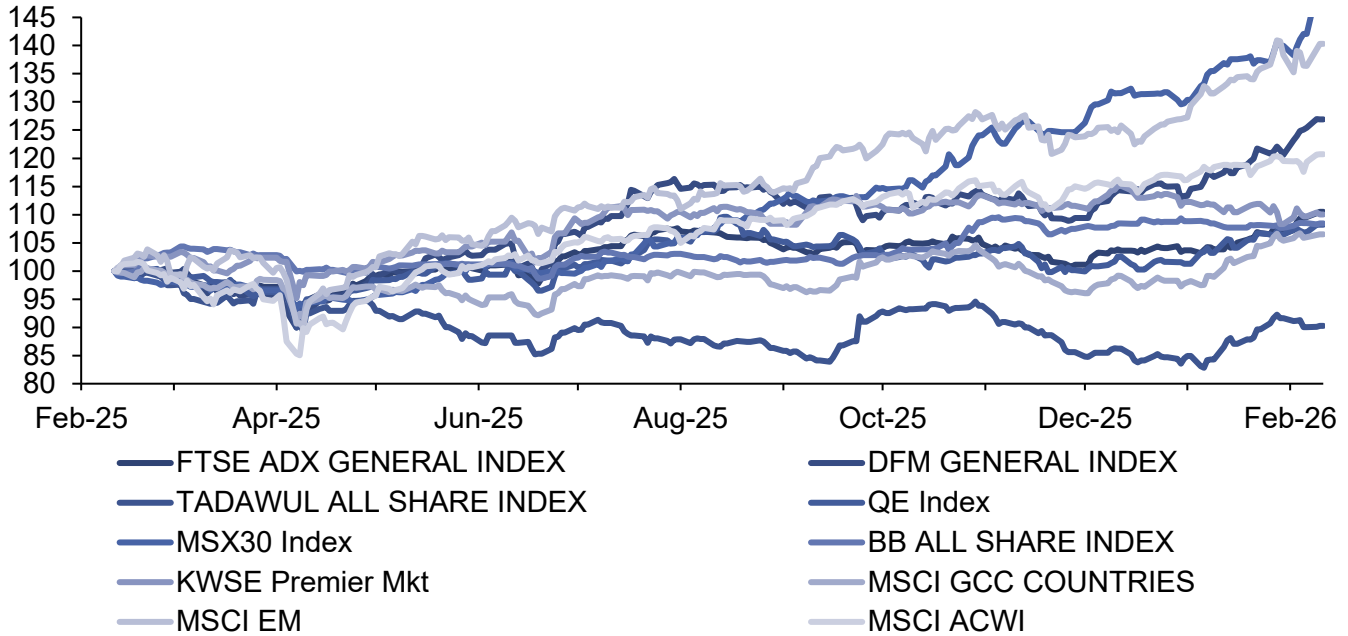
GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	12.7x	36.4%	2.2%
DFM	11.5x	-	4.2%
Tadawul	17.6x	-0.1%	3.4%
DSM	11.9x	4.3%	4.3%
MSM30	13.5x	-	4.5%
BHSE	18.9x	-	3.7%
KWSE	13.7x	7.7%	3.4%
MSCI GCC	14.6x	8.7%	3.8%
MSCI EM	17.3x	12.0%	2.1%
MSCI ACWI	23.3x	10.4%	1.6%

Notes: *data as of 11 February 2026 | Source: Bloomberg, ADCB

GCC equity 1Y Performance

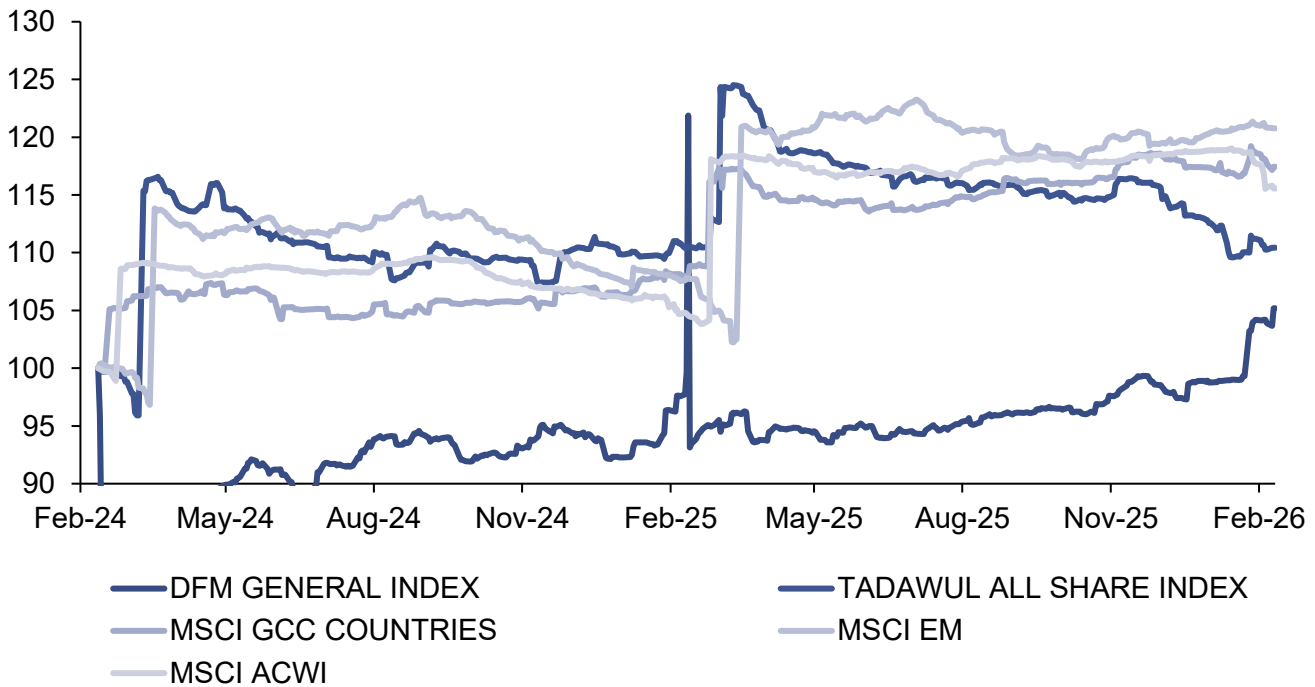
1Y performance



Source: Bloomberg, ADCB

GCC equity 12m forward PE

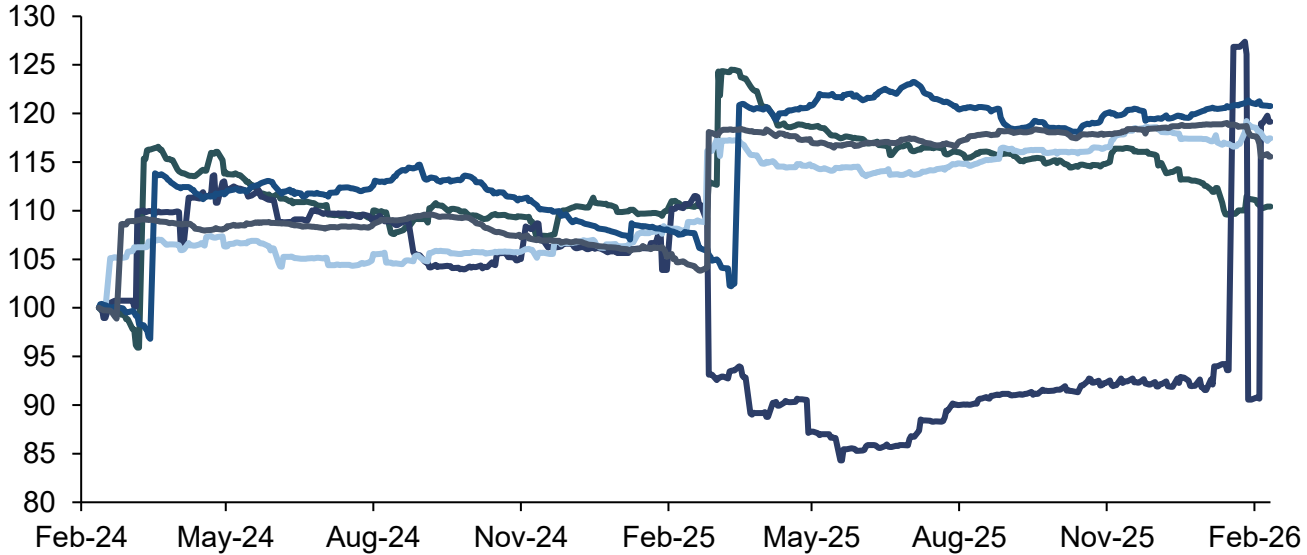
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward EPS

12 month forward EPS (indexed to 100 at start)

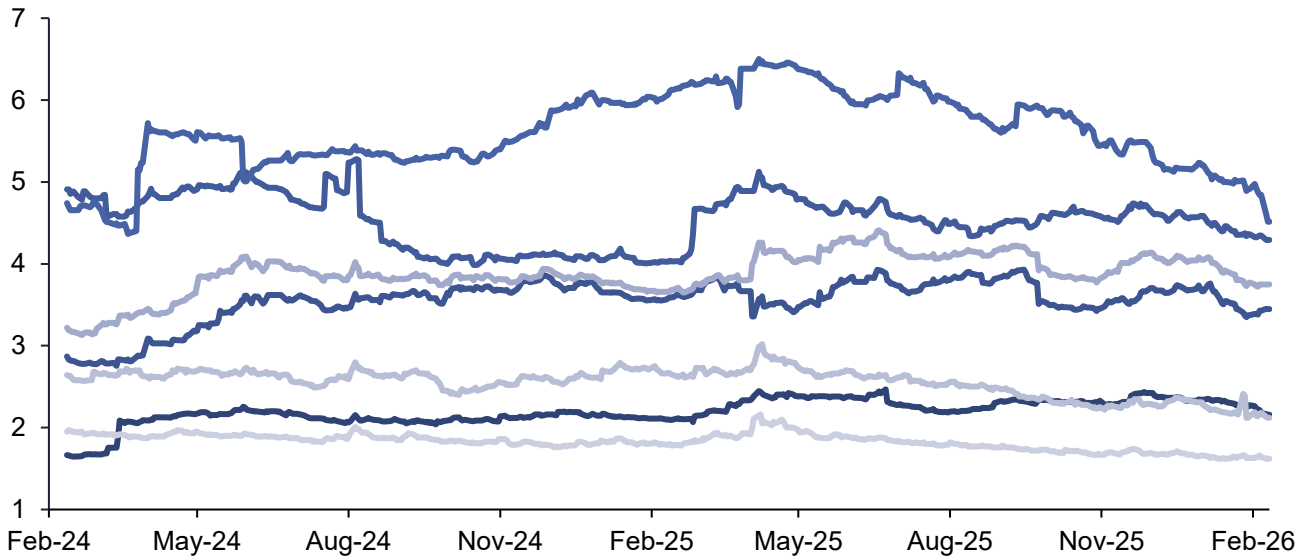


- TADAWUL ALL SHARE INDEX
- MSCI GCC COUNTRIES
- MSCI ACWI
- KWSE Premier Mkt
- MSCI EM

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

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.