

GCC market performance and activity summary

GCC fixed income

Global benchmark bond index posted marginal gains for the week ending 17th February. The Global Aggregate index gained (0.37%) and Global Treasuries also posted gains (0.41%). In credit, Global corporate IG index posted positive gains and Global HY index ended flat. EM USD bonds recorded gains. Led by EMEA (0.64%).

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

GCC equities

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

GCC key macro developments

- ▶ Saudi Arabia's trade surplus exceeds USD5.86bn in November 2025, GASTAT.
- ▶ UAE economy to grow over 5% in 2026, UAE's Economy and Tourism Minister.
- ▶ Qatar CPI rose 2.28% YoY in January.
- ▶ Qatar recorded a USD1.45bn budget deficit in Q4, Finance Ministry.

GCC corporate news

- ▶ Abu Dhabi's FAB raised GBP450mn from its third issuance of the year.

GCC Weekly Market Performance

Index				Rates			
Fixed Income	Latest	-1w %	YTD %	3M interbank	Latest	-1w (bp)	YTD (bp)
Global Agg	509.6	0.37	10.19	Saudi	4.89	-3.11	-52.61
Global Treasuries	211.8	0.41	8.85	UAE	3.58	11.86	-85.89
EM USD Agg TR	1407.3	0.57	12.66	Kuwait	3.56	0.00	-37.50
EM LatAm TR	1303.5	0.57	15.08	Bahrain	4.99	-0.97	-69.83
EM EMEA TR	414.8	0.64	12.54	Oman	4.32	5.80	-59.75
EM Asia TR	712.5	0.45	9.74	Qatar	3.90	-15.00	-75.00
Bahrain TR	224.2	0.75	10.29	US SOFR	3.66	1.00	-74.00
Oman TR	175.0	0.61	11.84	5Y Sov. CDS	Latest	-1w (bp)	YTD (bp)
Kuwait TR	169.4	0.40	7.99	Saudi Arabia	76.69	4.11	-11.88
Qatar TR	150.8	0.75	9.61	Abu Dhabi	32.15	1.19	11.76
Saudi Arabia TR	155.5	0.80	10.20	Dubai	53.76	-0.29	8.98
UAE TR	156.7	0.55	9.88	Kuwait	53.53	-0.5	-
Equity	Latest	-1w %	YTD %	Bahrain	204.29	1.33	-16.02
ADX	10623.7	-0.29	13.96	Oman	79.93	-0.15	22.34
DFM	6684.4	-0.03	29.71	Qatar	29.70	0.29	14.33
Tadawul	11098.1	-0.62	-8.30	10Y yield	Latest	-1w (bp)	YTD (bp)
DSM	11362.6	-1.22	7.49	Saudi Arabia	4.69	-9.30	-70.50
MSM30	7306.6	3.96	59.77	Abu Dhabi	4.23	-12.10	-79.20
BHSE	2053.9	0.01	3.77	Dubai	4.06	-4.70	-76.40
KWSE	9279.0	-0.01	18.37	Bahrain	6.51	-10.20	-45.10
MSCI GCC	794.9	-0.44	9.46	Oman	4.83	-7.00	-90.40
MSCI EM	1555.7	-0.56	45.26	Qatar	4.22	-9.70	-61.20
MSCI ACWI	1042.4	-1.24	24.11				

Note: data from 11th February 2026 to 17th February 2026, Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

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Developments

► Saudi Arabia's trade surplus exceeds USD5.86bn in November 2025, GASTAT

According to the General Authority for Statistics (GASTAT), Saudi Arabia's trade surplus exceeds USD5.86bn in November 2025, posting 70% annual growth. Saudi Arabia's trade balance recorded a surplus of SAR22.3bn during November 2025, achieving an annual growth rate of 70.2%. (Source: Zawya).

► UAE economy to grow over 5% in 2026, UAE's Economy and Tourism Minister

According to the UAE Economy and Tourism Minister Abdulla bin Touq Al Marri, UAE's economy continues to achieve strong and accelerated growth and is expected to grow by more than 5% this year, with non-oil sectors projected to expand by over 5.5%, accounting for 78% of gross domestic product. The growth outlook reflected the resilience and diversification of the national economy and the diversity of its growth drivers. (Source: Zawya).

► Qatar CPI rose 2.28% YoY in January

The Consumer Price Index (CPI) in Qatar recorded 109.90 points in January 2026, marking a decrease of 2.22% compared with December 2025, whereas it marked a YoY rise of 2.28% compared with the same month in 2025. The index, which measures inflation, comprises 12 main groups of consumer goods, covering a total of 737 goods and services. The recreation and culture group decreased to 11.97%, followed by the miscellaneous goods and services group at 3.46%, restaurants and hotels group at 1.90%, the clothing and footwear group at 1.15%, the food and beverages group at 0.59%, and finally the housing, water, electricity, gas, and other fuels group at 0.17%. As for recorded rises, they occurred in the transport group at 0.54%, followed by the communication group at 0.32%, the health group at 0.27%, the furniture and household equipment group at 0.20%, and finally the education group at 0.06%, while no change was observed in the tobacco group. (Source: Zawya).

► Qatar recorded a USD1.45bn budget deficit in Q4, Finance Ministry

According to the finance ministry, Qatar recorded a budget deficit of QAR5.3bn (USD1.45bn) in Q4 of 2025, with total revenues amounting to QAR51.6bn and total spending reaching QAR56.9bn. (Source: Zawya)

Abu Dhabi's FAB raised GBP450mn from its third issuance of the year

- First Abu Dhabi Bank (FAB) has raised GBP450mn (USD613mn) from its third issuance of the year, comprising a 5.5-year senior unsecured benchmark bond that saw its price tightened to UKT +75bp from IPTs at Mid-Gilts +90bp area. Investor demand saw the orderbook over GBP825mn (including GBP75mn JLM) at launch, before settling in excess of GBP775mn. The bond has generated a 4.6965% annual coupon (short first), with a 4.702% annual yield and a reoffer price at par. The issuance is rated Aa3 by Moody's and AA- by Fitch, in line with the Abu Dhabi lender's own rating. The issuance will come under FAB's USD20bn Euro Medium Term Note Programme as supplemented. The bond will list on the London Stock Exchange's Main Market. (Source: Zawya)

GCC Weekly Market View

Investment Strategy | February 19, 2026

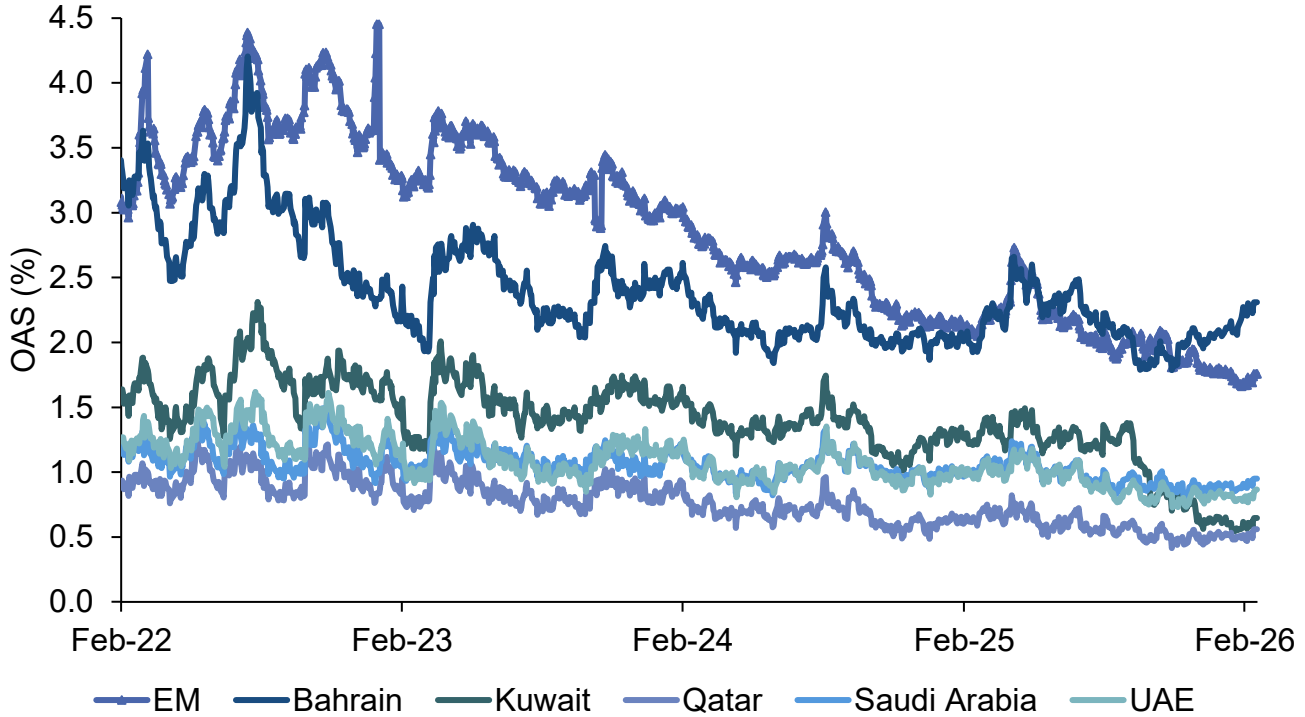
GCC bond issuances

Issuer	BBG	Sector	Country	Issue Amt*	Cpn	Maturity	Maturity Type	Currency	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	-
Binghatti Sukuk 2 Spv Ltd	BINHLD	Financial Institutions	AE	500	8.375	8/12/2031	AT MATURITY	USD	2/12/2026	BB-	8.31	-

*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

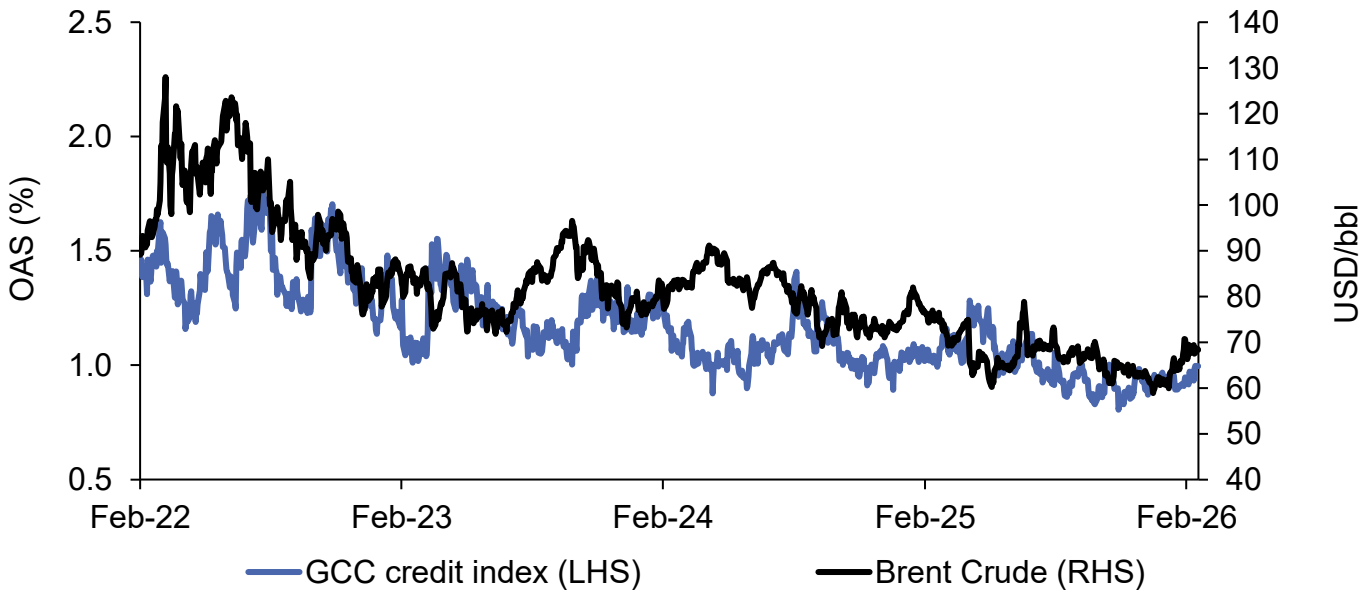
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

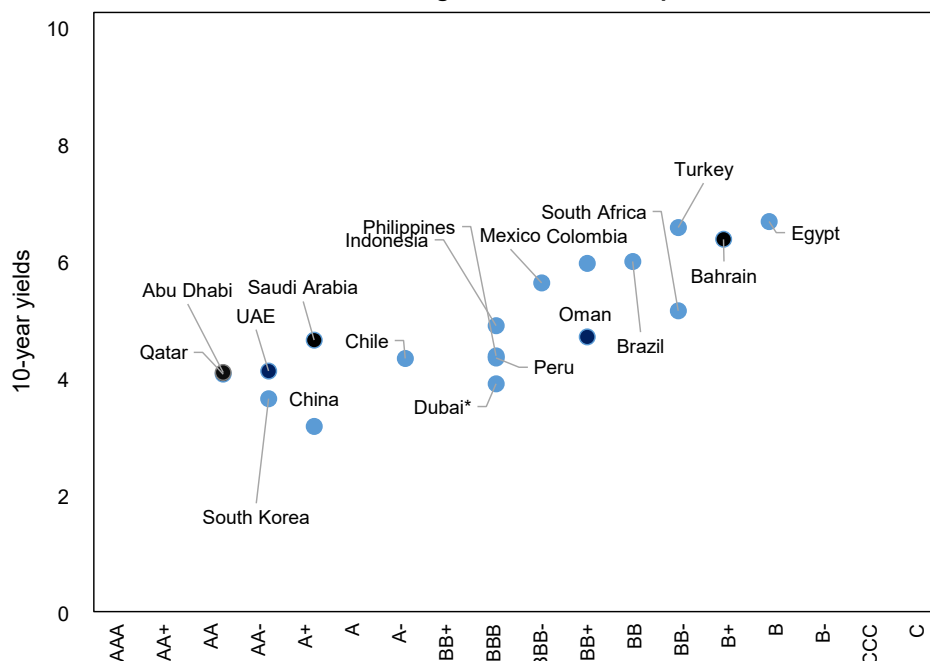
GCC corporate OAS spread versus Brent Crude



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

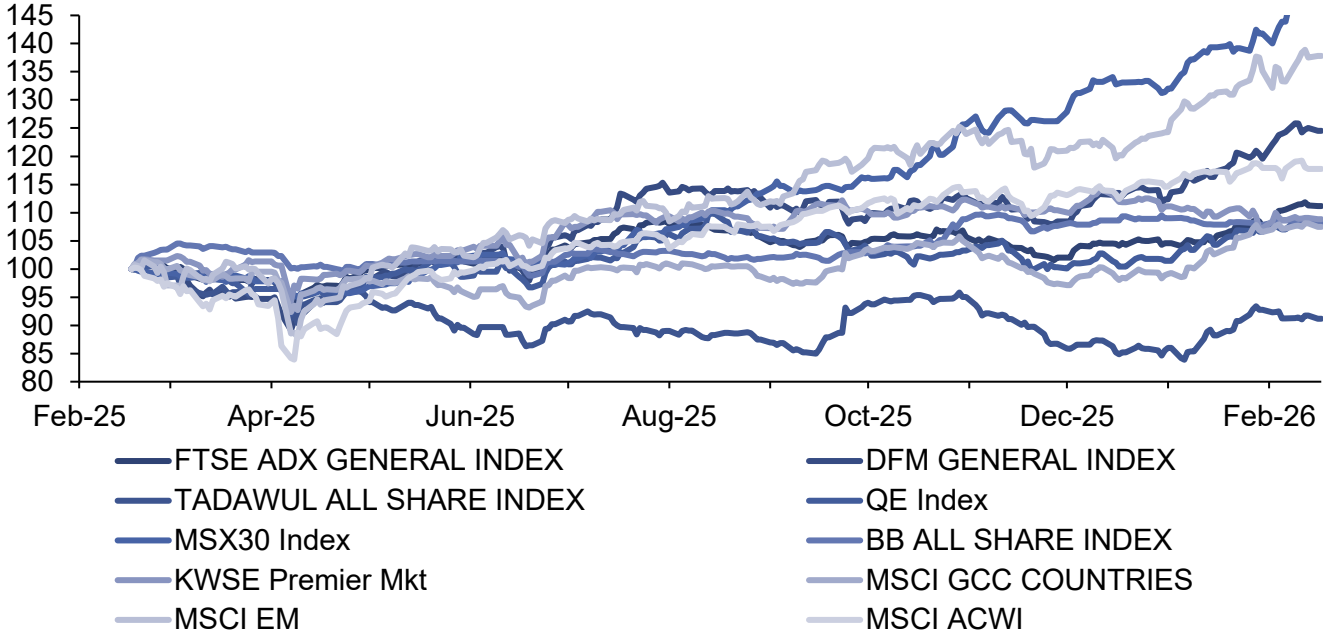
GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	12.1x	12.5%	2.2%
DFM	11.2x	-	4.3%
Tadawul	17.6x	0.0%	3.5%
DSM	11.8x	4.0%	4.3%
MSM30	14.2x	-	4.3%
BHSE	18.8x	-	9.3%
KWSE	13.7x	7.3%	3.4%
MSCI GCC	14.6x	8.6%	3.8%
MSCI EM	17.6x	11.2%	2.1%
MSCI ACWI	23.2x	10.0%	1.6%

Notes: *data as of 19 February 2026 | Source: Bloomberg, ADCB

GCC equity 1Y Performance

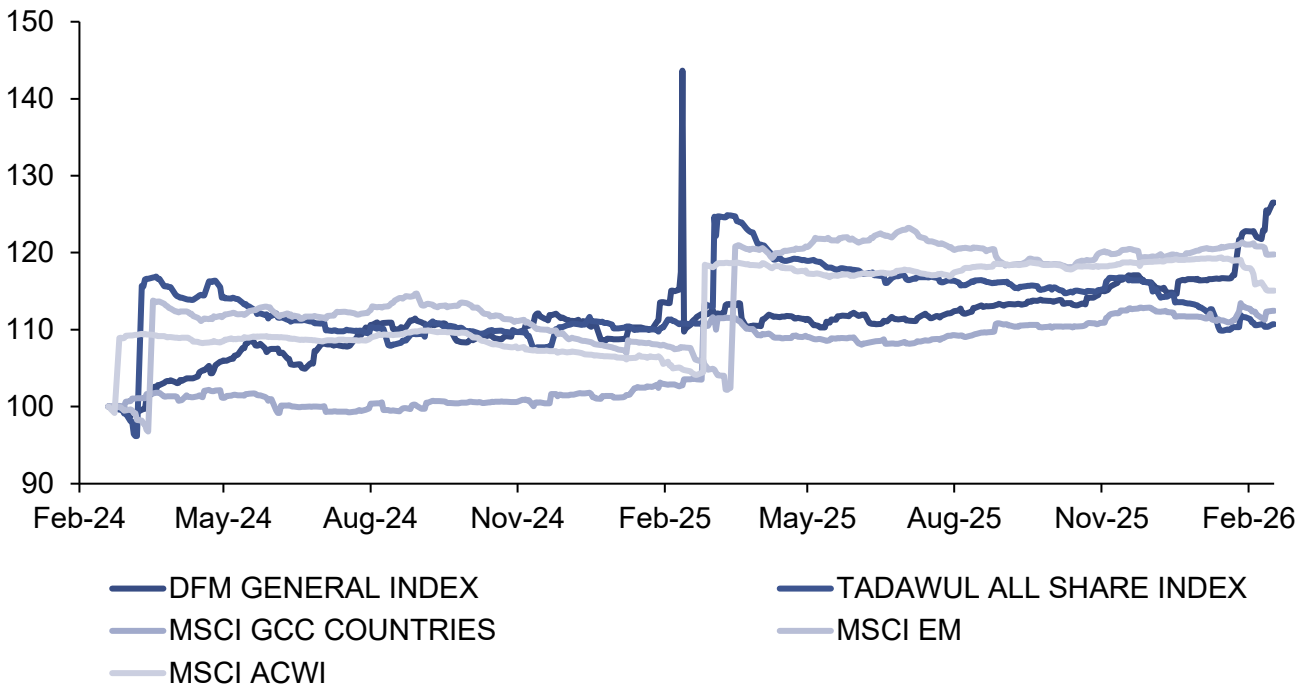
1Y performance



Source: Bloomberg, ADCB

GCC equity 12m forward PE

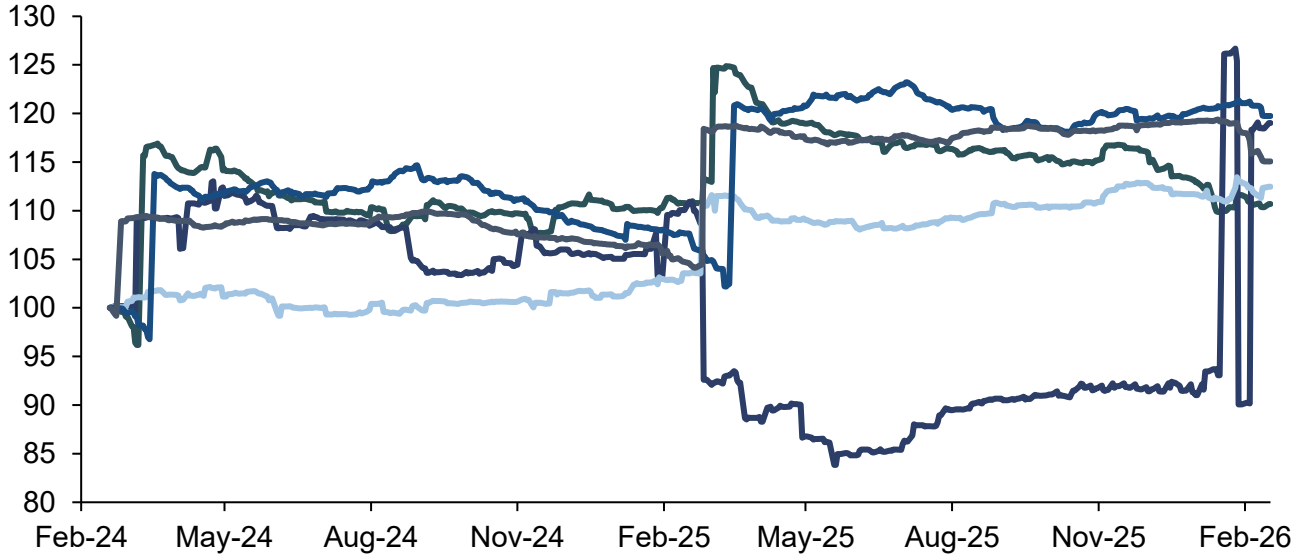
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward EPS

12 month forward EPS (indexed to 100 at start)

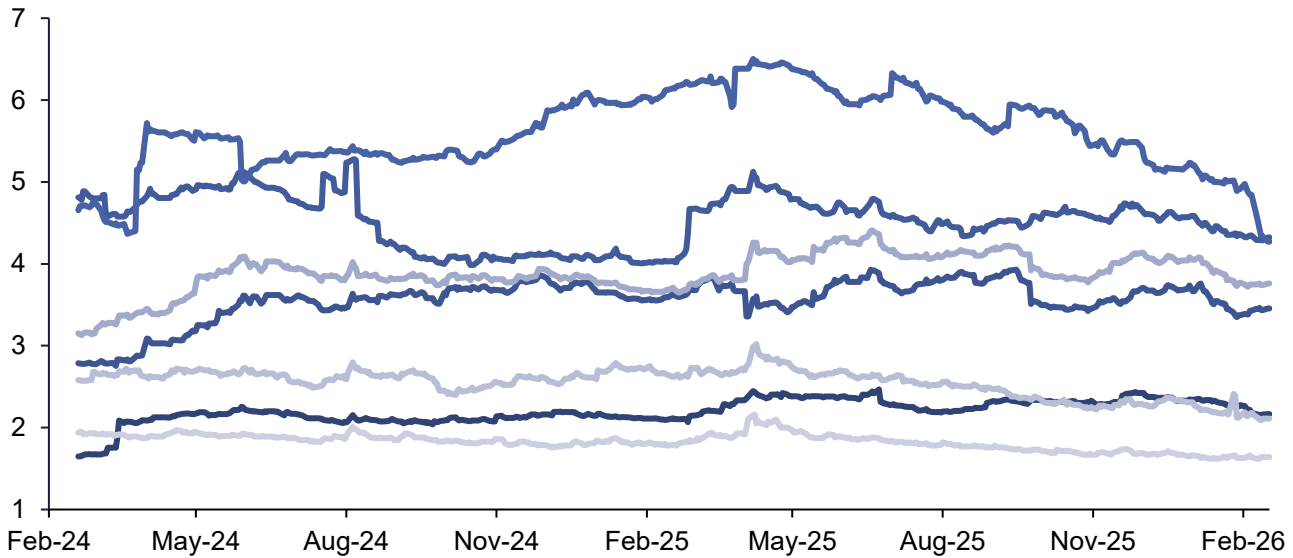


- TADAWUL ALL SHARE INDEX
- MSCI GCC COUNTRIES
- MSCI ACWI
- KWSE Premier Mkt
- MSCI EM

Source: Bloomberg, ADCB

GCC equity 12m forward dividend yields

12m Forward Dividend Yield



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

Source: Bloomberg, ADCB

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