

GCC market performance and activity summary

GCC fixed income

Global benchmark bond index posted marginal declines for the week ending 29th July. UST 10Y yields fell by 6bp over the week, ending at 4.34% on July 29. In credit, Global corporate IG and Global HY posted declines over the week. EM bonds recorded gains, led by EM LatAm.

GCC bond indices posted gains with Bahrain and Qatar outperforming the most. The 5yr CDS spreads tightened across all the GCC market. Similarly, in the USD sovereign market, the 10yr USD bond yields declined across all GCC countries with the largest decline seen in Bahrain.

GCC equities

GCC regional indices ended mixed – Dubai, Abu Dhabi, and Bahrain posted gains, while Kuwait, Saudi Arabia, Qatar and Oman recorded losses. Overall, MSCI GCC posted losses, outperforming MSCI EM but underperforming MSCI ACWI.

GCC key developments:

- ▶ GCC nominal GDP reached USD587.8bn in Q4'24 - GCC-Stat.
- ▶ Fitch affirmed Saudi Arabia's A+ rating with stable outlook – Fitch.
- ▶ Saudi non-oil exports reached USD8.2bn in May despite drop in oil trade – GASTAT.
- ▶ Oman's inflation rose 0.82% in June 2025 – NCSI.
- ▶ Oman's trade surplus narrowed to OMR2.45bn by May 2025– NCSI.
- ▶ Aldar Properties reported a robust 24% YoY increase in net profit.
- ▶ Commercial bank of Dubai posted a USD435mn in H1'25 profits.

GCC issuances/IPO:

- ▶ Arada Developments has successfully priced its USD450mn sukuk.
- ▶ Dar Al Majed launches IPO, aims to raise up to USD336mn from the listing.

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GCC Weekly Market Performance

Index				Rates			
Fixed Income	Latest	-1w %	YTD %	3M interbank	Latest	-1w (bp)	YTD (bp)
Global Agg	491.8	-0.60	6.33	Saudi	5.34	-25.44	-7.16
Global Treasuries	206.6	-0.79	6.13	UAE	4.31	10.50	-13.07
EM USD Agg TR	1321.7	0.53	5.81	Kuwait	4.06	0.00	12.50
EM LatAm TR	1208.5	0.70	6.69	Bahrain	5.07	-1.0	-1.0
EM EMEA TR	389.2	0.46	5.59	Oman	4.58	1.75	-33.75
EM Asia TR	682.2	0.44	5.07	Qatar	4.75	-	10.00
Bahrain TR	214.2	0.53	5.41	US SOFR	4.36	8.00	-4.00
Oman TR	167.8	0.26	7.27	5Y Sov. CDS	Latest	-1w (bp)	YTD (bp)
Kuwait TR	163.3	0.11	4.11	Saudi Arabia	62.45	-1.20	2.35
Qatar TR	143.6	0.35	4.36	Abu Dhabi	31.91	-1.62	12.00
Saudi Arabia TR	148.4	0.30	5.15	Dubai	60.89	-2.70	1.85
UAE TR	149.8	0.31	5.04	Kuwait	58.82	-0.1	-16.0
Equity	Latest	-1w %	YTD %	Bahrain	183.93	-4.40	4.34
ADX	10352.7	0.44	10.94	Oman	83.67	-2.81	18.60
DFM	6208.4	1.51	19.88	Qatar	31.62	-1.67	12.42
Tadawul	10914.4	-1.46	-10.57	10Y yield	Latest	-1w (bp)	YTD (bp)
DSM	11149.5	-0.41	5.40	Saudi Arabia	4.92	-4.00	-47.60
MSM30	4749.2	-0.37	3.81	Abu Dhabi	4.36	-4.00	-66.10
BHSE	1955.6	0.26	-1.24	Dubai	4.31	-1.70	-51.70
KWSE	9256.9	-0.77	17.67	Bahrain	6.64	-10.80	-32.30
MSCI GCC	743.9	-0.66	2.43	Oman	4.85	-4.90	-88.80
MSCI EM	1252.3	-1.02	16.93	Qatar	4.41	-5.20	-42.80
MSCI ACWI	935.8	-0.38	11.41				

Note: data from 23rd July 2025 to 29th July 2025, Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

Key developments

► **GCC nominal GDP reached USD587.8bn in Q4'24 - GCC-Stat**

According to the Statistical Centre for the Cooperation Council for the Arab Countries of the Gulf (GCC-Stat), the nominal Gross Domestic Product (GDP) of GCC countries totaled USD587.8bn by the end of Q4'24. Non-oil activities accounted for 77.9% of the GDP, while oil-related activities contributed 22.1%. Among non-oil sectors, manufacturing led with a 12.5% share, followed by wholesale and retail trade at 9.9%, construction at 8.3%, public administration and defence at 7.5%, finance and insurance at 7%, and real estate activities at 5.7%. Other non-oil sectors contributed the remaining 27% to the total GDP.

(Source: Zawya)

► **Fitch affirmed Saudi Arabia's A+ rating with stable outlook - Fitch**

Fitch Ratings has affirmed Saudi Arabia's long-term foreign currency issuer default rating at 'A+' with a stable outlook, citing the Kingdom's solid fiscal fundamentals and ongoing economic reforms. The agency highlighted Saudi Arabia's strong sovereign net foreign asset position and low debt-to-GDP ratio, which remain well above the average for peers in both the "A" and even "AA" rating categories. Fitch also noted that Saudi Arabia's ample financial reserves—held in public sector deposits and other assets—support macroeconomic resilience. Looking ahead, the Kingdom's net foreign assets are projected to reach 35.3% of GDP by 2027, significantly higher than the 3.1% average for countries rated "A."

(Source: Zawya)

► **Saudi non-oil exports reached USD8.2bn in May despite drop in oil trade - GASTAT**

Saudi Arabia's non-oil exports, including re-exports, rose by 6% YoY in May 2025 to reach SAR31bn (USD8.2bn), according to the General Authority for Statistics. However, national non-oil exports (excluding re-exports) declined by 1.8%, while re-exports surged by 20.5% compared to May 2024. Overall merchandise exports dropped by 14% due to a 21.8% plunge in oil exports. As a result, the share of oil exports in total exports fell from 72.1% in May 2024 to 65.6% in May 2025. Imports, on the other hand, increased by 7.8%, leading to a 68.4% YoY decline in the trade balance surplus. The ratio of non-oil exports (including re-exports) to imports dropped slightly to 38.5%, down from 39.1% a year earlier, as imports grew faster than non-oil exports. Electrical machinery, appliances, and parts were the top non-oil exports, accounting for 23.7% of the total and nearly doubling from the previous year with a 99.8% increase. Chemical products followed, comprising 22.8% and growing marginally by 0.4%. On the import side, electrical machinery and parts also topped the list, making up 29.7% of all imports and rising 23% YoY. Transport equipment and parts came next, representing 11.4% of imports but declining by 9.2%.

(Source: Zawya)

► **Oman's inflation rose 0.82% in June 2025 - NCSI**

Oman's Consumer Price Index (CPI) rose by 0.82% in June 2025, according to the National Centre for Statistics and Information (NCSI). The highest price increases were seen in the personal goods and miscellaneous services group (7.45%), transportation (3.12%), and restaurants and hotels (1.39%). Other notable increases included health (0.76%), clothing and footwear (0.6%), education (0.07%), and housing, utilities, and fuel (0.02%). In contrast, prices fell in several categories, including food and non-alcoholic beverages (-0.59%), furniture and household equipment (-0.25%), culture and entertainment (-0.02%), and tobacco (-0.01%), while communication prices remained unchanged. On a YoY basis, within the food and beverage segment, notable increases were recorded in unclassified food products (+3.83%), sugar and sweets (+3.31%), and dairy products (+1.84%). However, prices declined for vegetables (-8.06%), fish and seafood (-3.84%), fruits (-0.45%), and non-alcoholic beverages (-0.19%).

(Source: Zawya)

► **Oman's trade surplus narrowed to OMR2.45bn by May 2025 - NCSI**

Oman recorded a trade surplus of OMR2.454bn by the end of May 2025, marking a sharp 38.5% decline compared to OMR3.989bn during the same period in 2024, according to preliminary data from the National Centre for Statistics and Information (NCSI). The contraction in the trade surplus was primarily driven by a 9.6% drop in total commodity exports, which fell to OMR9.639bn from OMR10.659bn a year earlier. This decline was largely due to a 15.2% decrease in oil and gas exports, which stood at OMR6.315bn by May 2025, down from OMR7.444bn in the same period of 2024. In contrast, non-oil exports showed resilience, rising 7.2% YoY to OMR2.701bn, compared to OMR2.521bn a year earlier. However, re-exports declined by 10.3%, falling to OMR623mn from OMR695mn in the corresponding period of 2024. Meanwhile, Oman's total imports rose by 7.7% to OMR7.185bn by the end of May 2025, up from OMR6.670bn in the same period last year, further contributing to the narrowing of the trade surplus.

(Source: Zawya)

► **Aldar Properties reported a robust 24% YoY increase in net profit**

Aldar Properties reported a robust 24% YoY increase in net profit after tax, reaching AED4.1bn for H1'2025. The strong performance was underpinned by record development sales, the recognition of a substantial revenue backlog, and continued growth across its investment platform. Revenue for H1 2025 jumped 42% YoY to AED15.5bn, while gross profit rose 39% to AED5.3bn. In Q2, Aldar generated AED7.7bn in revenue—up 46% YoY—while net profit climbed 25% to AED2.2bn.

(Source: Zawya)

► **Commercial Bank of Dubai posted a USD435mn in H1'2025 Profits**

The Commercial Bank of Dubai (CBD) reported a net profit of AED1.69bn (USD435mn) for H1'2025, marking a 16.7% increase from AED1.45bn during the same period last year. Net interest income grew by 5.7% YoY to AED2.01bn as of June 30, 2025, up from AED1.90bn.

(Source: Zawya)

► **Arada Developments has successfully priced its USD450mn sukuk**

Sharjah-based developer Arada Developments has successfully priced its USD450mn sukuk at a coupon rate of 7.150%, tightening from the initial guidance range of 7.625%–7.750%. The final pricing reflects a spread of 317.3bp over US Treasuries. The 5-year fixed-rate Reg S sukuk, issued under Arada Sukuk 2 Limited's USD1bn Trust Certificate Issuance Programme, received strong investor interest, with the order book exceeding USD2bn (excluding Joint Lead Managers), representing more than four times the issuance size. Proceeds from the offering will be partially used to fund a tender offer of up to USD100mn for Arada's existing 2027 sukuk, with the remainder allocated for general corporate purposes. The sukuk is dual-listed on the London Stock Exchange and Nasdaq Dubai. Arada is rated B1 by Moody's and B+ by Fitch.

(Source: Zawya)

► **Dar Al Majed launches IPO and aims to raise up to USD336mn from the listing**

Dar Al Majed Real Estate Co. (AlMajdiah), a Saudi Arabian property developer, has announced the price range for its upcoming initial public offering (IPO) between SAR13.5 and SAR14 per share (USD3.60 and USD3.73). The company plans to float 30% of its share capital—equivalent to 90mn shares—on the Saudi Exchange's Main Market (TASI). Through the IPO, AlMajdiah expects to raise between SAR1.21bn and SAR1.26bn. At the upper end of the price range, the company would be valued at SAR4.2bn. The book-building process began on July 29 and will run through August 4. Investor demand was strong, with all offered shares subscribed within minutes of the books opening. The developer has appointed Saudi Fransi Capital (BSF Capital) as the financial advisor, lead manager, institutional bookrunner, and underwriter for the offering.

(Source: Zawya)

GCC Weekly Market View

Investment Strategy | July 31 2025

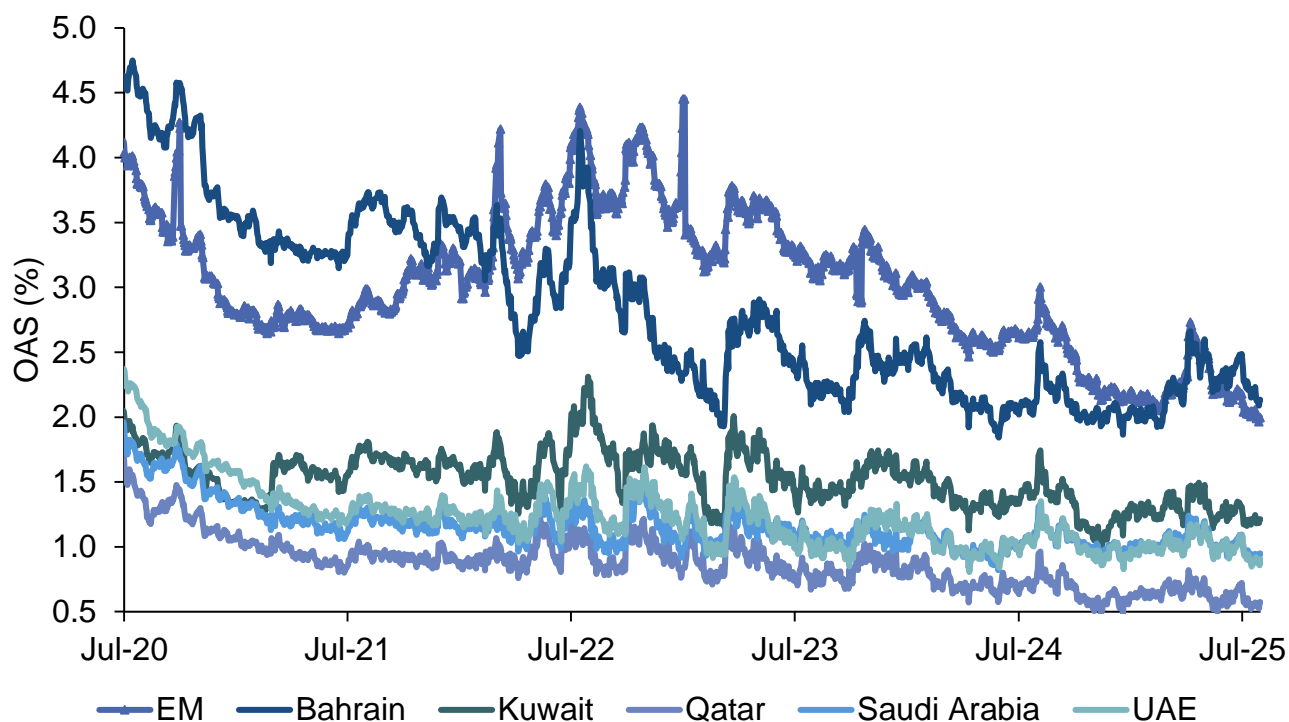
GCC bond issuances

Issuer	BBG	Sector	Country	Issue Amt*	Cpn	Maturity	Maturity Type	Currency	Issue Date	Rtg^	YTM (mid)	YTC (mid)
Al Rajhi Sukuk Ltd	RJHIAB	Financial Institutions	SA	300	5.087058	11/7/2026	AT MATURITY	USD	5/7/2025	A-	5.39	-
Suci Second Investment Co	PIFKSA	Agency	SA	1250	4.875	5/8/2032	AT MATURITY	USD	5/8/2025	A+	5.09	-
DP World Crescent Ltd	DPWDU	Agency	AE	1500	5.5	5/8/2035	AT MATURITY	USD	5/8/2025	BBB+	5.61	-
Saudi National Bank/Singapore	NCBKSG	Financial Institutions	SA	300	4.62	8/15/2025	AT MATURITY	USD	5/15/2025	-	4.24	-
Saudi National Bank/Singapore	NCBKSG	Financial Institutions	SA	300	4.62	8/15/2025	AT MATURITY	USD	5/15/2025	-	4.23	-
Sobha Sukuk Ltd	SOBHA	Financial Institutions	AE	500	7.9955	2/19/2029	AT MATURITY	USD	5/19/2025	BB	7.73	-
Al Rajhi Sukuk Ltd	RJHIAB	Financial Institutions	SA	500	4.865	5/19/2030	AT MATURITY	USD	5/19/2025	AA-	4.96	-
Warba Tier 1 Sukuk 3 Ltd	WARBAB	Financial Institutions	KW	250	6.25	-	PERP/CALL	USD	5/20/2025	-	6.13	6.33
Masdar Abu Dhabi Future Energy Co	MASDAR	Agency	AE	500	5.375	5/21/2035	AT MATURITY	USD	5/21/2025	AA-	5.33	-
Masdar Abu Dhabi Future Energy Co	MASDAR	Agency	AE	500	4.875	5/21/2030	AT MATURITY	USD	5/21/2025	AA-	4.83	-
SAB AT1 Ltd	SABBAB	Financial Institutions	SA	650	6.5	-	PERP/CALL	USD	5/21/2025	-	6.39	6.50
BAB Usd At1 Sukuk Ltd	ALBIAB	Financial Institutions	SA	650	6.5	-	PERP/CALL	USD	5/22/2025	-	6.51	6.65
First Abu Dhabi Bank PJSC	FABUH	Agency	AE	750	5.2534549	5/27/2030	AT MATURITY	USD	5/27/2025	AA-	5.21	-
Alinma At1 Sukuk Ltd	ALINMA	Financial Institutions	SA	500	6.5	-	PERP/CALL	USD	5/28/2025	-	6.43	6.50
Abu Dhabi Commercial Bank	ADCBUH	Agency	AE	600	5.3133055	6/10/2030	AT MATURITY	USD	6/10/2025	A+	5.27	-
Boubyan Sukuk Ltd	BOUSUK	Financial Institutions	KW	500	4.973	6/4/2030	AT MATURITY	USD	6/4/2025	-	4.89	-
SIB Tier 1 Sukuk Ltd	SIB	Financial Institutions	AE	500	6.125	-	PERP/CALL	USD	6/4/2025	-	6.16	6.21
Mdgh Sukuk Ltd	MUBAUH	Agency	AE	1000	5	6/4/2035	AT MATURITY	USD	6/4/2025	AA	4.86	-
Saudi Arabian Oil Co	ARAMCO	Agency	SA	2250	6.375	6/2/2055	CALLABLE	USD	6/2/2025	A+	6.49	6.49
Saudi Arabian Oil Co	ARAMCO	Agency	SA	1250	5.375	6/2/2035	CALLABLE	USD	6/2/2025	A+	5.37	5.37
Saudi Arabian Oil Co	ARAMCO	Agency	SA	1500	4.75	6/2/2030	CALLABLE	USD	6/2/2025	A+	4.78	4.78
MAR Finance LLC	MAALRA	Financial Institutions	QA	500	4.875	5/29/2030	AT MATURITY	USD	5/29/2025	A	4.87	-
QIB Sukuk Ltd	QIBKQD	Financial Institutions	QA	750	4.803	6/12/2030	AT MATURITY	USD	6/12/2025	-	4.79	-
National Bank of Kuwait/New York NY	NTBKKK	Financial Institutions	KW	285	4.65	9/22/2025	AT MATURITY	USD	6/20/2025	-	4.75	-
SNB Funding Ltd	SNBAB	Financial Institutions	SA	1250	6	6/24/2035	CALLABLE	USD	6/24/2025	BBB	5.86	5.85
Dar Al-Arkan Sukuk Co Ltd	DARALA	Financial Institutions	SA	750	7.25	7/2/2030	AT MATURITY	USD	7/02/2025	B+	7.27	-
National Bank of Ras Al-Khaimah PSC/The	RAKBNK	Financial Institutions	AE	300	6.625	-	PERP/CALL	USD	7/09/2025	-	6.65	6.59
QIC Cayman Ltd	QATIQD	Financial Institutions	QA	500	6.15	-	PERP/CALL	USD	7/10/2025	-	6.20	6.16
NBK Tier 1 Ltd	NTBKKK	Financial Institutions	KW	800	6.375	-	PERP/CALL	USD	7/10/2025	-	6.35	6.18
Riyad Sukuk Ltd	RIBL	Financial Institutions	SA	1250	6.209	14/07/2035	CALLABLE	USD	7/14/2025	BBB-	6.20	6.13
Alinma Sukuk Ltd	ALINMA	Financial Institutions	SA	500	4.937	15/07/2030	AT MATURITY	USD	7/15/2025	A-	4.96	-
CBQ Finance Ltd	COMQAT	Financial Institutions	QA	300	5.6522774	16/07/2030	AT MATURITY	USD	7/16/2025	A	5.58	-
SNB Sukuk Ltd	SNBAB	Financial Institutions	SA	250	5.938	18/07/2036	CALLABLE	USD	7/18/2025	BBB	5.87	5.96
Banque Saudi Fransi	BSFR	Financial Institutions	SA	250	0	24/09/2025	AT MATURITY	USD	7/23/2025	-	4.65	-
QNB Finance Ltd	QNBK	Agency	QA	1000	4.5	24/07/2030	AT MATURITY	USD	24/07/2025	A+	4.56	-

*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

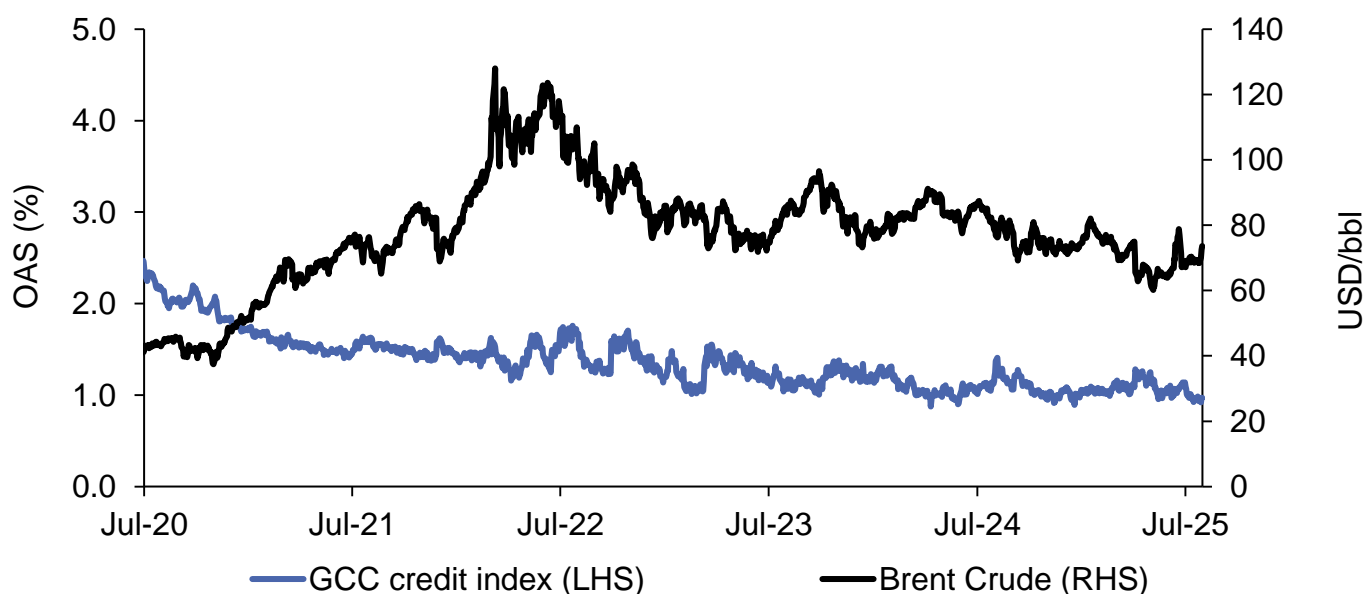
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

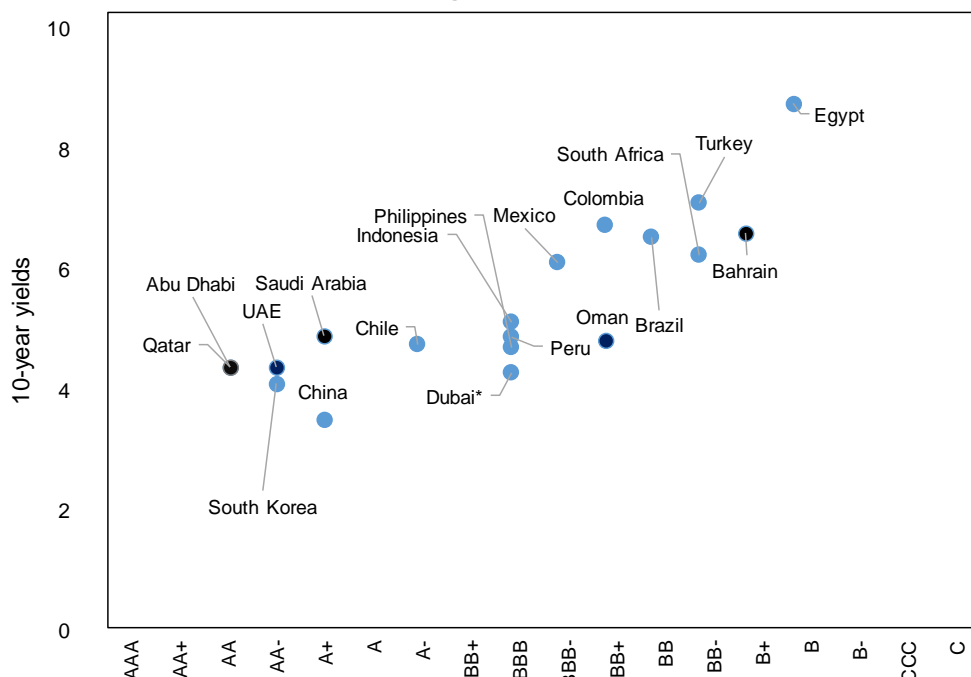
GCC corporate OAS spread versus Brent Crude



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

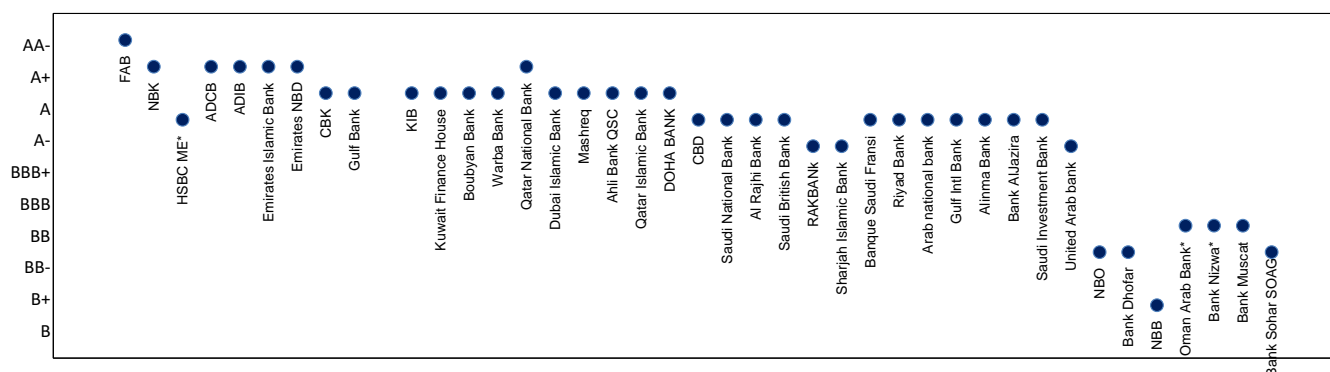
GCC Sovereign Rating

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 Financials Credit Rating

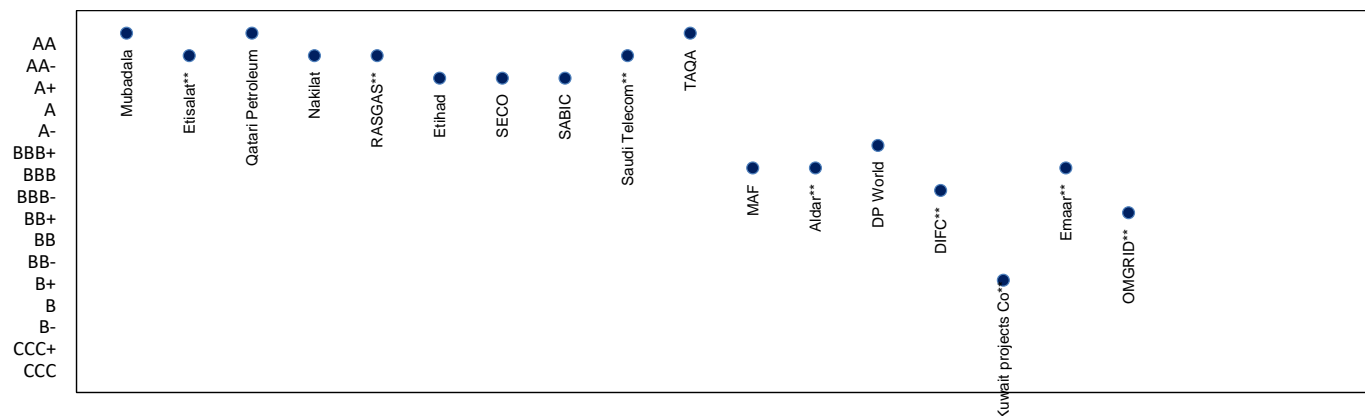
GCC Financials



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

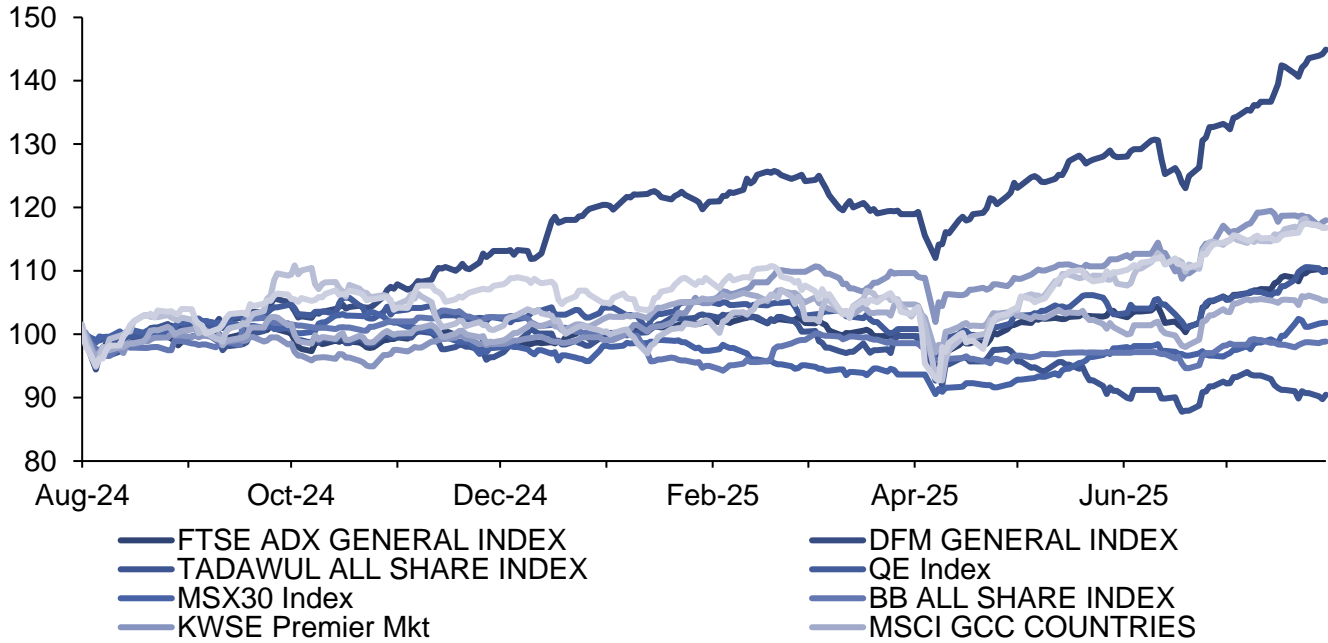
GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	15.6x	6.9%	2.2%
DFM	10.5x	-	4.8%
Tadawul	14.0x	13.5%	4.3%
DSM	12.3x	-0.2%	4.5%
MSM30	1.5x	582.2%	6.0%
BHSE	14.6x	-	4.0%
KWSE	18.4x	-18.3%	3.0%
MSCI GCC	13.8x	10.4%	4.1%
MSCI EM	14.1x	7.4%	2.5%
MSCI ACWI	20.4x	7.9%	1.8%

Notes: *data as of 31 July 2025 | Source: Bloomberg, ADCB

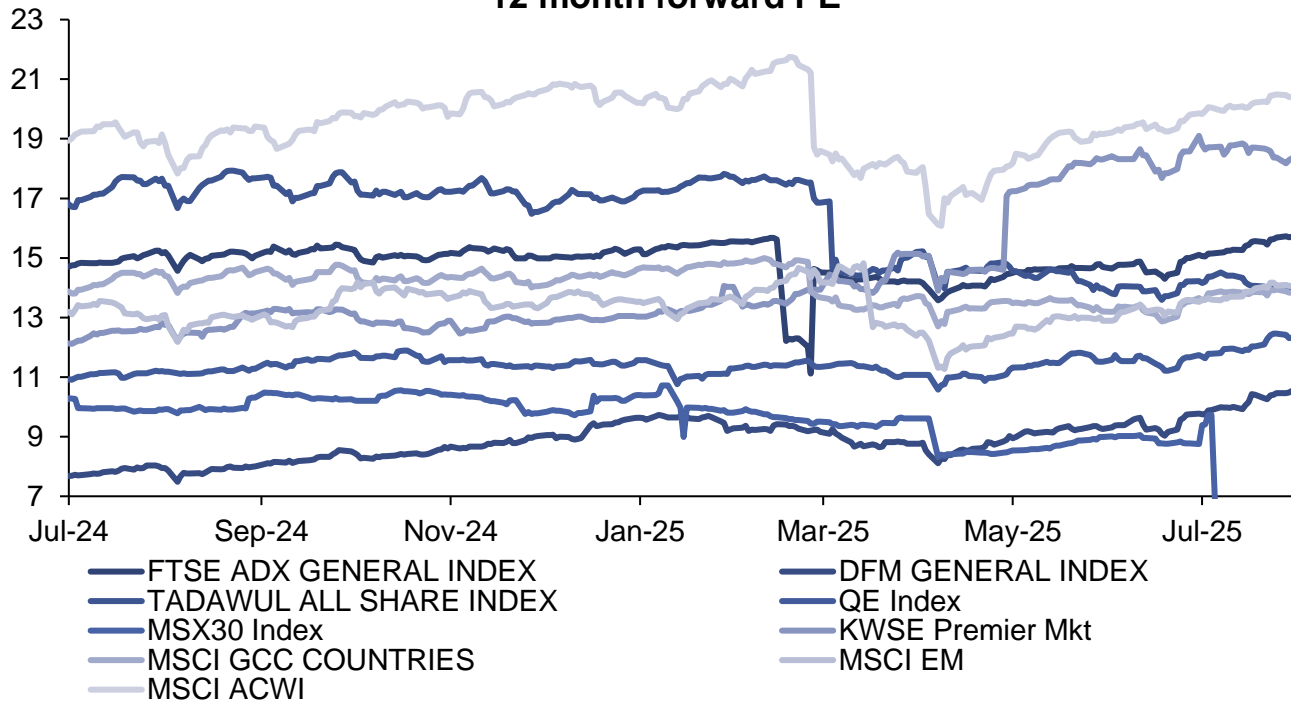
GCC equity 1Y Performance

1Y performance



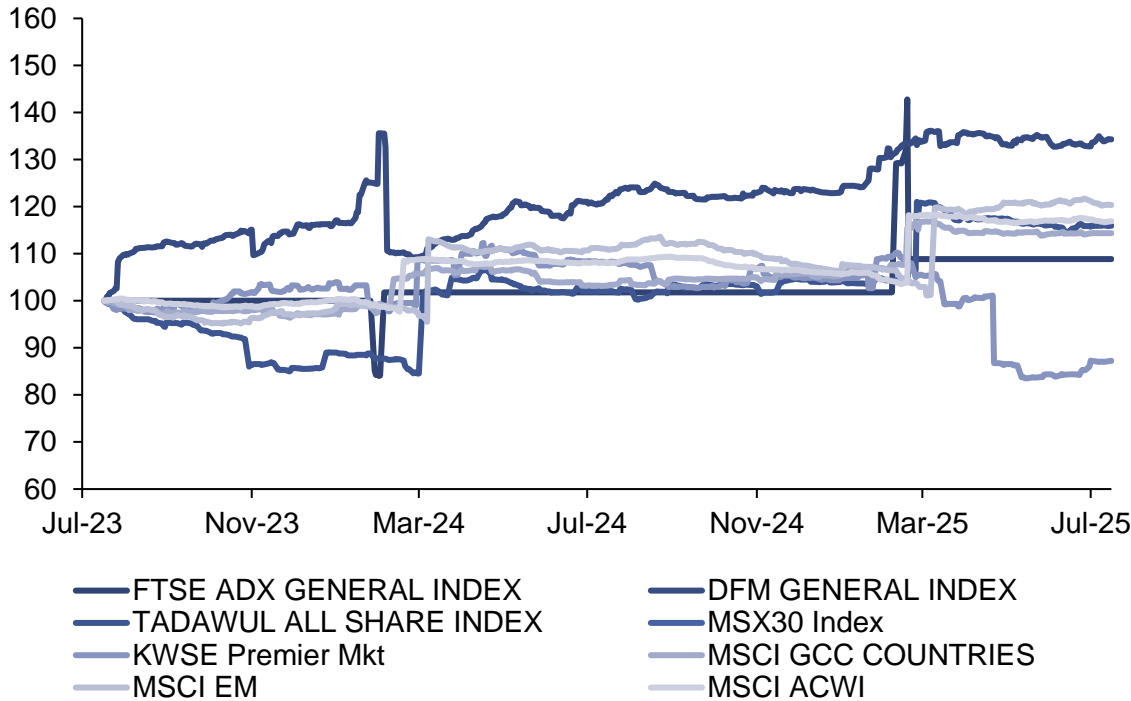
GCC equity 12m forward PE

12 month forward PE



GCC equity 12m forward EPS

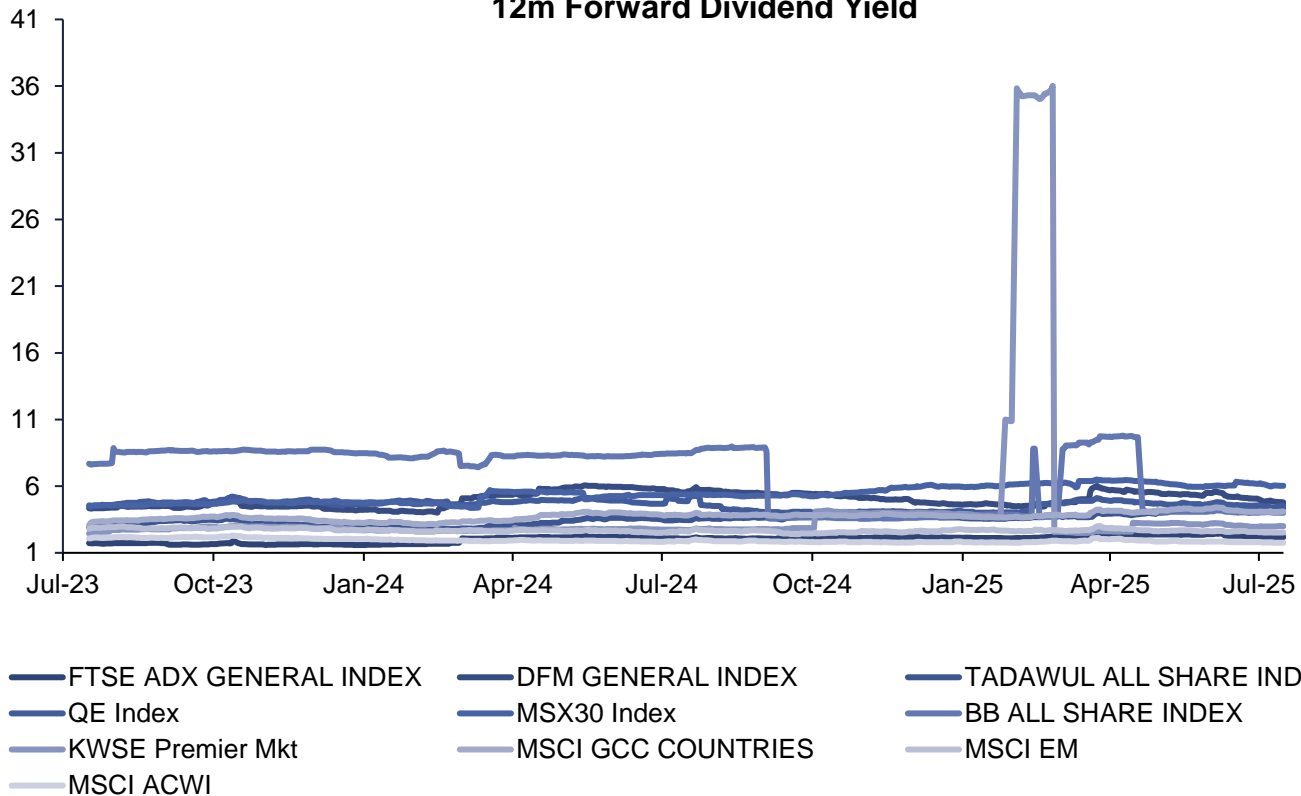
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward dividend yields

12m Forward Dividend Yield



Source: Bloomberg, ADCB

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