

GCC market performance

GCC fixed income:

Global aggregate bond index rose over the week (ending 26th November 2024). The gains were led by Global Treasuries for a second consecutive week.

5yr CDS spreads tightened across all countries, however Kuwait was almost unchanged since last week. In the USD sovereign market, the 10yr USD bond yields declined across all of GCC, with Saudi Arabia declining the most.

GCC equities:

MSCI GCC equities declined, however Dubai rose, going up 1.4% over the week while Oman underperformed. MSCI GCC underperformed both ACWI and EM indices.

GCC key developments:

- **Moody's Ratings upgrades Saudi Arabia to Aa3**
- Saudi Arabia approves 2025 budget that foresees USD27bn fiscal deficit.
- UAE's Mubadala Capital to take Canada's CI Financial private in USD3.36bn offer.

GCC bond issuances:

- Saudi Awwal Bank begins offering of SAR denominated AT1 sukuk.

Ahmed Al Falahi

Analyst
Tel: +971 (0) 2 812 6498
ahmed.a5@adcb.com

Prerana Seth, CFA

Fixed Income Strategist
Tel: +971 (0) 2 812 6449
prerana.seth@adcb.com

Kishore Muktinatalapati

Head - Investment Strategy
Tel: +971 (0) 2 812 6457
kishore.muktinatalapati@adcb.com

Mohammed Al Hemeiri

Senior Analyst
Tel: +971 (0) 2 812 6450
mohammed.alhemeiri@adcb.com

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

GCC Weekly Market Performance

Index				Rates			
Fixed Income	Latest	-1w %	YTD %	3M interbank	Latest	-1w (bp)	YTD (bp)
Global Agg	468.4	0.57	0.41	Saudi	5.54	3.48	-69.43
Global Treasuries	197.5	0.61	-1.25	UAE	4.41	-1.96	-101.20
EM USD Agg TR	1257.3	0.54	8.30	Kuwait	4.00	6.3	-31.25
EM LatAm TR	1140.6	0.61	12.79	Bahrain	5.84	-1.82	-68.00
EM EMEA TR	371.0	0.56	6.83	Oman	5.09	-	-95.00
EM Asia TR	653.2	0.43	5.61	Qatar	4.93	-0.83	-120.00
Bahrain TR	204.0	0.18	7.52	US SOFR	4.58	2.00	-81.00
Oman TR	157.5	0.34	5.35	5Y Sov. CDS	Latest	-1w (bp)	YTD (bp)
Kuwait TR	156.7	0.11	5.73	Saudi Arabia	61.13	-0.20	6.74
Qatar TR	139.1	0.53	3.46	Abu Dhabi	41.53	-0.66	-2.20
Saudi Arabia TR	142.8	0.63	3.16	Dubai	63.90	-0.46	-
UAE TR	143.4	0.34	3.71	Kuwait	75.92	-0.01	20.85
Equity	Latest	-1w %	YTD %	Bahrain	190.84	-0.88	-21.84
ADX	9285.3	-1.18	-4.34	Oman	100.50	-1.63	-21.72
DFM	4805.1	1.43	18.42	Qatar	41.70	-1.63	-5.10
Tadawul	11619.5	-1.11	-1.62	10Y yield	Latest	-1w (bp)	YTD (bp)
DSM	10361.5	-0.29	0.22	Saudi Arabia	5.01	-11.50	26.50
MSM30	4530.4	-1.22	-0.58	Abu Dhabi	4.73	-10.50	46.10
BHSE	2032.0	-1.04	2.96	Dubai	4.64	-6.60	-4.00
KWSE	7751.4	-1.05	2.04	Kuwait	4.62	-1.10	34.40
MSCI GCC	704.1	-0.89	-1.44	Bahrain	6.52	-4.80	-22.90
MSCI EM	1086.9	-0.63	8.35	Oman	5.43	-6.50	-5.40
MSCI ACWI	859.1	1.33	20.24	Qatar	4.61	-3.10	38.50

Note: data from 20th November 2024 to 26th November 2024. Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

Moody's Ratings upgrades Saudi Arabia to Aa3; changes the outlook to stable from positive.

Moody's Ratings (Moody's) has upgraded the Government of Saudi Arabia's long-term local and foreign currency issuer and senior unsecured ratings to Aa3 from A1. Citing the country's efforts to diversify beyond its oil economy.

(Source: Bloomberg)

Saudi Arabia approves 2025 budget that foresees USD27bn fiscal deficit.

Saudi Arabia on Tuesday approved its state budget for 2025 that forecasts a fiscal deficit of SAR101 billion (USD26.88 billion). The deficit is in line with a preliminary government projection made in September and would equate to about 2.3% of gross domestic product. Total expenditure for 2025 is projected at SAR1.285 trillion, which is the same as projected in September and likely to equate to about 30% of GDP over the next three years. Total revenue is expected at SAR1.184 trillion.

(Source: Zawya)

UAE's Mubadala Capital to take Canada's CI Financial private in USD3.36bn offer.

CI financial corporation announced that it has entered into a definitive agreement with an affiliate of Mubadala Capital, the alternative asset management arm of Mubadala Investment Company, to take CI private in a transaction that values CI's equity at approximately CAD4.7 billion and implies an enterprise value of approximately CAD12.1 billion. Following the closing of the transaction, CI will continue to operate with its current structure and management team and will be independent of Mubadala Capital's other portfolio businesses.

(Source: Bloomberg)

Saudi Awwal Bank begins offering of SAR denominated AT1 sukuk.

Riyadh-based Saudi Awwal Bank (SAB) has begun issuing a Saudi riyal-denominated Additional Tier 1 sukuk by way of private placement in the kingdom. The size and yield of the perpetual dual tranche sukuk—with fixed rate and floating rates—will be determined later. The offering closes on 5 December, 2024. Minimum subscription has been set at SAR1 million (USD266,666) The bank has mandated HSBC Saudi Arabia as the sole lead manager to the issuance. The global banking group owns a minority stake in Awwal Bank. The bank is rated A2 with stable outlook by Moody's and BBB+ with stable outlook by Fitch Ratings. It posted a net profit of SAR 1.88 billion for Q3 2024, 3% higher year-on-year.

(Source: Zawya)

GCC Weekly Market View

November 27 2024

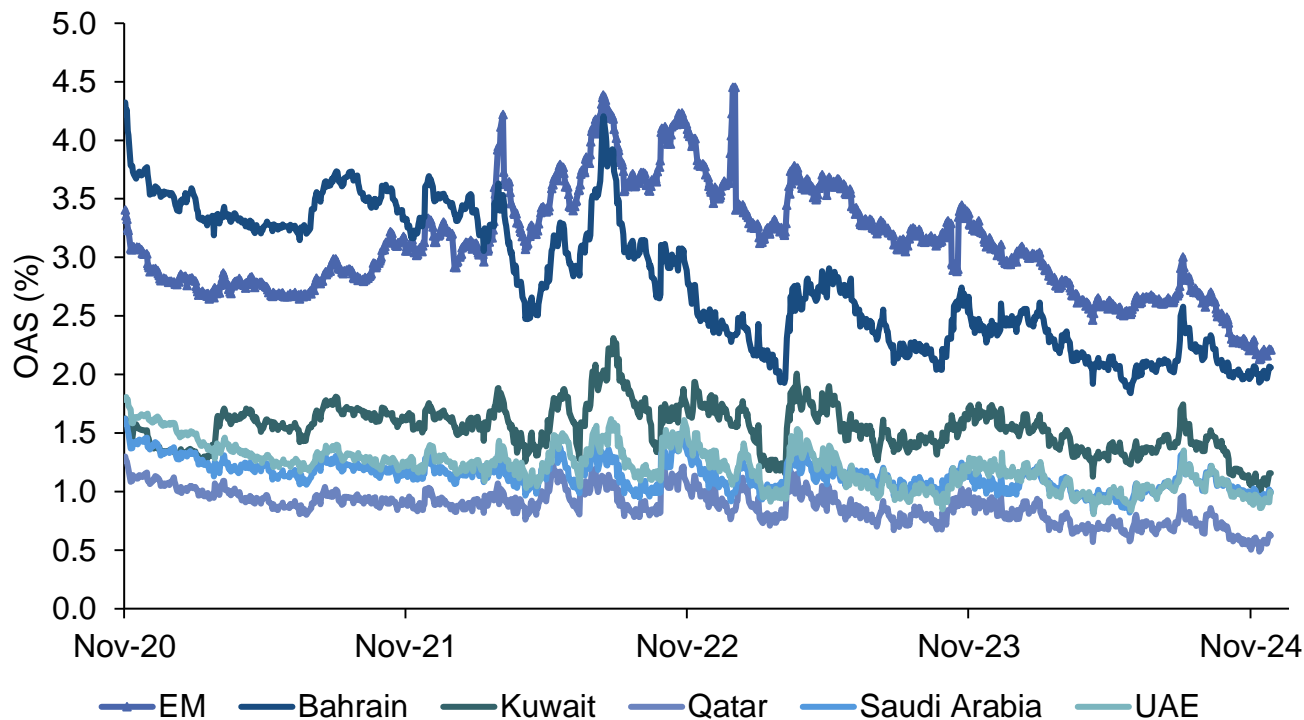
GCC bond issuances table

Issuer	BBG	Sector	Country	Issue Amt*	Cpn	Maturity	Maturity Type	Currency	Issue Date	Rtg^	YTM	YTC (mid)
Equate Sukuk Spc Ltd	EQPCKW	Agency	KW	750	5	9/5/2031	CALLABLE	USD	9/5/2024	BBB	4.94	4.94
Abu Dhabi Commercial Bank	ADCBUH	Agency	AE	500	5.361	3/10/2035	CALLABLE	USD	9/10/2024	A-	5.14	5.11
Suci Second Investment Co	PIFKSA	Agency	SA	1500	4.375	9/10/2027	AT MATURITY	USD	9/10/2024	A+	4.50	-
National Bank of Ras Al-Khaimah PSC/The	RAKBNK	Financial Institutions	AE	250	5.873	12/10/2034	CALLABLE	USD	9/10/2024	BBB-	6.42	5.73
Gaci First Investment Co	PIFKSA	Agency	SA	500	5.25	10/13/2032	CALLABLE	USD	9/10/2024		4.83	4.82
Adnoc Murban Rsc Ltd	ADNOCM	Agency	AE	1500	5.125	9/11/2054	CALLABLE	USD	9/11/2024	AA	5.19	5.19
Adnoc Murban Rsc Ltd	ADNOCM	Agency	AE	1500	4.5	9/11/2034	CALLABLE	USD	9/11/2024	AA	4.61	4.62
Adnoc Murban Rsc Ltd	ADNOCM	Agency	AE	1000	4.25	9/11/2029	CALLABLE	USD	9/11/2024	AA	4.24	4.24
BOS Funding Ltd	BOSUH	Financial Institutions	AE	500	5.25	9/12/2029	AT MATURITY	USD	9/12/2024	BBB+	5.49	-
Al Ahli Bank of Kuwait KSCP	ALAHKW	Financial Institutions	KW	300	6.5	-	PERP/CALL	USD	9/12/2024	-	6.38	6.42
QIB Sukuk Ltd	QIBKQD	Financial Institutions	QA	750	4.485	9/17/2029	AT MATURITY	USD	9/17/2024	A	4.40	-
QIib Tier 1 Sukuk LLC	QIIKQD	Financial Institutions	QA	300	5.45	-	PERP/CALL	USD	10/2/2024	-	5.42	5.32
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.75	10/2/2034	CALLABLE	USD	10/2/2024	A+	4.80	4.80
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.25	10/2/2029	CALLABLE	USD	10/2/2024	A+	4.39	4.39
Abu Dhabi Developmental	ADQABU	Agency	AE	1000	5.25	10/2/2054	CALLABLE	USD	10/2/2024	AA	5.28	5.28
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.75	10/2/2034	CALLABLE	USD	10/2/2024	A+	5.02	5.02
Abu Dhabi Developmental	ADQABU	Agency	AE	1000	5.25	10/2/2054	CALLABLE	USD	10/2/2024	AA	5.47	5.47
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.25	10/2/2029	CALLABLE	USD	10/2/2024	A+	4.65	4.65
Abu Dhabi Developmental	ADQABU	Agency	AE	1000	4.375	10/2/2031	CALLABLE	USD	10/2/2024	AA	4.68	4.69
QIib Tier 1 Sukuk LLC	QIIKQD	Financial Institutions	QA	300	5.45	-	PERP/CALL	USD	10/2/2024	-	5.64	5.37
QNB Finance Ltd	QNBK	Agency	QA	300	6.012	10/8/2029	AT MATURITY	USD	10/8/2024	-	5.99	-
Abu Dhabi National Energy Co PJSC	TAQAUH	Agency	AE	850	4.75	3/9/2037	AT MATURITY	USD	10/9/2024	AA	5.01	-
Abu Dhabi National Energy Co PJSC	TAQAUH	Agency	AE	900	4.375	10/9/2031	AT MATURITY	USD	10/9/2024	AA	4.70	-
Mazoon Assets Co SAOC	MAZOOM	Agency	OM	750	5.25	10/9/2031	AT MATURITY	USD	10/9/2024	BB+	5.37	-
BBG Sukuk Ltd	DUKHAN	Financial Institutions	QA	800	4.56	10/9/2029	AT MATURITY	USD	10/9/2024	A	4.65	-
Ooredoo International Finance Ltd	QTELQD	Agency	QA	500	4.625	10/10/2034	AT MATURITY	USD	10/10/2024	A	4.77	-
Commercial Bank of Dubai PSC	CBDUH	Financial Institutions	AE	500	4.864	10/10/2029	AT MATURITY	USD	10/10/2024	A-	4.93	-
DIB Tier 1 Sukuk 6 Ltd	DIBUH	Financial Institutions	AE	500	5.25	-	PERP/CALL	USD	10/16/2024	-	5.26	5.32
Sharjah Sukuk Program Ltd	SHARSK	Sovereign	AE	750	5.433	4/17/2035	AT MATURITY	USD	10/17/2024	BB+	5.49	-
National Bank of Kuwait/New York NY	NTBKKK	Financial Institutions	KW	263	5	1/17/2025	AT MATURITY	USD	10/17/2024	-	5.34	-
GFH Senior Sukuk Ltd	GFHSUK	Financial Institutions	BH	500	7.5	11/6/2029	AT MATURITY	USD	11/6/2024	-	8.32	-

*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

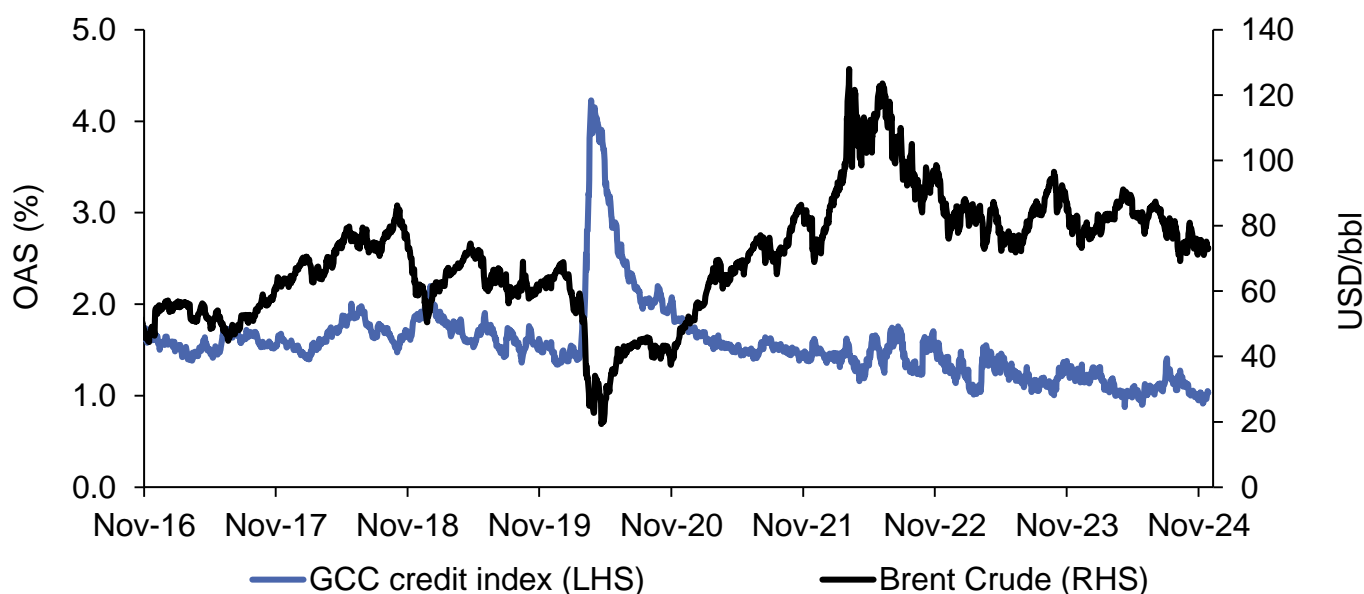
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



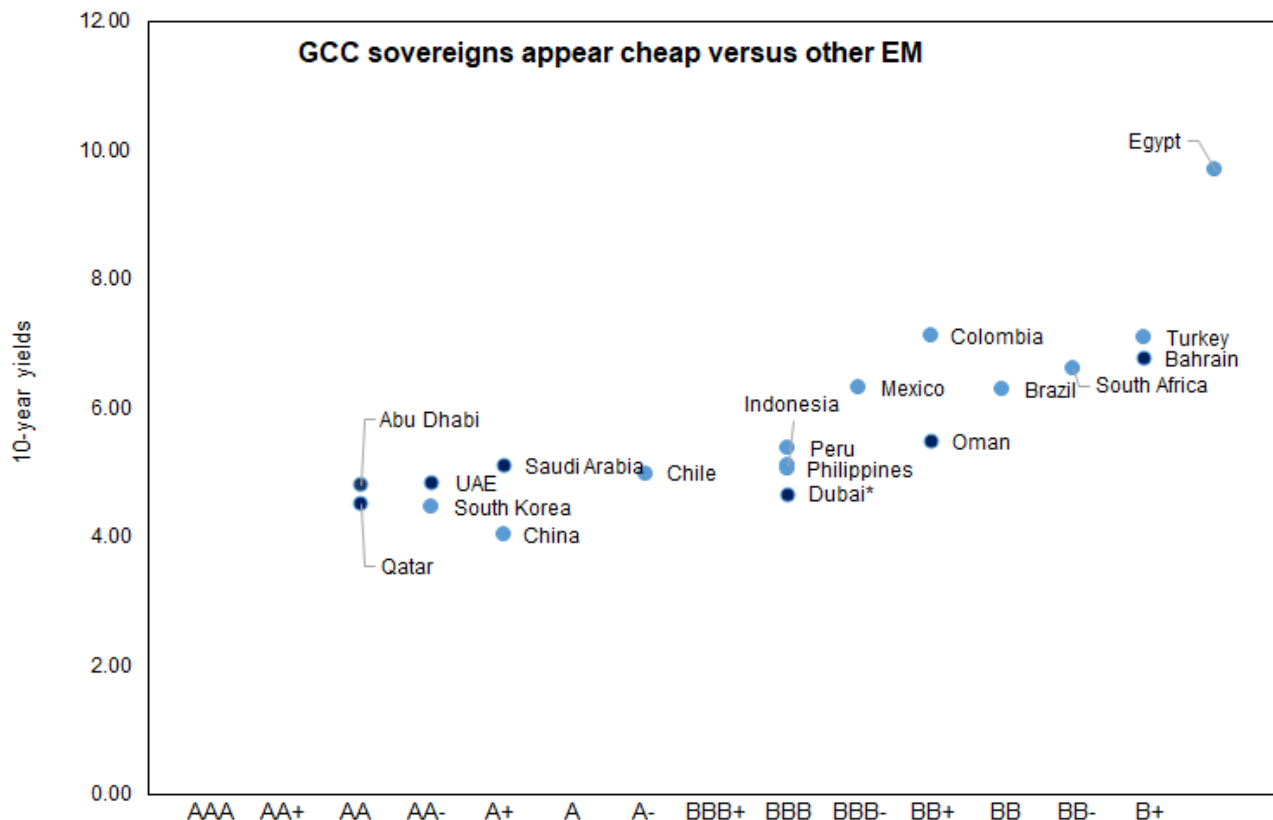
Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

GCC corporate OAS spread versus Brent Crude



Source: Bloomberg, ADCB Asset Management

10yr yield versus Credit ratings (EM vs GCC)



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	Ba1	Aa2	Caa1
Fitch	A+	AA	-	AA-	B+	BB+	AA	B

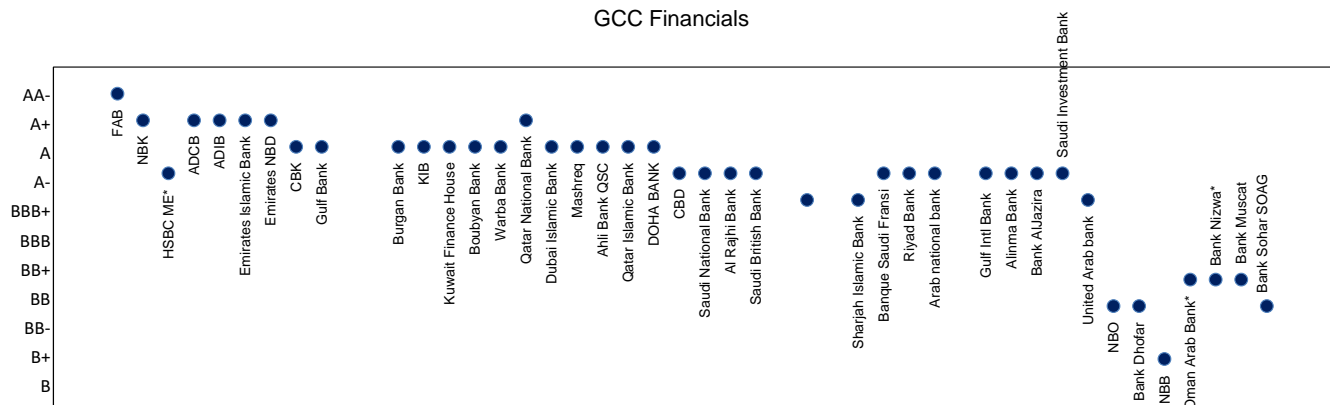
Note: *DEWA rated used as proxy for Dubai

GCC Weekly Market View

November 27 2024

GCC Financials Credit Rating

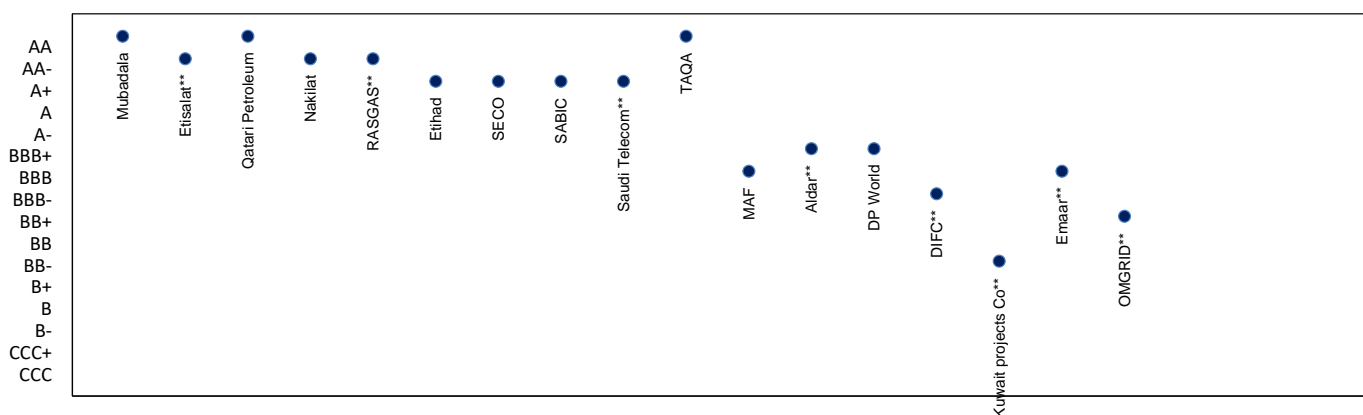
GCC Financials



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

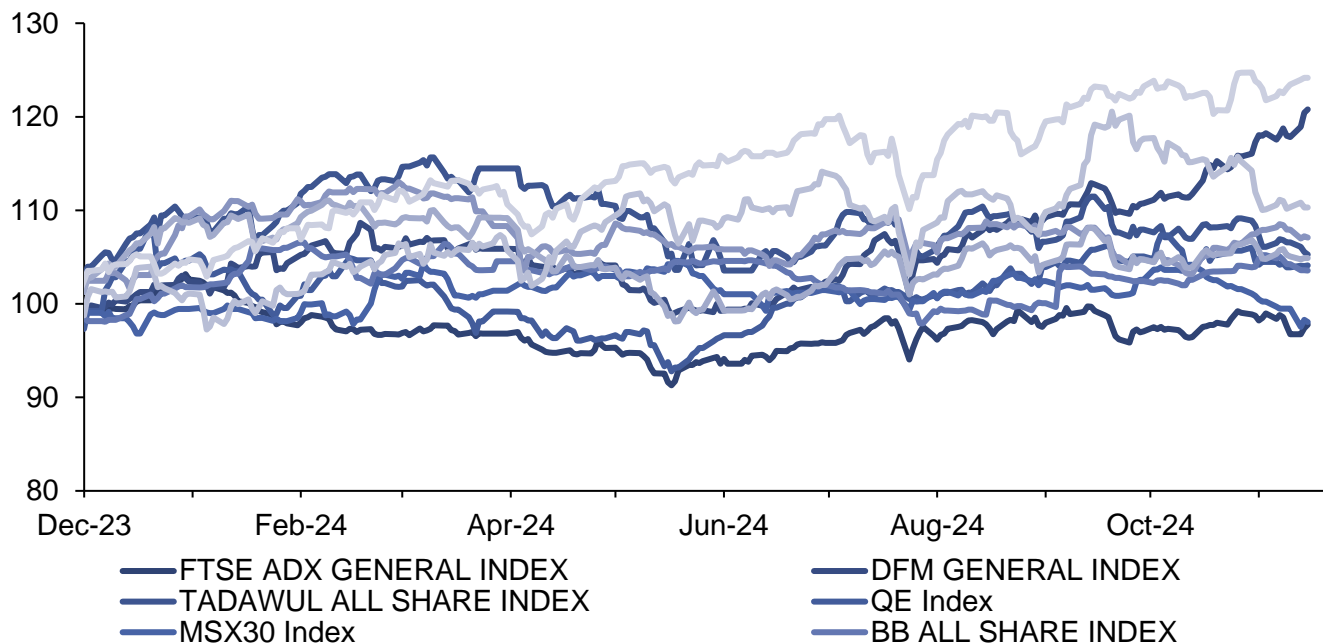
Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	15.1x	1.8%	2.1%
DFM	9.3x	-	5.0%
Tadawul	17.1x	19.0%	3.8%
DSM	11.4x	8.0%	4.1%
MSM30	9.6x	8.0%	5.7%
BHSE	7.8x	-	3.6%
KWSE	12.9x	3.1%	4.0%
MSCI GCC	14.3x	7.7%	3.9%
MSCI EM	13.5x	10.7%	2.6%
MSCI ACWI	20.5x	7.3%	1.8%

Notes: *data as of 27 November 2024

Source: Bloomberg, ADCB

GCC equity 1Y Performance

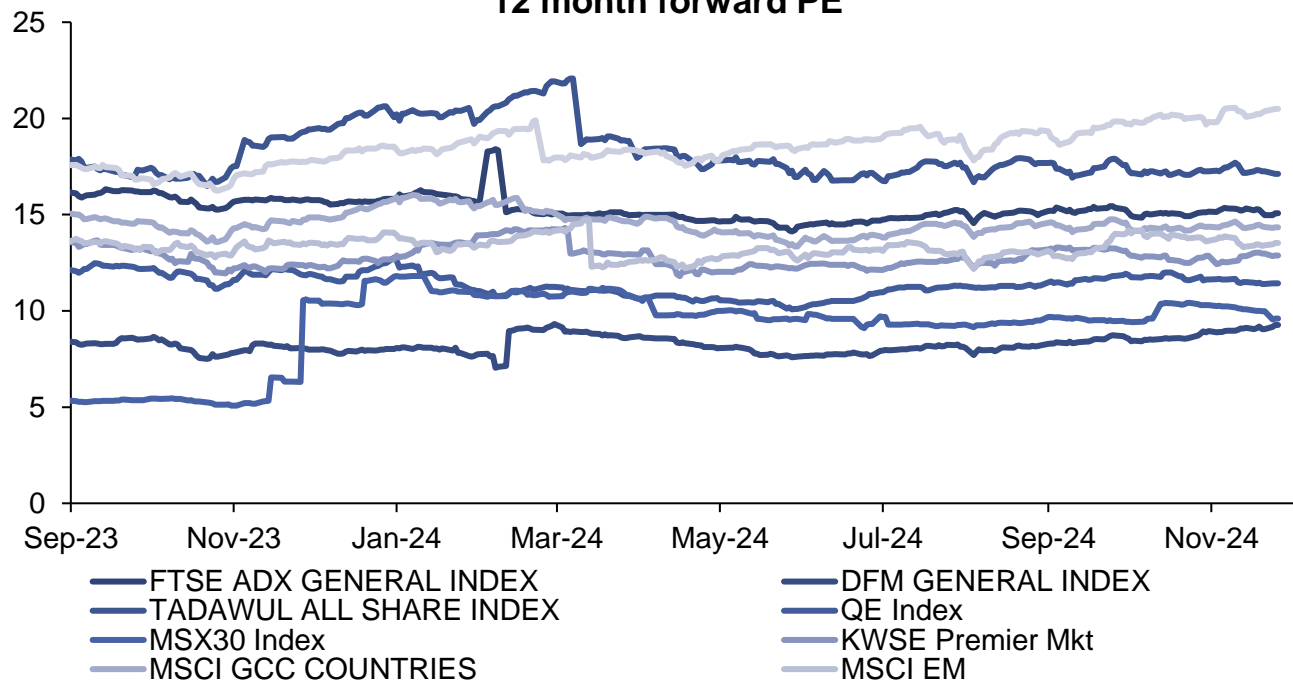
1Y performance



Source: Bloomberg, ADCB

GCC equity 12m forward PE

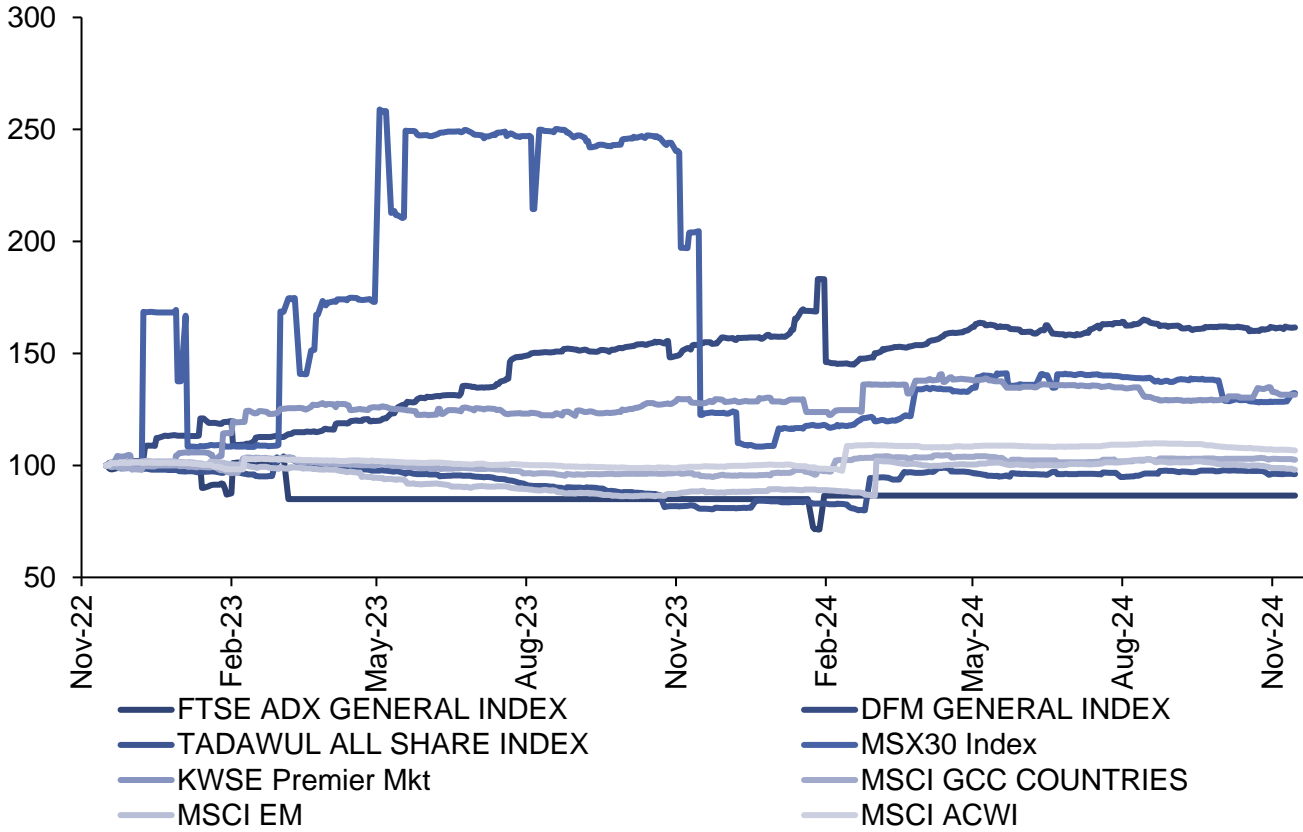
12 month forward PE



Source: Bloomberg, ADCB

GCC equity 12m forward EPS

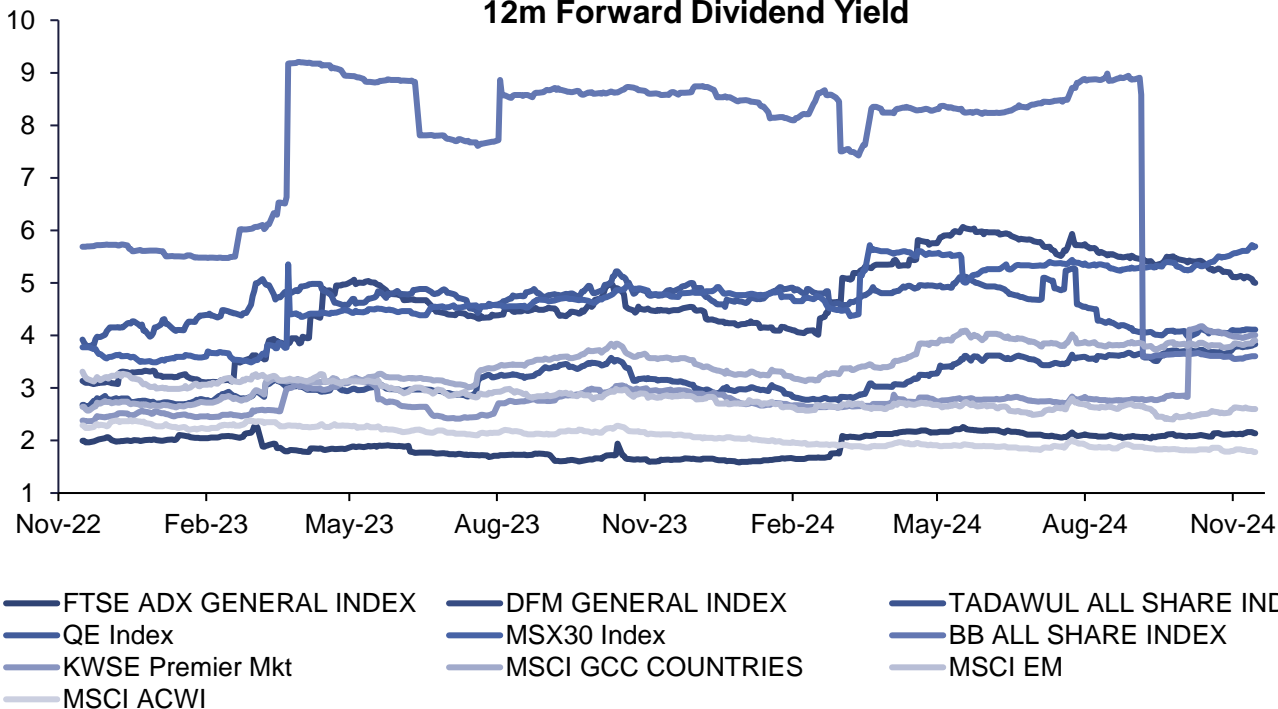
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward dividend yields

12m Forward Dividend Yield



Source: Bloomberg, ADCB

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.