

GCC market performance and activity summary

GCC fixed income

Global benchmark bond index posted marginal gains for the week ending 21st October. The Global Aggregate index rose 0.25% while Global Treasuries gained 0.18%. In credit, Global corporate IG index and Global HY index both posted marginal gains last week. EM bonds rallied, recording positive gains over the week, led by EM EMEA.

All GCC bond indices rose over the week. Saudi Arabia and Qatar outperformed the most. 5Y sovereign CDS spreads tightened across GCC markets, barring Kuwait and Oman. In the USD sovereign market, the 10yr bond yields declined across all GCC markets.

GCC equities

GCC regional indices ended mixed – Oman outperformed the most. Qatar and Kuwait posted gains. Saudi Arabia, Dubai, and Bahrain recorded losses while Abu Dhabi ended flat. Overall, MSCI GCC posted declines, underperforming both MSCI EM and MSCI ACWI.

GCC key macro developments:

- ▶ Saudi annual inflation rate reached 2.2% in September 2025.
- ▶ Oman's inflation climbed to 13-month high in September.
- ▶ Abu Dhabi's economy to grow by 6%, Dubai's economy to grow by 3.4% in 2025 – IMF.
- ▶ Qatar GDP to grow by over 6% in 2026 – IMF.

GCC corporate news:

- ▶ Oman's electricity transmission operator OETC mandated for a 5-year green 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

Awarded Best Private Bank UAE & Middle East | Best for HNW Clients UAE & Middle East | Best for Investment Research UAE & Middle East – Euromoney 2025

GCC Weekly Market Performance

Index				Rates			
Fixed Income	Latest	-1w %	YTD %	3M interbank	Latest	-1w (bp)	YTD (bp)
Global Agg	501.9	0.25	8.53	Saudi	5.31	17.19	-10.60
Global Treasuries	209.5	0.18	7.67	UAE	3.67	-18.72	-76.74
EM USD Agg TR	1370.0	0.58	9.68	Kuwait	3.81	0.00	-12.50
EM LatAm TR	1246.9	0.55	10.08	Bahrain	5.30	-0.25	-38.56
EM EMEA TR	406.0	0.68	10.16	Oman	4.52	7.50	-40.00
EM Asia TR	703.8	0.45	8.40	Qatar	4.35	0.00	-30.00
Bahrain TR	224.3	0.55	10.35	US SOFR	4.16	-13.00	-24.00
Oman TR	172.9	0.55	10.54	5Y Sov. CDS	Latest	-1w (bp)	YTD (bp)
Kuwait TR	166.8	0.17	6.33	Saudi Arabia	68.73	-2.31	-3.93
Qatar TR	149.8	0.81	8.83	Abu Dhabi	29.70	-1.78	14.21
Saudi Arabia TR	154.5	0.77	9.46	Dubai	54.54	-1.04	8.20
UAE TR	155.2	0.54	8.85	Kuwait	58.40	0.40	-16.4
Equity	Latest	-1w %	YTD %	Bahrain	175.33	-3.40	12.94
ADX	10159.2	0.00	8.57	Oman	76.42	0.56	25.85
DFM	5975.3	-1.05	15.96	Qatar	30.02	-1.38	14.02
Tadawul	11545.8	-1.17	-4.60	10Y yield	Latest	-1w (bp)	YTD (bp)
DSM	10821.9	1.20	2.37	Saudi Arabia	4.45	-12.10	-95.00
MSM30	5468.1	3.93	19.36	Abu Dhabi	4.03	-10.20	-98.90
BHSE	1969.5	-0.10	-0.49	Dubai	3.84	-1.20	-99.20
KWSE	9444.0	0.70	20.48	Bahrain	5.93	-11.70	-103.70
MSCI GCC	771.9	-0.25	6.29	Oman	4.52	-9.80	-121.20
MSCI EM	1383.6	1.31	29.19	Qatar	4.09	-9.50	-74.00
MSCI ACWI	994.9	0.96	18.44				

Note: data from 15th October 2025 to 21st October 2025, Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

Key developments

▶ **Saudi annual inflation rate reached 2.2% in September 2025**

According to the General Authority for Statistics (GASTAT), Saudi Arabia's annual inflation rate reached 2.2% in September 2025, compared to September 2024 when it stood at 1.7%, and this rise was driven by increases in housing, water, electricity, gas, and other fuels. The Consumer Price Index (CPI) saw a slight decrease of 0.1% from 2.3% during August 2025. (Source: Zawya)

▶ **Oman's inflation climbed to 13-month high in September**

According to the National Centre for Statistics and Information (NCSI), Oman's annual inflation rate rose to a 13-month high in September, driven mainly by higher transport costs. Oman's consumer price index (CPI) showed annual inflation accelerating to 1.08% in September, up from 0.5% in August, marking the highest level since August 2024, when inflation stood at 1.13%. The rise in inflation was largely attributed to a sharp increase in the transport segment, which holds a 15% weighting in Oman's CPI. (Source: Zawya)

▶ **Abu Dhabi's economy to grow by 6%, Dubai's economy to grow by 3.4% in 2025 - IMF**

The International Monetary Fund (IMF) expects the Abu Dhabi to post economic growth of around 6%, and Dubai to record growth of 3.4% during 2025. IMF projects the UAE's economy to grow by 4.8% in 2025, rising to about 5% in 2026, the highest growth rate among Gulf Cooperation Council (GCC) countries (Source: Zawya).

▶ **Qatar GDP to grow by over 6% in 2026 - IMF**

According to the International Monetary Fund (IMF), Qatar's real GDP growth is projected to be 2.9% in 2025 and 6.1% in 2026. Qatar's current account balance is expected to be 10.8% in 2025 and 10.2% in 2026, while consumer prices are projected to be 0.1% this year and 2.6% in 2026. This growth reflects the country's strong trajectory towards sustainable development and economic diversification. (Source: Zawya)

▶ **Oman's electricity transmission operator OETC mandated for a 5-year green sukuk**

Oman Electricity Transmission Company SAOC (OETC), rated Ba1 (stable) by Moody's and BB+ (stable) by Fitch, has issued a mandate for a benchmark USD-denominated Regulation S green sukuk with a 5-year tenor. (Source: Zawya)

GCC Weekly Market View

Investment Strategy | October 22, 2025

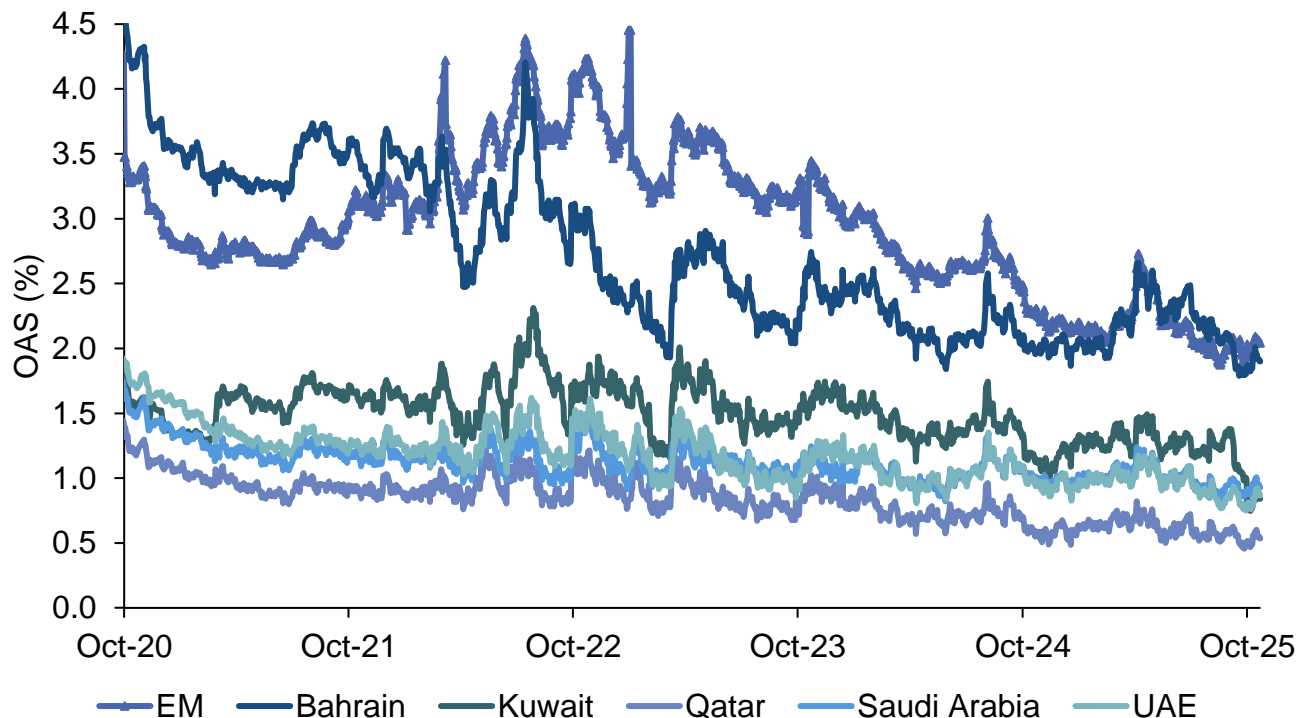
GCC bond issuances

Issuer	BBG	Sector	Country	Issue Amt*	Cpn	Maturity	Maturity Type	Currency	Issue Date	Rtg [^]	YTM (mid)	YTC (mid)
Binghatti Sukuk 2 Spv Ltd	BINHLD	Financial Institutions	AE	500	7.75	7/2/2029	AT MATURITY	USD	10/01/2025	-	7.90	-
Bank Muscat SAOG	BKMBOM	Financial Institutions	OM	750	4.846	10/1/2030	AT MATURITY	USD	10/01/2025	-	4.82	-
Abu Dhabi Government	ADGB	Sovereign	AE	2000	4.25	10/2/2035	AT MATURITY	USD	10/02/2025	AA	4.35	-
SRC Sukuk Ltd	SRCSUK	Agency	SA	1000	4.875	10/2/2035	AT MATURITY	USD	10/02/2025	A+	4.94	-
SRC Sukuk Ltd	SRCSUK	Agency	SA	1500	4.375	4/2/2029	AT MATURITY	USD	10/02/2025	A+	4.39	-
Abu Dhabi Government	ADGB	Sovereign	AE	1000	3.625	10/2/2028	AT MATURITY	USD	10/02/2025	AA	3.82	-
CBB International Sukuk Programme Co	BHRAIN	Sovereign	BH	1500	5.8735	2/6/2034	AT MATURITY	USD	10/06/2025	-	5.71	-
Bahrain Government International Bond	BHRAIN	Sovereign	BH	1000	6.625	10/6/2037	AT MATURITY	USD	10/06/2025	-	6.50	-
Kuwait International Government Bond	KUWIB	Sovereign	KW	5000	4.652	10/9/2035	AT MATURITY	USD	10/09/2025	AA-	4.63	-
Kuwait International Government Bond	KUWIB	Sovereign	KW	3000	4.136	10/9/2030	AT MATURITY	USD	10/09/2025	AA-	4.16	-
Kuwait International Government Bond	KUWIB	Sovereign	KW	3250	4.016	10/9/2028	AT MATURITY	USD	10/09/2025	AA-	4.05	-
Ma'aden Sukuk Ltd	MAADEN	Agency	SA	250	5.5	2/13/2035	CALLABLE	USD	10/14/2025	-	4.88	4.86
Riyad Sukuk Ltd	RIBL	Financial Institutions	SA	250	5.829	10/14/2035	CALLABLE	USD	10/14/2025	-	5.79	5.81
KIB Sukuk Ltd	KIBKK	Financial Institutions	KW	300	5.535	4/16/2036	CALLABLE	USD	10/16/2025	BBB+	5.41	5.48
DAE Sukuk Dfnc Ltd	DUBAEE	Agency	AE	650	4.5	10/16/2030	AT MATURITY	USD	10/16/2025	BBB	4.59	-
Burgan Senior SPC Ltd	BGBKKK	Financial Institutions	KW	500	4.875	10/16/2030	AT MATURITY	USD	10/16/2025	A	4.81	-
MDGH GMTN RSC Ltd	MUBAUH	Agency	AE	750	4.625	10/16/2035	CALLABLE	USD	10/16/2025	AA	4.54	4.54
Oman Sovereign Sukuk Co	OMANGS	Sovereign	OM	1000	4.525	4/17/2033	AT MATURITY	USD	10/17/2025	Baa3	4.49	-
MAF Sukuk Ltd	MAFUAE	Financial Institutions	AE	500	4.875	10/22/2035	AT MATURITY	USD	10/22/2025	BBB	4.91	-

*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

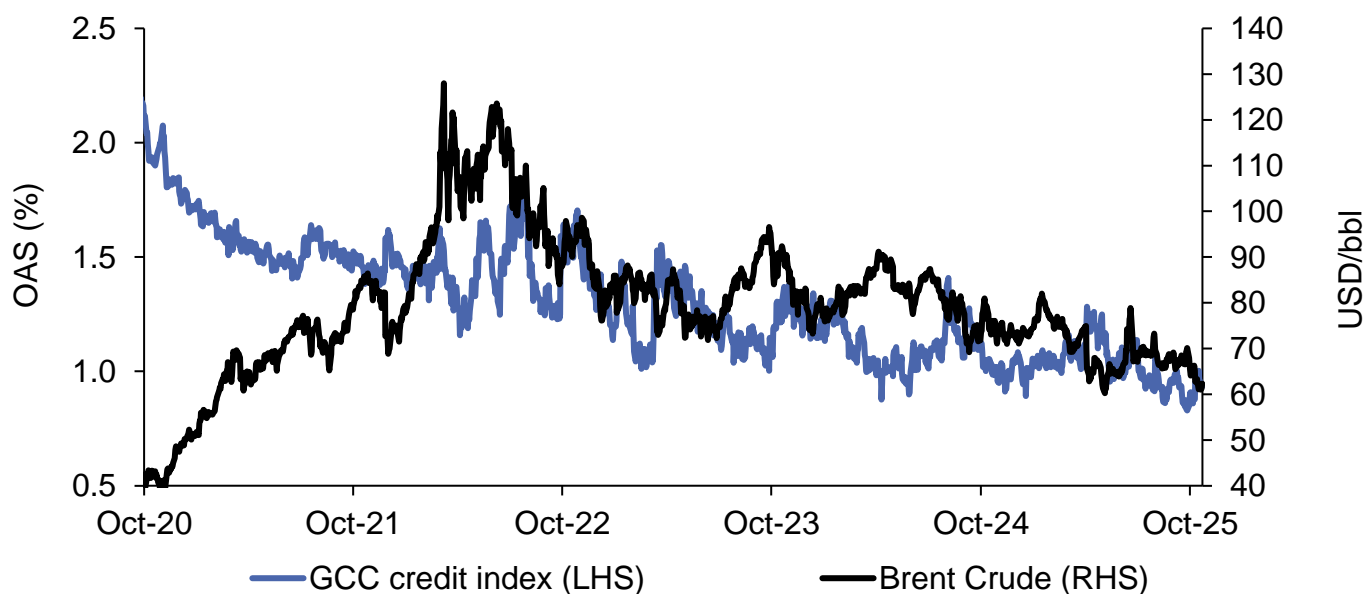
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

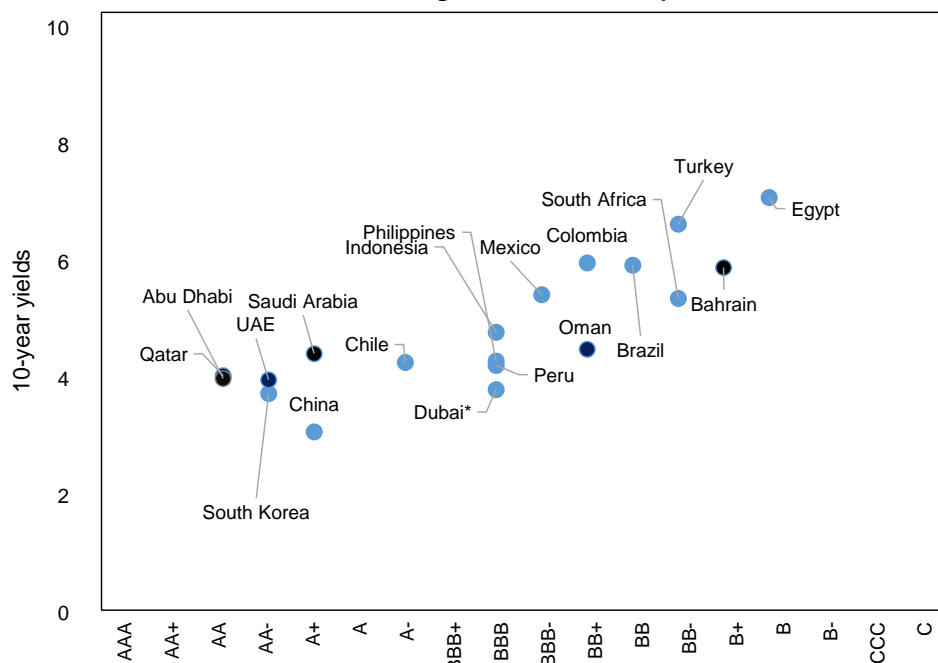
GCC corporate OAS spread versus Brent Crude



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

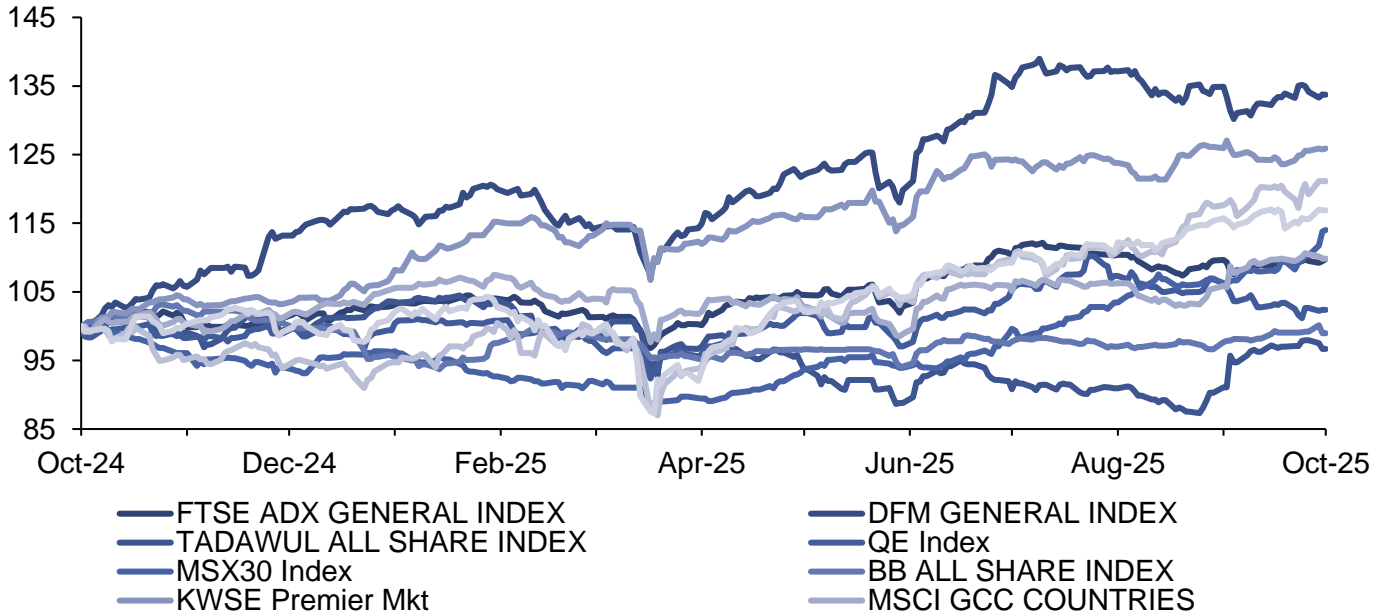
GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	15.5x	5.6%	2.3%
DFM	11.4x	-	4.8%
Tadawul	17.3x	5.7%	3.5%
DSM	12.2x	-1.5%	4.6%
MSM30	11.0x	-	5.6%
BHSE	13.8x	-	3.8%
KWSE	18.3x	-13.6%	2.7%
MSCI GCC	14.2x	10.6%	3.8%
MSCI EM	15.7x	6.4%	2.3%
MSCI ACWI	21.5x	9.3%	1.7%

Notes: *data as of 22 October 2025 | Source: Bloomberg, ADCB

GCC equity 1Y Performance

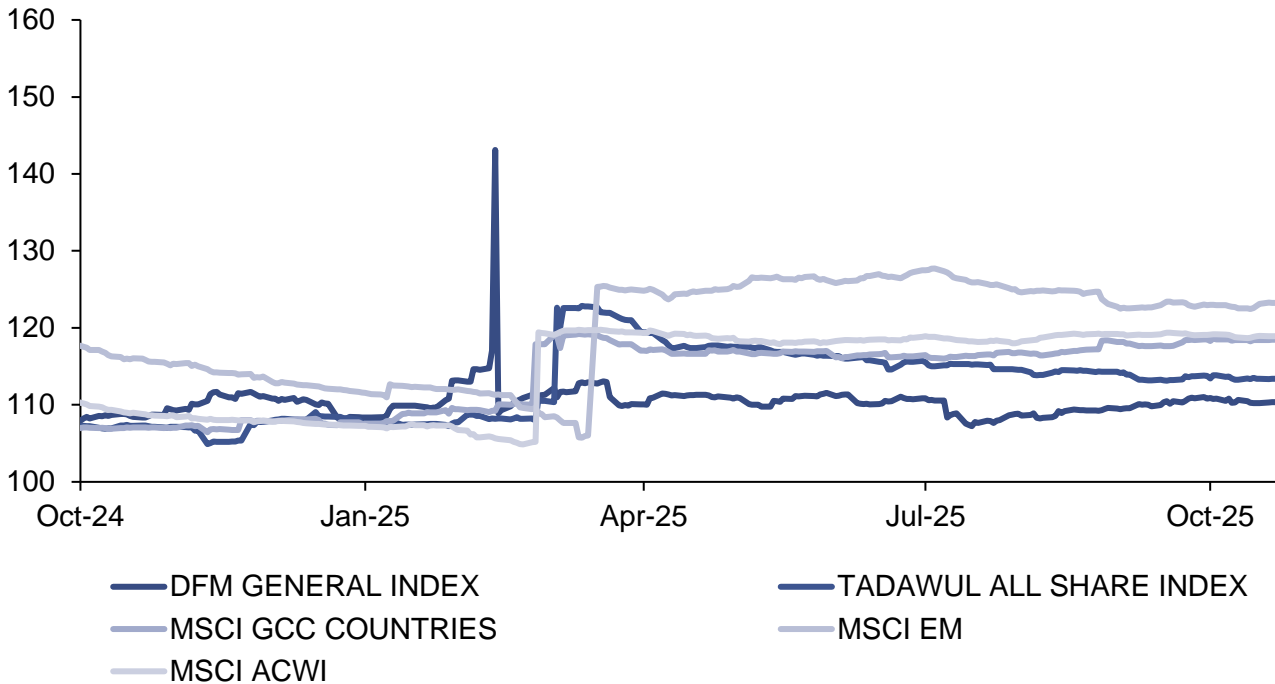
1Y performance



Source: Bloomberg, ADCB

GCC equity 12m forward PE

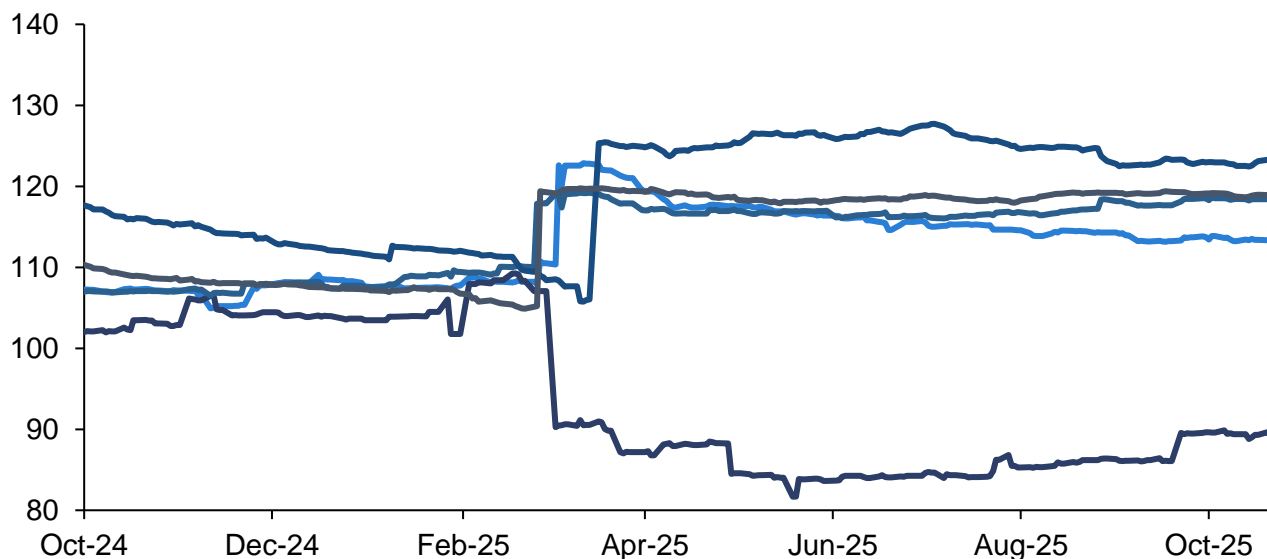
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward EPS

12 month forward EPS (indexed to 100 at start)

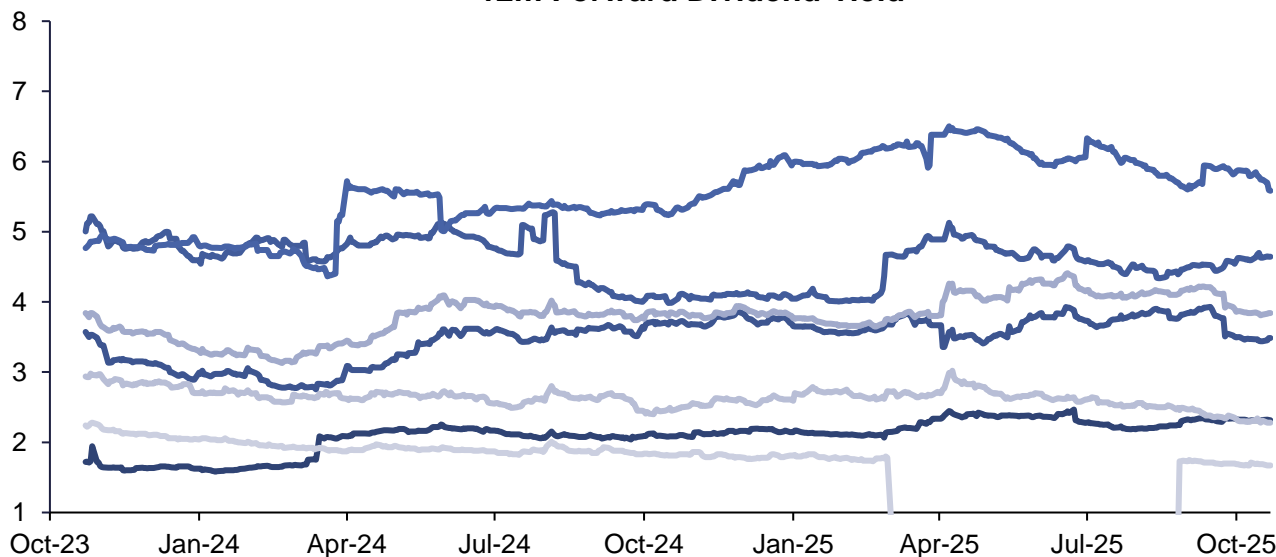


- TADAWUL ALL SHARE INDEX
- MSCI GCC COUNTRIES
- MSCI ACWI
- KWSE Premier Mkt
- MSCI EM

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.