

GCC market performance and activity summary

GCC fixed income

Global benchmark bond index posted marginal gains for the week ending 28th October. The Global Aggregate index rose 0.14% while Global Treasuries gained 0.06%. 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 LatAm – thanks to a strong rally in Argentine bonds.

All GCC bond indices rose over the week, except for Qatar. UAE and Oman outperformed the most. 5Y sovereign CDS spreads tightened across GCC markets, barring Dubai. In the USD sovereign market, the 10yr bond yields rose across all GCC markets.

GCC equities

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

GCC key macro developments:

- Oil and non-oil sectors drove GCC growth in Q1.
- Saudi non-oil exports rose by 5.5% in August.

GCC corporate news:

- Sharjah Islamic Bank successfully completed sale of all treasury shares.
- Adnoc Drilling revenue up, hitting USD3.63bn.
- Aldar's Q3 net profit soared 49% to USD517mn.
- Dubai-listed GulfNav to issue USD136mn in mandatory convertible bonds.

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GCC Weekly Market Performance

Index				Rates			
	Latest	-1w %	YTD %		Latest	-1w (bp)	YTD (bp)
Fixed Income				3M interbank			
Global Agg	502.8	0.14	8.71	Saudi	5.27	9.53	-15.10
Global Treasuries	209.8	0.06	7.78	UAE	3.81	-1.01	-63.23
EM USD Agg TR	1380.6	0.81	10.52	Kuwait	3.81	0.00	-12.50
EM LatAm TR	1269.8	2.08	12.10	Bahrain	5.30	-0.07	-38.55
EM EMEA TR	407.1	0.23	10.45	Oman	4.51	-0.75	-40.75
EM Asia TR	705.4	0.13	8.64	Qatar	4.35	2.50	-30.00
Bahrain TR	224.4	0.00	10.40	US SOFR	4.27	6.00	-13.00
Oman TR	173.2	0.12	10.73	5Y Sov. CDS			
Kuwait TR	167.0	0.10	6.44	Saudi Arabia	64.07	-3.90	0.73
Qatar TR	149.9	-0.02	8.93	Abu Dhabi	28.81	-0.40	15.10
Saudi Arabia TR	154.6	0.01	9.55	Dubai	55.02	0.22	7.72
UAE TR	155.5	0.12	9.06	Kuwait	51.90	-6.50	-22.90
Equity				Bahrain	169.67	-5.42	18.60
ADX	10165.7	-0.62	9.04	Oman	73.09	-3.11	29.17
DFM	6053.1	1.60	17.78	Qatar	29.26	-0.09	14.78
Tadawul	11674.1	0.76	-3.54	10Y yield			
DSM	10924.8	0.69	3.35	Saudi Arabia	4.48	3.00	-92.20
MSM30	5530.9	1.92	20.84	Abu Dhabi	4.04	3.10	-98.30
BHSE	2032.8	2.50	2.70	Dubai	3.88	3.60	-94.90
KWSE	9462.1	0.00	20.48	Bahrain	5.95	2.00	-101.80
MSCI GCC	780.7	0.63	7.51	Oman	4.54	0.70	-119.80
MSCI EM	1402.7	1.64	30.97	Qatar	4.09	2.10	-74.20
MSCI ACWI	1013.6	2.30	20.68				

Note: data from 22nd October 2025 to 28th October 2025, Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

Key developments

► **Sharjah Islamic Bank successfully completed sale of all treasury shares**

Sharjah Islamic Bank (SIB) announced the successful sale of all its treasury shares, amounting to 167.67mn shares, representing 5.18% of the Bank's total share capital. The sale was completed shortly after the announcement of SIB's Q3 financial results and attracted strong demand from investors, reflecting growing confidence in the Bank's solid performance and robust financial position. (Source: Zawya)

► **Oil and non-oil sectors drove GCC growth in Q1**

According to the Statistical Centre for the Gulf Cooperation Council, that GCC economies continued to demonstrate resilience and stability in Q1 of 2025, supported by steady growth in both oil and non-oil sectors. The nominal GDP for the six-nation bloc reached around USD588.1bn during the first three months of the year, up 5.7% from the same period in 2024. Real GDP rose to USD466.2bn, translating into an annual growth rate of 3%. All GCC countries reported positive economic expansion, reflecting sustained confidence in the region's development agenda. The oil sector remained the largest driver of growth, accounting for 22.9% of total GDP. Manufacturing followed at 12.7%, while wholesale and retail trade contributed 9.6%. Other activities represented 26.7% of the economy. (Source: Zawya)

► **Saudi non-oil exports rose by 5.5% in August**

According to the General Authority for Statistics (GASTAT), Saudi Arabia's non-oil exports, including re-exports, recorded an increase of 5.5% in August 2025. The trade balance recorded a surplus growth of 4.1%, amounting to SAR24.2bn, driven by a 7.4% rise in imports. The ratio of non-oil exports to imports decreased to 39.1% in August from 39.8% during the same month last year. Machinery, electrical equipment, and parts accounted for 25.4% of total non-oil exports, followed by chemical products with 22.7%. On the import side, machinery, electrical equipment, and parts made up 29.8% of total imports, reflecting an increase of 24.7% compared to August 2024. This was followed by transportation equipment and parts with 14.1%, up by 6.1% over the same period. Oil exports also rose by 7% during the same month, increasing their share of total goods exports from 70.2% in August 2024 to 70.5% in August 2025. (Source: Zawya).

► **Adnoc Drilling revenue up, hitting USD3.63bn**

Adnoc Drilling Company has reported financial results for 3Q and the first nine months of 2025. The highlights of the 9 months 2025 performance showcase significant growth, with revenue hitting USD3.63bn, reflecting a 27% increase YoY. EBITDA reached USD1.64bn, up 15%, while net profit rose by 17% to USD1.06bn. The company also generated free cash flow of USD1.2bn, marking a 174% surge compared to the previous year. The return on equity (ROE) stood at 36%, and return on capital employed (ROCE) was recorded at 25%. In line with its progressive dividend policy, the Board of Directors has approved a dividend of USD250mn for 3Q 2025, translating to approximately 5.7 fils per share. This dividend is set to be distributed in the latter half of November 2025 to shareholders on record as of November 6, 2025. (Source: Zawya).

▶ **Aldar's Q3 net profit soared 49% to USD517mn**

Aldar Properties Q3 2025 net profit soared 49% to AED1.9bn (USD517mn), underpinned by high demand from domestic and international buyers. Revenue and rental income for the period was AED 8.3bn. During the quarter, UAE sales to overseas and expat resident customers hit AED9.1bn. For the nine-month period Aldar made a net profit of AED6bn, 30% higher YoY. The 9M revenue rose to AED23.6bn, indicating a 43% YoY growth. Development revenue backlog rose to AED66.bn, including AED57.3bn in the UAE. (Source: Zawya).

▶ **Dubai-listed GulfNav to issue USD136mn in mandatory convertible bonds**

GulfNav, the Dubai-based shipping and maritime company, is moving ahead with a capital increase through the issuance of mandatory convertible bonds for AED500mn (USD136mn). The issuance will be priced at AED1.10 per bond, which will be converted into shares within three months from issuance. These will be allocated exclusively to current shareholders, with major shareholders only able to subscribe to whatever remains of these bonds during the last two days of the subscription period. GulfNav, which is listed on the Dubai Financial Market (DFM), mentioned that it will disclose the dates concerning the activation of the capital increase following SCA approval. (Source: Zawya).

GCC Weekly Market View

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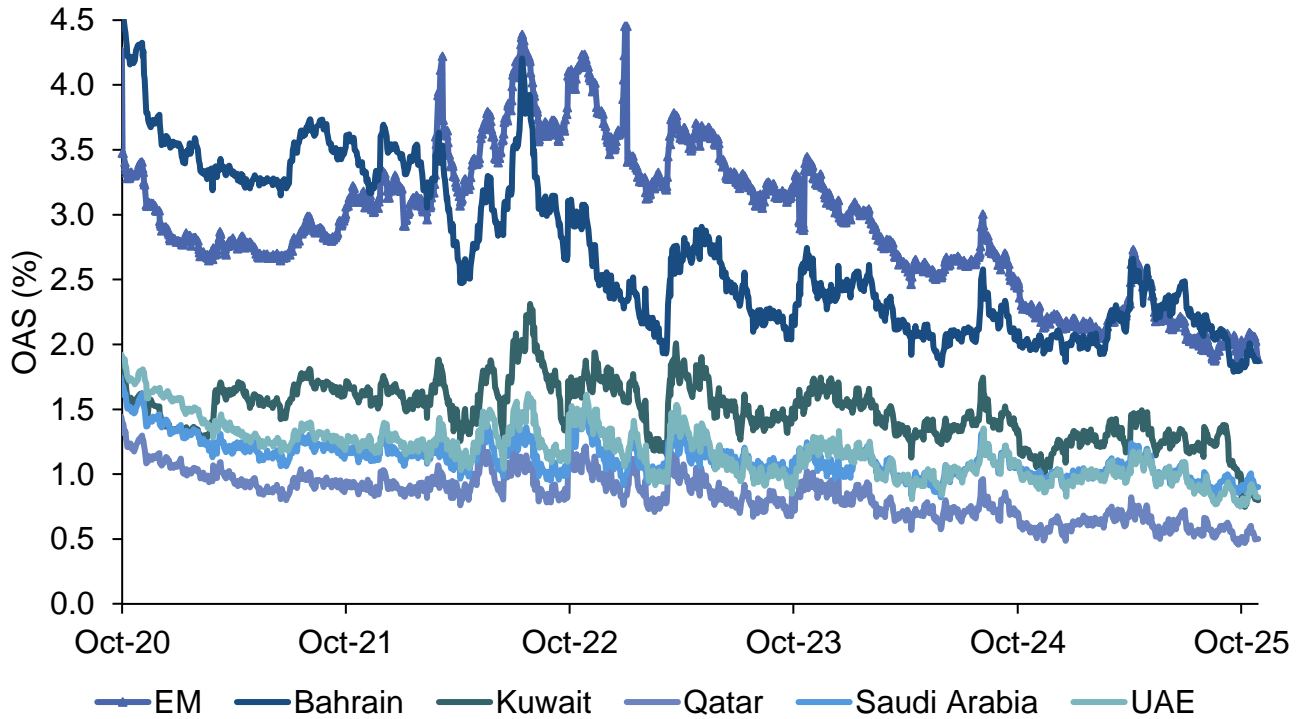
GCC bond issuances

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 Dfc 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	-
AL Jawaher Assets Co Spc	OMGRID	Agency	OM	750	4.662	10/29/2030	AT MATURITY	USD	10/29/2025	BB+	4.67	-

*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

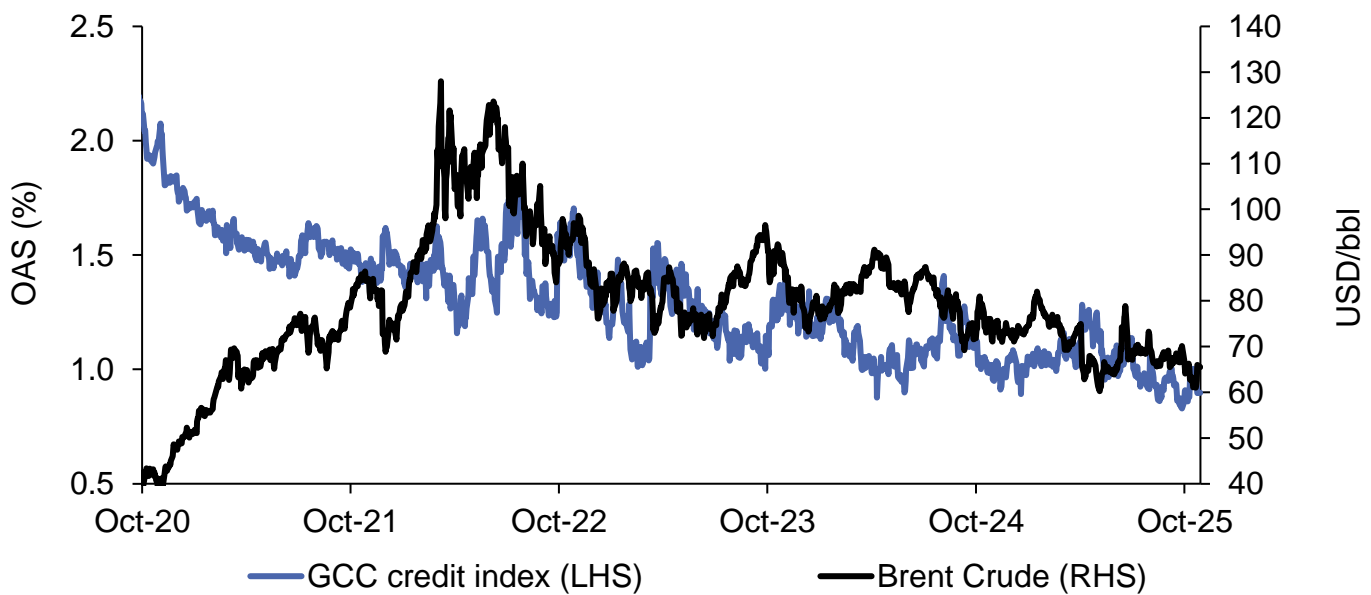
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

GCC corporate OAS spread versus Brent Crude



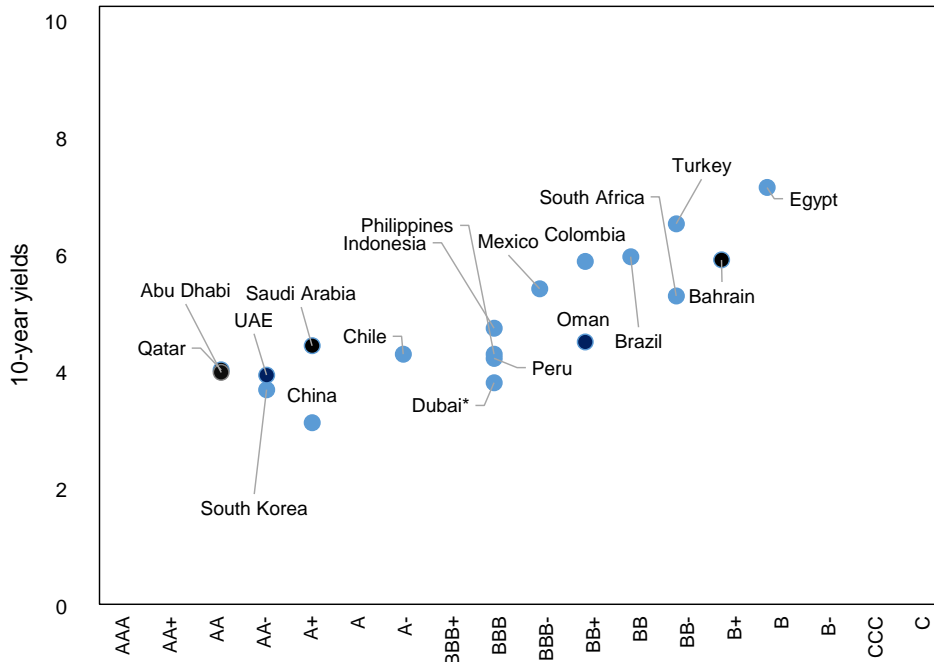
Source: Bloomberg, ADCB Asset Management

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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

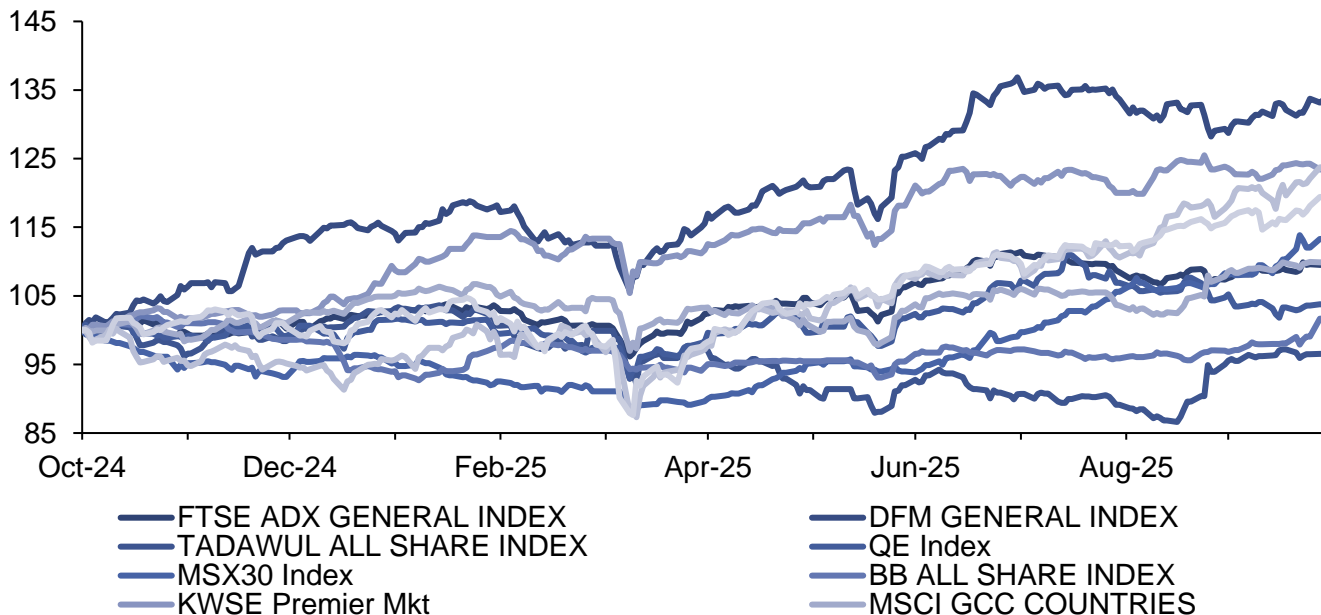
GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	12.6x	31.4%	2.3%
DFM	11.5x	-	4.7%
Tadawul	17.4x	6.2%	3.5%
DSM	12.3x	-1.7%	4.6%
MSM30	10.9x	-	5.6%
BHSE	12.0x	-	9.4%
KWSE	18.1x	-12.5%	2.8%
MSCI GCC	14.1x	11.5%	3.8%
MSCI EM	15.8x	7.0%	2.2%
MSCI ACWI	21.6x	9.9%	1.6%

Notes: *data as of 29 October 2025 | Source: Bloomberg, ADCB

GCC equity 1Y Performance

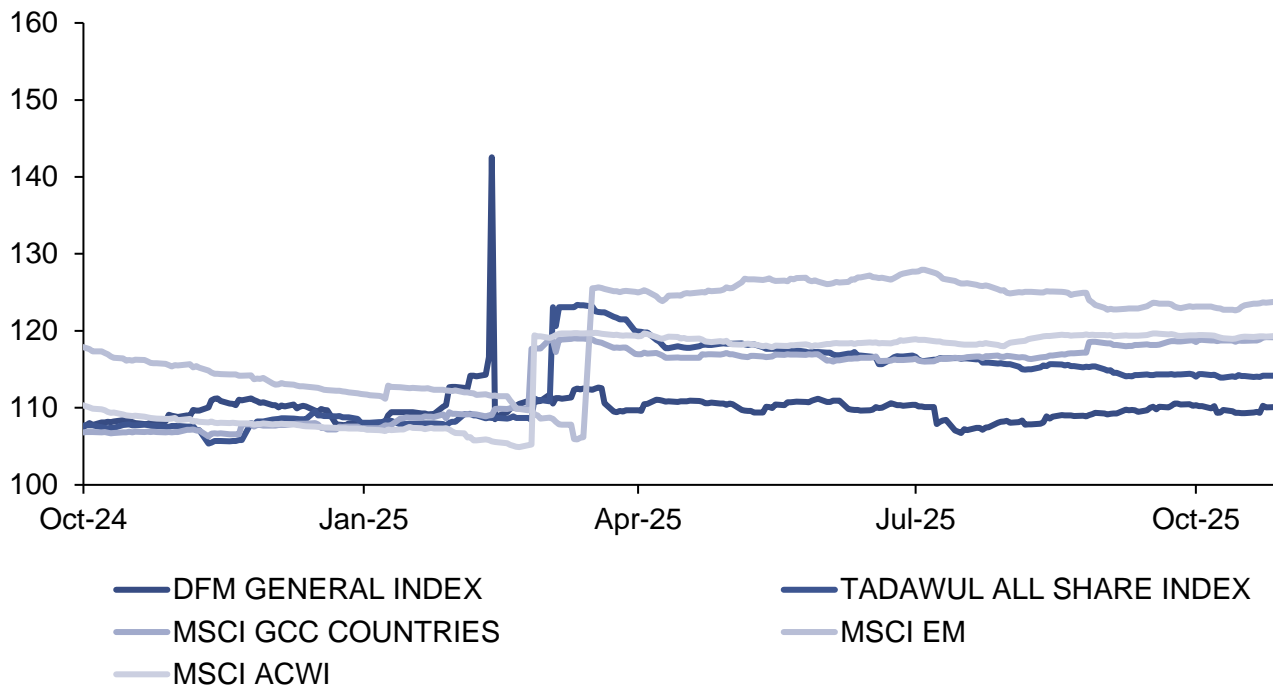
1Y performance



Source: Bloomberg, ADCB

GCC equity 12m forward PE

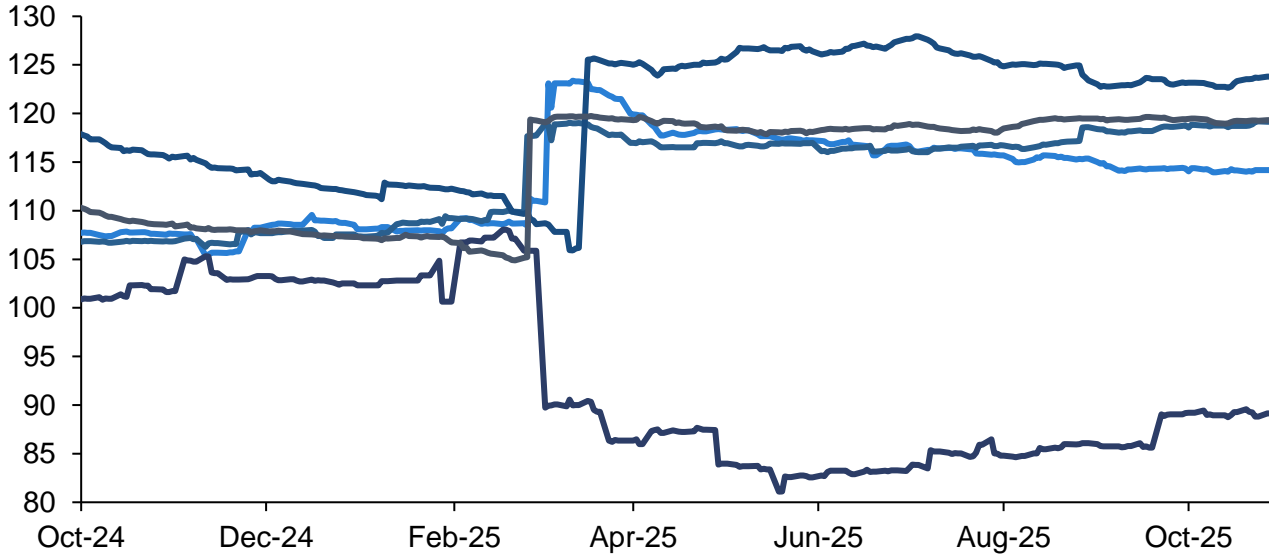
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward EPS

12 month forward EPS (indexed to 100 at start)

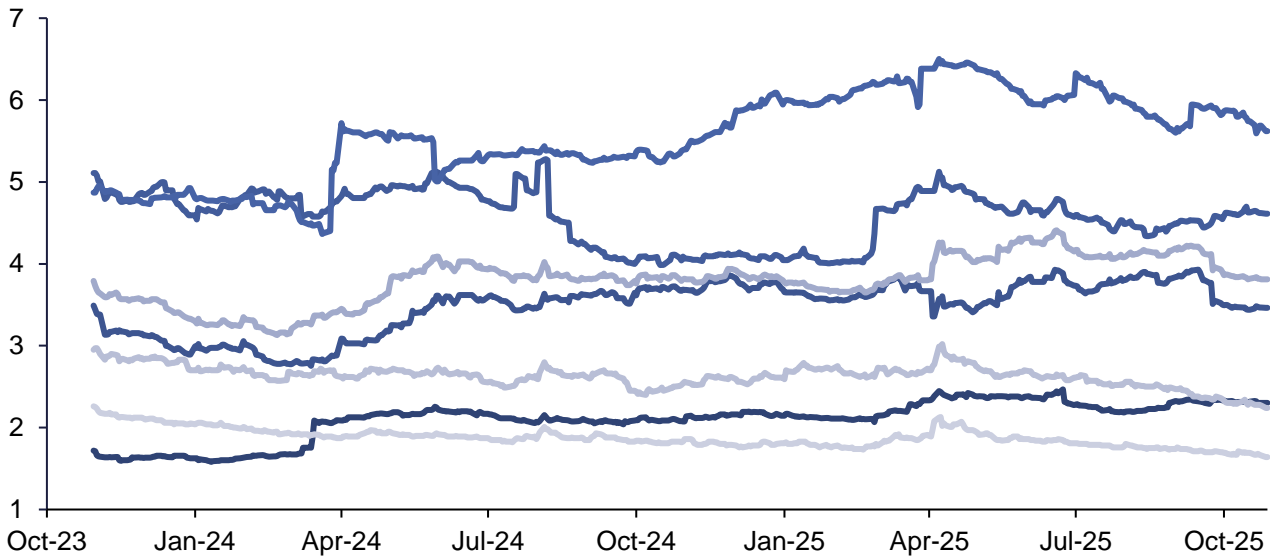


- TADAWUL ALL SHARE INDEX
- MSCI GCC COUNTRIES
- MSCI ACWI
- KWSE Premier Mkt
- MSCI EM

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

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