

GCC market performance and activity summary

GCC fixed income

Global benchmark bond index recorded marginal declines for the week ending 2nd September. The Global Aggregate index fell (-0.06%) and Global Treasuries fell (-0.05%). In EM USD bonds, EM LatAm (+0.09%) led the performance while EM Asia (-0.11%), and EM EMEA (-0.11%) recorded declines.

GCC bond indices ended the week lower, with Bahrain and Kuwait being the exception. Oman, Saudi Arabia, UAE, and Qatar underperformed. However, 5Y sovereign CDS spreads tightened across all GCC markets. In the USD sovereign market, the 10yr bond yields declined across all GCC countries, barring Oman, Saudi Arabia and Abu Dhabi. with the largest increases in Oman (+1.80bp). 10Y bond yields declined in Bahrain, Qatar, and Dubai.

GCC equities

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

GCC key developments:

- ▶ Saudi Arabia's non-oil private sector growth was stable in August- PMI.
- ▶ United Arab Emirates' non-oil private sector rebounded slightly in August- PMI.

GCC issuances:

- ▶ First Abu Dhabi Bank launched its USD750mn low-carbon energy bond.
- ▶ FAB issued gulf region's first-ever Blue Bond.
- ▶ Nasdaq Dubai welcomed Bingham Holding's USD500mn Sukuk listing.
- ▶ Sobha Realty mandated debut green sukuk.
- ▶ Qatar's Commercial Bank priced its USD600mn 5-year bond.

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GCC Weekly Market Performance

Index				Rates			
Fixed Income	Latest	-1w %	YTD %	3M interbank	Latest	-1w (bp)	YTD (bp)
Global Agg	494.4	-0.06	6.91	Saudi	5.57	35.65	15.23
Global Treasuries	207.3	-0.05	6.50	UAE	4.10	-0.50	-34.41
EM USD Agg TR	1336.1	-0.04	6.96	Kuwait	4.00	0.00	6.25
EM LatAm TR	1220.7	0.09	7.76	Bahrain	5.47	-6.64	-22.16
EM EMEA TR	393.9	-0.11	6.88	Oman	4.53	-1.20	-39.15
EM Asia TR	689.0	-0.11	6.12	Qatar	4.65	-	0.00
Bahrain TR	217.7	0.36	7.13	US SOFR	4.34	-2.00	-6.00
Oman TR	168.3	-0.16	7.60	5Y Sov. CDS	Latest	-1w (bp)	YTD (bp)
Kuwait TR	164.5	0.08	4.84	Saudi Arabia	62.82	-0.83	1.98
Qatar TR	144.5	-0.08	5.03	Abu Dhabi	29.70	-0.68	14.20
Saudi Arabia TR	150.0	-0.15	6.33	Dubai	59.31	-1.11	3.43
UAE TR	151.7	-0.06	6.38	Kuwait	59.26	-	-15.6
Equity	Latest	-1w %	YTD %	Bahrain	174.83	-1.53	13.44
ADX	10070.8	-1.45	7.64	Oman	78.56	-3.01	23.71
DFM	5979.0	-1.90	16.64	Qatar	29.99	-1.11	14.05
Tadawul	10642.5	-1.30	-11.86	10Y yield	Latest	-1w (bp)	YTD (bp)
DSM	11162.6	-1.37	5.79	Saudi Arabia	4.82	0.90	-58.30
MSM30	5152.5	1.65	11.96	Abu Dhabi	4.24	0.60	-78.50
BHSE	1934.1	0.50	-2.20	Dubai	4.08	-1.50	-75.00
KWSE	9096.7	-0.22	16.50	Bahrain	6.38	-7.70	-58.70
MSCI GCC	731.3	-1.19	0.71	Oman	4.84	1.80	-89.20
MSCI EM	1265.4	-0.29	18.15	Qatar	4.35	-2.50	-48.40
MSCI ACWI	945.1	-0.83	12.52				

Note: data from 27th Aug 2025 to 3rd Sep 2025, Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

Key developments

▶ Saudi Arabia's non-oil private sector growth was stable in August- PMI

Saudi Arabia's non-oil private sector growth was stable in August, with business activity expanding at a slightly quicker pace than in July, as new orders increased. The Saudi Arabia Purchasing Managers' Index (PMI) rose to 56.4 in August from 56.3 in July and remained well above the 50.0 mark indicating growth.

(Source: Zawya)

▶ United Arab Emirates' non-oil private sector rebounded slightly in August- PMI

Growth in the United Arab Emirates' non-oil private sector rebounded slightly in August on a faster expansion in output, but sales increased at their weakest pace in more than four years. The UAE Purchasing Managers' Index (PMI) rose slightly to 53.3 in August from a 49-month low of 52.9 in July, remaining above the 50.0 mark that signals growth.

(Source: Zawya)

▶ First Abu Dhabi Bank launched its USD750mn low-carbon energy bond

First Abu Dhabi Bank (FAB) has launched its USD750mn 5-year RegS low-carbon energy bond at T+65 bp. Its order book exceeded USD2.3bn, excluding JLM interest. The bank rated Aa3 by Moody's and AA- by Fitch (all with stable outlooks), marketed the bond at IPTs in T+95bp area. Proceeds will be used to fund or refinance eligible projects in line with the bank's sustainable finance framework. The bond will pay a fixed, semi-annual interest rate and it will be listed in LSE. The issuance falls under the bank's USD20bn EMTN programme.

(Source: Zawya)

▶ FAB issued gulf region's first-ever Blue Bond

First Abu Dhabi Bank (FAB) has issued a HKD390mn (USD50mn) 5-year Blue Bond, marking the first-ever Blue Bond issued by a financial institution in the Gulf countries. The bond, issued via a private placement, was anchored by a 'Dark Green' investor, who was seeking specific blue labelled instrument. The Blue Bond is aligned with FAB's Sustainable Finance Framework 2023, and International Capital Market Association Green Bond Principles. Eligible projects in FAB's blue asset pool include, amongst others, sustainable water management (e.g. sustainable infrastructure for clean drinking water), climate change adaptation projects (e.g. conservation and rehabilitation of wetlands, mangroves and coral reefs), sustainable management of fisheries and aquaculture and conservation of terrestrial and aquatic biodiversity. FAB was supported by Crédit Agricole Corporate and Investment Bank as Sole Dealer. The five-year offering was priced at a 5.25% coupon rate.

(Source: Zawya)

▶ Nasdaq Dubai welcomes Binghatti Holding's USD500mn Sukuk listing

Nasdaq Dubai, the region's international financial exchange, welcomed the listing of a USD500mn Sukuk by Binghatti Holding, a leading Dubai-based property developer. The sukuk is issued under Binghatti's USD1.5bn Trust Certificate Issuance Programme, the Sukuk matures in 2030 and was oversubscribed five times, attracting more than USD2.5bn in orders from regional and international investors. Reflecting this strong demand, the issuance was priced at a profit rate of 8.125%, significantly tightening from initial guidance.

(Source: Zawya)

▶ **Sobha Realty mandated debut green sukuk**

UAE-based Sobha Realty, rated Ba2 by Moody's (with a stable outlook), is planning to roll out an inaugural green USD-denominated Regulation S only 5-year benchmark size fixed rate, senior unsecured sukuk offering. Sobha Realty has mandated banks to arrange a global investor call and a series of fixed income investor calls commencing on 2 September 2025. Deutsche Bank and Emirates NBD Capital are joint ESG structuring co-ordinators.

(Source: Zawya)

▶ **Qatar's Commercial Bank priced its USD600mn 5-year bond**

Qatari Commercial Bank (CBQ), has priced its USD600mn, 5-year, regulation S, senior bond at +T 100bp. It has been priced with a semi-annual coupon of 4.625%. The order book closed at over USD1.1bn, excluding JLM interest. The bank opened orders at Treasuries plus 125bp area. The senior Reg S notes are issued by CBQ Finance and guaranteed by Commercial Bank. The guarantor is rated A3 (stable) by Moody's and A (stable) by Fitch.

(Source: Zawya)

GCC Weekly Market View

Investment Strategy | September 4, 2025

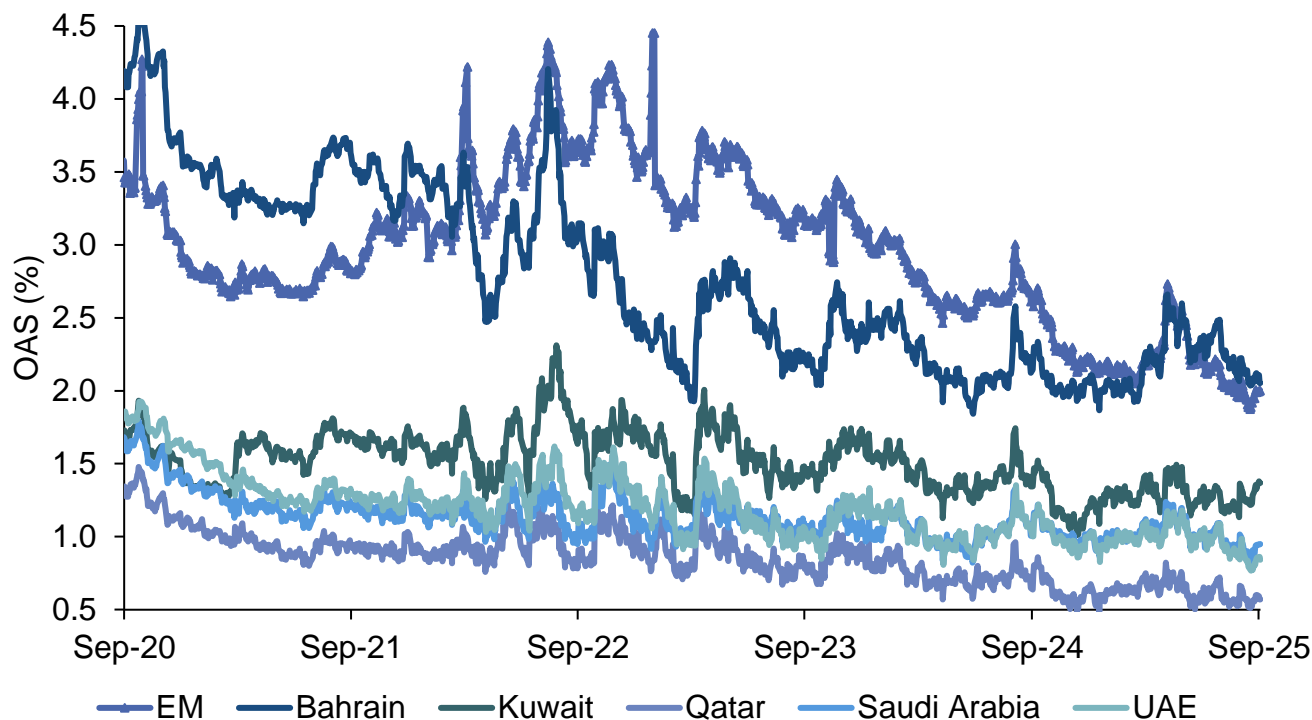
GCC bond issuances

Issuer	BBG	Sector	Country	Issue Amt*	Cpn	Maturity	Maturity Type	Currency	Issue Date	Rtg [^]	YTM (mid)	YTC (mid)
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	6/04/2025	-	4.89	-
SIB Tier 1 Sukuk Ltd	SIB	Financial Institutions	AE	500	6.125	-	PERP/CALL	USD	6/04/2025	-	6.16	6.21
Mdgh Sukuk Ltd	MUBAUH	Agency	AE	1000	5	6/4/2035	AT MATURITY	USD	6/04/2025	AA	4.86	-
Saudi Arabian Oil Co	ARAMCO	Agency	SA	2250	6.375	6/2/2055	CALLABLE	USD	6/02/2025	A+	6.49	6.49
Saudi Arabian Oil Co	ARAMCO	Agency	SA	1250	5.375	6/2/2035	CALLABLE	USD	6/02/2025	A+	5.37	5.37
Saudi Arabian Oil Co	ARAMCO	Agency	SA	1500	4.75	6/2/2030	CALLABLE	USD	6/02/2025	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	7/24/2025	A+	4.56	-
Arada Sukuk 2 Ltd	ARADAD	Financial Institutions	AE	450	7.15	8/5/2030	AT MATURITY	USD	8/07/2025	BB-	7.09	-
Binghatti Sukuk 2 Spv Ltd	BINHLD	Financial Institutions	AE	500	8.125	8/7/2030	AT MATURITY	USD	8/07/2025	-	7.77	-
BSF Finance	BSFR	Financial Institutions	SA	1000	5.761	9/3/2035	CALLABLE	USD	9/03/2025	BBB	8.09	5.84
Alinma Bank	ALINMA	Financial Institutions	SA	500	6.25	-	PERP/CALL	USD	9/03/2025	-	6.14	6.20

*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

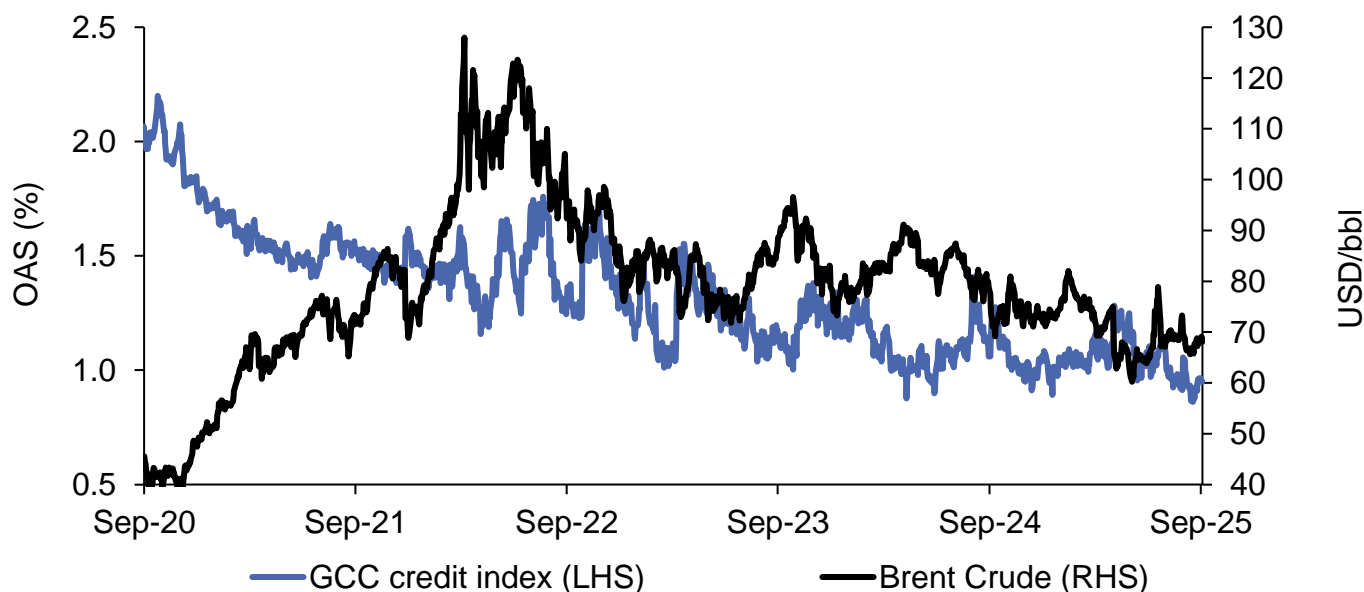
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

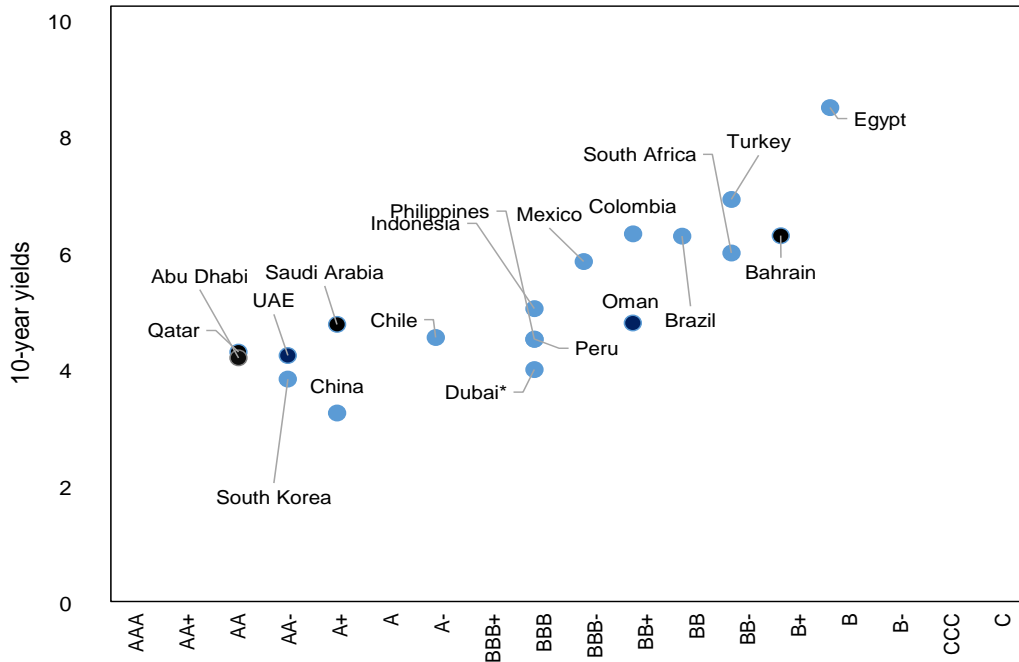
GCC corporate OAS spread versus Brent Crude



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

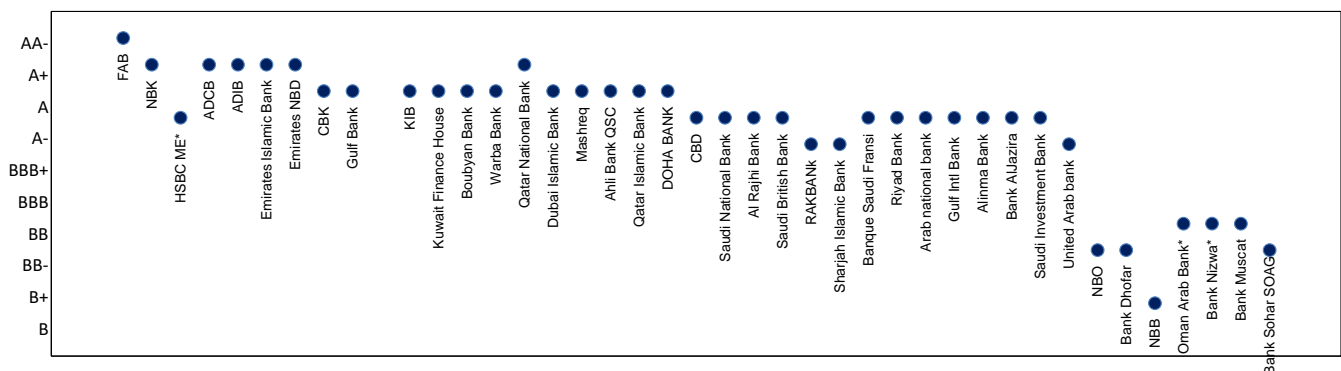
GCC Sovereign Rating

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

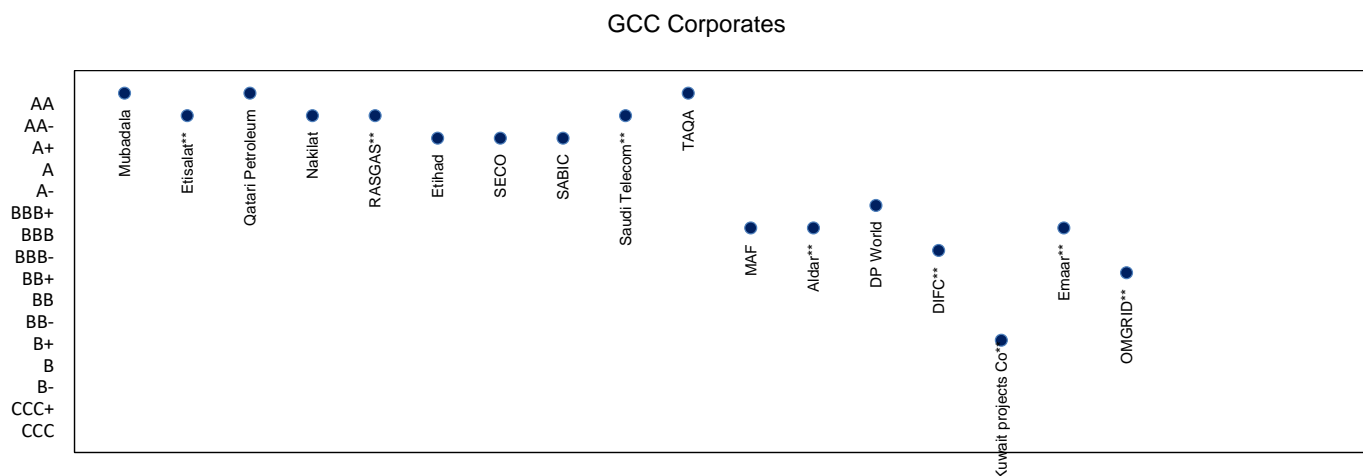
GCC Financials Credit Rating

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



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

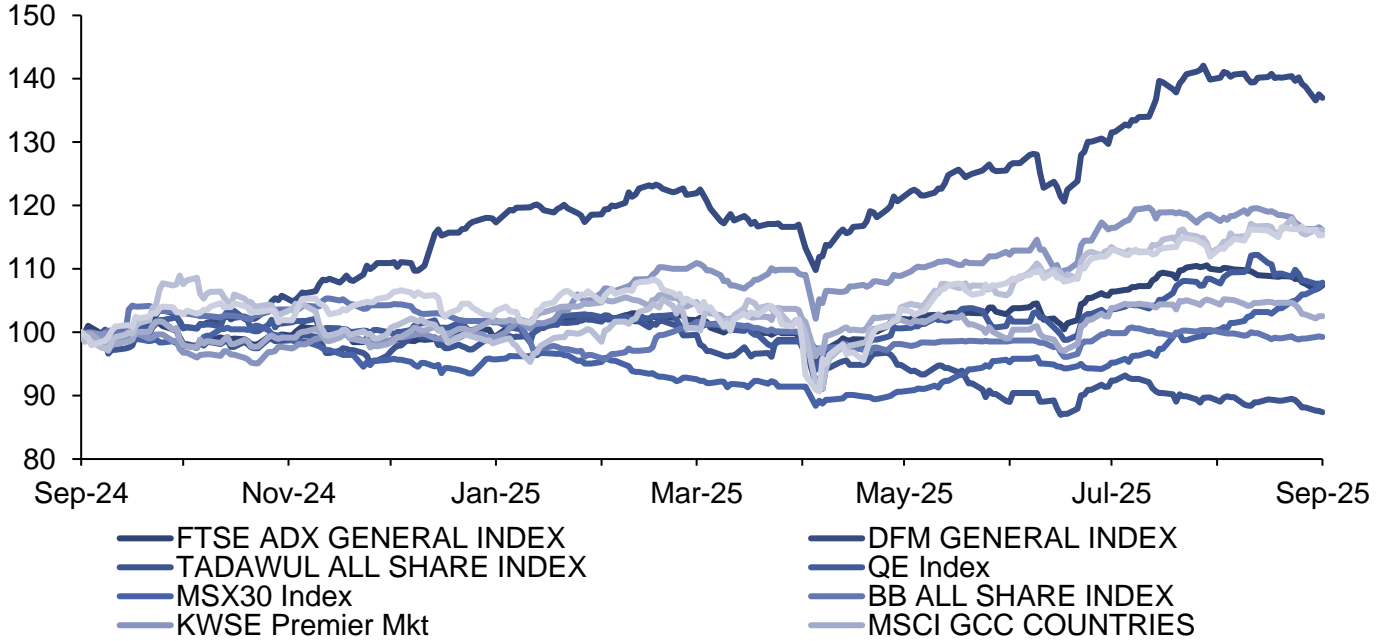
GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	15.2x	7.1%	2.3%
DFM	11.1x	-	4.6%
Tadawul	13.7x	13.3%	4.4%
DSM	12.4x	-0.6%	4.5%
MSM30	1.6x	-	5.6%
BHSE	14.4x	-	9.9%
KWSE	18.1x	-14.6%	3.1%
MSCI GCC	13.4x	11.9%	4.2%
MSCI EM	14.5x	4.8%	2.5%
MSCI ACWI	20.6x	7.5%	1.8%

Notes: *data as of 04 September 2025 | Source: Bloomberg, ADCB

GCC equity 1Y Performance

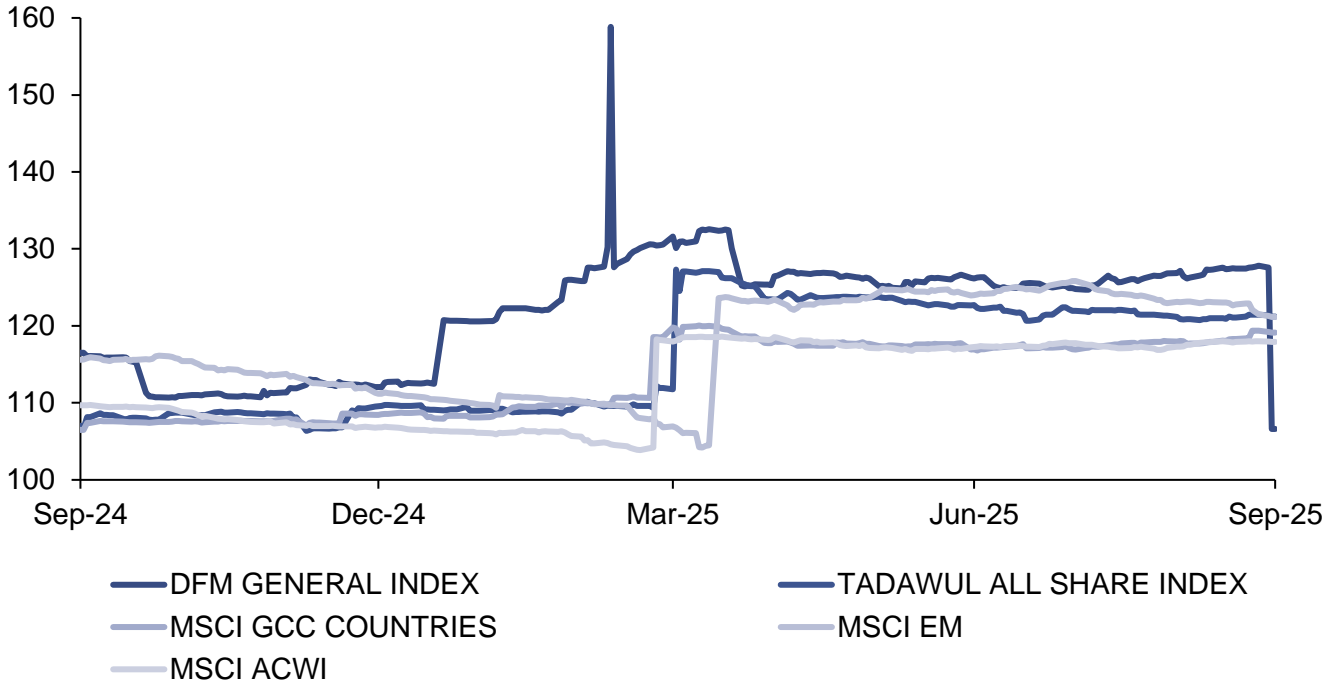
1Y performance



Source: Bloomberg, ADCB

GCC equity 12m forward PE

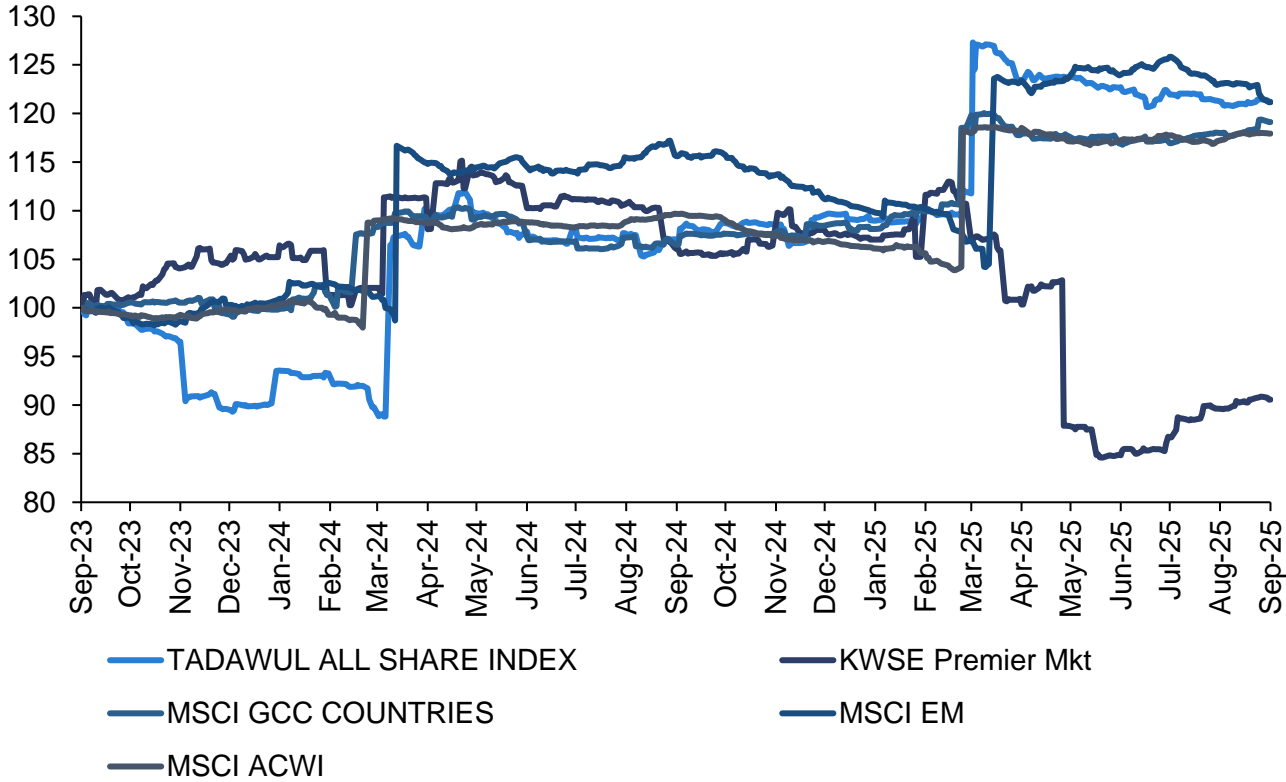
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward EPS

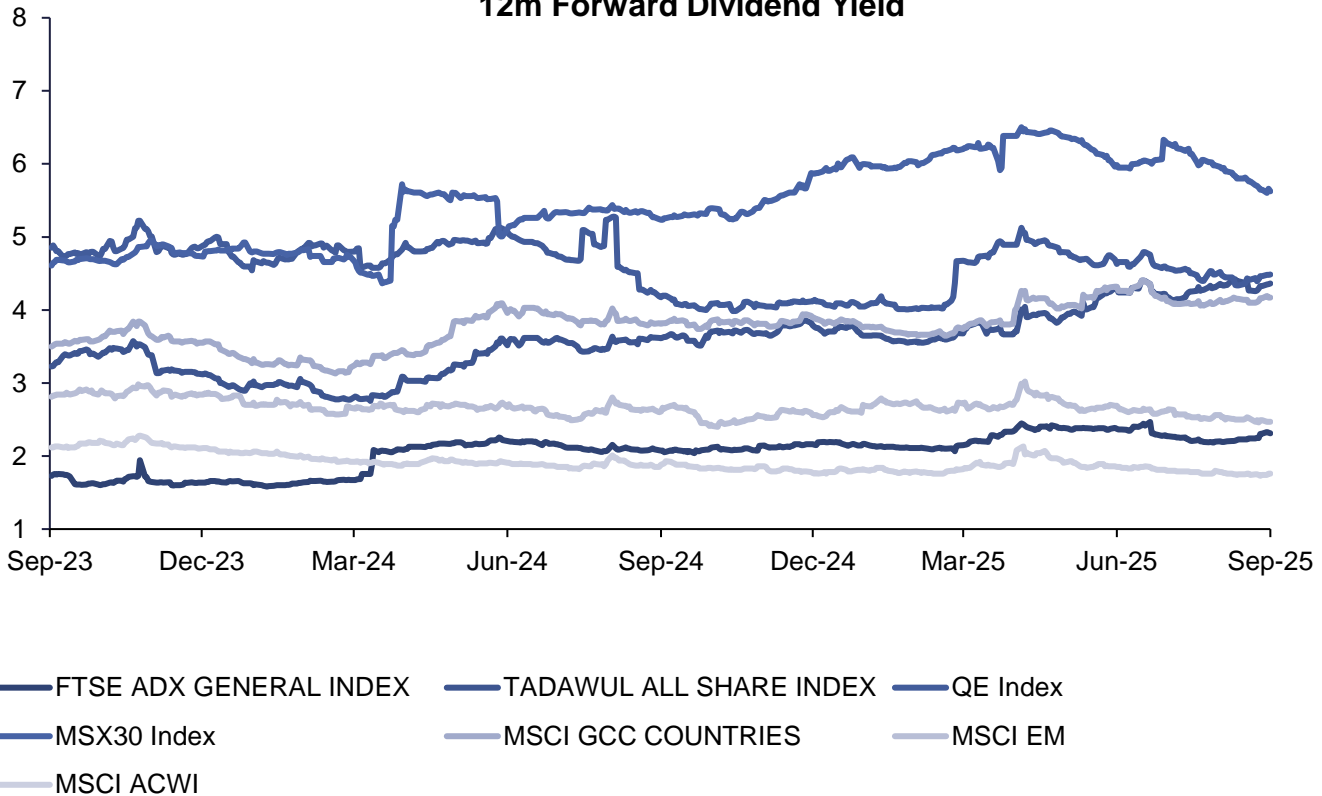
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward dividend yields

12m Forward Dividend Yield



Source: Bloomberg, ADCB

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