

GCC market performance and activity summary

GCC fixed income

Global benchmark bond index recorded marginal gains for the week ending 9th September. The Global Aggregate index rose (0.98%) and Global Treasuries rose (0.99%). In credit, Global corporate IG index and Global HY index both recorded gains last week. EM USD bonds recorded gains, EM EMEA (+0.87%) led the performance.

All GCC bond indices recorded positive returns. Oman, Qatar and Bahrain were the best performers. However, 5Y sovereign CDS spreads tightened across GCC markets, barring Saudi Arabia and Qatar. In the USD sovereign market, the 10yr bond yields declined across all GCC countries, with the largest decreases in Bahrain (-24.0bp).

GCC equities

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

GCC key developments:

- ▶ Significant progress of GCC in Circular Carbon Economy Index - GCC-Stat.
- ▶ Saudi real GDP recorded a growth of 3.9% in Q2 of 2025.
- ▶ UAE real GDP increased 3.9% to USD124bn in Q1 of 2025.
- ▶ Bahrain non-oil imports increased by 17% in July.

GCC issuances:

- ▶ UAE's du launched a secondary public offering of Mubadala-owned shares.
- ▶ Saudi Arabia's Al Rajhi Bank plans to issue USD Tier 2 social sukuk.
- ▶ Omniyat Holdings has priced its USD400mn sukuk.
- ▶ Doha Bank mandated for USD bonds.
- ▶ Abu Dhabi Commercial Bank (ADCB) to raise AED6.1bn in rights issue.

GCC Weekly Market Performance

Index				Rates			
Fixed Income	Latest	-1w %	YTD %	3M interbank	Latest	-1w (bp)	YTD (bp)
Global Agg	500.4	0.98	8.21	Saudi	5.24	-36.13	-17.62
Global Treasuries	209.7	0.99	7.76	UAE	4.13	-1.20	-30.71
EM USD Agg TR	1348.6	0.71	7.97	Kuwait	4.06	6.25	12.50
EM LatAm TR	1231.1	0.51	8.68	Bahrain	5.47	0.00	-22.16
EM EMEA TR	398.2	0.87	8.03	Oman	4.55	2.40	-36.75
EM Asia TR	694.7	0.70	6.99	Qatar	4.75	-	10.00
Bahrain TR	220.6	1.11	8.51	US SOFR	4.40	1.00	0.00
Oman TR	170.3	1.06	8.86	5Y Sov. CDS	Latest	-1w (bp)	YTD (bp)
Kuwait TR	165.3	0.37	5.36	Saudi Arabia	64.10	1.78	0.70
Qatar TR	146.5	1.05	6.45	Abu Dhabi	29.39	-1.01	14.52
Saudi Arabia TR	151.6	0.86	7.46	Dubai	59.03	-1.30	3.71
UAE TR	152.9	0.66	7.21	Kuwait	58.26	-0.9	-16.6
Equity	Latest	-1w %	YTD %	Bahrain	171.32	-6.38	16.95
ADX	9939.0	-0.97	6.78	Oman	76.48	-4.71	25.78
DFM	5944.0	-0.27	15.61	Qatar	30.34	0.04	13.70
Tadawul	10529.2	-0.85	-13.00	10Y yield	Latest	-1w (bp)	YTD (bp)
DSM	11070.1	-0.31	5.07	Saudi Arabia	4.68	-10.90	-72.40
MSM30	5086.3	-1.66	10.92	Abu Dhabi	4.11	-12.00	-91.80
BHSE	1945.9	0.70	-1.65	Dubai	3.95	-14.10	-88.30
KWSE	9338.3	2.78	19.28	Bahrain	6.11	-24.00	-85.40
MSCI GCC	725.4	-0.26	-0.11	Oman	4.66	-16.50	-107.70
MSCI EM	1295.4	2.24	20.95	Qatar	4.22	-9.20	-61.00
MSCI ACWI	961.7	1.40	14.50				

Note: data from 3rd Sep 2025 to 9th Sep 2025. Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

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Key developments

► Significant progress of GCC in Circular Carbon Economy Index - GCC-Stat

According to the Statistical Centre for the Cooperation Council for the Arab Countries of the Gulf (GCC-Stat), that the Gulf Cooperation Council (GCC) countries have made significant progress in the Circular Carbon Economy Index, with the GCC's overall average score for the GCC rising to 41.5 in 2024, compared to 37.7 in 2023. The Circular Carbon Economy (CCE) Index serves as a comprehensive assessment tool that measures the progress of 125 countries worldwide towards achieving net-zero emissions, through the CCE framework which balances mitigation technologies with enabling tools. The index consists of two main components: In the Performance Index, which measures the extent to which countries utilise emission-mitigation technologies, GCC countries advanced in 2024 to 35.8, up from 29.7 in 2023. They also made progress in the Enablers Index, which assesses readiness for transitioning to a low-carbon economy, recording 47.2 points, compared to 45.6 points in 2023.

(Source: Zawya)

► Saudi real GDP recorded a growth of 3.9% in Q2 of 2025

According to the General Authority for Statistics (GASTAT), Saudi Arabia's real GDP recorded a growth of 3.9% during Q2 of 2025. Non-oil activities increased by 4.6%, and it was followed by oil activities by 3.8% increase, and government activities by 0.6% increase. Non-oil activities have contributed 2.6pp to overall growth, while oil activities and net taxes on products added 0.9pp and 0.3pp respectively. Seasonally adjusted real GDP rose by 1.7% during Q2 compared to Q1 of 2025, with oil activities rose by 5.6%, while non-oil activities grew slightly by 0.8%, and government activities declined by 0.8%. Among economic sectors, electricity, gas, and water activities recorded the highest annual growth rate at 10.3%, followed by financial, insurance, and business services at 7%, and wholesale and retail trade, restaurants, and hotels at 6.6%. On the expenditure side, private final consumption expenditure rose by 4.1% annually, while gross fixed capital formation declined by 6.5%. Exports also grew by 3.6%, while imports jumped by 9%.

(Source: Zawya)

► UAE real GDP increased 3.9% to USD124bn in Q1 of 2025

UAE's real gross domestic product (GDP) grew by 3.9% in Q1 of 2025, reaching AED455bn (USD123.9bn) compared with the same period in 2024. According to the Federal Competitiveness and Statistics Center, the non-oil GDP expanded by 5.3% to AED352bn, pushing its contribution to a record high of 77.3% of the total real GDP. Abdullah bin Touq Al Marri, minister of economy and tourism in UAE, added that the results reflect the strength and resilience of the national economy. The manufacturing sector led all economic activities in terms of growth, registering a 7.7% increase, followed by finance, insurance, and construction sectors, each growing by 7%. Real estate activities grew by 6.6%, while trade activities recorded a 3% increase during Q1.

(Source: Zawya)

► Bahrain non-oil imports increased by 17% in July

The value of Bahrain's non-oil imports increased by 17% reaching BHD544mn (USD1443mn) in July 2025 in comparison with BHD464mn for same month in 2024. The total value of non-oil exports (national origin) decreased by 1% to reach BHD333mn (USD883.30mn) during July 2025, compared to BHD337mn for same month in 2024.

(Source: Zawya)

▶ **UAE's du launched a secondary public offering of Mubadala-owned shares**

UAE's du launched a secondary public offering of Mubadala-owned shares, the transaction will see Mamoura sell up to 342mn shares, representing 7.55% of du's share capital and 75% of its stake in the company, du said in a statement. The price range has been set at between AED9 and AED9.90 per share, with the final offer price to be determined through a bookbuilding process and announced on September 15. The offer will be split into two tranches: a retail offering in the UAE comprising 5% of the shares, and a global institutional offering covering the remaining 95%.

(Source: Zawya)

▶ **Saudi Arabia's Al Rajhi Bank plans to issue USD Tier 2 social sukuk**

Saudi Arabia's Al Rajhi Bank, rated Aa3 by Moody's and A- by Fitch, plans to issue a USD-denominated Tier 2 social sukuk, which will come under its international trust certificate issuance programme. In May, Saudi Arabia's capital market regulator approved Al Rajhi Bank's programme to offer debt instruments of a total value of SAR10bn (USD2.66bn).

(Source: Zawya)

▶ **Omniyat Holdings has priced its USD400mn sukuk**

Dubai real estate developer Omniyat Holdings, rated BB- by Fitch with a Stable outlook, has priced its USD400mn long Reg S three-year sukuk at a profit rate of 7.25% at par, payable semi-annually. The price was marginally tightened from the initial price thoughts in the 7.625% area. The final orderbook was in excess of USD800mn, excluding JLM interest. The rating for the senior unsecured sukuk is on par with Omniyat's own rating and comes under the developer's Sukuk 1 Limited's USD2bn Trust Certificate Issuance Programme. The settlement date has been set for September 16. The sukuk will be listed on the London Stock Exchange's International Securities Market and Nasdaq Dubai.

(Source: Zawya)

▶ **Doha Bank mandated for USD bonds**

Doha Bank, rated A (stable) by Fitch and Baa1 (stable) by Moody's, has mandated banks to arrange a series of fixed income investor calls and meetings on behalf of the bank for the issuance of a five-year benchmark Reg S USD bond under its USD3bn Euro Medium Term Note (EMTN) programme. The Government of Qatar owns a 23.62% stake in Doha Bank, split between a 17.15% stake held through the Qatar Investment Authority and a 6.47% stake held by General Retirement & Social Insurance Authority through the Civil Pension Fund.

(Source: Zawya)

▶ **ADCB's Board of Directors has approved a rights issue to raise up to AED6.1bn**

The Board of Directors of Abu Dhabi Commercial Bank (ADCB) has approved a strategic rights issue to raise up to AED6.1bn. This initiative marks a decisive step to accelerate the pace of the Bank's strong organic growth and deliver substantial long-term value for shareholders.

(Source: ADCB)

GCC Weekly Market View

Investment Strategy | September 10, 2025

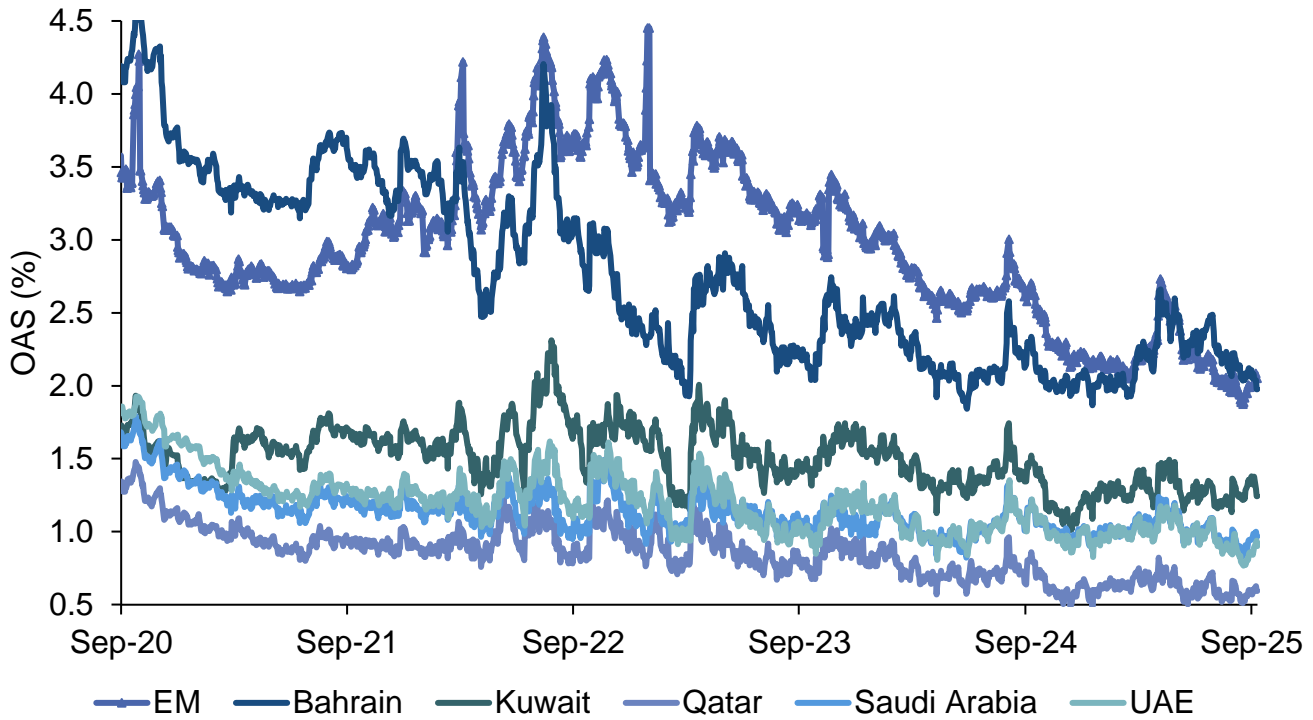
GCC bond issuances

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
BSF Finance	BSFR	Financial Institutions	SA	1000	5.761	9/3/2035	CALLABLE	USD	9/3/2025	BBB	5.72	5.81
Alinma Bank	ALINMA	Financial Institutions	SA	500	6.25	-	PERP/CALL	USD	9/3/2025	-	6.09	6.21
Saudi Awwal Bank	SABBAB	Financial Institutions	SA	1250	5.947	9/4/2035	CALLABLE	USD	9/4/2025	BBB	5.79	5.78
KSA Ijarah Sukuk Ltd	KSA	Sovereign	SA	2250	4.25	9/9/2030	AT MATURITY	USD	9/9/2025	A+	4.24	-
KSA Ijarah Sukuk Ltd	KSA	Sovereign	SA	3250	4.875	9/9/2035	AT MATURITY	USD	9/9/2025	A+	4.84	-
ANB Tier 1 Sukuk Co Ltd	ARNBAB	Financial Institutions	SA	750	6.4	-	PERP/CALL	USD	9/9/2025	-	6.24	6.30
First Abu Dhabi Bank PJSC	FABUH	Agency	AE	750	4.38	9/10/2030	AT MATURITY	USD	9/10/2025	AA-	4.17	-
CBQ Finance Ltd	COMQAT	Financial Institutions	QA	600	4.625	9/10/2030	AT MATURITY	USD	9/10/2025	A	4.52	-

*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

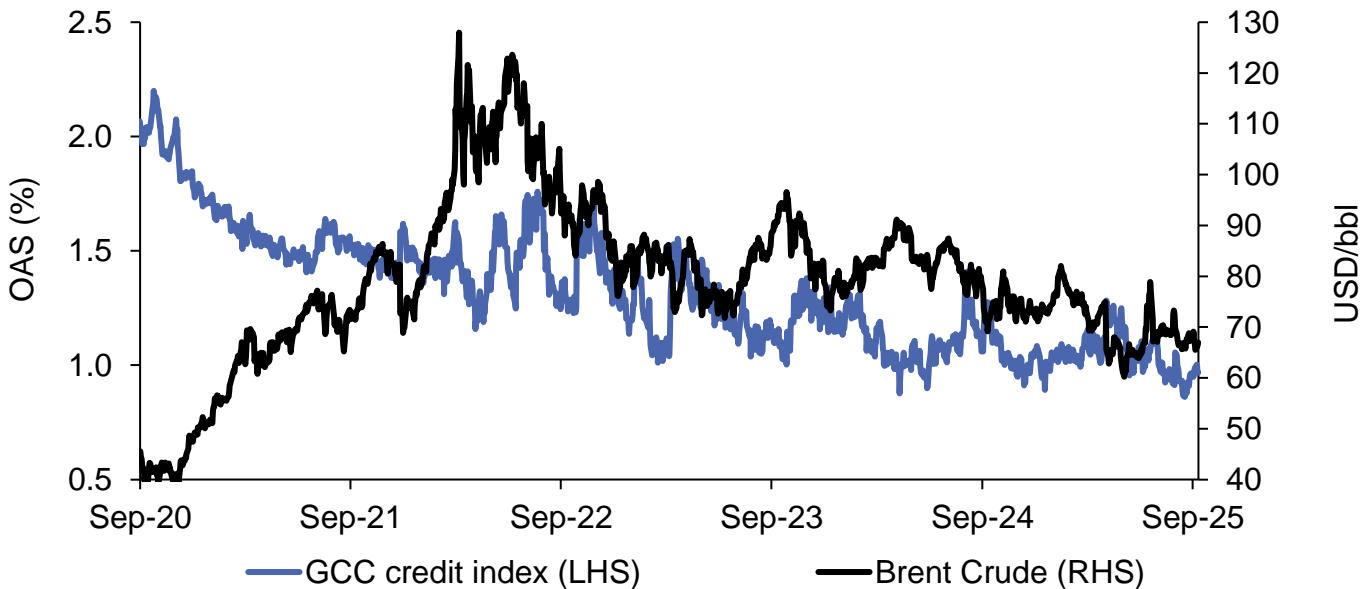
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

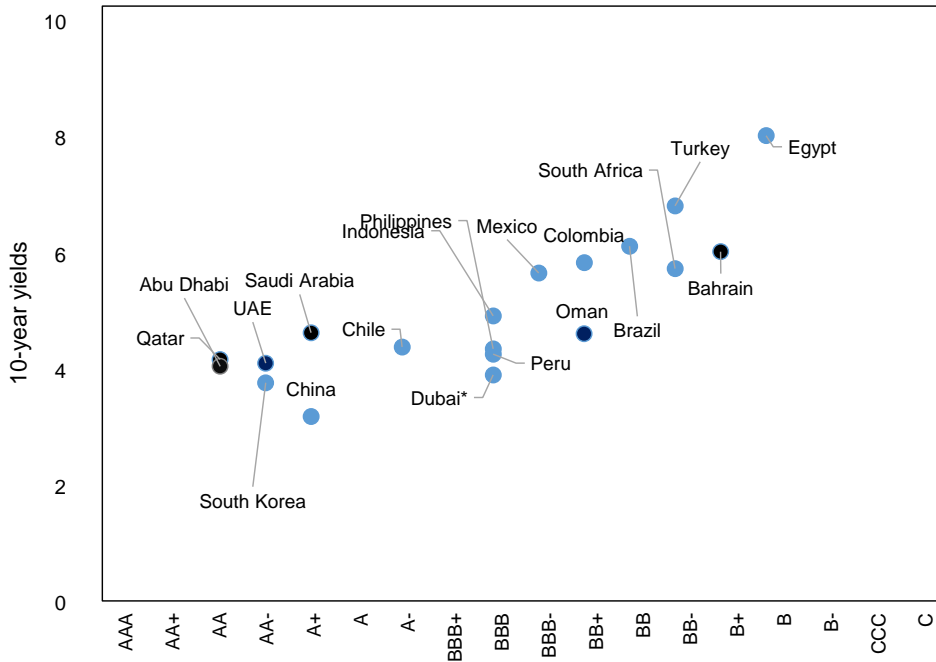
GCC corporate OAS spread versus Brent Crude



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

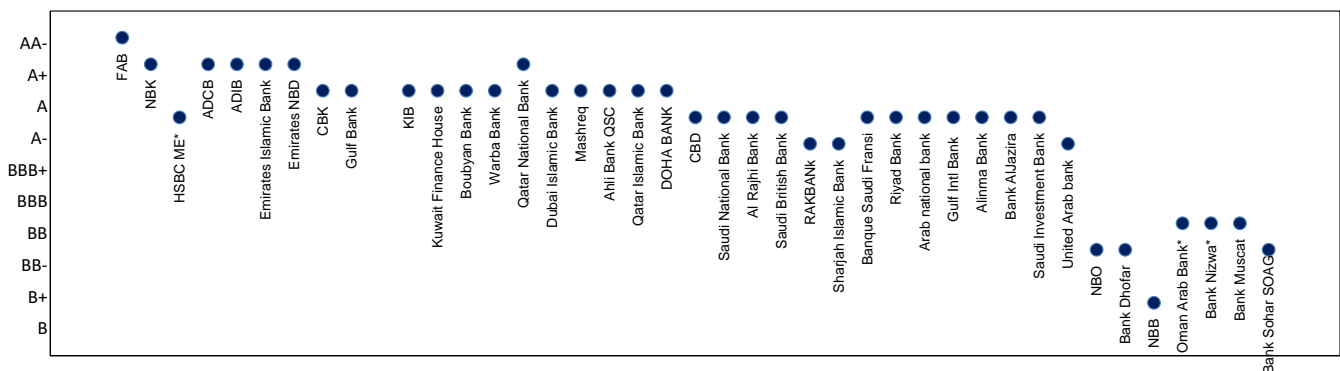
GCC Sovereign Rating

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

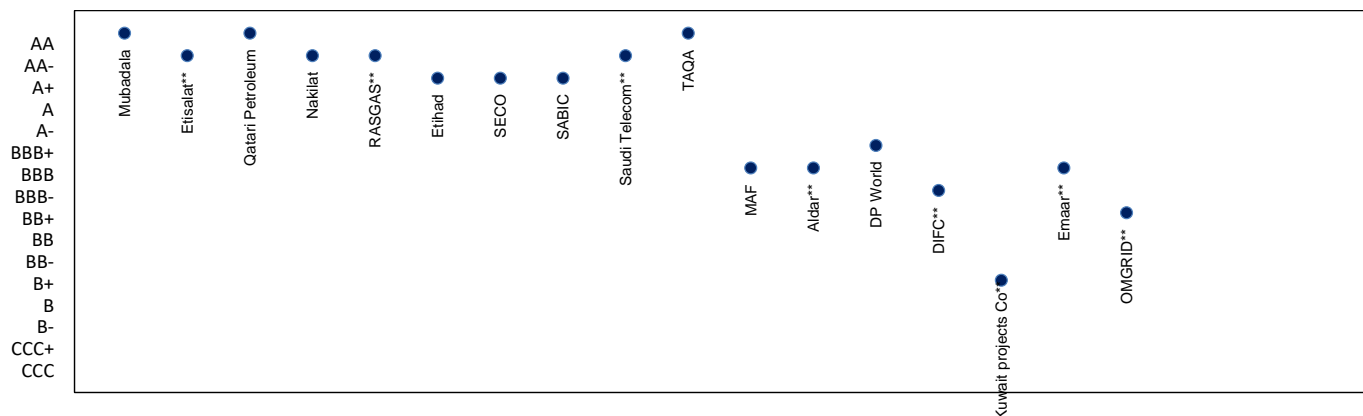
GCC Financials



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

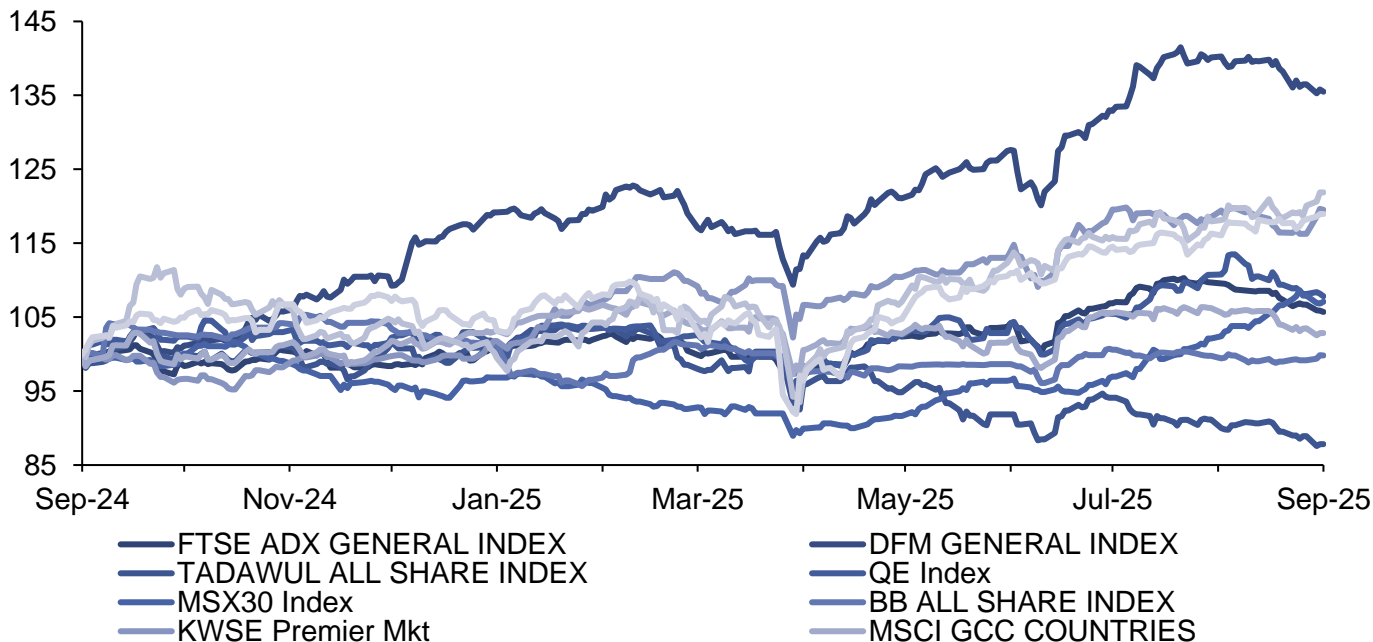
GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	15.1x	7.1%	2.3%
DFM	11.0x	-	4.6%
Tadawul	15.4x	7.1%	3.9%
DSM	12.3x	-0.1%	4.5%
MSM30	1.6x	-	5.7%
BHSE	14.5x	-	9.8%
KWSE	18.5x	-14.2%	3.0%
MSCI GCC	13.3x	10.4%	4.2%
MSCI EM	14.6x	4.7%	2.4%
MSCI ACWI	20.8x	7.6%	1.7%

Notes: *data as of 10 September 2025 | Source: Bloomberg, ADCB

GCC equity 1Y Performance

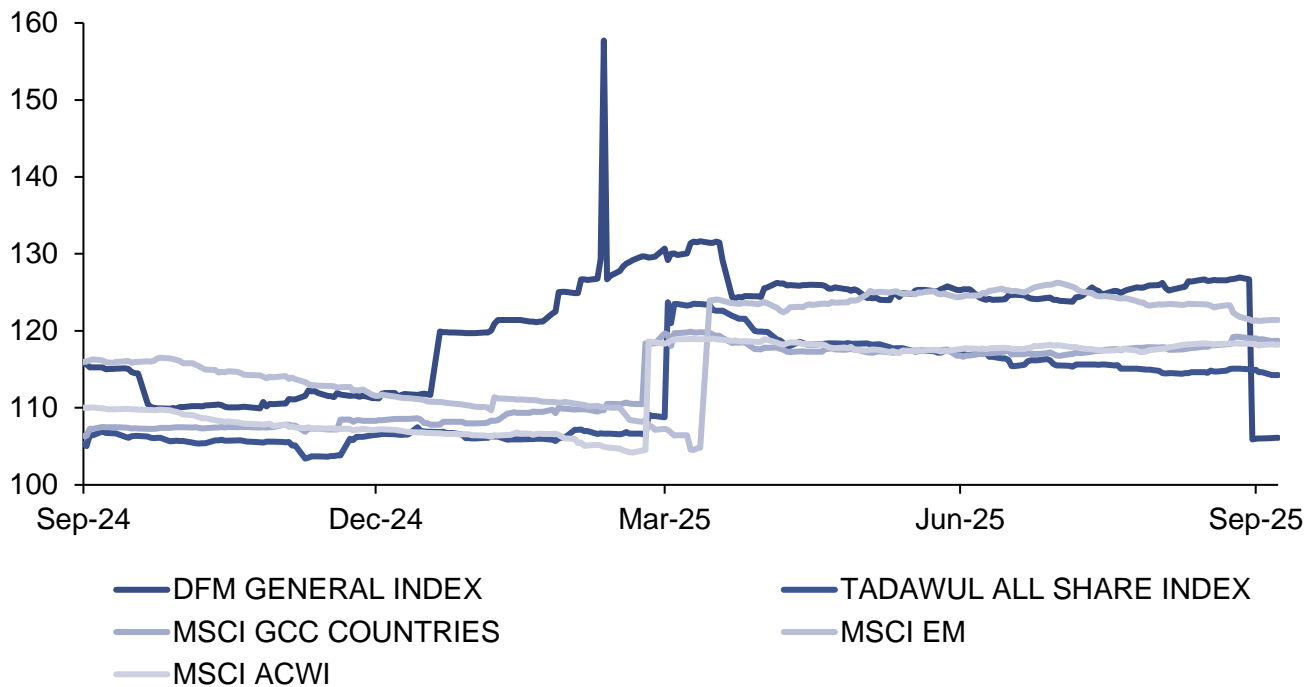
1Y performance



Source: Bloomberg, ADCB

GCC equity 12m forward PE

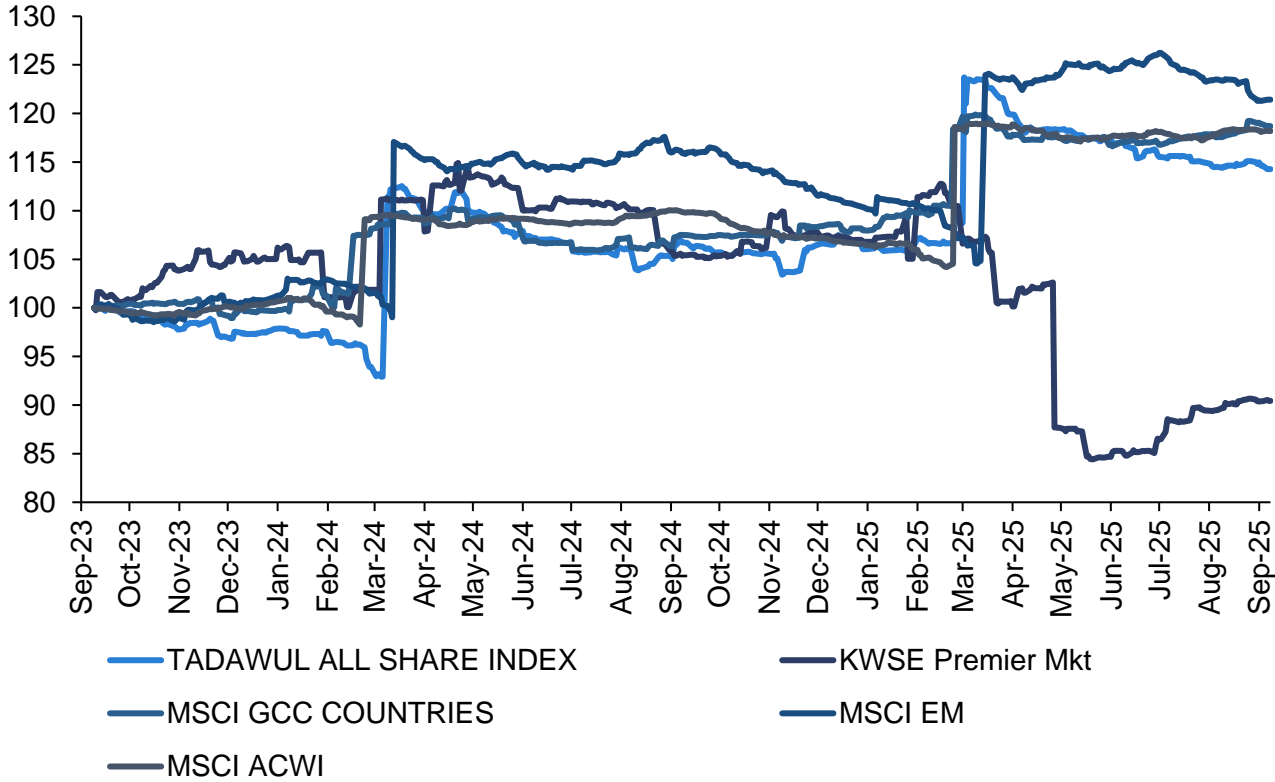
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward EPS

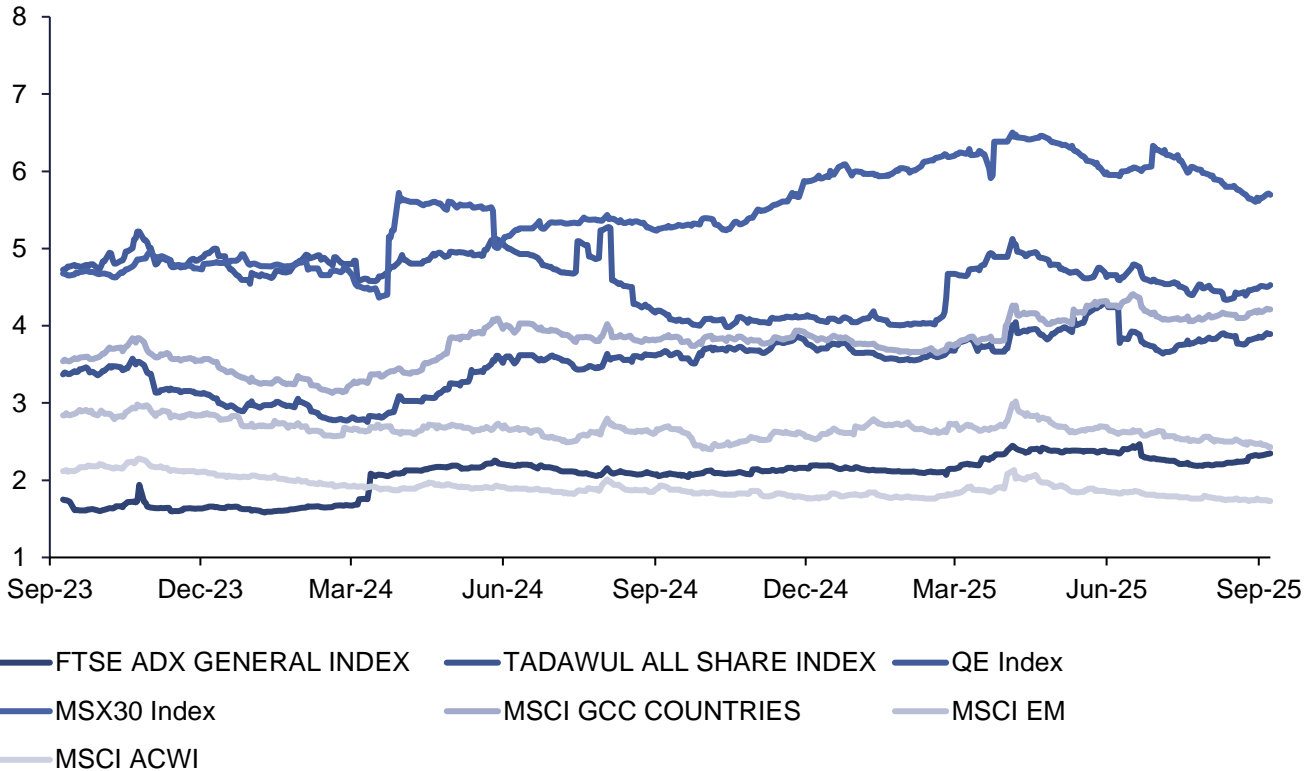
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward dividend yields

12m Forward Dividend Yield



Source: Bloomberg, ADCB

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