

GCC market performance and activity summary

GCC fixed income

Global benchmark bond index recorded marginal gains for the week ending 16th September. The Global Aggregate index rose (0.54%) and Global Treasuries rose (0.51%). In credit, Global corporate IG index and Global HY index both recorded gains last week. EM USD bonds recorded marginal gains, EM EMEA (+0.77%) led the performance. However, EM LatAm declined (-0.10%).

All GCC bond indices recorded positive returns. Oman, and Qatar were the best performers. However, 5Y sovereign CDS spreads tightened across GCC markets. In the USD sovereign market, the 10yr bond yields declined across all GCC countries, with the largest decreases in Abu Dhabi (-11.60bp).

GCC equities

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

GCC key developments:

- ▶ Gulf central banks' net foreign assets reached USD761.9bn - GCC-Stat.
- ▶ Saudi Arabia's inflation rate rose to 2.3% in August 2025 – GASTAT.
- ▶ Saudi Arabia's liquidity grew 8.4%, reaching USD826bn in July 2025 – SAMA.
- ▶ Saudi Arabia's industrial production index rose 6.5% in July 2025 – GASTAT.

GCC issuances:

- ▶ Tabreed shareholders approved interim dividend for H1.
- ▶ du shareholder Mamoura sold 7.55% stake in telecoms company for USD858mn.
- ▶ Arab Energy Fund announced a USD600mn issuance with competitive pricing.
- ▶ Omniyat rose USD900mn through sukuk financing.

GCC Weekly Market Performance

Index				Rates			
	Latest	-1w %	YTD %		Latest	-1w (bp)	YTD (bp)
Fixed Income				3M interbank			
Global Agg	503.5	0.54	8.88	Saudi	5.24	7.49	-17.95
Global Treasuries	210.9	0.51	8.34	UAE	4.05	8.19	-39.52
EM USD Agg TR	1358.0	0.39	8.72	Kuwait	4.06	0.00	12.50
EM LatAm TR	1237.4	-0.10	9.24	Bahrain	5.44	-3.61	-25.12
EM EMEA TR	401.9	0.77	9.03	Oman	4.52	-4.75	-40.25
EM Asia TR	698.5	0.41	7.58	Qatar	4.68	-5.00	2.50
Bahrain TR	222.7	0.55	9.57	US SOFR	4.51	12.00	11.00
Oman TR	171.8	0.76	9.84	5Y Sov. CDS			
Kuwait TR	165.7	0.17	5.60	Saudi Arabia	63.77	-0.47	1.03
Qatar TR	147.7	0.74	7.34	Abu Dhabi	29.17	-1.01	14.73
Saudi Arabia TR	152.5	0.50	8.08	Dubai	60.17	-0.70	2.57
UAE TR	153.7	0.46	7.81	Kuwait	58.25	-0.1	-16.6
Equity				Bahrain	166.74	-2.95	21.53
ADX	10063.6	1.38	7.96	Oman	72.65	-2.53	29.61
DFM	5999.7	1.30	16.42	Qatar	30.66	-0.69	13.38
Tadawul	10518.7	0.20	-13.09	10Y yield			
DSM	11121.6	0.40	5.21	Saudi Arabia	4.58	-7.10	-82.10
MSM30	5101.9	0.25	11.56	Abu Dhabi	3.98	-11.60	-104.40
BHSE	1932.8	-0.49	-2.35	Dubai	3.90	-1.40	-93.00
KWSE	9444.2	0.90	20.48	Bahrain	5.85	-10.30	-110.90
MSCI GCC	728.8	0.69	0.36	Oman	4.54	-10.10	-119.60
MSCI EM	1339.9	2.48	25.11	Qatar	4.13	-7.30	-70.00
MSCI ACWI	976.8	1.24	16.29				

Note: data from 10th Sep 2025 to 16th Sep 2025, Source: Moody's rating, Fitch ratings, Bloomberg, ADCB Asset Management.

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Key developments

► **Gulf central banks' net foreign assets reached USD761.9bn - GCC-Stat**

According to the Statistical Centre for the Cooperation Council for the Arab Countries of the Gulf (GCC-Stat), net foreign assets of the Gulf central banks rose by 6.3% in 2024 compared to the previous year, reaching about USD761.9bn. The total narrow money supply (M1) in the GCC amounted to about USD801bn by the end of 2024, marking an increase of 10% compared to its level at the end of 2023. Meanwhile, the broad money supply (M2) reached approximately USD1.763tn by the end of 2024, representing a 9.3% increase compared to its value at the end of 2023.

(Source: Zawya)

► **Saudi Arabia's inflation rate rose to 2.3% in August 2025 - GASTAT**

According to the General Authority for Statistics (GASTAT), Saudi Arabia's annual inflation rate rose to 2.3% in August 2025. The Consumer Price Index (CPI) recorded an increase of 0.2% MoM compared to July 2025. This increase was primarily due to a 5.8% increase in housing, water, electricity, gas, and other fuel prices, with the largest increase being in residential rents that stood at 7.6%. Other categories also saw notable increases, including food and beverage prices 1.1% and restaurant and accommodation prices 3%. Jewelry and watches prices also rose by 18% in the personal care, social protection, and other goods and services category, which recorded an overall increase of 4.85%.

(Source: Zawya)

► **Saudi Arabia's liquidity grew 8.4%, reaching USD826bn in July 2025 - SAMA**

According to the Saudi Central Bank (SAMA), liquidity or available cash in the Saudi economy recorded a remarkable annual growth of SAR239.97bn (8.4%), reaching more than SAR3.1tn by the end of July 2025. The liquidity recorded an increase of SAR239,973mn reaching more than SAR3,109,761mn, compared to approximately SAR2,869,788mn during the same period in 2024.

(Source: Zawya)

► **Saudi Arabia's industrial production index rose 6.5% in July 2025 - GASTAT**

According to the General Authority for Statistics (GASTAT), Saudi Arabia's industrial production index recorded an increase of 6.5% in July 2025. The sub-index for mining and quarrying activity jumped 6.5% YoY, while the manufacturing sub-index saw a 7% rise. The sub-index for electricity, gas, steam, and air conditioning supply activity increased by 0.9%, and the sub-index for water supply, sanitation, and waste management and remediation activity rose by 8.5%. The main economic activities, oil activities index in July 2025 indicated a 7.8% increase, alongside a 3.5% rise in the non-oil activities index.

(Source: Zawya)

► **Tabreed shareholders approved interim dividend for H1**

National Central Cooling Company "Tabreed" confirmed shareholder approval at its an interim dividend of 6.5 fils per share, representing AED184.9mn, for Q1'2025. This marks the first interim dividend in Tabreed's history, reflecting the company's record Q1 performance, with revenue rising 3% YoY to AED1.11bn and net profit reaching AED276mn, supported by strong cooling demand and significant capacity growth across key markets.

(Source: Zawya)

▶ **du shareholder Mamoura sold 7.55% stake in telecoms company for USD858mn**

du sold a 7.55% stake in the company for AED3.15bn (USD858mn) through a secondary share sale. Mamoura Diversified Global Holding, a unit of Mubadala Investment Company, sold 342mn du shares, which accounted for roughly three-quarters of Mamoura's total stake in the company. The shares were priced at AED9.20 each, the midpoint of the AED9.00 to AED9.90 marketed range.

(Source: Zawya)

▶ **Arab Energy Fund announced a USD600mn issuance with competitive pricing**

The Arab Energy Fund (TAEF), formerly known as APICORP, recently delivered USD600mn long 5-year issuance that was priced at SOFR +75bp. The transaction represents the fourth successful public benchmark issuance completed by TAEF in 2025. The bond will mature in February 2031, priced inside secondary levels despite extremely busy primary markets with more than 40 trades announced globally around the same time. The transaction achieved 10bp of tightening during the book-building process, and around 20bp inside prevailing secondary trading levels. Moreover, the issuance attracted a sizeable peak orderbook that was twice the planned issuance size, enabling an upsizing to USD600mn. Central banks, sovereign wealth funds, supranational institutions, and agencies represented the demand anchored by a high-quality and diversified investor base.

(Source: Zawya)

▶ **Omniyat rose USD900mn through sukuk financing**

Real estate developer 'Omniyat' has secured a total of USD900mn in 2025 through Sukuk offerings. The developer recently priced a USD400mn 3.5-year Sukuk, marking its second issuance in less than six months. The Sukuk will be listed and traded on the London Stock Exchange's (LSE) International Securities Market and Nasdaq Dubai in the coming days. The offering attracted strong demand from international and regional investors, with the orderbook peaking above USD1bn and closing at more than USD800mn, over twice the issue size. Moreover, the profit rate of 7.25% represents a tightening of 112.5bps versus Omniyat's Sukuk transaction earlier in 2025. This new issuance extends Omniyat's debt maturity profile beyond its outstanding 2028 Sukuk while reinforcing the company's focus on prudent financial management and positioning it well for strong future growth. The Sukuk is rated 'BB-' with a stable outlook by Fitch Ratings and was issued under OMNIYAT Sukuk 1 Limited's USD2bn Trust Certificate Issuance Programme

(Source: Zawya)

GCC Weekly Market View

Investment Strategy | September 17, 2025

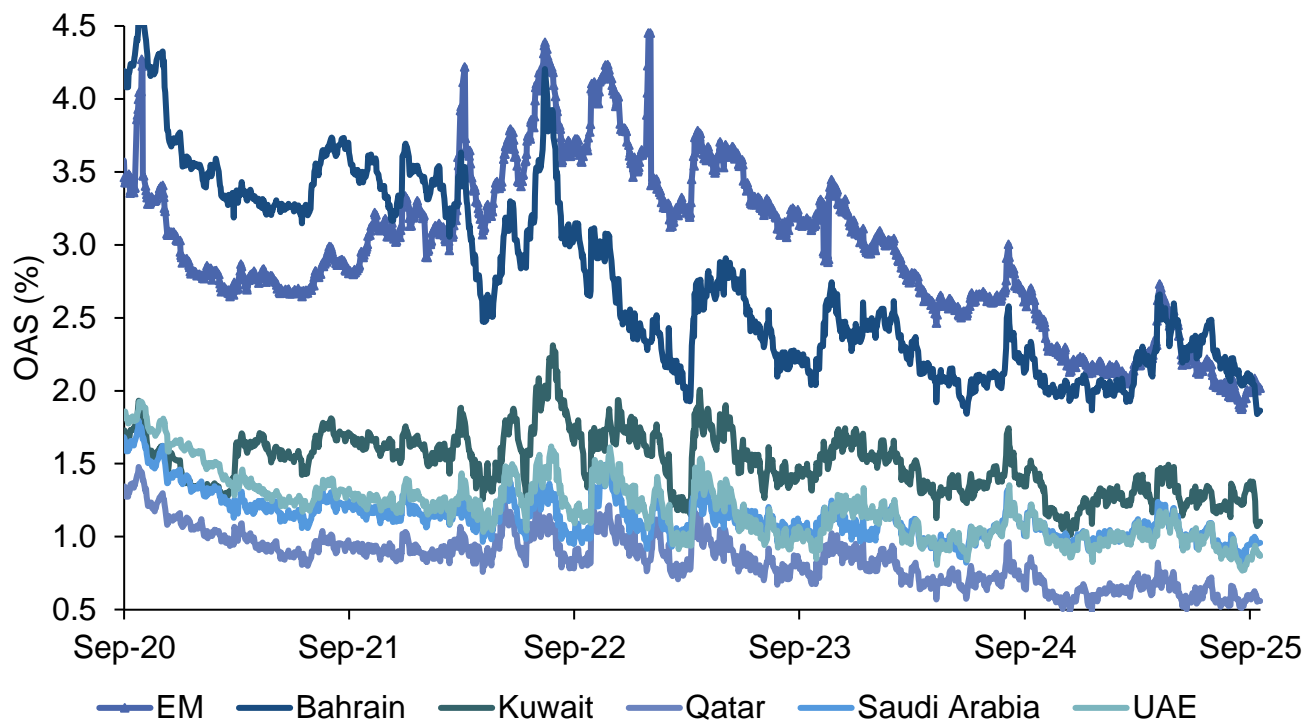
GCC bond issuances

Issuer	BBG	Sector	Country	Issue Amt*	Cpn	Maturity	Maturity Type	Currency	Issue Date	Rtg [^]	YTM (mid)	YTC (mid)
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	-
CBQ Finance Ltd	COMQAT	Financial Institutions	QA	600	4.625	9/10/2030	AT MATURITY	USD	9/10/2025	A	4.52	-
First Abu Dhabi Bank PJSC	FABUH	Agency	AE	750	4.38	9/10/2030	AT MATURITY	USD	9/10/2025	AA-	4.12	-
CBQ Finance Ltd	COMQAT	Financial Institutions	QA	600	4.625	9/10/2030	AT MATURITY	USD	9/10/2025	A	4.48	-
Sobha Sukuk I Holding Ltd	SOBHA	Financial Institutions	AE	750	7.125	9/11/2030	AT MATURITY	USD	9/11/2025	-	7.24	-
Banque Saudi Fransi Gaci First Investment Co	BSFR	Financial Institutions	SA	310	0	6/17/2026	AT MATURITY	USD	9/15/2025	-	3.79	-
Al Rajhi Sukuk Ltd	PIFKSA	Agency	SA	2000	5	9/15/2035	CALLABLE	USD	9/15/2025	A+	4.89	4.88
Al Rajhi Sukuk Ltd	RJHIAB	Financial Institutions	SA	1000	5.651	3/16/2036	CALLABLE	USD	9/16/2025	BBB	5.63	5.66
Omniyat Sukuk 1 Ltd	OMNYAT	Financial Institutions	AE	400	7.25	3/16/2029	AT MATURITY	USD	9/16/2025	-	7.23	-
Doha Finance Ltd	DHBKQD	Financial Institutions	QA	500	4.5	3/16/2031	AT MATURITY	USD	9/16/2025	A	4.67	-
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.125	9/17/2030	CALLABLE	USD	9/17/2025	A+	4.30	4.31
SA Global Sukuk Ltd	ARAMCO	Agency	SA	1500	4.625	9/17/2035	CALLABLE	USD	9/17/2025	A+	4.85	4.85

*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

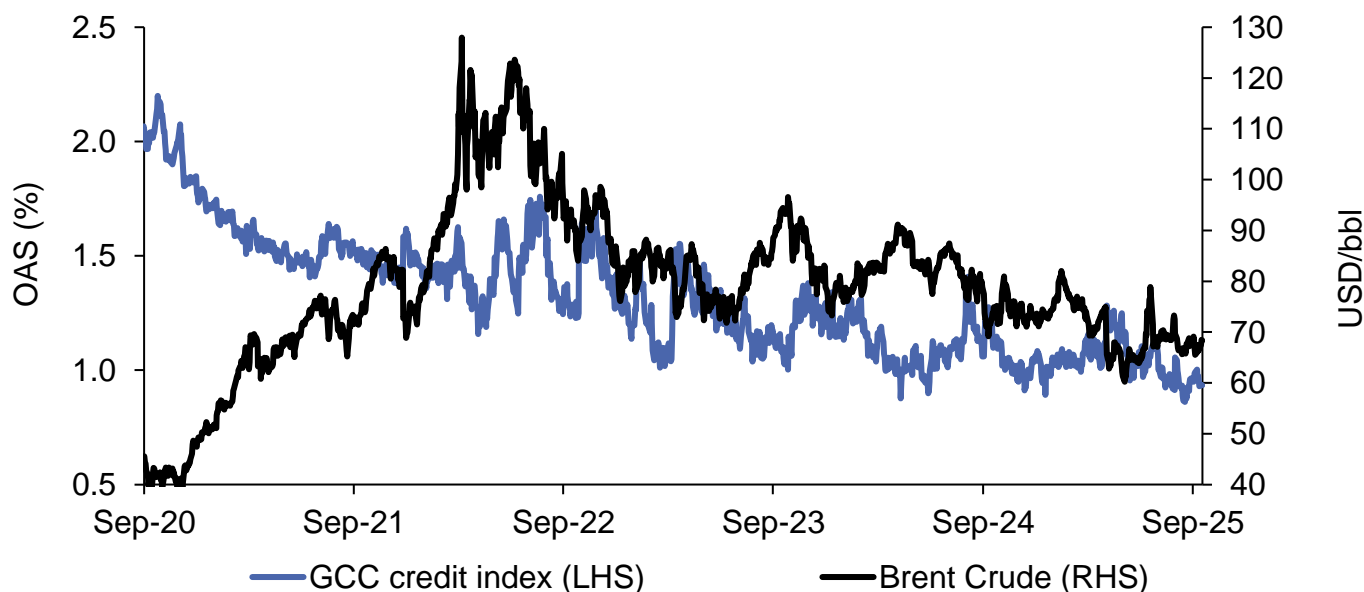
Appendix

Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg Sovereign Bond Indices, ADCB Asset Management

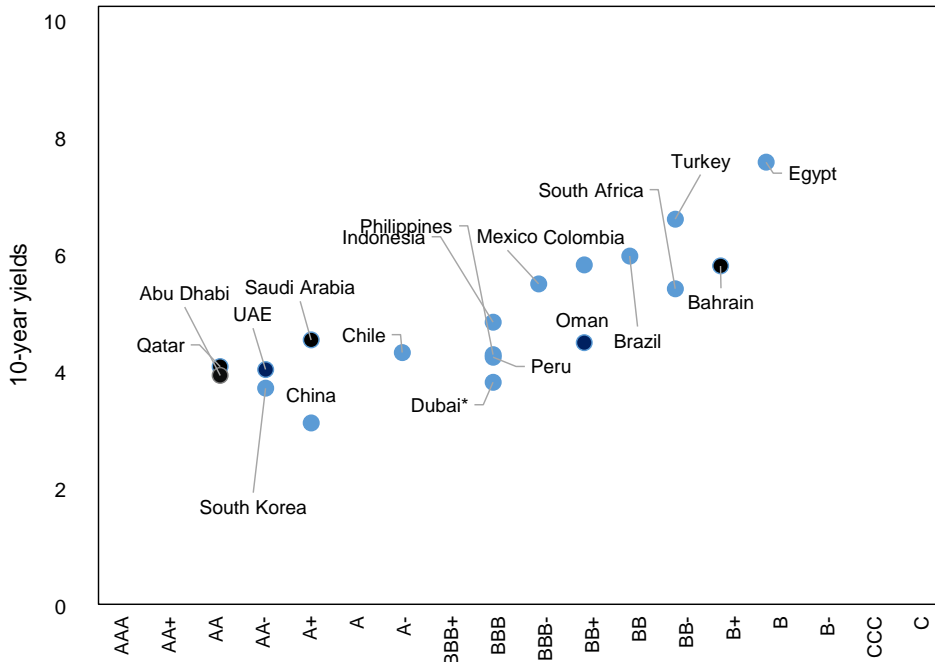
GCC corporate OAS spread versus Brent Crude



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

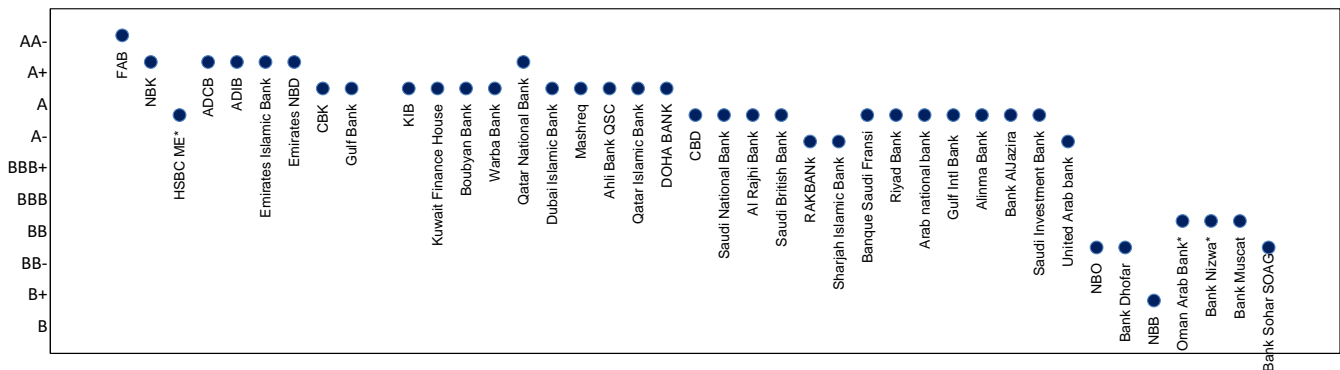
GCC Sovereign Rating

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

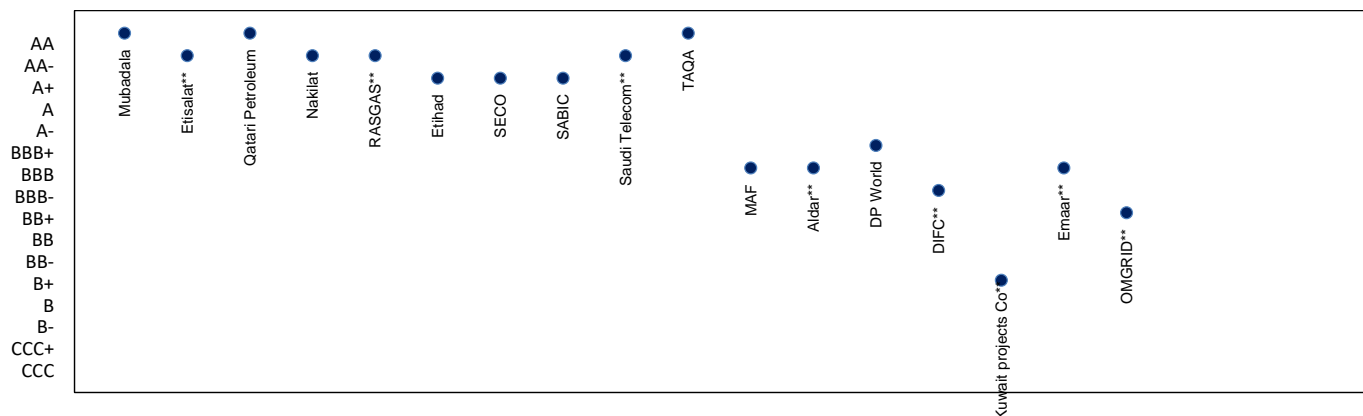
GCC Financials



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

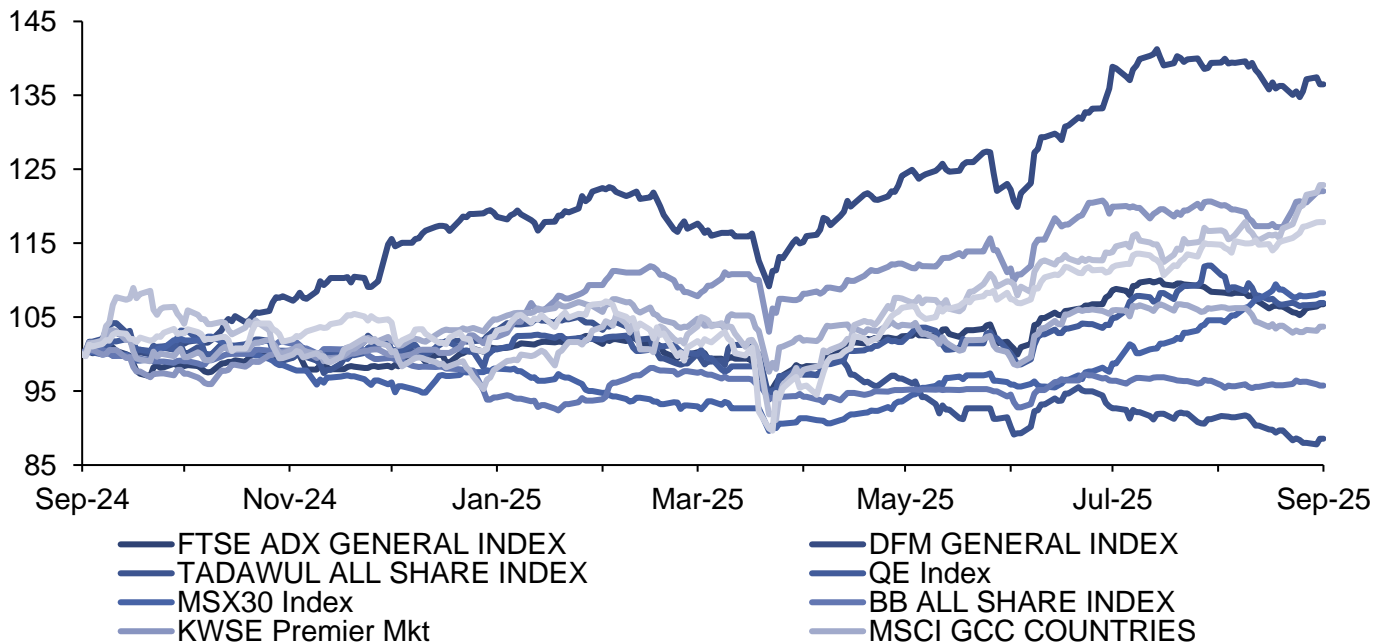
GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	12.7x	28.6%	2.3%
DFM	11.2x	-	4.6%
Tadawul	15.5x	6.7%	3.9%
DSM	12.2x	1.2%	4.5%
MSM30	1.1x	-	5.9%
BHSE	14.4x	-	9.9%
KWSE	18.7x	-14.3%	2.9%
MSCI GCC	13.4x	10.3%	4.2%
MSCI EM	15.1x	5.0%	2.4%
MSCI ACWI	21.1x	7.8%	1.7%

Notes: *data as of 17 September 2025 | Source: Bloomberg, ADCB

GCC equity 1Y Performance

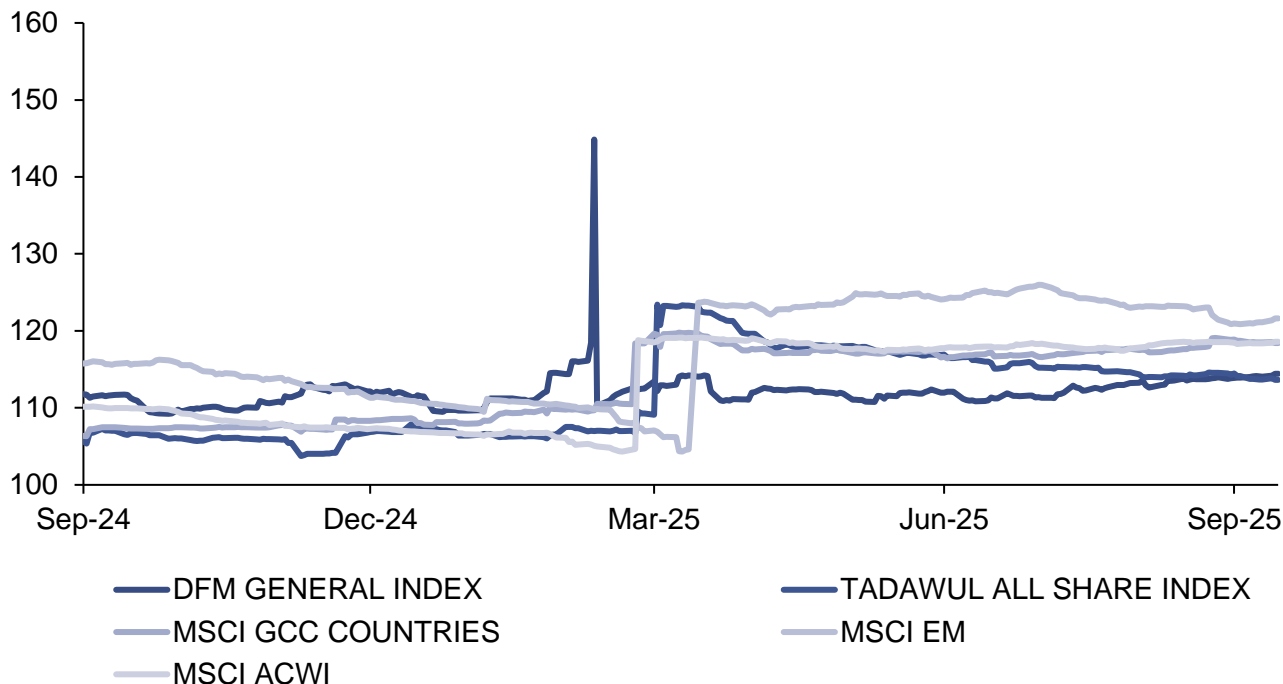
1Y performance



Source: Bloomberg, ADCB

GCC equity 12m forward PE

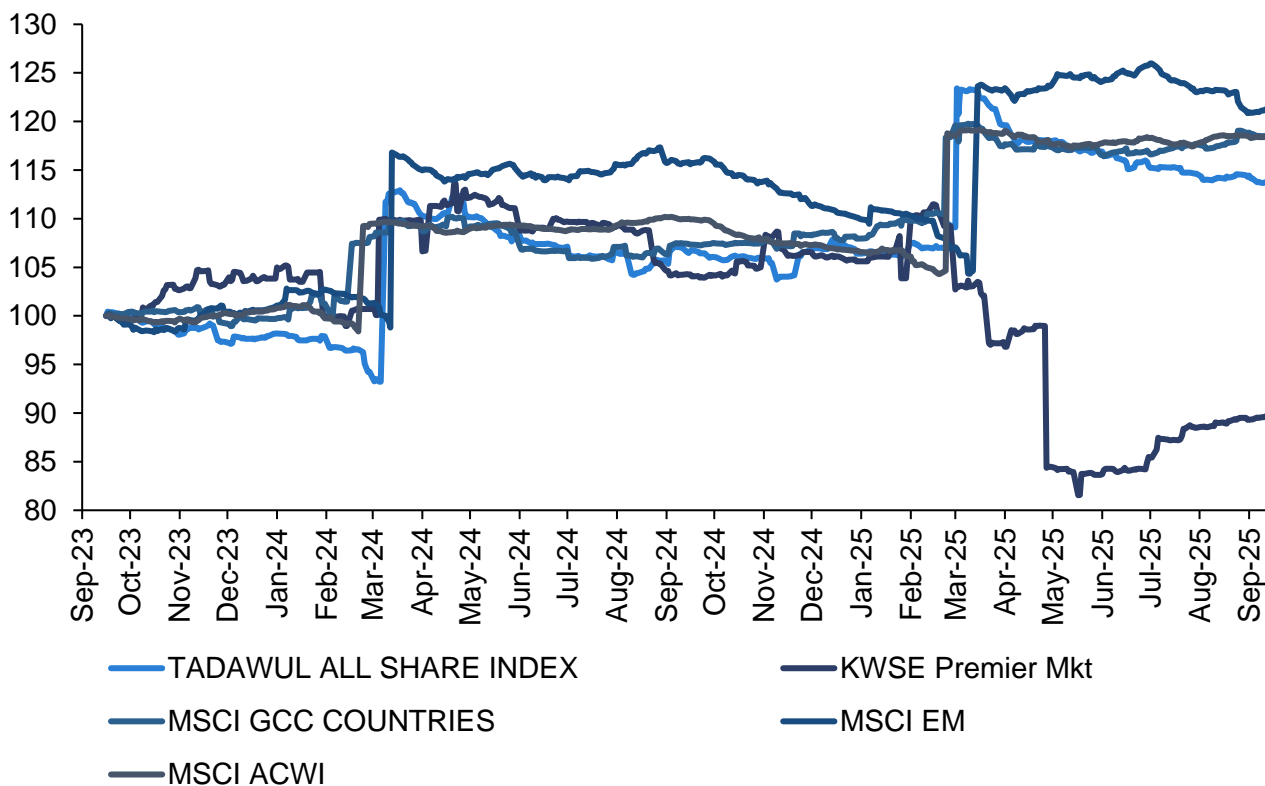
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward EPS

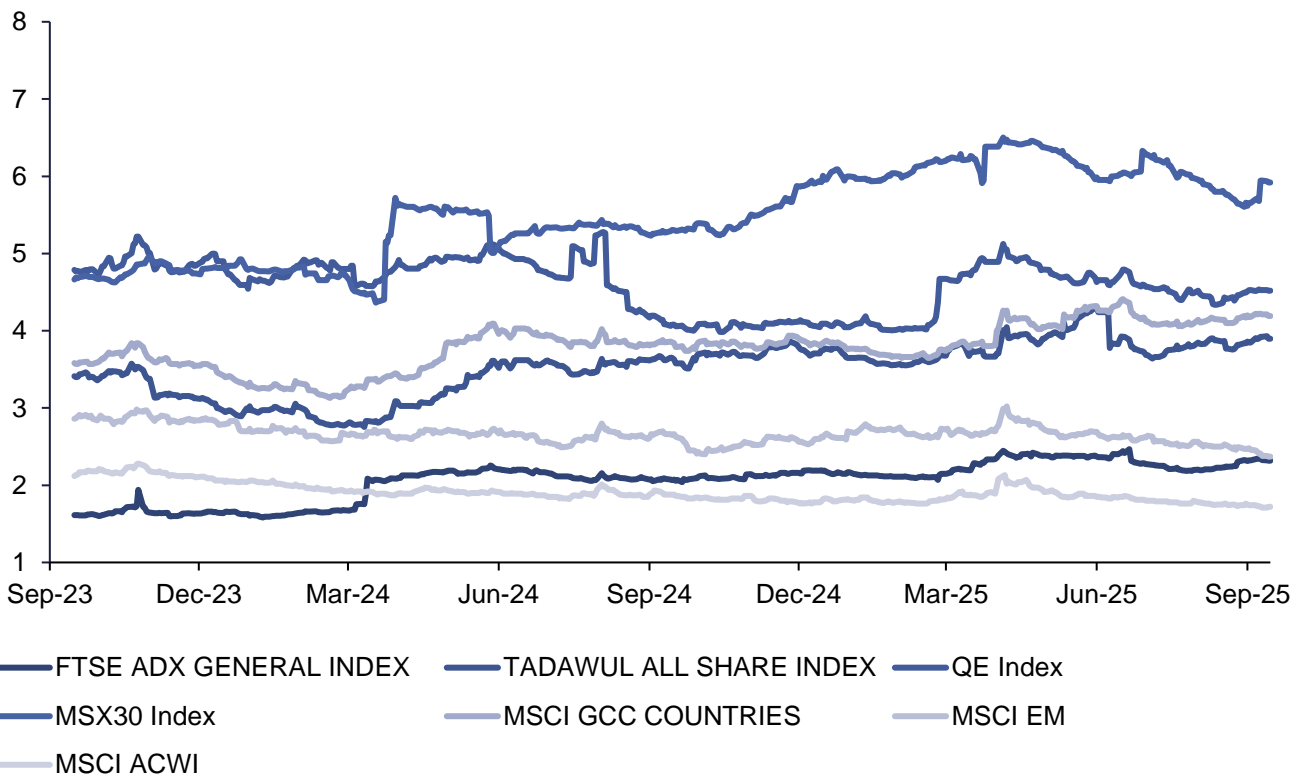
12 month forward EPS (indexed to 100 at start)



Source: Bloomberg, ADCB

GCC equity 12m forward dividend yields

12m Forward Dividend Yield



Source: Bloomberg, ADCB

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