GCC Weekly Market View

Investment Strategy ♦ November 12, 2026

GCC market performance and activity summary

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In GCC fixed income

All GCC bond indices recorded declines over the week, except for Bahrain. Oman and Saudi Arabia underperformed the most. 5Y sovereign CDS spreads tightened across all GCC markets. In the USD sovereign market, the 10yr bond yields rose across all GCC markets, except for Bahrain.

GCC equities

GCC regional indices gained over the week – Dubai, Saudi Arabia, and Oman outperformed the most. Abu Dhabi, Qatar, Bahrain and Kuwait also posted gains over the week. Overall, MSCI GCC, MSCI and MSCI EM and MSCI ACWI all posted gains.

GCC key developments

- Oman's economic growth expected to reach 4.5% in 2026.
- FAB plans to raise up to AED15bn (USD4.1bn) through a rights issue.
- ADIB opened subscriptions for its AED1.75bn rights issue.

GCC Weekly Market Performance

Index			
Fixed Income	Latest	-1w %	YTD %
Global Agg	493.1	-0.93	-1.63
Global Treasuries	204.2	-0.97	-2.00
EM USD Agg TR	1386.5	-0.10	-0.02
EM LatAm TR	1284.3	-0.11	0.28
EM EMEA TR	408.4	0.02	-0.15
EM Asia TR	702.1	-0.33	-0.35
Bahrain TR	218.1	0.51	-2.28
Oman TR	174.1	-0.18	0.58
Kuwait TR	167.4	-0.03	-0.35
Qatar TR	145.7	-0.06	-2.18
Saudi Arabia TR	151.2	-0.14	-1.70
UAE TR	152.5	-0.01	-1.59
Equity	Latest	-1w %	YTD %
ADX	9585.1	0.69	-4.08
DFM	6221.2	2.96	2.88
Tadawul	10308.4	2.11	-1.74
DSM	10125.0	0.59	-5.92
MSM30	7374.1	1.34	25.69
BHSE	1824.5	0.48	-11.71
KWSE	9003.0	0.11	-5.21
MSCI GCC	742.1	2.08	1.01
MSCI EM	1576.2	2.10	12.24
MSCI ACWI	1121.2	2.58	10.50

Rates			
3M interbank	Latest	-1w (bp)	YTD (bp)
Saudi	5.16	-36.90	29.90
UAE	4.34	6.20	86.60
Kuwait	3.69	0.00	12.60
Bahrain	5.55	3.40	57.20
Oman	4.30	5.50	-10.70
Qatar	4.42	9.20	45.00
US SOFR	3.88	-4.00	1.00
5Y Sov. CDS	Latest	-1w (bp)	YTD (bp)
Saudi Arabia	64.64	-4.93	-2.34
Abu Dhabi	34.11	-1.72	6.66
Dubai	59.00	-2.68	11.56
Kuwait	54.24	-0.71	6.82
Bahrain	285.93	-20.69	101.68
Oman	71.92	-4.82	1.13
Qatar	43.14	-1.70	15.88
10Y yield	Latest	-1w (bp)	YTD (bp)
Saudi Arabia	5.74	7.70	107.50
Abu Dhabi	5.39	4.50	115.50
Dubai	5.24	4.40	123.50
Bahrain	7.93	-7.40	168.90
Oman	5.61	7.60	82.20
Qatar	5.36	5.10	116.90

Note: data from 5th November2026 to 11th November 2026, Source: Bloomberg, ADCB Asset Management.

Developments

Oman's economic growth expected to reach 4.5% in 2026

- According to the International Monetary Fund (IMF), Oman's GDP growth is projected to reach 4.5% in 2026, supported by stronger oil and gas activity and continued non-oil growth of 1.4%. Real GDP grew by 3.8% in H1'26. Inflation increased from 1% in 2025 to around 3% in 2026, mainly due to higher food and transportation costs, but is expected to ease toward 2% over the medium term. The fiscal surplus is projected to average 5.3% of GDP during 2026–2027, while the current account surplus is expected to reach 6.5% of GDP in 2026. Government debt declined to 30.4% of GDP by June 2026. The banking sector remains well-capitalised, liquid and profitable. The IMF highlighted the importance of fiscal reforms, stronger tax administration, efficient public spending, economic diversification, private sector participation and labour market reforms to support long-term growth and financial stability under Oman Vision 2040. (Source: Zawya).

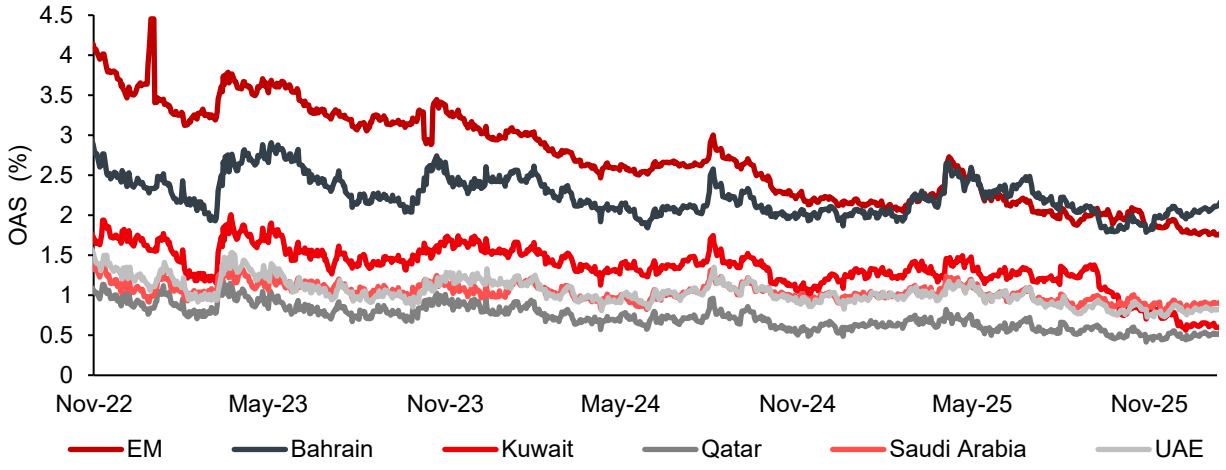
FAB plans to raise up to AED15bn (USD4.1bn) through a rights issue

- First Abu Dhabi Bank (FAB) plans to raise up to AED15bn (USD4.1bn) through a rights issue that would rank among the largest in the Middle East. The proceeds would support the bank's growth in the UAE and across its international network, which spans 20 markets. Under the proposal, FAB would issue 1,109,467,456 new shares at AED 13.52 each, a 30% discount to its closing share price on the Abu Dhabi Securities Exchange (ADX) on 10 November 2026. Eligible shareholders would be able to maintain their ownership stakes by taking up their full pro rata entitlement. FAB will seek shareholder approval at its General Assembly meeting on 7 December 2026. The offering is also subject to regulatory approvals. The bank will announce the final entitlement ratio, eligibility date, rights trading period and subscription timetable in due course. It expects to complete the transaction in the first quarter of 2027. (Source: Zawya).

ADIB opened subscriptions for its AED1.75bn rights issue

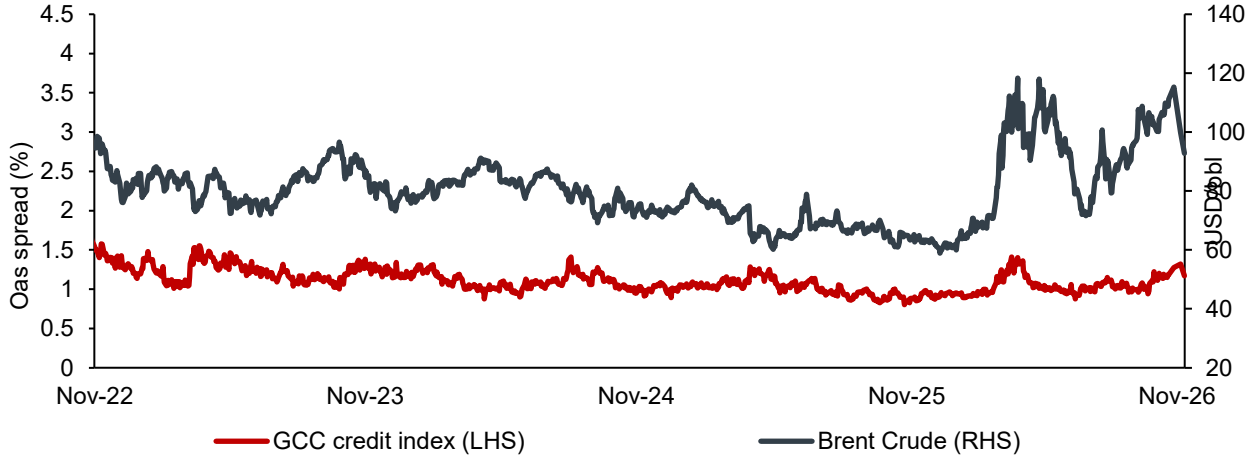
- Abu Dhabi Islamic Bank (ADIB) opened subscriptions for its AED1.75bn rights issue on 10 November 2026. The subscription period runs through 24 November 2026. The proceeds will strengthen the bank's capital base and support its growth plans under Vision 2035. Shareholders on the register as of 2 November 2026 received one right for every 34.14 ADIB shares they held. Each right entitles the holder to subscribe for one new share at AED 16.45. Investors who buy rights during the trading period can also subscribe under the terms of the prospectus. The rights trade on the Abu Dhabi Securities Exchange (ADX) under the symbol ADIBRI26 through 16 November 2026. Trading in the new shares is expected to begin on 18 December 2026. ADIB is the sole receiving bank for the offering. Investors can apply through the ADX ePortal or at participating ADIB branches. ADIB account holders can also subscribe through the ADIB Mobile App using their existing digital banking credentials. Shareholders who take up less than their full entitlement, including those who sell some or all of their rights, will keep their existing shares but hold a smaller percentage of the bank after the new shares are issued. (Source: Zawya).

Appendix
Bloomberg Barclays Bond Indices OAS spread (EM vs GCC)



Source: Bloomberg, ADCB Asset Management

GCC corporate OAS spread versus Brent Crude



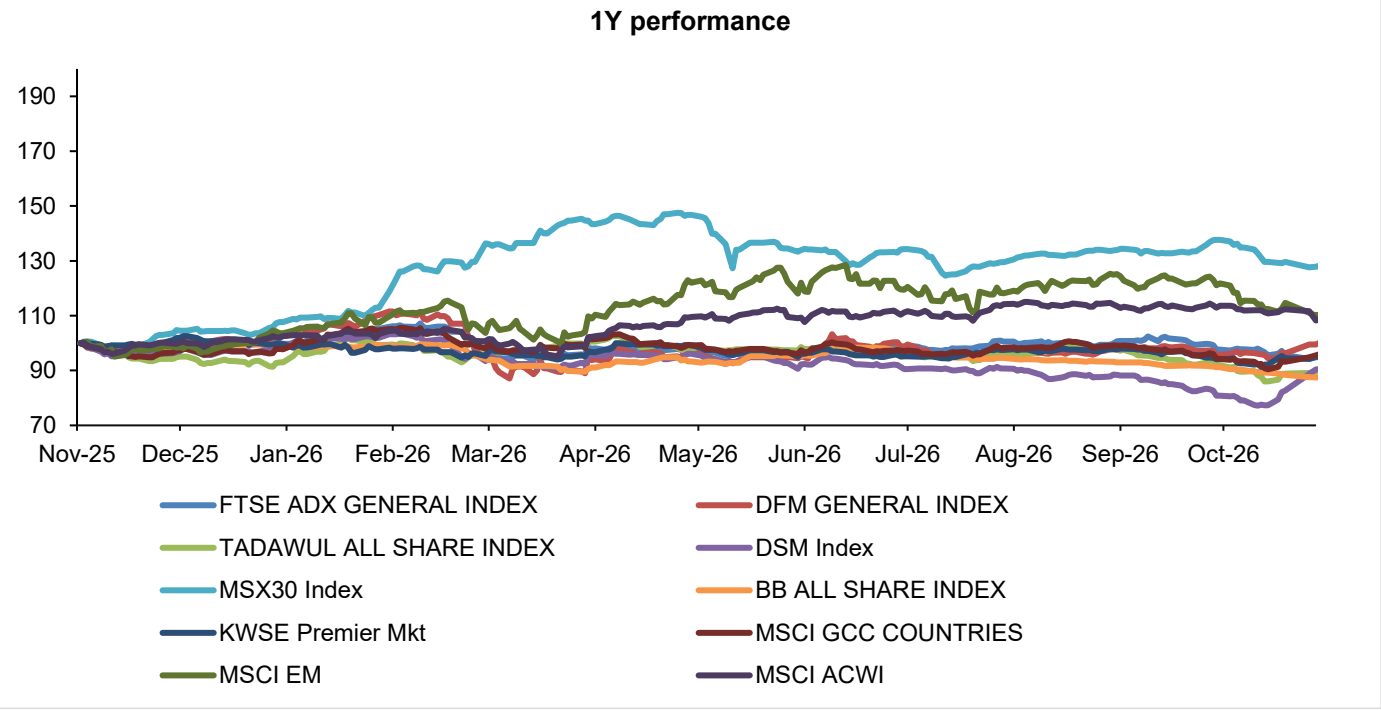
Source: Bloomberg, ADCB Asset Management

GCC equities – performance, earnings, and valuations snapshot

Equity Index	12M forward PE	12M forward EPS growth	12M forward dividend yield
ADX	10.8x	15.6%	4.6%
DFM	10.4x	0.2%	4.9%
Tadawul	13.9x	8.6%	4.1%
DSM	13.1x	13.2%	4.8%
MSM30	11.5x	2.4%	4.8%
BHSE	11.7x	-	4.7%
KWSE	16.5x	10.4%	3.7%
MSCI GCC	12.4x	7.7%	4.3%
MSCI EM	10.4x	17.3%	3.6%
MSCI ACWI	17.7x	16.5%	1.6%

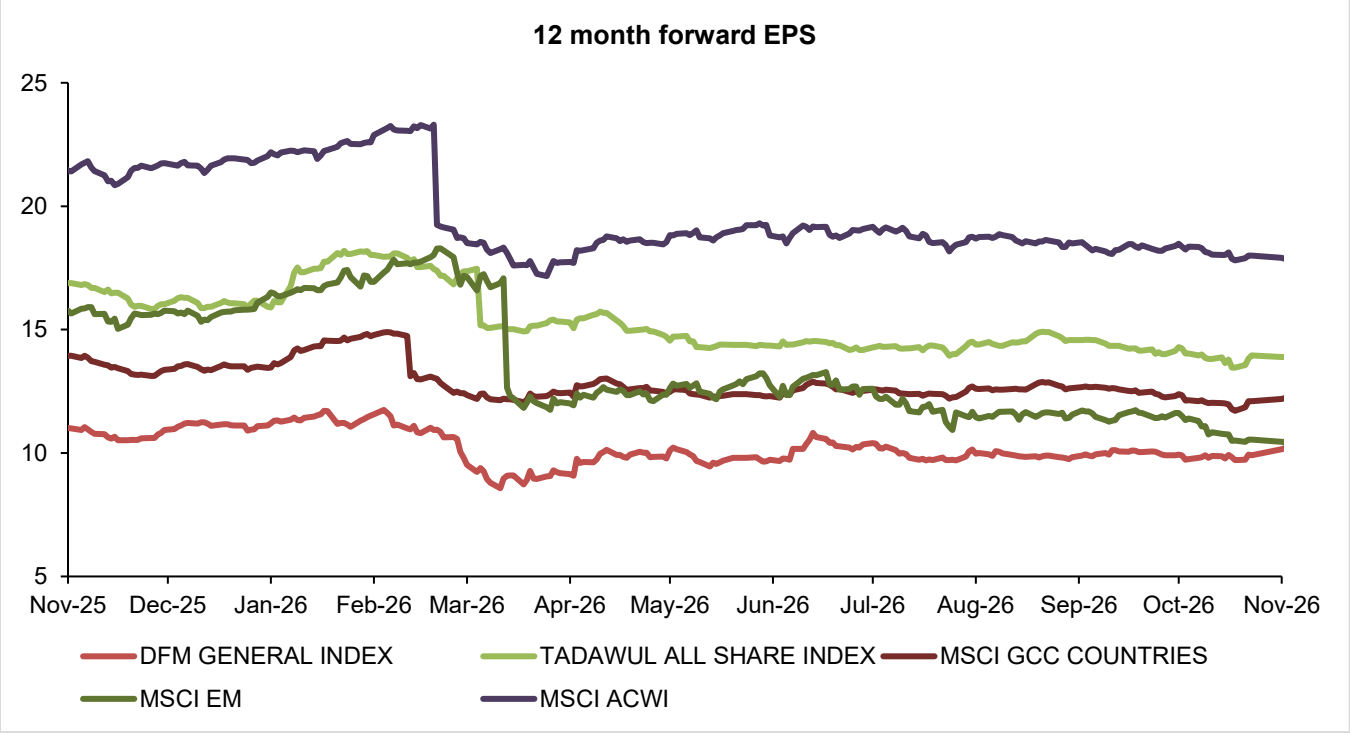
Notes: *data as of 12 November 2026 | Source: Bloomberg, ADCB Asset Management

GCC equity 1Y Performance



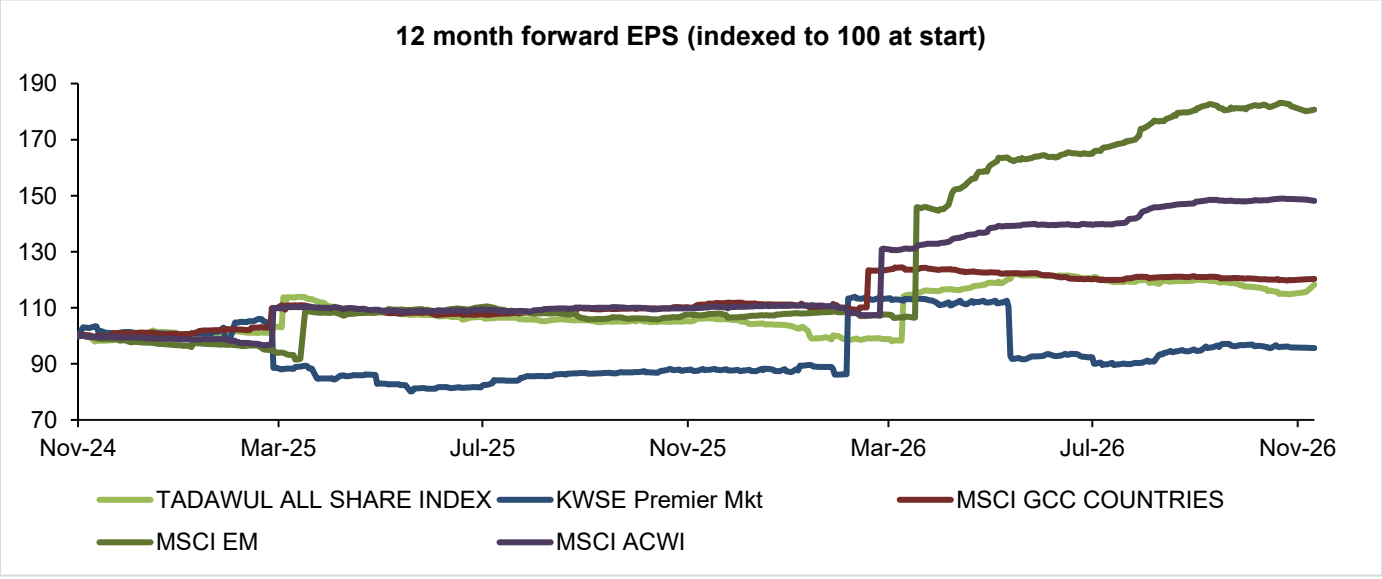
Source: Bloomberg, ADCB Asset Management

GCC equity 12m forward PE



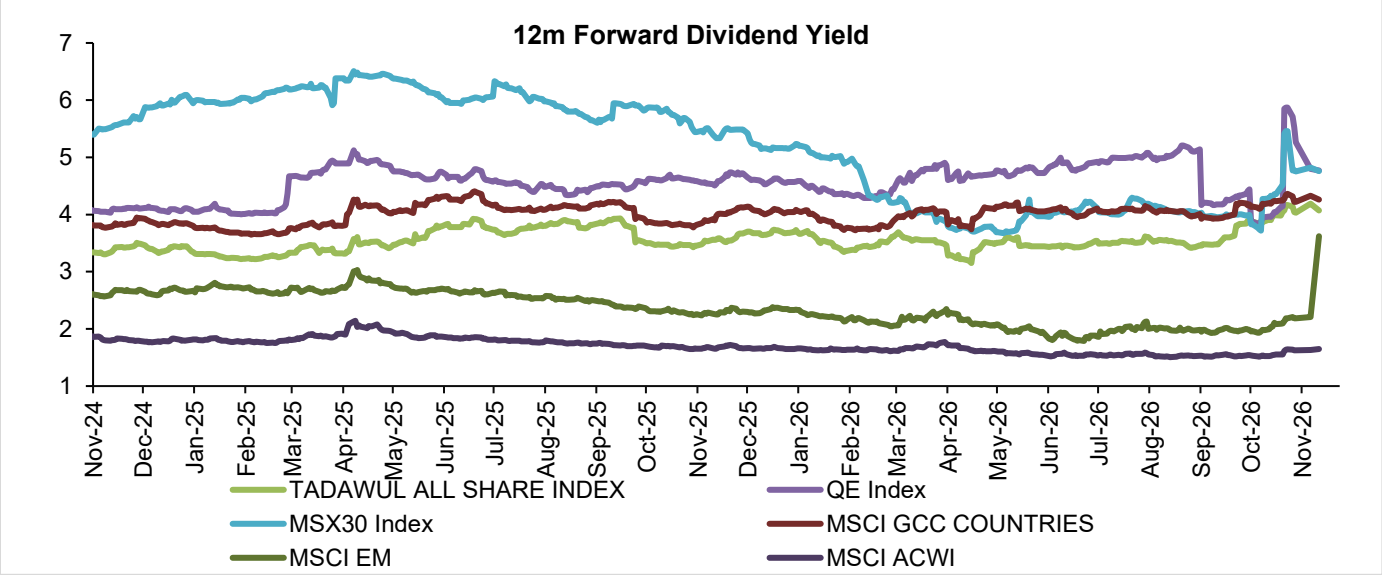
Source: Bloomberg, ADCB Asset Management

GCC equity 12m forward EPS



Source: Bloomberg, ADCB Asset Management

GCC equity 12m forward dividend yields



Source: Bloomberg, ADCB Asset Management

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