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MENA equity markets registered strong price rebounds (+5.1%) this week, mainly tracking global equity strength (+3.3%) amid reduced geopolitical risks following a ceasefire agreement between Israel and Iran. In parallel, MENA fixed income markets registered across-the-board upward price movements, mainly tracking US Treasuries move as a drop in oil prices following the Israel-Iran ceasefire agreement eased concerns about inflation, and as the US consumer confidence dropped notably in June, underscoring lingering worries about the potential impacts on the US economy and job market from higher US import duties.

MENA MARKETS: June 22 - June 28, 2025

Stock market weekly trend	↑	Bond market weekly trend	↑
Weekly stock price performance	+5.1%	Average weekly bond price change	+0.65 pt
Stock market year-to-date trend	↑	Bond market year-to-date trend	↑
YTD stock price performance	+0.6%	Average yearly bond price change	+1.68 pt

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ECONOMY

GCC BANK CONSOLIDATION MAY ACCELERATE DUE TO LOWER OIL PRICES AS PER FITCH

Consolidation among GCC banks may gain momentum if lower oil prices add to competitive pressure in the region, Fitch Ratings says. Sustained lower oil prices and weaker global demand may put pressure on GCC bank operating environments, leading to weaker profitability and acting as a catalyst for M&A as banks seek to diversify their revenues and increase scale. Smaller banks may become targets due to their weaker franchises, and often higher funding costs and thinner capital buffers. Most GCC banking sectors are 'overbanked': characterised by a large number of banks relative to population size, with over 150 banks operating across the region, including 75domestic commercial banks. Many GCC banks have shareholders in common, which could help to bring about M&A in some cases. However, many of the common shareholders are not sufficiently large to wield significant influence.

Bahrain appears the most likely market for consolidation as it is highly overbanked, with generally weaker banking sector profitability and growth prospects. The Bahraini authorities seem supportive of consolidation, but relatively few banks have common shareholders, which could hinder deals.

Oman and Kuwait are also overbanked with modest banking sector profitability. However, consolidation pressures in Kuwait may ease if economic reforms lead to stronger growth and better profitability prospects, and Oman's banking sector could expand given its relatively low banking sector assets/GDP ratio.

In the UAE, some smaller banks with weaker franchises and revenue generation may need strategic mergers to sustain their operations, especially if profitability comes under pressure for a sustained period. Again, strong growth prospects may limit this need in the short term. Consolidation is likely to be less widespread in Qatar and Saudi Arabia.

Qatar has many banks for its small population, but profitability is strong, so there is less pressure for M&A to diversify revenues. Saudi Arabia stands out as the one GCC market that does not appear overbanked given its much larger population, lower banking system assets/GDP ratio and strong growth prospects.
Bank sector M&A in the GCC has been focused on enhancing shareholder value through strengthened market positions and economies of scale. This has led to the creation of dominant entities, such as First Abu Dhabi Bank and Saudi National Bank. The recent merger between Kuwait Finance House and Bahrain's Ahli United Bank, creating a regional Islamic banking powerhouse, exemplifies the trend. Nevertheless, smaller banks with weaker franchises, pricing power and capital buffers are increasingly likely to feature in M&A.

Fitch expects digital banking and new digital entrants to be an increasingly significant driver of consolidation in the region, with banks seeking technological partnerships to improve competitiveness. The expansion of open banking is also likely to influence M&A strategies, fostering joint ventures between tech companies, telecom firms and banks. Islamic banks have increasingly been involved in M&A to consolidate their franchises, as with Dubai Islamic Bank's acquisition of Noor. The UAE's ambitious domestic Islamic finance strategy may lead to further M&A involving Islamic banks. Emirates NBD and Abu Dhabi Commercial Bank have acquired domestic Islamic subsidiaries, which should support financing and deposit growth. In Oman, banks such as Oman Arab Bank and Sohar International Bank have completed or are pursuing Islamic bank acquisitions to cement their positions in the market.

Most GCC bank M&A has been domestic, but Fitch expects a gradual shift towards regional transactions, such as Kuwait Finance House's takeover of Ahli United Bank. A few GCC banks have also shown a strong appetite to expand beyond the region, although this brings additional risks, especially for acquisitions in more macroeconomically volatile markets, such as Turkiye and Egypt, as per Fitch.

REVENUE GENERATION IN SAUDI HOSPITALITY SECTOR INCREASE BY 3% IN 2024

According to recently released data from the Saudi General Authority for Statistics (GASTAT), revenue generation in the Saudi hospitality sector has increased by 2.7% year-on-year between 2023 and 2024. This comes amid an increase in the revenue generation of serviced apartments and other hospitality facilities while the revenue generation of hotels decreased during the period, moderating the growth in this index.

In details, at the level of serviced apartments and other hospitality facilities, average length of stay reached 2.1 nights in 2024, decreasing by 13.2% year-on-year from 2.5 nights in 2023. On the other hand, Average Daily Rate (ADR) in Saudi serviced apartments and other hospitality facilities recorded SAR 203.2 (US$ 54.2) per night in 2024, noting a year-on-year increase of 17.8% against levels recorded in 2023. Occupancy rate in serviced apartments and other hospitality facilities recorded 55.2% in 2024, noting a year-on-year increase of 1.3 percentage points (pps) from 53.9% in 2023. In turn, the Revenue Per Available Room (RevPAR) for serviced apartments and other hospitality facilities in Saudi Arabia reached SAR 112.1 (US$ 29.9) per available room in 2024, noting a year-on-year increase of 20.6% from SAR 93.0 (US$ 24.8) per available room in 2023.

It is worth noting that RevPAR is a Key Performance Indicator (KPI) for hospitality establishments that shows the revenue generation ability of various facilities. The indicator is calculated by multiplying ADR by the occupancy rate of a facility.

In parallel, at the level of hotels, average length of stay reached 4.3 nights in 2024, increasing by 11.0% year-on-year from 3.8 nights in 2023. On the other hand, Average Daily Rate (ADR) in Saudi hotels recorded SAR 489.1 (US$ 130.4) per night in 2024, noting a year-on-year decrease of 10.9% against levels recorded in 2023. Occupancy rate in hotels recorded 54.6% in 2024, noting a year-on-year decrease of 3.3 pps from 57.9% in 2023. In turn, the Revenue Per Available Room (RevPAR) for hotels in Saudi Arabia reached SAR 267.1 (US$ 71.2) per available room in 2024, noting a year-on-year decrease of 16.0% from SAR 318.1 (US$ 84.8) per available room in 2023.

Looking at the evolution in the number of facilities in the hospitality sector, the number of hotels recorded 2,163 at end-2024, up by 86.3% from 1,161 at end-2023. Additionally, a total of 2,262 serviced apartments

KSA HOSPITALITY SECTOR INDICATORS

	2023	2024	Var 2024/2023 (%)
Average length of stay in serviced apartments and other hospitality facilities (nights)	v2.5	2.1	-13.2%
Average length of stay in hotels (nights)	3.8	4.3	11.0%
ADR for a room in serviced apartments and other hospitality facilities (SAR)	172.6	203.2	17.8%
ADR for a room in hotels (SAR)	549.3	489.1	-10.9%
Room occupancy rate in serviced apartments and other hospitality facilities	53.9%	55.2%	2.4%
Room occupancy rate in hotels	57.9%	54.6%	-5.7%
RevPAR for serviced apartments and other hospitality facilities	93.0	112.1	20.6%
RevPAR for hotels	318.1	267.1	-16.0%
Number of hospitality sector facilities by type (end-of-period)			
Total	**2,343**	**4,425**	**88.9%**
o.w. Hotels	1,161	2,163	86.3%
o.w. Serviced apartments and other hospitality facilities	1,182	2,262	91.4%
Number of employees in tourism activites (end-of-period)			
Total	**929,404**	**966,531**	**4.0%**
o.w. Saudi	244,898	242,073	-1.2%
o.w. Non-Saudi	684,506	724,458	5.8%

and other hospitality facilities were recorded at end-2024, up by 91.4% from 1,182 at end-2023. In turn, total number of facilities in the Saudi hospitality sector reached 4,425 at end-2024 noting a year-on-year jump of 88.9% from 2,343 at end-2023.

At the level of employment in tourism activities, a total of 966,531 individuals were employed in tourism activities at end-2024, up from 929,404 individuals at end-2023. Saudi nationals made up 25.0% of all individuals employed in tourism activities within the Kingdom as at end-2024. The number of Saudi employees recorded a year-on-year decrease of 1.4% between end-2023 and end-2024 to reach 242,073 individuals in the latter. Non-Saudi nationals made up 75.0% of all individuals employed in tourism activities within the Kingdom as at end-2024. The number of non-Saudi employees recorded a year-on-year expansion of 5.8% between end-2023 and end-2024 to reach 724,458 individuals in the latter.

EGYPT’S NON-OIL SECTOR MOVES BACK TOWARDS STABILITY DURING MAY

Egypt's non-oil private sector economy moved back towards stability in May survey signaled softer contractions in new business and output. Overall operating conditions declined at the slowest pace for three months, as fewer companies reported cutbacks to customer sales. Nonetheless, firms reduced their purchases at the quickest rate in seven months and continued to let staffing numbers fall. May’s survey also highlighted an upshift in cost pressures, driven by increasing supplier charges and unstable exchange rates. The rate of input price inflation was the fastest observed in 2025 so far, leading to a fresh rise in selling prices, as per S&P Global’s Egypt PMI report for May 2025.

Egypt’s composite Purchasing Managers’ Index (PMI) recorded 49.5 in May, 0.5 points below the 50.0 no change mark and 1.0 points above the figure recorded in April (48.5) signaling a slight contraction in non-oil private sector business conditions during the month.

In details, non-oil private sector companies operating in Egypt registered a decline in output levels during May. In many cases, survey panelists related the contraction to a drop in order book volumes amid weaker customer demand. Both output and new orders decreased only slightly, however, and to lesser degrees than in April. Lower levels of new work prompted businesses to reduce their purchasing activity. The latest decline was modest, but the fastest since last October. According to panel members, buying levels were often scaled back to ensure that stocks remained streamlined. Indeed, inventories of inputs rose only marginally, as per S&P Global’s Egypt PMI report for May 2025.

The latest data also signaled a reduction in the non-oil private sector workforce, with total employment dropping for the fourth month in succession. That said, in line with the general trend seen over this period, job losses were mild. Panelists mainly commented on the decision to not replace voluntary leavers. Despite lower staffing, there was little change in unfinished business.

Non-oil companies faced the steepest rate of input cost inflation for five months during May. The acceleration was mainly driven by a sharper increase in purchase prices, as businesses commented on higher costs for several items, including fuel, cement and paper. Volatile exchange rates, particularly with the US dollar, was also mentioned as a factor driving up costs. Wage expenses meanwhile rose only slightly. Subsequently, after flatlining in April, selling prices increased to the greatest extent for seven months in May, as firms looked to pass through part of the uptick in costs to customers. When assessing the 12-month outlook, non-oil businesses in Egypt were slightly more upbeat compared to April, although the level of optimism remained weak by historical standards. Some firms indicated that stubborn price pressures and low demand had weighed on output expectations, as per S&P Global’s Egypt PMI report for May 2025.

SURVEYS / REPORTS

UAE RANKS 1ST IN MENA REGION AND 5TH GLOBALLY IN 2025 WORLD COMPETITIVENESS REPORT

The UAE advanced two positions to 5th place worldwide and ranked 1st in the MENA region in the 2025 World Competitiveness report, issued by the International Institute for Management Development (IMD). The IMD World Competitiveness ranking analyzes and ranks the capacity of countries to create and maintain an environment that sustains the competitiveness of enterprises.

The World Competitiveness Report classifies 69 countries based on four main pillars and 20 sub-pillars encompassing 341 competitive indicators across various economic, administrative, and social fields, including government efficiency, education and innovation.

The four main indicators include Economic Performance, Government Efficiency, Business Efficiency and Infrastructure.

2025 IMD WORLD COMPETITIVENESS RANKING IN MENA REGION

Country	Regional Rank	Global Rank	Competitive-ness Score	Economic Performance	Government Efficiency	Business Ef-ficiency	Infrastructure
UAE	1	5	96.09	79.64	87.28	92.55	69.00
Qatar	2	9	89.93	69.53	82.88	91.41	60.00
Saudi Arabia	3	17	82.09	62.29	69.26	81.40	59.50
Bahrain	4	22	76.56	61.10	57.53	78.13	53.38
Oman	5	28	72.86	48.63	69.97	65.72	51.21
Kuwait	6	36	68.69	49.60	67.26	56.86	45.14
Jordan	7	47	57.79	33.93	51.59	55.32	34.45

Sources: IMD, Bank Audi's Group Research Department

In this year's report, the UAE advanced in all four main pillars, scoring 96.09 out of 100 points. The UAE ranked 2nd globally in Economic Performance, 4th in Government Efficiency, 3rd in Business Efficiency and 23rd in Infrastructure.

Concurrently, the UAE's exceptional performance in key sectors contributed to its leadership in 113 global indicators across the report's main and sub-pillars. The country ranked first globally in 22 indicators, including employment rate, absence of bureaucracy, availability of global expertise, digital transformation in companies, venture capital, inbound mobility of higher education students, public-private partnerships, energy infrastructure, and female parliamentary representation.

The UAE also ranked second globally in social cohesion, flexibility of residency laws, and government policy adaptability, while securing third globally in graduates in sciences, leverage of digital tools and technology, and healthcare infrastructure.

The UAE's key strengths in 2025 lie in its dynamic business environment, robust economic fundamentals, and highly effective government policies. The country's attractive tax structure (9% corporate tax), strong regulatory environment, and high-performing indicators, such as the ability of the economy to encourage the creation of firms (survey score 8.91), attract highly skilled foreign personnel (8.91), and cybersecurity (7.64), position it as a top destination for investment and innovation. Infrastructure indicators like air transportation (9.45 out of 10) and energy infrastructure (9.27 out of 10) reflect the country's ongoing commitment to world-class logistics and utilities. Despite these achievements, Infrastructure remains the UAEs comparatively weakest factor.

Elsewhere in the region, Qatar advanced to ninth place, moving up from 11th and securing a spot among the world's top 10 most competitive economies for the first time. This rise reflects strong momentum across several key factors, particularly in Business Efficiency (5th), while maintaining strong positions in Government Efficiency and Economic Performance, both ranking seventh.

Qatar retained its strong seventh position in Government Efficiency, with a consistent performance in Public Finance, Tax Policy and Institutional Framework. This enduring strength is one of the foundations of Qatar's competitiveness, supporting investor confidence and policy effectiveness. Other improvements occurred in the Business Legislation subfactor, where executive sentiment on the impact of foreign investors, the strength of capital markets and investment incentives all improved considerably.

In parallel, the most notable development in 2025 was Qatar's advancement in Business Efficiency, where it rose from 11th to fifth.

Qatar also progressed in Infrastructure (rising from 33rd to 30th), its lowest ranked but gradually improving factor. Under the Basic Infrastructure subfactor, Qatar excels in the quality of its air transportation (fourth), energy infrastructure (second) and low electricity costs for industrial use (third).

ABU DHABI NAMED MENA REGION'S FASTEST-GROWING EMERGING STARTUP HUB

Abu Dhabi's startup ecosystem emerged as one of the fastest-growing hubs in MENA region, fueled by strategic investments, world-class infrastructure and progressive policies that support innovation across sectors, according to the 2025 Global Startup Ecosystem Report (GSER), issued by Startup Genome and the Global Entrepreneurship Network.

The GSER, powered by the world's most quality-controlled dataset on startup ecosystems, analyzes data from over five million companies across 350+ entrepreneurial innovation ecosystems. It provides compelling new insights and deep knowledge about startup trends around the world and ranks the top 30 and 10 runner-up global ecosystems, emerging ecosystems and an expanded regional ranking.

The report highlights Abu Dhabi's impressive leap into the top emerging global ecosystems, ranking in the 51-60 tier globally, up from its previous 61-70 position. This advancement comes despite a global 14% decline in overall startup ecosystem value. Notably, Abu Dhabi generated US$ 4.4 billion (approximately AED 16.2 billion) in Ecosystem Value between July 2022 and December 2024, marking a 6% annual growth.

Concurrently, Abu Dhabi also ranked 3rd in the MENA region for Performance, a category that evaluates startup success through valuations and exit activity. This recognition reinforces Abu Dhabi's position as a dynamic, results-driven hub for entrepreneurship and innovation.

In details, FinTech, ClimateTech, and Digital Assets are key strengths of Abu Dhabi's innovation landscape, supported extensively by strategic regulatory frameworks, and sector-specific infrastructure. Key developments including ADGM's expanded licensing frameworks, substantial venture funding, and strategic partnerships in sustainability-focused enterprises, and strategic alliances in blockchain technology, exemplify the emirate's deliberate and cohesive strategy for long-term economic diversification and innovation.

The Emirate's appeal lies in forward-thinking policies, such as streamlined regulatory procedures and targeted government support for technology-driven sectors. Initiatives such as Khalifa Fund's MZN HUB are pivotal in bridging local startups with international innovation networks, further amplifying Abu Dhabi's global entrepreneurial influence.

Elsewhere in the region, Riyadh ranked 23rf globally, marking a dramatic rise of 60 positions over the past three years. The Saudi capital now stands among the top 100 emerging startup ecosystems globally and holds the second-highest position in the MENA region.

The analysis notes that over US$ 2.6 billion in venture capital funding has flowed into the Saudi market since 2018, driven by government-backed funds.

CORPORATE NEWS

ADNOC SUPPLIERS COMMIT US$ 816 MILLION INVESTMENTS TO BOOST UAE'S MANUFACTURING

ADNOC's partners across its supply chain committed US$ 817 million (AED 3 billion) as investments in manufacturing facilities across the UAE, as mentioned in a company statement.

The facilities are located across the Industrial City of Abu Dhabi (ICAD), Khalifa Economic Zones Abu Dhabi (KEZAD), Dubai Industrial Park, Jebel Ali Free Zone (JAFZA), Sharjah Airport International Free Zone (SAIF Zone) and Umm Al Quwain.

These investments would secure more than 3,500 private sector jobs and manufacture a wide range of industrial products, including pressure vessels, pipe coatings and fasteners.

The facilities include new operational sites, key expansions and investment commitments in line with ADNOC's current and future procurement requirements.

The ICV program provided a platform for businesses to capitalize on ADNOC's diverse commercial opportunities, within the framework of plan to locally manufacture US$ 24.5 billion (AED 90 billion) worth of products in its procurement pipeline by 2030.

CICC EXPANDS ITS GLOBAL FOOTPRINT WITH OFFICIAL LAUNCH OF DIFC BRANCH

China International Capital Corporation Limited (CICC), China's leading investment bank, officially launched its branch in Dubai, International Financial Centre (DIFC), one of the leading global financial centers in the Middle East, Africa and South Asia (MEASA), as mentioned in a company statement.

DIFC is a strategic gateway for the region for Chinese financial institutions and multinational firms. The biggest names in the Chinese banking and financial services industry have made their presence in DIFC, out of which 30% are Fortune 500 companies.

With the launch of the CICC DIFC Branch, the firm aims to become the premier two-way investment banking gateway between China and the Gulf region, leveraging its expertise in facilitating capital flows, structuring cross-border investments and advising on strategic opportunities.

The branch would also work closely with sovereign wealth funds, financial institutions, major corporations and other partners to help them actively participate in China's capital market projects and strengthen business collaboration between China and the broader Gulf region.

MASTERCARD LAUNCHES CYBER RESILIENCE CENTER IN SAUDI ARABIA

Mastercard, an American multinational payment card services corporation, launched its Cyber Resilience Center, an initiative that brings together key players from the financial sector to foster collaboration and support shared goals in building a secure commerce and payment ecosystem in Saudi Arabia, as reported in a company statement.

It is worth noting that this is Mastercard's first initiative in Middle East, extending the company's global network of cyber resilience centers, which includes locations in Europe and the United States.

Riyad Bank has joined as the first partner and would collaborate with Mastercard on training programs, risk evaluations and the adoption of global cybersecurity standards.

With cyber threats becoming more sophisticated and persistent, the center would provide a platform to equip organizations with the tools, expertise, and strategies needed to detect, prevent, and respond to risks in real-time. It would also serve as a catalyst for expanding local cybersecurity talent and fostering a culture of continuous learning and improvement.

The Cyber Resilience Center would further position Saudi Arabia as a regional leader in digital security and strength, ensuring its financial sector remains a trusted foundation for innovation and long-term economic growth. Mastercard would continue to expand and enhance its cybersecurity capabilities through innovation and acquisitions.

EXEED INDUSTRIES SIGNS MOU WITH PARTANNA OASIS TO EXPLORE CEMENT SOLUTIONS IN UAE

Exeed Industries, one of the leading industrial groups in the UAE, signed a Memorandum of Understanding (MoU) with Partanna Oasis, a subsidiary of Partanna, a global innovator in sustainable building materials, aimed at introducing carbon-negative cement technologies in the UAE, as mentioned in a company statement.

The MoU emphasises a joint intention to assess and plan for the establishment of facilities in Abu Dhabi to locally produce Partanna's next-generation cement alternatives.

Both parties would strategize for the establishment of a brine conversion facility, a tolling facility and a cement production plant, enabling the commercialization of Partanna's products in the UAE.

As part of this collaboration, both parties would work together on certification processes, performance testing, and alignment within regulatory frameworks. The scope also includes evaluating applications across the UAE's construction sector, with integration into Exeed's precast and concrete operations.

HUMAIN AND NVIDIA PARTNERSHIP TO BUILD AI FACTORIES

HUMAIN, the new full AI value chain subsidiary of Saudi Arabia's Public Investment Fund, announced a landmark strategic partnership with NVIDIA, the world leader in AI computing infrastructure, to drive the next wave of artificial intelligence development.

The two organizations would leverage NVIDIA platforms and expertise to establish Saudi Arabia as a global leader in AI, GPU cloud computing and digital transformation to drive innovation and growth worldwide.

HUMAIN is making a major investment to build AI factories in Saudi Arabia with a projected capacity of up to 500 megawatts powered by several hundred thousand of NVIDIA's most advanced GPUs over the next five years.

These hyperscale AI data centers would provide a secure foundational infrastructure for training and deploying sovereign AI models at scale, enabling industries across Saudi Arabia and worldwide to accelerate innovation and digital transformation.

HUMAIN and NVIDIA would also collaborate on large-scale upskilling and training initiatives, providing thousands of Saudi citizens and developers with hands-on experience in advanced AI, simulation, robotics and digital twin technologies. This effort would contribute to building a robust national AI ecosystem and align with Saudi Arabia's Vision 2030 goals of economic diversification and digital leadership.

CAPITAL MARKETS

UPWARD PRICE MOVEMENTS ACROSS MENA EQUITIES ON ISRAEL-IRAN TRUCE

MENA equity markets registered strong price rebounds this week, as reflected by 5.1% rise in the S&P Pan Arab Composite index, mainly tracking global equity strength (+3.3%) amid reduced geopolitical risks following a ceasefire agreement between Israel and Iran.

The heavyweight Saudi Exchange, whose market capitalization represents about 60% of the total regional market capitalization, bounced back this week, as reflected by a 4.7% increase in the S&P Saudi index, mainly on improved overall investor sentiment after the US President announced a ceasefire deal between Israel and Iran.

A glance on individual stocks shows that Saudi National Bank's share price surged by 5.4% week-on-week to SR 36.00. Riyad Bank's share price jumped by 5.5% to SR 28.05. Banque Saudi Fransi's share price climbed by 6.1% to SR 17.52. Alinma Bank's share price expanded by 6.6% to SR 26.85. Arab National Bank's share price rose by 5.3% to SR 21.56. Saudi Investment Bank's share price closed 2.4% higher at SR 14.44.

Concurrently, Almarai's share price surged by 6.1% over the week to SR 51.70. Etihad Etisalat's share price increased by 4.3% to SR 58.70. Aldrees Petroleum's share price went up by 6.4% to SR 123.80. Yamama Cement's share price expanded by 4.0% to SR 33.80. As to petrochemicals, SABIC's share price rose by 1.3% to SR 54.90. Yansab's share price went up by 1.4% to SR 29.90. Advanced Petrochemical Company's share price skyrocketed by 11.5% to SR 31.00. Petro Raghib's share price advanced by 7.5% to SR 7.18. Saudi Kayan Petrochemical Company's share price surged by 6.6% to SR 4.83.

The UAE equity markets posted strong price gains this week, as reflected by a 7.3% expansion in the S&P UAE index, mainly tracking global equity strength after Israel and Iran reached a ceasefire agreement. In Dubai, Emirates NBD's share price surged by 8.7% to AED 23.00. Union Properties' share price increased by 8.6% to AED 0.70. Emaar Properties' share price jumped by 8.5% to AED 13.45. Emaar Development's share price closed 7.7% higher at AED 13.25. Dubai Financial Market's share price rose by 9.7% to AED 1.69. In Abu Dhabi, ADIB's share price jumped by 10.8% to AED 21.18. ADCB's share price surged by 12.7% to AED 13.00. FAB's share price increased by 7.1% to AED 16.50. ADNOC Gas' share price closed 3.0% higher at AED 3.41. Aldar Properties' share price rose by 10.8% to AED 8.80. Agthia's share price went up by 3.4% to AED 4.25.

EQUITY MARKETS INDICATORS (JUNE 22 - JUNE 28, 2025)

Market	Price Index	Week-on-week	Year-to-Date	Trading Value	Week-on-week	Volume Traded	Market Capitalization	Turnover ratio	P/E*	P/BV*
Lebanon	189.5	5.1%	-16.7%	4.5	211.0%	0.3	21,412.8	1.1%	-	0.57
Jordan	451.1	4.8%	15.5%	39.6	28.1%	39.6	28,323.0	7.3%	10.3	1.36
Egypt	273.2	10.0%	13.0%	320.6	17.3%	320.6	46,209.8	36.1%	8.1	2.31
Saudi Arabia	484.4	4.7%	-6.8%	6,392.0	7.6%	6,392.0	2,434,854.4	13.7%	15.5	3.62
Qatar	176.0	4.0%	1.6%	575.2	-18.3%	575.2	173,398.8	17.2%	13.2	1.61
UAE	166.3	7.3%	9.2%	3,354.6	-10.0%	3,354.6	1,100,816.7	15.8%	13.0	2.42
Oman	258.4	0.2%	1.7%	145.9	0.0%	145.9	33,372.3	22.7%	9.4	1.02
Bahrain	236.9	3.1%	2.6%	28.7	410.6%	28.7	18,272.6	8.2%	10.1	1.36
Kuwait	154.2	4.1%	14.3%	1,233.4	-10.3%	1,233.4	159,956.3	40.1%	19.7	2.21
Morocco	430.2	4.3%	40.0%	199.7	-20.7%	199.7	106,999.8	9.7%	18.9	2.88
Tunisia	81.2	3.7%	22.5%	22.2	4.6%	22.2	10,088.9	11.5%	12.1	2.17
Arab Markets	**998.7**	**5.1%**	**0.6%**	**12,316.5**	**-1.3%**	**12,312.4**	**4,133,705.5**	**15.5%**	**14.7**	**3.06**

Values in US$ million; volumes in millions
** markets cap-weighted averages*
Sources: S&P, Bloomberg, Bank Audi'sGroup Research Departement.

The Qatar Stock Exchange registered across-the-board price rebounds this week, as reflected by a 4.0% increase in the S&P Qatar index, mainly tracking global equity price gains following a ceasefire declared by the US President between Israel and Iran. All 53 traded stocks posted price gains this week. A closer look at individual stocks shows that Ahli Bank of Qatar's share price went up by 4.9% week-on-week to reach QR 3.725. QNB's share price expanded by 2.1% to QR 17.200. Masraf Al Rayan's share price increased by 4.6% to QR 2.321. Doha Bank's share price surged by 7.0% to QR 2.535. Qatar Islamic Bank's share price rose by 3.3% to QR 22.000. The Commercial Bank's share price climbed by 5.9% to QR 4.516.

Concurrently, Qatar Gas Transport's share price jumped by 9.6% week-on-week to QR 4.980. Ooredoo's share price closed 7.8% higher at QR 12.690. Gulf International Services' share price surged by 7.6% to QR 3.153. Qatar Navigation's share price rose by 5.4% to QR 11.090. Vodafone Qatar' share price expanded by 6.6% to QR 2.388. Industries Qatar's share price went up by 2.1% to QR 12.300. Ezdan Holding Group's share price climbed by 9.6% to QR 1.041. Barwa Real Estate's share price went up by 6.5% to QR 2.768. Gulf Warehousing's share price increased by 3.3% to QR 2.808. Mazaya Real Estate Development's share price surged by 7.7% to QR 0.600. United Development Company's share price closed 4.5% higher at QR 1.041.

Boursa Kuwait shifted into a positive territory this week, as reflected by a 4.1% expansion in the S&P Kuwait index, mainly tracking a global risk-on sentiment after the US President announced that Israel and Iran agreed to a ceasefire. A glance on individual stocks shows that National Bank of Kuwait's share price increased by 2.9% to KWf 960. Commercial Bank of Kuwait's share price went up by 2.8% to KWf 524. Boubyan Bank's share price expanded by 4.2% to KWf 702. Dar Al Thuraya Real Estate's share price skyrocketed by 13.0% to KWf 113. National Investments' share price jumped by 9.0% to KWf 243. National Industries Group's share price climbed by 10.4% to KWf 245. Jazeera Airways' share price skyrocketed by 13.5% to KWf 1,515. Mabanee's share price closed 1.4% higher at KWf 869. Mobile Telecommunications' share price moved 2.8% higher to KWf 482. Heavy Engineering Industries and Shipbuilding's share price increased by 2.7% to KWf 890. Agility Public Warehousing's share price went up by 3.0% to KWf 204.

FIXED INCOME MARKETS: ACROSS-THE-BOARD UPWARD PRICE MOVEMENTS IN MENA BOND MARKETS THIS WEEK

MENA fixed income markets registered across-the-board upward price movements this week, mainly tracking US Treasuries move as a drop in oil prices following the Israel-Iran ceasefire agreement eased concerns about inflation, and as the US consumer confidence dropped notably in June, underscoring lingering worries about the potential impacts on the US economy and job market from higher US import duties.

In the Saudi credit space, sovereigns maturing in 2030, 2034, 2050 and 2060 recorded price gains ranging between 0.46 pt and 1.29 pt week-on-week. Prices of Saudi Aramco'30, '34 and '50 went up by 0.73 pt, 0.91 pt and 1.20 pt respectively. STC'29 closed up by 0.40 pt. SEC'30 and '44 traded up by 0.40 pt and 0.75 pt respectively. Prices of SABIC'28 went up by 0.65 pt. Amongst financials, Banque Saudi Fransi'29 was up by 0.19 pt. Prices of Al Rajhi Bank'29 increased by 0.24 pt. Prices of SNB'29 expanded by 0.16 pt. As to new issues, Dar Al-Arkan raised US$ 750 million this week from the sale of a five-year Reg S Sukuk at a profit rate of 7.250%. The order book size exceeded US$ 2.6 billion.

In the Bahraini credit space, sovereigns maturing in 2028, 2030, 2035 and 2051 recorded price gains ranging between 0.20 pt and 1.43 pt this week. In the Qatari credit space, sovereigns maturing in 2028, 2030, 2034, 2040 and 2050 recorded price expansions of up to 1.34 pt week-on-week. Prices of Ooredoo'28, '31 and '43 increased by 0.30 pt, 0.67 pt and 1.15 pt respectively. Amongst financials, Qatar International Islamic Bank'29 traded up by 0.37 pt. Prices of QNB'29 rose by 0.45 pt. Doha Finance'29 was up by 0.41 pt.

In the UAE credit space, sovereigns maturing in 2031, 2033, 2041 and 2052 posted price gains of up to 0.92 pt week-on-week. Fitch Ratings affirmed this week the UAE's long-term foreign currency Issuer Default Rating at "AA-" with a "stable" outlook. The "AA-" rating reflects the UAE's moderate consolidated government debt, strong net external asset position and high GDP per capita, as per Fitch.

In the Dubai credit space, sovereigns maturing in 2030 and 2050 posted price rises of 0.25 pt and 0.58 pt respectively this week. Prices of Majid Al Futtaim'29 went up by 0.61 pt. DP World'30 and '49 were up by 0.90 pt and 1.09 pt respectively. Amongst financials, prices of Emirates NBD Bank'27 rose by 0.12 pt. In the Sharjah credit space, sovereigns maturing in 2030 posted price increases of 0.80 pt week-on-week.

In the Abu Dhabi credit space, sovereigns maturing in 2027, 2030 and 2050 saw weekly price gains of up to 1.13 pt. Regarding new issues, Fitch Ratings affirmed this week Abu Dhabi's long-term foreign currency Issuer Default Rating at "AA" with a "stable" outlook. The "AA" rating reflects Abu Dhabi's high GDP per capita and very strong fiscal and external metrics, according to Fitch. Concurrently, ADNOC Murban'29 was up by 0.54 pt week-on-week. Prices of Mubadala'28,'30, '34, '41 and '50 expanded by up to 1.44 pt. Taqa'28, '30 and '36 posted price rises of 0.42 pt, 0.54 pt and 1.36 pt respectively. Prices of Aldar Investment Properties'33 increased by 0.31 pt. Amongst financials, prices of ADCB'27 and '29 expanded by 0.19 pt and 0.36 pt respectively. FAB'28, '29 and '35 registered price gains of 0.34 pt, 0.41 pt and 0.25 pt respectively.

In the Kuwaiti credit space, prices of sovereigns maturing in 2027 increased by 0.25 pt week-on-week. KIPCO'27 traded up by 0.78 pt. In the Iraqi credit space, sovereigns maturing in 2028 posted weekly price gains of 0.77 pt.

In the Omani credit space, sovereigns maturing in 2028, 2031 and 2051 saw price gains of 0.56 pt, 0.73 pt and 1.87 pt respectively this week. Omantel'28 traded up by 0.32 pt.

In the Egyptian credit space, sovereigns maturing in 2028, 2030, 2033, 2040 and 2050 posted price expansions of up to 3.52 pts this week.

All in all, activity in regional bond markets was mostly skewed to the upside this week, mainly tracking increases in US Treasuries amid reduced inflationary concerns, and after latest data showed that the US consumer confidence deteriorated in June, with the Conference Board index falling to 93.0 from 98.4 in May, spurring demand for safe haven assets.

MIDDLE EAST 5Y CDS SPREADS V/S INTL BENCHMARKS

in basis points	27-Jun-25	20-Jun-25	31-Dec-24	Week-on-week	Year-to-date
Abu Dhabi	36	39	43	-3	-7
Dubai	57	61	64	-4	-7
Kuwait	57	65	64	-8	-7
Qatar	36	39	44	-3	-8
Saudi Arabia	70	77	65	-7	5
Bahrain	208	228	187	-20	21
Morocco	102	107	94	-5	8
Egypt	513	581	591	-68	-78
Iraq	357	332	301	25	56
Middle East	159	170	162	-11	-3
Emerging Markets	143	151	174	-8	-31
Global	245	249	277	-4	-32

Sources: Bloomberg, Bank Audi's Group Research Department

SOVEREIGN RATINGS & FX RATES

SOVEREIGN RATINGS	Standard & Poor's	Moody's	Fitch
LEVANT			
Lebanon	SD/-/SD	C/Stable	RD/-/C
Syria	NR	NR	NR
Jordan	BB-/Stable/B	Ba3/Stable	BB-/Stable/B
Egypt	B-/Stable/B	Caa1/Positive	B/Stable/B
Iraq	B-/Stable/B	Caa1/Stable	B-/Stable/B
GULF			
Saudi Arabia	A+/Stable/A-1	Aa3/Stable	A+/Stable/F1+
United Arab Emirates	AA/Stable/A-1+*	Aa2/Stable	AA-/Stable/F1+
Qatar	AA/Stable/A-1+	Aa2/Stable	AA/Positive/F1+
Kuwait	A+/Stable/A-1+	A1/Stable	AA-/Stable/F1+
Bahrain	B+/Negative/B	B2/Stable	B+/Negative/B
Oman	BBB-/Stable/B	Ba1/Positive	BB+/Positive/B
Yemen	NR	NR	NR
NORTH AFRICA			
Algeria	NR	NR	NR
Morocco	BB+/Positive/A-3	Ba1/Stable	BB+/Stable/B
Tunisia	NR	Caa1/Stable	CCC+/C
Libya	NR	NR	NR
Sudan	NR	NR	NR

NR= Not Rated RWN= Rating Watch Negative RUR= Ratings Under Review * Emirate of Abu Dhabi Ratings

FX RATES (per US$)	27-Jun-25	20-Jun-25	31-Dec-24	Weekly change	Year-to-date
LEVANT					
Lebanese Pound (LBP)	89,500.00	89,500.00	89,500.00	0.0%	0.0%
Jordanian Dinar (JOD)	0.71	0.71	0.71	0.0%	0.0%
Egyptian Pound (EGP)	49.91	50.66	50.84	-1.5%	-1.8%
Iraqi Dinar (IQD)	1,310.00	1,310.00	1,310.00	0.0%	0.0%
GULF					
Saudi Riyal (SAR)	3.75	3.75	3.76	0.0%	-0.1%
UAE Dirham (AED)	3.67	3.67	3.67	0.0%	0.0%
Qatari Riyal (QAR)	3.64	3.64	3.64	0.0%	0.0%
Kuwaiti Dinar (KWD)	0.31	0.31	0.31	0.0%	-0.4%
Bahraini Dinar (BHD)	0.38	0.38	0.38	0.0%	0.0%
Omani Riyal (OMR)	0.38	0.38	0.38	0.0%	-0.1%
Yemeni Riyal (YER)	242.29	242.70	249.57	-0.2%	-2.9%
NORTH AFRICA					
Algerian Dinar (DZD)	129.29	130.09	135.56	-0.6%	-4.6%
Moroccan Dirham (MAD)	9.03	9.14	10.13	-1.2%	-10.9%
Tunisian Dinar (TND)	2.88	2.91	3.19	-1.1%	-9.8%
Libyan Dinar (LYD)	5.43	5.44	4.91	-0.3%	10.4%
Sudanese Pound (SDG)	647.81	647.81	647.81	0.0%	0.0%

NR = Not Rated
RWN = Rating Watch Negative
RUR = Ratings Under Review
**Emirate of Abu Dhabi Ratings*
Sources: S&P, Bloomberg, Bank Audi'sGroup Research Departement.