



# MENA WEEKLY MONITOR

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MENA equity markets ended the week in the red (-2.3%), mainly on concerns that escalating US-China trade war could slow global economic growth, and dragged by an extended oil price slump on worries that the new US tariff policy would depress global energy demand. In parallel, MENA fixed income markets came under downward price pressures this week, mainly tracking US Treasuries move as investors spurned long-end bonds on concerns that sweeping US tariffs would fuel stagflation in the US, and prompt the US Federal Reserve to cut interest rates more aggressively than previously expected.

MENA MARKETS: April 06 - April 12, 2025			
Stock market weekly trend	↓	Bond market weekly trend	↓
Weekly stock price performance	-2.3%	Average weekly bond price change	-1.66 pt
Stock market year-to-date trend	↓	Bond market year-to-date trend	↓
YTD stock price performance	-2.6%	Average yearly bond price change	-0.37 pt

## ECONOMY

### ICAEW EXPECTS MIDDLE EAST GDP WILL GROW 3.3% IN 2025

ICAEW has recently released its regional economic update for Q1 2025. The ICAEW Economic Update: Middle East, is a quarterly economic forecast for the region prepared directly for the finance profession.

The environment of rising protectionism and persistent geopolitical tensions is clouding the outlook for the global economy, with ICAEW 2025 world GDP growth forecast cut by 0.2ppts, to 2.6% relative to three months ago. The Middle East is out of President Trump's direct tariff firing line and ICAEW continues to forecast a strengthening in regional growth this year. That said, firing Trump's tariff policies have created uncertainty over external demand, dragging ICAEW projection for Middle East 2025 GDP growth slightly lower compared to three months ago projection. They now expect Middle East GDP will grow 3.3% in 2025 (0.2 pp less than previously).

ICAEW expects GDP growth in the GCC to rise to 4% this year, broadly in line with the consensus, and up from an estimated 1.8% in 2024. OPEC+ members have confirmed they would abide by their plan to boost oil supply from April, limiting risk of further delays. Meanwhile, they see strong activity across the non-energy sectors, with expansion of 4.4% this year, up from their estimate of 3.9% in 2024.

Regional PMI data were all firmly in expansionary territory in February. The growth of new business and output dipped slightly in Kuwait and Saudi Arabia, but was still at elevated levels, while sentiment has held up across the region in the face of trade uncertainty. This is in line with ICAEW view that the GCC is not at risk of targeted US tariffs and that the US remains a key trade partner for the region. Indeed, Saudi Arabia's US\$ 600 billion multi-year investment pledge in the US underscores its commitment to strengthen economic ties.

Following a rally at the start of the year, oil prices have fallen sharply in recent weeks because of the threat of tariffs weighing on demand and OPEC+ pledging to raise oil supply from next month. The OPEC+ group had repeatedly delayed unwinding of the caps on oil production, and ICAEW had been expecting another push back.repeatedly.

ICAEW think the OPEC+ proposed production schedule may still change in the future and a pause is likely if prices stay below US\$ 70 pb given the weaker macro-outlook this year. Meanwhile, the negotiations between the US and Russia over a ceasefire in Ukraine suggests a further downside risk to oil prices should a deal materialise. ICAEW forecasts oil prices to average US\$ 70.5 per barrel this year (down from US\$ 80.5 in 2024). Following the recent announcement, the OPEC+ group will gradually bring more oil supply to market from April. ICAEW expects these gradual output hikes will generate oil-sector growth of 3.2% this year, following two years of contraction.

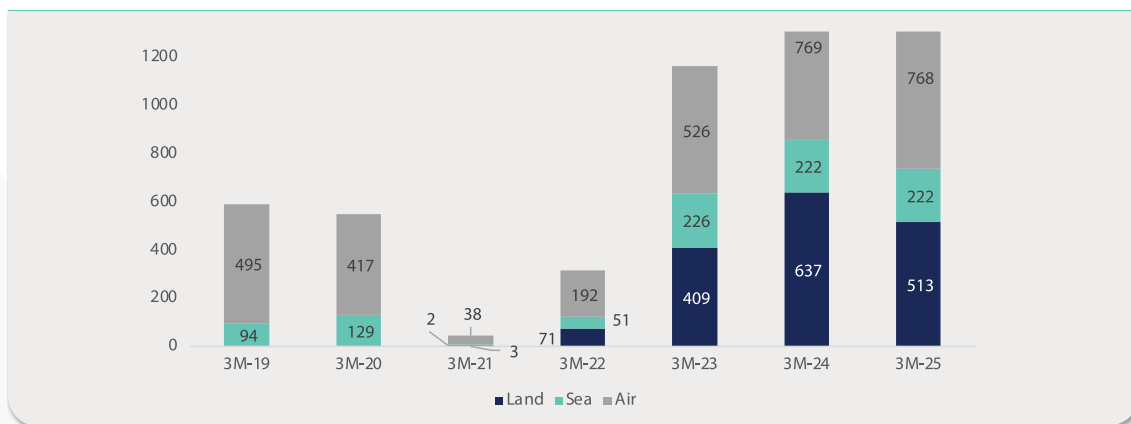
## TOURISM ARRIVALS INTO QATAR DECREASE BY 8% IN 3M-2025

Tourism arrivals into Qatar have decreased by 7.7% year-on-year between the first three months (3M) of 2024 and 3M-2025. Arrivals reached 1,503 thousand tourists in 3M-2025, down from 1,628 thousand tourists in the same period of 2024, as per the Qatar Tourism Authority.

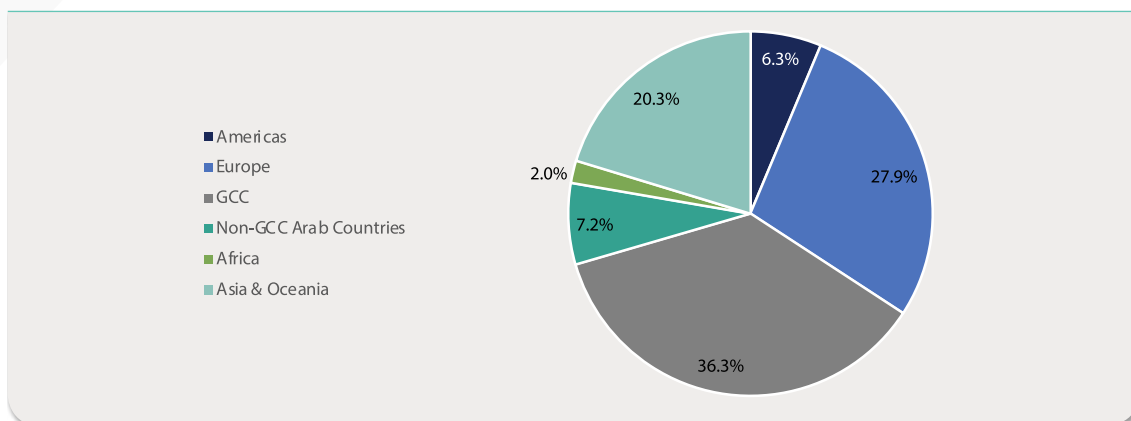
In details, looking at the distribution of arrivals by port of entry, arrivals by air took the lion's share accounting for 51.1% of all arrivals into the country in 3M-2025. Between 3M-2024 and 3M-2025, arrivals by air decreased marginally by 0.1% year-on-year reaching 768 thousand tourists in the latter, down from 769 thousand tourists in the former. Arrivals by land followed with a share of 34.1% of total arrivals into the country during the period. In 3M-2025, arrivals by land reached 513 thousand tourists, noting a year-on-year decrease of 19.5% against 637 thousand tourists recorded in 3M-2024. Arrivals by sea accounted for 14.8% of total arrivals into Qatar during the period. Arrivals by sea in 3M-2025 reached 222 thousand tourists showing a year-on-year stagnation against the same period of the year prior.

Concurrently, looking at the distribution of arrivals into Qatar by tourists' origin, GCC countries took the lion's share accounting for 36.3% (545.6 thousand tourists) of total arrivals into the country during 3M-2025. Europe followed accounting for 27.9% (419.3 thousand) of total tourist arrivals into Qatar during the period. Asia & Oceania accounted for 20.3% (305.1 thousand tourists) of total arrivals into the country during 3M-2025. Non- GCC Arab countries accounted for 7.2% (108.2 thousand tourists) of total arrivals into Qatar during the period. The Americas accounted for 6.3% (94.7 thousand tourists) of total arrivals into the country during 3M-2025. Africa accounted for 2.0% (30.1 thousand tourists) of total tourist arrivals into Qatar during the period, as per the Qatar Tourism Authority.

### DISTRIBUTION OF ARRIVALS INTO QATAR IN 3M-25 BY PORT OF ENTRY (000S)



### DISTRIBUTION OF ARRIVALS INTO QATAR IN 3M-25 BY ORIGIN



Source: Qatar Tourism Authority, Bank Audi Group Research Department

SAUDI NON-OIL SECTOR CONTINUES POSITIVE PERFORMANCE IN MARCH

Saudi Arabia's Purchasing Manager' Index (PMI) posted 58.1 in March 2025, decreasing by 0.3 points from the figure noted in February 2025, which shows a robust growth in the sector at a considerable rate albeit slower than in the month prior. This came as Saudi Arabian non-oil businesses continued to increase their employment at an elevated pace in March. Hiring activity was supported by an upturn in demand, which also encouraged an expansion in output and stockpiling of inputs. Additionally, strong competition across the non-oil economy led to a discounting of selling prices, with a decrease recorded for the first time in six months. At the same time, the rate of input cost inflation slid to its weakest in just over four years, as per Riyadh Bank's Saudi Arabia PMI report for March 2025.

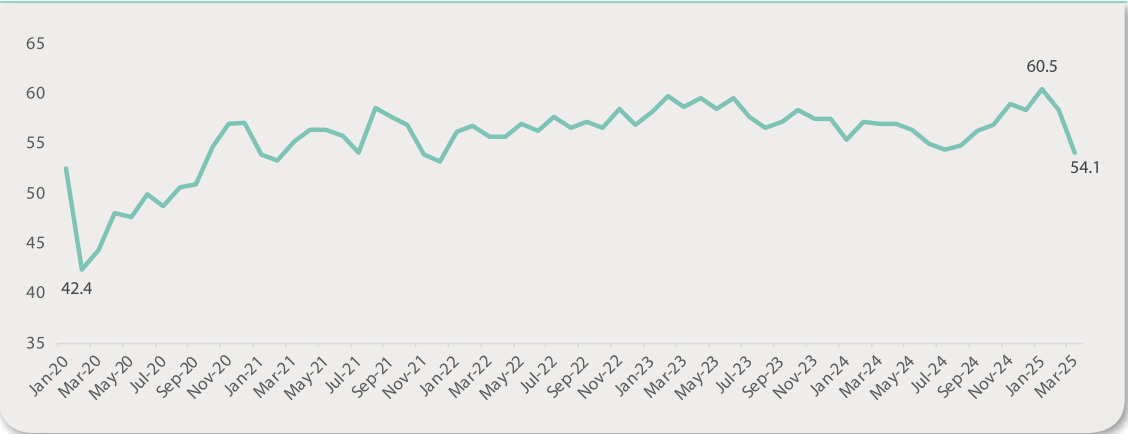
In details, companies responding to the survey signaled a robust demand environment at the end of the first quarter. This was highlighted by a marked increase in new order volumes, although the rate of growth softened further from the near 14-year record seen in January. Greater marketing efforts, lower selling prices and a broader improvement in economic conditions were commonly noted as driving sales. New orders from foreign markets also rose, although the rate of expansion slowed.

In parallel, increased sales volumes fed through to a relatively steep rise in employment numbers during March. Staffing growth was little changed from February's 16-month high, as firms widely commented on efforts to build their sales teams and overall capacity. Notably, the survey data for the first quarter points to the fastest pace of jobs growth since the third quarter of 2012, as per Riyadh Bank's Saudi Arabia PMI report for March 2025.

Concurrently, increased workforces and stronger new business supported a robust upturn in non-oil private sector activity, although the rate of expansion eased to the weakest recorded since October 2024. Businesses also engaged in additional stockpiling as they anticipate a sustained uplift in sales. Purchasing activity rose sharply, leading to another steep increase in total inventories with the latest expansion being the fourth largest in the series history. Supplier's delivery times improved in March, with several panelists noting that strong vendor relationships had facilitated efficiency gains. However, there were some reports of supply disruption and administrative delays, leading to a much softer overall upturn in performance compared to February. This softening also hindered efforts to clear outstanding work, contributing to a renewed and sharp rise in total backlogs.

On the pricing front, the latest data indicated a marked easing of input cost pressures in March. The rate of inflation dropped to its lowest level in just over four years, as firms saw a much weaker increase in purchase prices. Wage inflation also decelerated, although it remained above the long-run trend. As a result, non-oil companies reduced their selling prices for the first time in six months. Some respondents indicated that intense market competition had driven charges lower, although the overall pace of discounting was mild, as per Riyadh Bank's Saudi Arabia PMI report for March 2025.

COMPOSITE PMI SAUDI ARABIA



Source: S&P Global, Bank Audi Group Research Department

## SURVEYS / REPORTS

### MIDDLE EAST ECONOMIC CONFIDENCE EXPANDS IN Q1 2025, AS PER ACCA

Confidence levels in the Middle East witnessed a solid rise in Q1 2025, against a global confidence drop amid a huge decline in the U.S. levels, as tariffs have been the key factor weighing on sentiment, as well as cuts in government spending, according to the Q1 Global Economic Conditions Survey (GECS) released by the Association of Chartered Certified Accountants (ACCA).

#### MIDDLE EAST'S INDICES



Source: ACCA/IMA

In details, there was no change in the New Orders Index, which remains at a high level by historical standards.

In parallel, the picture is looking encouraging for capital expenditure and employment, amid significant gains in both indices. Less encouragingly, the proportion of respondents reporting increased operating costs rose significantly and is now well above its historical average.

Overall, the indices are consistent with a relatively positive picture for the region, despite current geopolitical tensions and the recent easing in oil prices. Growth in the region is likely to be stronger in 2025 than in the previous year, amid continued solid expansions in the non-oil economies in key countries such as Saudi Arabia and the UAE, and owing to some pick up in oil production as members of OPEC+ begin to reverse past production cuts.

### SAUDI CEOS CONFIDENT IN 2025 REVENUE GROWTH, AS PER PWC

CEOs in Saudi remain highly optimistic about their companies' revenue growth in 2025, surpassing regional and global averages, according to PwC's latest survey titled "28th Annual CEO Survey: Saudi Findings".

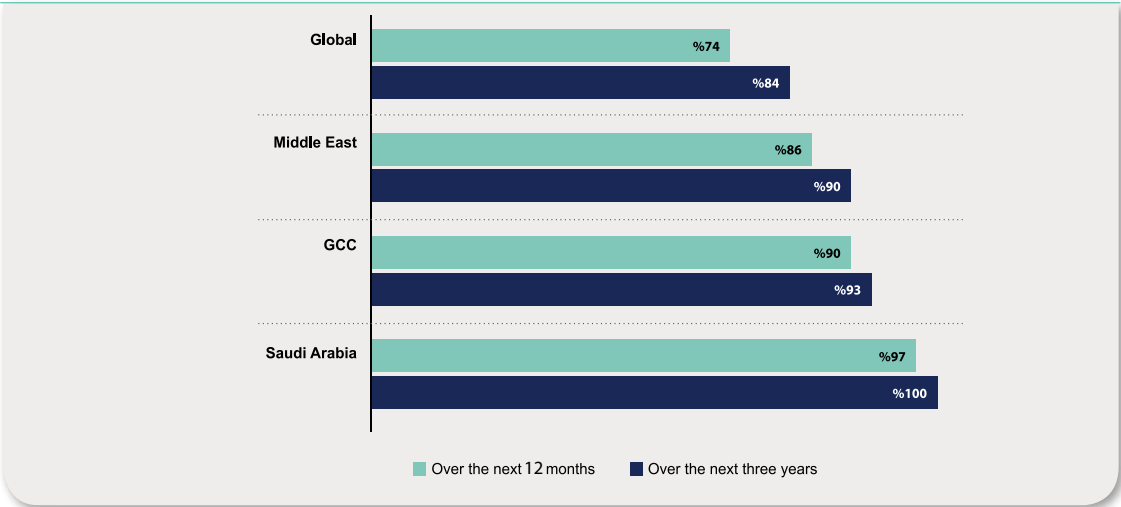
Guided by its Vision 2030 agenda, Saudi Arabia is embracing reinvention as it transforms its economy and society at pace. In alignment with the leadership's goals to expand the private sector, build new industries, create thousands of jobs and promote green initiatives, CEOs in Saudi Arabia are steering their organizations to fulfil the nation's bold commitments for a sustainable and future-ready economy.

In details, CEOs in Saudi Arabia are confident of domestic economic growth, with 77% of business leaders expecting growth in their country market in the coming 12 months, higher than the 71% of their GCC peers, the 64% in the Middle East, and the 57% of CEOs globally reflecting on their own territories. This high confidence in Saudi's economic growth is also shared right across the region, with the country cited as the top country in the region that other country CEOs are looking to invest in, outside of their own territories.

The nation's growing leadership on the regional and international economic stage is further reflected in the International Monetary Fund's strengthened positive outlook for the Saudi economy. In its January 2025 updated World Economic Outlook report, the IMF raised the expected growth rate for the country to 3.3% in 2025, up from the 1.4% estimation in 2024.

In parallel, this optimism extends to the CEOs' own organizations in Saudi Arabia, with 97% of CEOs confident in their company's revenue growth over the coming year, rising to 100% over the next three years.

CEOs' PROSPECTS FOR REVENUE GROWTH



Source: PwC

Buoyed by the confidence in the Saudi economy, business leaders in the Kingdom have ambitious plans to expand their workforce, with 70% indicating intentions to increase headcount, significantly higher than the 42% globally. This is driven in part by a combination of the growing private sector, incoming international firms, more women joining the workforce, Saudisation targets and emerging skills economies.

Concurrently, the convergence of AI and 5G technology, for example, is transforming the digital landscape in Saudi, creating smarter systems that power industries, such as telecommunications, manufacturing and healthcare. Additionally, convergence is evident in the tech and sports sectors, with plans for digital stadiums already underway for the 2034 FIFA World Cup to transform fan engagement and elevate entertainment experiences. Furthermore, the intersection of technology and culture has revitalized Saudi Arabia's heritage sites, ensuring that cultural assets are preserved for future generations.

Industry convergence is also playing a pivotal role in enabling businesses to break traditional boundaries and explore new growth avenues. In details, 28% of CEOs in Saudi Arabia have made a major acquisition (of more than 10% of assets) in the last three years, slightly ahead of their GCC peers at 25%. There is a keenness amongst 69% of business leaders in the Kingdom to make at least one acquisition within the next three years, with 75% of the expected deal value to come from industries other than their own.

While CEOs in Saudi remain optimistic about growth, they are also navigating an evolving risk environment. Cybersecurity has emerged as a top priority, with 49% of CEOs highlighting the risk of significant exposure to cyber threats. In response, business leaders are increasing investments in digital resilience, strengthening cyber defenses, and embedding advanced AI-driven security solutions to safeguard their organizations against emerging risks.

Despite these challenges, Saudi business leaders are demonstrating resilience, ensuring long-term value creation through strategic investments in AI, workforce upskilling, and sustainability.

## CORPORATE NEWS

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### SAUDI SAL AND SELA IN DEAL TO SET UP US\$ 1 BILLION FALCONS CITY LOGISTICS ZONE

SAL Saudi Logistics Services Company signed an agreement with Saudi-based Sela Company to launch a new logistics zone at an investment of US\$ 1.1 billion (SR 4 billion) within the Falcons City project north of Riyadh, as reported in a company statement.

Spanning over 1.5 million square meters area, the facility would feature high-quality, Category A warehouses and storage spaces designed to meet diverse requirements.

It is worth noting that Falcons City represents an advanced model of integrated cities, spanning 14.4 million square meters in the Malham area north of Riyadh. Its strategic location ensures easy accessibility and includes key facilities such as the Riyadh Exhibition and Convention Center, a state-of-the-art logistics zone attracting major global companies, an aviation runway, and an aircraft maintenance area, all of which enhance air transport and cargo efficiency.

The project also features economic, commercial, residential, hospitality and entertainment zones, along with an outlet mall to meet the aspirations of investors, residents and visitors.

The initiative aligns with their joint efforts to enhance strategic partnerships, support the logistics sector, and boost Saudi Arabia's position as a global logistics hub in line with Saudi Vision 2030 and the National Transport and Logistics Strategy.

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### WOOD LAUNCHES ENERGY TRANSITION CENTER IN ABU DHABI

UK-based Wood, one of the global leader in consulting and engineering, announced the launch of a highly specialist center for technical, strategic and economic energy transition solutions in Abu Dhabi. The energy transition hub directly serves clients in the Middle East region, bringing together the advisory and technical expertise required to deliver energy diversification and net zero goals. Wood would help clients to integrate transition solutions including flare and emission reduction and asset emissions reviews.

The launch of the hub follows critical focus on achieving regional objectives, including UAE Net Zero 2050 and Saudi Vision 2030. This initiative addresses the escalating demand for sustainable energy solutions, with capital project investment in clean energy in the region anticipated to triple within the next five years.

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### EDGE AND CMN NAVAL TO SET UP MAJOR ABU DHABI JV

UAE-based EDGE, one of the world's leading advanced technology and defence groups, and French shipbuilding firm CMN NAVAL, formally agreed to create a new Abu Dhabi-based shipbuilding joint venture named AD Naval (ADN).

Leveraging an existing order pipeline worth approximately US\$ 7.5 billion, the JV would bring together both companies under an exclusivity agreement on the segment of high value small to mid-size naval vessels including corvettes, offshore patrol vehicles (OPVs), high-speed interceptors, trimarans and landing craft. The move would see EDGE significantly expand the scope of its capabilities in the naval domain.

EDGE, holding a 51% stake in the new company, would collaborate with CMN Naval on sales, commercial activities and engineering.



The JV would grant EDGE access to CMN Naval's global supply chain and its advanced Integrated Logistics Support (ILS) system and software, enhancing cost efficiency and operational performance through predictive and preventative maintenance, as well as the provision and management of all spare parts.

The JV would create valuable direct employment opportunities for skilled personnel in the UAE, as well as related third-party opportunities across its global supply chain.

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#### **MASTERCARD AND PAYTABS COLLABORATE TO EMPOWER EGYPT'S SMALL AND MEDIUM ENTERPRISES**

Mastercard, an American multinational payment card services corporation, announced a strategic collaboration with Saudi-based PayTabs Group to facilitate digital payment solutions for small and medium enterprises in Egypt, as reported in a company statement.

Through this collaboration, PayTabs would leverage Mastercard's global network and digital payments capabilities to provide merchants with a digital payments platform.

The platform would equip small businesses with fast, secure and cost-effective customizable solutions for accepting digital payments. With its streamlined user interface, merchants can quickly generate payment links, significantly cutting down the time and effort needed compared to manual processes.

This solution is designed to elevate payment acceptance capabilities for small and medium enterprises, driving the widespread adoption of contactless payments, while accelerating the country's digital transformation agenda.

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#### **IRSC SIGNS PPA WITH ARABIAN CEMENT COMPANY TO PROVIDE CLEAN ENERGY**

Egypt-based IRSC for renewable energy solutions, one of the leading developer of renewable energy and sustainable infrastructure, signed a landmark 30-year Power Purchase Agreement (PPA) with Arabian Cement Company (ACC), one of Egypt's prominent cement producers, as mentioned in a company statement.

Under this strategic partnership, IRSC would supply ACC with clean, reliable electricity generated from renewable sources.

The agreement includes the development, financing, construction, ownership and operation of the second phase of ACC's solar power plant. The solar power system would enable ACC to access cost-effective, reliable and sustainable electricity without upfront capital investment.

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#### **AD PORTS AND OYLZ IN DEAL TO SET UP PETROCHEMICAL FACILITY IN KHALIFA PORT**

AD Ports, one of the leading facilitator of global trade, logistics and industry, announced the signing of a 50- year agreement with Oylz Terminals, a UAE based oil supply and distribution provider, to develop a clean petroleum storage facility in Khalifa Port.

The agreement would see Oylz Terminals develop a state-of-the-art 600,000 cbm tank storage facility at Khalifa Port Logistics Hub in two phases. The first phase of the facility is expected to commence operations in mid-2027.

This liquid storage terminal would enhance the port's capabilities and attract more customers seeking world-class infrastructure and seamless access to global markets.



## CAPITAL MARKETS

### EQUITY MARKETS: MENA EQUITIES PLUNGE DEEPER INTO RED, AMID ESCALATING US-CHINA WAR AND PRESSURED BY FALLING OIL PRICES

MENA equity markets ended the week in the red (-2.3%), mainly on concerns that escalating US-China trade war could slow global economic growth, and dragged by an extended oil price slump on worries that the new US tariff policy would depress global energy demand.

The heavyweight Saudi Exchange closed the week on a negative note (-3.3%) despite daily price gains observed on Thursday after the US President announced a 90-day pause on all reciprocal tariffs. This was mainly explained by mounting concerns about escalating trade war between the world's two largest economies and fears of a global economic slowdown. Concurrently, Saudi equities were pressured by an extended oil price slump. In fact, Brent prices fell by 1.3% week-on-week to reach US\$ 64.76 per barrel on Friday, amid rising worries about global energy demand following the US sweeping tariff policy, and after OPEC+ members decided to increase output faster than previously announced in May 2025.

A glance on individual stocks shows that petrochemicals giant Saudi Aramco's share price fell by 1.1% over the week to SR 26.00. SABIC's share price shed 3.7% to SR 60.60. Petro Rabigh's share plunged by 5.6% to SR 7.26. Sipchem's share price dropped by 5.4% to SR 19.48. Yansab's share price closed 1.6% lower at SR 33.20. Saudi Kayan Petrochemical Company's share price went down by 1.8% to SR 6.00. As to banking stocks, SNB's share price decreased by 4.3% to SR 33.70. Riyadh Bank's share price contracted by 5.1% to SR 30.95. Alinma's share price declined by 5.9% to SR 28.80. Saudi Awwal Bank's share price decreased by 6.7% to SR 34.35. Saudi Investment Bank's share price closed 0.8% lower at SR 14.40. Al Bilad Bank's share price retreated by 3.9% to SR 35.00. Also, Etihad Etisalat's share price declined by 3.9% to SR 57.40. Saudi Arabian Cement's share price decreased by 5.3% to SR 25.80. Saudi Ceramic Company's share price nosedived by 7.0% to SR 26.70. Luberef's share price contracted by 3.3% to SR 101.00. Yamama Cement Company's share price dropped by 7.3% to SR 37.00.

The Qatar Stock Exchange sank into the red this week, as reflected by a 1.3% contraction in the S&P Qatar index, mainly pressured by the new US tariff policy, which sparked global growth risks, and due to falling oil prices. 30 out of 53 traded stocks posted price drops, while 22 stocks registered price gains, and one stock saw no price change week-on-week.

### EQUITY MARKETS INDICATORS (APRIL 06 - APRIL 12, 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	191.7	3.0%	-15.7%	1.5	-71.3%	0.0	21,662.8	0.4%	-	0.54
Jordan	404.4	-1.2%	3.5%	46.7	529.7%	15.0	26,077.6	9.3%	9.9	1.32
Egypt	246.4	-4.0%	1.9%	324.6	577.3%	6,337.7	43,261.4	39.0%	8.2	2.25
Saudi Arabia	498.7	-3.3%	-4.0%	8,829.9	497.6%	1,342.5	2,564,768.7	17.9%	16.3	3.93
Qatar	164.6	-1.3%	-5.0%	654.7	-	1,018.6	163,005.0	20.9%	12.5	1.49
UAE	143.8	0.8%	-5.6%	3,639.6	85.9%	3,944.3	999,305.9	18.9%	11.9	2.16
Oman	240.6	-1.6%	-5.3%	63.2	-	170.4	31,051.6	10.6%	9.6	0.86
Bahrain	224.7	-1.5%	-2.7%	3.1	361.6%	4.8	18,011.3	0.9%	10.1	1.25
Kuwait	145.2	-2.5%	7.6%	1,343.8	196.7%	1,383.6	149,161.8	46.8%	18.1	1.95
Morocco	363.3	-4.8%	18.2%	466.9	51.7%	16.9	89,368.3	27.2%	17.9	2.54
Tunisia	77.1	2.1%	16.4%	12.9	61.6%	5.3	9,621.3	7.0%	12.1	2.11
<b>Arab Markets</b>	<b>966.7</b>	<b>-2.3%</b>	<b>-2.6%</b>	<b>15,387.0</b>	<b>260.7%</b>	<b>14,239.0</b>	<b>4,115,295.6</b>	<b>19.4%</b>	<b>14.9</b>	<b>3.21</b>

Values in US\$ million; volumes in millions

\* markets cap-weighted averages

Sources: S&P, Bloomberg, Bank Audi's Group Research Department.

A glance on individual stocks shows that QNB's share price retreated by 0.4% to QR 15.740. Masraf Al Rayan's share price went down by 2.0% to QR 2.204. Qatar Islamic Bank's share price decreased by 0.8% to QR 20.400. Also, Barwa Real Estate's share price closed 0.2% lower at QR 2.635. Qatar Electricity & Water's share price declined by 0.8% to QR 14.760. Mesaieed Petrochemical Holding Company's share price went down by 3.5% to QR 1.388. Qatar Fuel's share price decreased by 0.9% to QR 14.720. Industries Qatar's share price fell by 3.5% to QR 12.440. Qatar National Cement's share price edged down by 0.7% to QR 3.482.

Boursa Kuwait continued to operate on a negative territory (-2.5%) this week, mainly tracking global equity price declines on worries that the new US tariff policy would scramble global supply chains, raise the risk of a global economic slowdown, and stoke inflationary pressures. This was worsened by an oil price slump sparked by a rapid escalation of the global trade war. A closer look at individual stocks shows that National Petroleum Services' share price plunged by 6.1% to KWF 1,000. National Industries Group's share price fell by 4.7% to KWF 245. Zain's share price retreated by 0.9% to KWF 469. Agility Public Warehousing's share price dropped by 4.1% to KWF 237. Kuwait Finance House's share price nosedived by 8.8% to KWF 719. Boubyan Bank's share price plummeted by 7.1% to KWF 627. Al Ahli Bank of Kuwait's share price closed 1.7% lower at KWF 294. Jazeera Airways' share price contracted by 2.3% to KWF 982. Mabanee's share price closed 4.8% lower at KWF 786.

#### FIXED INCOME MARKETS: ACROSS-THE-BOARD DOWNWARD PRICE MOVEMENTS IN MENA BOND MARKETS AFTER SWEEPING US TARIFFS

MENA fixed income markets came under downward price pressures this week, mainly tracking US Treasuries move as investors spurned long-end bonds on concerns that sweeping US tariffs would fuel stagflation in the US, and prompt the US Federal Reserve to cut interest rates more aggressively than previously expected.

In the Saudi credit space, sovereigns maturing in 2030, 2034, 2050 and 2060 recorded price drops ranging between 1.43 pt and 5.29 pts this week. Prices of Aramco'30, '34 and '50 went down by 1.36 pt, 2.51 pts and 4.95 pts respectively. SEC'30 and '44 traded down by 1.12 pt and 3.09 pts respectively. STC'29 closed down by 0.53 pt. Prices of SABIC'28 retreated by 0.37 pt. Amongst financials, Banque Saudi Fransi'29 was down by 0.58 pt. Prices of Al Rajhi Bank'29 contracted by 0.50 pt. SNB'29 traded down by 0.37 pt.

In the Bahraini credit space, sovereigns maturing in 2028, 2030, 2035 and 2051 recorded price contractions ranging between 1.19 pt and 2.76 pts week-on-week. In the Qatari credit space, sovereigns maturing in 2028, 2030, 2034, 2040 and 2050 saw weekly price declines of up to 4.24 pts. Prices of Ooredoo'28, '31 and '43 decreased by 0.58 pt, 0.76 pt and 2.00 pts respectively. Amongst financials, prices of Doha Finance'29 fell by 0.95 pt. Prices of QNB'29 declined by 0.90 pt. Qatar International Islamic Bank'29 traded down by 0.35 pt.

In the UAE credit space, sovereigns maturing in 2031, 2033, 2041 and 2052 recorded price falls of up to 4.72 pts this week. In the Dubai credit space, sovereigns maturing in 2030 and 2050 posted weekly price drops of 0.80 pt and 3.70 pts respectively. DP World'30 and '49 were down by 1.49 pt and 4.63 pts respectively. Prices of Majid Al Futtaim'29 went down by 1.01 pt. Emirates Airlines'28 closed down by 0.06 pt. Amongst financials, prices of Emirates Islamic Bank'27 and '29 retreated by 0.75 pt and 0.26 pt respectively.

In the Abu Dhabi credit space, sovereigns maturing in 2027, 2030, 2034 and 2050 saw weekly price contractions of up to 4.40 pts. ADNOC Murban'29 was down by 0.78 pt. Prices of Mubadala'28, '30, '34, '41 and '50 dropped by up to 3.89 pts. Prices of Taqa'28, '30 and '36 declined by 0.71 pt, 1.16 pt and 2.25 pts respectively. Aldar Investment Properties'33 traded down by 1.15 pt. Amongst financials, prices of ADCB'27 and '29 decreased by 0.29 pt and 0.68 pt respectively. FAB'28, '29 and '35 registered price drops of 0.60 pt, 0.95 pt and 1.49 pt respectively. In the Sharjah credit space, sovereigns maturing in 2030 recorded price falls of 0.51 pt week-on-week.

In the Kuwaiti credit space, prices of sovereigns maturing in 2027 decreased by 0.35 pt week-on-week. KIPCO'27 traded down by 1.76 pt. In the Iraqi credit space, sovereigns maturing in 2028 posted weekly price decreases of 1.38 pt. In the Omani credit space, sovereigns maturing in 2028, 2031 and 2051 recorded price decreases of up to 4.66 pts this week. Omantel'28 traded up by 0.45 pt.

In the Egyptian credit space, sovereigns maturing in 2028, 2030, 2033 and 2050 posted price contractions of up to 2.08 pts, while sovereigns maturing in 2040 registered price rises of 1.73 pt this week.

All in all, regional bond markets saw across-the-board downward price movements this week, as investors looked for alternatives to US Treasuries following the US sweeping tariff policy, with long-end yields rising most amid growing cracks in the haven status of US government debt. Within this context, traders are pricing in three rate cuts of 25 bps each during the second half of the year 2025.

#### MIDDLE EAST 5Y CDS SPREADS V/S INTL BENCHMARKS

in basis points	11-Apr-25	04-Apr-25	31-Dec-24	Week-on-week	Year-to-date
Abu Dhabi	50	50	43	0	7
Dubai	68	66	64	2	4
Kuwait	65	60	64	5	1
Qatar	49	48	44	1	5
Saudi Arabia	100	86	65	14	35
Bahrain	256	229	187	27	69
Morocco	141	138	94	3	47
Egypt	803	715	591	88	212
Iraq	336	366	301	-30	35
Middle East	207	192	162	15	45
Emerging Markets	198	195	174	3	24
Global	290	281	277	9	13

Sources: Bloomberg, Bank Audi's Group Research Department

## SOVEREIGN RATINGS & FX RATES

SOVEREIGN RATINGS	Standard & Poor's	Moody's	Fitch
<b>LEVANT</b>			
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
<b>GULF</b>			
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+/Stable/B	B2/Stable	B+/Negative/B
Oman	BBB-/Stable/B	Ba1/Positive	BB+/Positive/B
Yemen	NR	NR	NR
<b>NORTH AFRICA</b>			
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\$)	11-Apr-25	04-Apr-25	31-Dec-24	Weekly change	Year-to-date
<b>LEVANT</b>					
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)	51.33	50.59	50.84	1.5%	1.0%
Iraqi Dinar (IQD)	1,310.00	1,310.00	1,310.00	0.0%	0.0%
<b>GULF</b>					
Saudi Riyal (SAR)	3.75	3.75	3.76	0.0%	0.0%
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%	0.0%
Bahraini Dinar (BHD)	0.38	0.38	0.38	0.0%	-0.1%
Omani Riyal (OMR)	0.38	0.38	0.38	0.0%	0.0%
Yemeni Riyal (YER)	245.33	245.62	249.57	-0.1%	-1.7%
<b>NORTH AFRICA</b>					
Algerian Dinar (DZD)	131.56	133.46	135.56	-1.4%	-3.0%
Moroccan Dirham (MAD)	9.31	9.55	10.13	-2.4%	-8.1%
Tunisian Dinar (TND)	2.99	3.06	3.19	-2.3%	-6.1%
Libyan Dinar (LYD)	5.56	4.83	4.91	15.0%	13.1%
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's Group Research Departement.

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