APRIL 13 - APRIL 19
2025 | WEEK 2

MENA WEEKLY MONITOR

Audi Capital

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p.9 **WEEKLY PRICE GAINS IN MENA EQUITIES, TWO-WAY FLOWS IN BOND MARKETS**

MENA equity markets bounced back this week, as reflected by a 1.2% expansion in the S&P Pan Arab Composite index, mainly tracking global equity strength (+0.6%) amid relatively eased global trade tensions after the US granted exemptions for specified electronics from reciprocal tariffs. In parallel, regional fixed income markets saw two-way flows. Some regional papers registered price gains, mainly tracking US Treasuries move after the US Federal Reserve Chair said that the Central Bank would aim to prevent tariffs from leading to stickier inflation. Some other papers posted price declines amid lingering tariff uncertainty and volatile global markets.Reserve to cut interest rates more aggressively than previously expected.

MENA MARKETS: April 13 - April 19, 2025

Stock market weekly trend	↑	Bond market weekly trend	↓
Weekly stock price performance	+1.2%	Average weekly bond price change	-0.01 pt
Stock market year-to-date trend	↓	Bond market year-to-date trend	↑
YTD stock price performance	-1.5%	Average yearly bond price change	+0.14 pt

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ECONOMY

THE EFFECTS OF THE MIDDLE EAST CONFLICT ON TOURISM SUGGESTS THE RE-EMERGENCE OF "TWO MENAS" AS PER THE WORLD BANK

In a new report issued by the World Bank on the region, the Bank says tourism is a key economic driver in the Middle East and North Africa (MENA) region and has long served as a mainstay of economic growth. In 2023, tourism contributed an estimated 6.7% to the Middle East's total GDP and 8.1% to North Africa's. Before 2020, destinations like Bahrain, Saudi Arabia, and Oman, experienced triple-digit percentage increases in travel receipts, underscoring the industry's central role in job creation and foreign exchange earnings.

Despite severe disruptions from COVID-19—an event that devastated global travel markets—the Middle East was the only region to exceed its pre-pandemic tourist totals by 2023. Data from the first nine months of 2024 reveals that MENA still leads in global tourism growth, outpacing many other regions in both international arrivals and overall receipts. This recovery story shows how resilient the sector can be when governments and businesses mobilize quickly.

The escalation of conflict in the region since October 2023 has introduced fresh challenges and slowed what could have been an even stronger path to recovery for the tourism sector in MENA. Immediately after the onset of the conflict, the Travel Sentiment Score for the Middle East plunged to levels unseen since the early days of the pandemic.

Airlines and cruise operators suspended certain routes, while multiple foreign governments issued travel advisories against journeys to conflict-affected areas. Over the course of the year following the conflict's onset, the data tells the story of an uneven impact.

Egypt's receipts, for example, still increased from US$ 14 billion to US$ 14.7 billion over this period—but the pace of growth has tapered. Meanwhile, Jordan's receipts declined by roughly 3% year-on-year since the start of the conflict, reflecting the difficulty of sustaining pre-existing momentum amid heightened security concerns. In Lebanon, although data is limited, early indications suggest a negative impact on foreign exchange earnings, reflecting the escalation of hostilities in the second half of 2024.

A closer look at aviation passenger arrivals captures the re-emergence of "two MENAs," (a divergence between the GCC and non-GCC), with the conflict's effects disproportionately impacting the subregions closer to the conflict, particularly the non- Gulf Cooperation Council (GCC) Middle Eastern economies. Overall, MENA still posted an estimated 7% annual growth in passenger arrival figures. However, the non-GCC Middle Eastern countries have been more directly affected by negative monthly growth from October 2023 to October 2024. By contrast, the GCC countries and North African economies maintained positive growth, albeit at a slower pace.

During the first nine months of 2024, non-GCC Middle Eastern countries received 2.35 million fewer European visitors compared to the same period in 2023, while North Africa attracted 2.75 million more European visitors. This may suggest a substitution effect, with travelers opting for destinations in North Africa that offer similar experiences but are further from the conflict.

Tourism patterns within countries also appear to have shifted. In Jordan, while foreign visitor numbers to most tourist sites saw an overall decline from January to September 2024, sites like Petra and Mount Nebo experienced larger relative decreases. In contrast, locations such as Ajloun and the country's four major museums near Amman gained relative popularity, reflecting evolving tourist preferences during this period.

UAE'S NON-OIL PRIVATE SECTOR IMPROVEMENT SLOWS DOWN IN MARCH

The UAE non-oil private sector experienced a mild slowdown in growth momentum at the end of the first quarter. While business conditions improved at a solid pace, the upturn was the weakest recorded since September last year as demand growth showed signs of softening, as per S&P's UAE PMI report for March 2025.

Nevertheless, businesses reported a considerable increase in their purchasing activity during March, often as part of efforts to address the ongoing backlog of outstanding work. Input purchases rose at their sharpest rate since mid-2019. The latest survey data also indicated a stronger drive among non-oil firms to protect profit margins, which included raising selling charges at the second-fastest pace in over seven years. This occurred despite a moderation in input cost pressures.

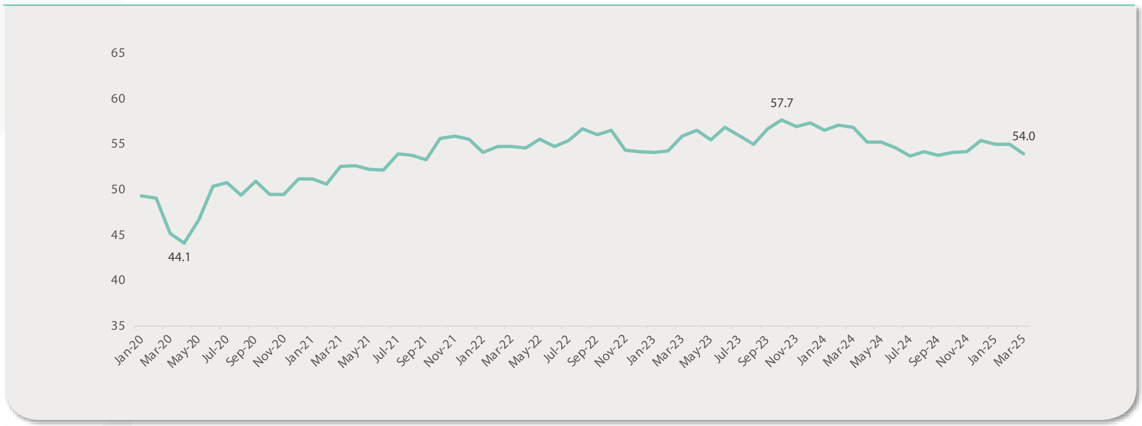
The seasonally adjusted S&P Global UAE PMI recorded 54.0 in March 2025, noting a 1.0-point decrease against the month prior.

In details, the uplift in operating conditions was driven by an increase in sales volumes across the non-oil economy. Monitored companies frequently noted gaining new customers amid improving demand conditions. However, with firms also signaling strong competition and only mild growth in new export orders, March's upturn in sales was the weakest recorded since October 2024. Non-oil private sector business activity rose sharply in March, though at the slowest pace for four months. Exactly 27% of surveyed firms saw activity increase on the month, while 8% reported a decline, as per S&P's UAE PMI report for March 2025.

The slower rate of demand growth somewhat curbed capacity pressures, but UAE businesses continued to highlight a steep rise in backlogs of work. Panelists often cited delays in input arrivals and client payments. Although vendor performance improved in March, it did so at the softest rate for almost a year. Firms continued to channel resources into procurement activity in a bid to mitigate the pile-up of backlogs. Purchases of inputs rose at the sharpest rate in nearly six years. A concurrent dip in total inventories provided further evidence that output requirements were elevated.

In contrast to purchases, employment growth was subdued in March, softening to its weakest in nearly three years. The vast majority of panelists kept staff numbers unchanged. Meanwhile, average input prices increased at a moderate pace at the end of the quarter. Some panelists noted a rise in material costs due to stronger input demand, while others reported a fall in transport prices. Salary costs continued to climb due to cost-of-living pressures. Prices charged by non-oil firms rose for the third consecutive month in March, and the pace of inflation was historically fast (almost the quickest seen for over seven years). Survey comments indicated that firms were seeking to protect their margins and respond to higher market prices, as per S&P's UAE PMI report for March 2025.

COMPOSITE PMI UAE



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

QATAR'S PMI IMPROVES AT A FASTER RATE IN MARCH

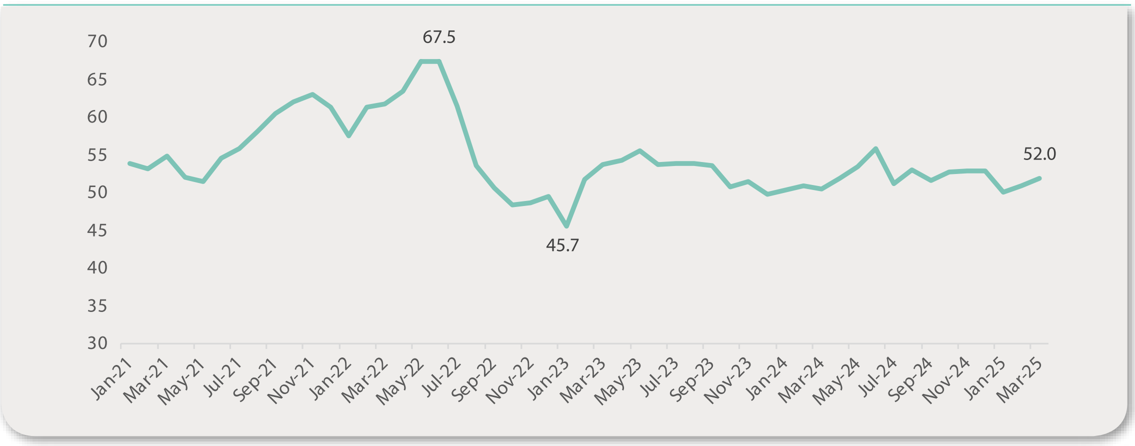
The headline Qatar Financial Centre (QFC) PMI for March 2025 recorded 52.0, showing an increase of 1.0 points from figures noted in the month prior. The latest figure denotes an improvement in non-oil private sector activity within Qatar during the month at a faster rate than the month prior.

In details, the latest survey data from showed a stronger overall improvement in business conditions in Qatar's non-energy sector during March. New business increased and the year-ahead outlook strengthened, while growth of employment and wages remained strong and companies rebuilt inventories.

The upward movement in the PMI in March mostly reflected the new orders and stocks of purchases components, while employment continued to have the strongest overall positive contribution. The average PMI reading of 51.1 for the first three months of 2025 was below the long-run survey average of 52.3, as per the QFC PMI report for March 2025.
Backlogged work rose for the sixth time in seven months, as the volume of new business rose the most since last November. Demand growth was notably strong in manufacturing and wholesale & retail. The rate of employment growth eased from February's all-time peak but remained elevated in March, extending the current sequence of job creation to eight months. Workforce growth remained strong in all sectors, although the increase in construction continued to lag the rapid gains seen across manufacturing, services, wholesale and retail.

Overall business activity was lower than in February, which mainly reflected a slow period in the construction sector. More positively, Qatari firms were increasingly confident regarding the 12-month outlook. Sentiment was among the highest registered over the past two years, and above the long-run survey trend. Anecdotal evidence linked growth forecasts to improving economic conditions, growth in real estate & construction, government development initiatives, population growth (including expats) and tourism. With new business increasing and the forecast for activity improving, companies looked to rebuild their input inventories, which expanded for the first time in three months. This was facilitated by quicker supplier deliveries. The level of inputs ordered in March fell slightly, suggesting that inventories were approaching sufficient levels. Average wages and salaries increased at the slowest rate in four months in March, albeit still one of the highest on record. Inflation of prices paid for physical inputs also slowed since February. Charges levied for goods and services fell for the eighth month running, but only modestly, as per the QFC PMI report for March 2025.

QATAR'S HEADLINE COMPOSITE PMI



Source: QFC, Bank Audi Group Research Department

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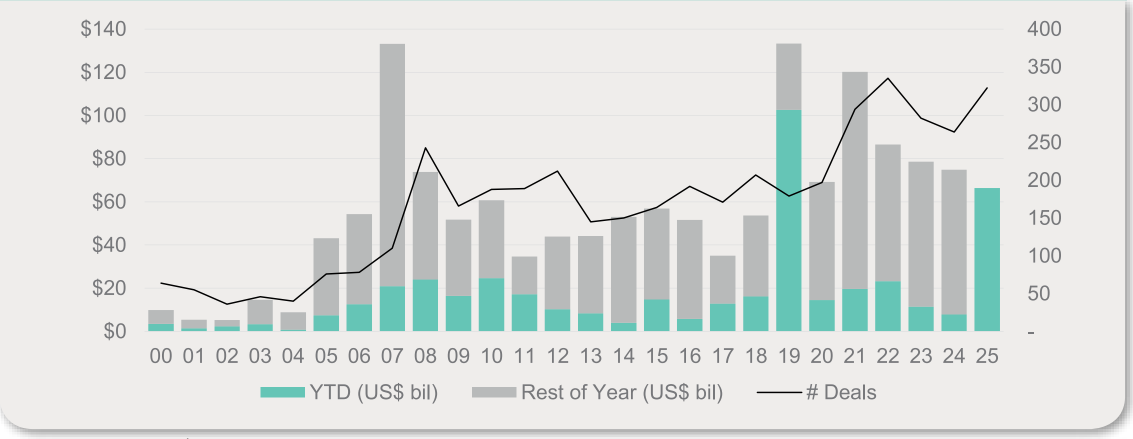
SURVEYS / REPORTS

M&A DEALS IN MENA REACHED US$ 66 BILLION IN Q1 2025, AS PER LSEG DATA & ANALYTICS

The value of announced M&A transactions with any Middle East or North African involvement reached US$ 66.4 billion during the first quarter of 2025, boosted by ADNOC and OMV's agreement to merge chemicals firms Borouge and Borealis, and to acquire Canada's Nova Chemicals, as per "MENA Investment Banking Review: First Quarter 2025" report issued by LSEG Data & Analytics.

The figure is over eight-times higher than the level of M&A activity recorded in the region during the same period last year, and a first quarter total that have been only exceeded once before since LSEG's records began in 1980. The number of deals announced in the region increased 22% to the highest level in three years.

MENA M&A BY VALUE AND NUMBER OF DEALS



Source: LSEG Data & Analytics

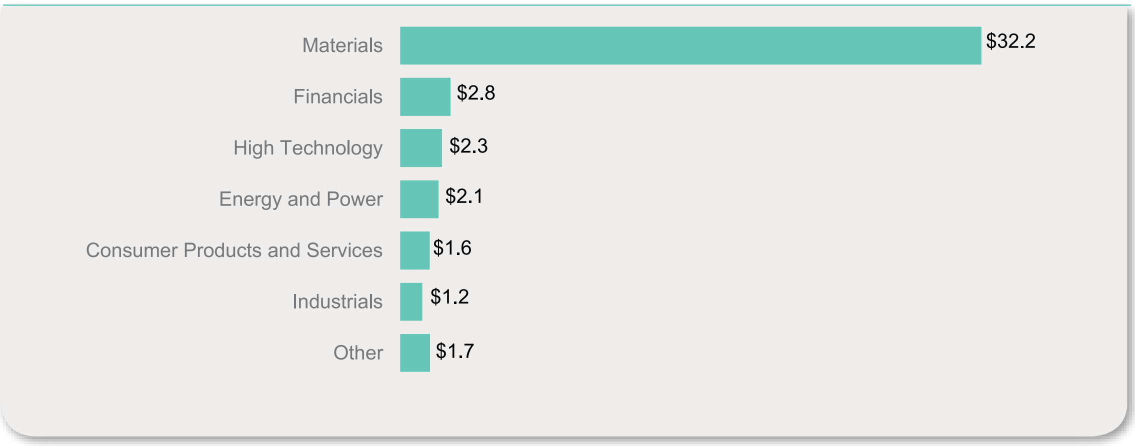
In details, deals involving a MENA target totaled US$ 30.3 billion during 2024, down 8% from 2023 levels, as domestic deals in the region declined by 31% to a seven-year low of US$ 16.1 billion. Inbound deals, involving a non-MENA acquirer, increased by 49% in value to a three-year high of US$ 14.2 billion.

In parallel, deals involving a MENA target reached a six-year high of US$ 43.9 billion, more than nine-times the value recorded last year at this time.

On the other hand, MENA outbound M&A totaled US$ 22.5 billion during the first three months of 2025, an all-time first quarter record. The number of outbound deals increased by 24% from year-ago levels.

In terms of sector, materials was the most active sector, accounting for 73% of MENA target M&A by value during the first quarter of 2025. Additionally, the financial sector saw the highest number of deals.

MENA TARGET M&A BY TARGET SECTOR (US$ BILLION)



Source: LSEG Data & Analytics

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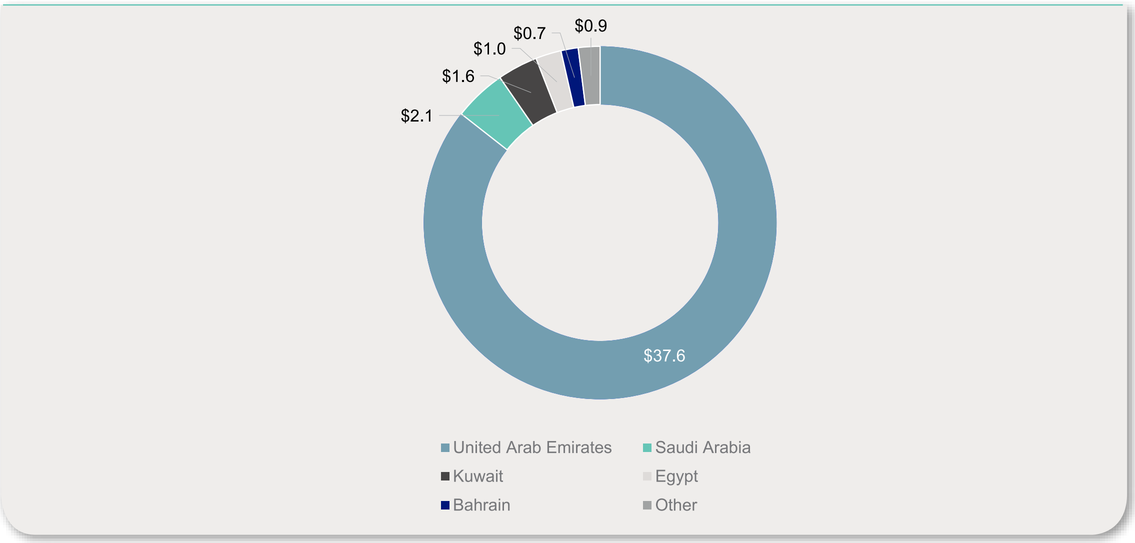
Concurrently, the UAE was the most targeted nation, followed by Saudi Arabia.

MENA TARGET M&A BY TARGET NATION (US$ BILLION)



Source: LSEG Data & Analytics

FITCH RATINGS AFFIRMS KUWAIT AT "AA-" WITH "STABLE" OUTLOOK

Fitch Ratings affirmed Kuwait's Long-Term Foreign-Currency Issuer Default Rating (IDR) at "AA-" with a "stable" outlook.

Kuwait's "AA-" rating is supported by its exceptionally strong fiscal and external balance sheets. On the other hand, the rating is constrained by Kuwait's weaker governance than peers, heavy dependence on oil, and its generous welfare system and large public sector, which could be a source of long-term fiscal pressure. Prospects remain unclear for meaningful fiscal adjustment to address long-term challenges and legislation to allow debt issuance and improve fiscal financing flexibility, although there are emerging signs of progress.

In details, Kuwait's external balance sheet remains the strongest of all Fitch-rated sovereigns. Fitch forecasts its sovereign net foreign assets would rise to 601% of GDP in 2025, from an estimated 582% of GDP in 2024, more than 10x the "AA" median. The bulk of the assets are held in the Future Generations Fund managed by the Kuwait Investment Authority (KIA), which also manages the assets of the General Reserve Fund (GRF), the government's treasury account.

In parallel, the recently-appointed government has initiated reforms aimed at reducing reliance on oil revenue, improve government efficiency and rationalize spending, capping it at KWD 24.5 billion (about 51% of GDP). The government has introduced a 15% domestic minimum top-up tax (DMTT) on multinational companies, effective from 1 January 2025, in line with OECD (Organization for Economic Co-operation and Development) Pillar 2 requirements. However, political deadlock between Kuwait's parliament and previous administrations had contributed to delays in this initiative.

The government anticipates that the DMTT would generate about 0.5% of GDP (KWD 250 million) annually, with collections expected to commence by 2027. There are also plans to introduce the long-delayed excise tax in the fiscal year ending March 2026 (FY25), although further delays are possible. Fitch views the pick-up in reform efforts as positive. However, a significant overhaul of generous public wages and welfare spending (79% of total expenditure; 40% of GDP) is unlikely in the short term, given the State's deep-rooted generosity towards Kuwaiti citizens and still favorable oil prices.

CORPORATE NEWS

TAQA, EWEC AND MASDAR IN DEAL TO DEVELOP US$ 9.8 BILLION ENERGY PROJECTS

Abu Dhabi National Energy Company (Taqa), one of the largest listed integrated utility companies in the region, and Emirates Water and Electricity Company (EWEC), a leading company in the integrated planning, purchasing, supply and system despatch services of water and electricity across the UAE, announced the development and implementation of new energy infrastructure projects to directly advance the UAE National Strategy for Artificial Intelligence 2031, and UAE Net Zero by 2050 initiative.

The transformative collaboration includes Taqa signing a 24-year Power Purchase Agreement (PPA) with Ewec to build, own, and operate the 1-gigawatt (GW) Al Dhafra Open-Cycle Gas Turbine (OCGT) project in the UAE.

With 100% ownership, Taqa is leading the OCGT project and would undertake the Operation and Maintenance (O&M) of the plant.

In addition, Taqa Transmission, part of Taqa Group, would develop advanced power grid infrastructure to integrate the additional generation capacity to new sources of energy demand, enabling access to reliable power with a low carbon footprint.

The projects would support the recently announced Ewec and Masdar world-first project that would enable renewable energy to be dispatched 24 hours a day seven days a week. Delivering up to 1GW of baseload power every day generated from renewable energy, it would be the largest combined solar and Battery Energy Storage System (BESS) in the world.

The collaboration between Ewec, Taqa and Masdar, would drive investment of around US$ 9.8 billion (AED 36 billion) in energy supply infrastructure in Abu Dhabi with around 75% of that to be invested in renewable and conventional power generation.

EMSTEEL TO SET UP LARGEST INDUSTRIAL SOLAR ROOFTOP PROJECT IN UAE

UAE-based Emsteel Group, one of the largest publicly traded steel and building materials manufacturers in the region, announced a strategic partnership with UAE-based Yellow Door Energy, one of the largest sustainable energy partner for businesses in the Middle East and Africa, to develop the largest industrial solar PV rooftop project in the UAE.

As per the deal, Yellow Door Energy would finance, build, own, operate and maintain solar panel installations across 40 Emsteel roofs in Abu Dhabi.

The project would comprise rooftop and carport solar installations, including high-efficiency solar panels, with bifacial panels to optimize clean energy generation.

Upon completion, the 100% self-consumed renewable electricity would directly reduce energy costs and carbon footprint, furthering Emsteel's commitment to operational efficiency and decarbonization strategy, which aligns with the UAE's Net Zero by 2050 commitment.

Construction is set to commence in 2025, with commissioning targeted for 2026.

MODON AND ELSEWEDY INDUSTRIAL DEVELOPMENT COLLABORATE TO LAUNCH INDUSTRIAL ZONE FOR EGYPT

Modon Holding, an Abu Dhabi-based holding company, and Egypt's Elsewedy Industrial Development, one of Egypt's leading integrated industrial and logistics cities developers, signed a Letter of Intent (LoI) to build and operate a new industrial zone servicing the Ras El Hekma city megaproject in Egypt.

The 10 million square meters new industrial zone, located south of the Alexandria-Matrouh Highway and opposite the Ras El Hekma site being developed by Modon, would initially focus on attracting investors and manufacturers for building materials for the wider project, ensuring timely, cost-effective construction while introducing advanced, sustainable materials.

With strong connectivity to major roads, airports and the high-speed rail network, the zone would enhance and localize supply chains as the development progresses.

By diversifying into new sectors, the zone would support regional projects along Egypt's North Coast while expanding into key export markets such as Libya and Europe.

The long-term vision for the industrial zone extends beyond the construction phase, aiming to establish a sustainable industrial base that drives year-round economic activity, job creation, and significantly contribute to Egypt's GDP.

ARAMCO, SINOPEC AND YASREF SIGN AGREEMENT FOR PLANNED PETROCHEMICAL EXPANSION

Saudi Aramco, one of the world's leading integrated energy and chemicals companies, China Petroleum & Chemical Corporation (Sinopec), and Yanbu Aramco Sinopec Refining Company (Yasref) announced the signing of a Venture Framework Agreement (VFA) intended to pave the way for a major petrochemical expansion at Yasref, in Yanbu, on the west coast of Saudi Arabia, as revealed in a company statement.

The agreement seeks to advance engineering studies for the development of a fully-integrated petrochemical complex at Yasref, a joint venture owned by Aramco (62.5%) and Sinopec (37.5%).

The project aims to maximize operational synergies and create additional value through introducing a state-of-the-art petrochemical unit, a large-scale mixed feed steam cracker with a 1.8 million tons per year capacity, and a 1.5 million tons per year aromatics complex with associated downstream derivatives integrated into the existing Yasref complex. This is expected to enhance Yasref's ability to meet growing demand for high-quality petrochemical products.

NOKIA AND DU ESTABLISH FRAMEWORK FOR 6G TECHNOLOGY RESEARCH COLLABORATION IN UAE

du, Emirates integrated telecommunications company, and Nokia, a Finnish multinational telecommunications, signed a Memorandum of Understanding (MoU) to establish a structured framework for exploring and researching technology concepts for 6G, as mentioned in a company statement.

Under this MoU, Nokia and du plan to form dedicated teams to explore 6G use cases, applications and network innovations.

The collaboration would involve field trials, proof-of-concept demonstrations and research on key enablers of 6G technology. Both organizations aim to develop and enhance technical frameworks and documentation to shape the standards, protocols and applications for 6G evolution.

This collaboration would also help to advance the UAE's national digital transformation agenda.

CAPITAL MARKETS

EQUITY MARKETS: MENA EQUITY PRICE REBOUNDS, TRACKING GLOBAL EQUITY STRENGTH AND ON OIL PRICE GAINS

MENA equity markets bounced back this week, as reflected by a 1.2% expansion in the S&P Pan Arab Composite index, mainly tracking global equity strength (+0.6%) amid relatively eased global trade tensions after the US granted exemptions for specified electronics from reciprocal tariffs.

The heavyweight Saudi Exchange registered price rebounds this week, as reflected by a 0.8% rise in the S&P Saudi index, mainly tracking a global risk-on mood after the US administration extended makers of smartphones, computers and other electronics a temporary reprieve from its import levies. Saudi equity price gains were also supported by a 4.9% surge in Brent oil prices to reach US$ 67.96 per barrel on Friday following the US tariff exclusions and after recent Chinese data showed a sharp rebound in crude imports in March 2025. This was compounded with some favorable company-specific factors.

A glance on individual stocks shows that SABIC's share price increased by 1.2% week-on-week to SR 61.30. Yansab's share price closed 0.4% higher at SR 33.35. As to banking stocks, Saudi National Bank's share price rose by 1.0% to SR 34.05. Saudi Fransi Capital raised its recommendation on Saudi National Bank's stock to "Buy" from "Under review", with a price target of SR 46, which implies a 36% increase from last price. Alinma Bank's share price expanded by 2.1% to SR 29.40. Banque Saudi Fransi's share price surged by 3.0% to SR 17.42. Arab National Bank's share price went up by 1.8% to SR 22.40. Also, Arabian Centres Company's share price moved 1.6% higher to close at SR 26.20. Al Rajhi Capital initiated coverage of Arabian Centres Company's stock with a recommendation of "Overweight", and a price target of SR 23.10, which implies a 16% increase from last price. Nahdi Medical Company's share price increased by 1.4% to SR 114.20. CI Capital reinstated coverage of Nahdi Medical Company's stock with a recommendation of "Overweight" and a price target of SR 142, which implies a 25% increase from last price.

Concurrently, Arriyadh Development Company's share price jumped by 4.6% over the week to SR 32.85. Al Rajhi Capital initiated coverage of Arriyadh Development Company's stock with a recommendation of "Overweight" and a price target of SR 37.40, which implies a 15% increase from last price. Saudi Real Estate Company's share price climbed by 9.0% to SR 23.30. Al Rajhi Capital initiated coverage of Saudi Real Estate Company's stock with a recommendation of "Overweight" and a price target of SR 28.30, which implies a

EQUITY MARKETS INDICATORS (APRIL 13 - APRIL 19, 2025)

Market	Price Index	week-on-week	Year-to-Date	Trading Value	week-on-week	Volume Traded	Market Capi-talization	Turnover ratio	P/E*	P/BV*
Lebanon	186.2	-2.9%	-18.1%	1.1	-25.7%	0.1	21,041.9	0.3%	-	0.54
Jordan	400.5	-1.0%	2.5%	41.9	-10.2%	15.6	25,238.3	8.6%	9.3	1.22
Egypt	249.0	1.1%	2.9%	293.3	-9.6%	6,460.7	44,009.3	34.7%	8.1	2.19
Saudi Arabia	502.5	0.8%	-3.3%	6,088.9	-31.0%	1,085.6	2,538,509.1	12.5%	16.1	3.84
Qatar	165.4	0.5%	-4.5%	359.6	-45.1%	544.3	164,238.7	11.4%	12.6	1.51
UAE	147.4	2.5%	-3.2%	2,929.9	-19.5%	3,790.6	1,015,083.9	15.0%	12.1	2.18
Oman	243.0	1.0%	-4.4%	42.9	-32.1%	193.6	32,534.1	6.9%	9.7	0.88
Bahrain	224.5	-0.1%	-2.8%	3.5	11.5%	6.3	17,755.7	1.0%	10.1	1.24
Kuwait	145.8	0.4%	8.0%	966.9	-28.0%	1,024.4	150,022.5	33.5%	18.2	1.97
Morocco	390.8	7.6%	27.2%	267.9	-42.6%	10.5	96,909.0	14.4%	18.5	2.69
Tunisia	77.7	0.8%	17.3%	14.5	12.6%	6.6	9,742.6	7.8%	12.5	2.12
Arab Markets	**978.5**	**1.2%**	**-1.5%**	**11,010.5**	**-28.4%**	**13,138.2**	**4,115,085.0**	**13.9%**	**14.8**	**3.15**

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

28% increase from last price. Al-Dawaa Medical Services Company's stock expanded by 1.2% to SR 79.00. CI Capital reinstated coverage of Al-Dawaa Medical Services Company's stock with a recommendation of "Overweight" and a price target of SR 103, which implies a 29% increase from last price.

The Qatar Stock Exchange shifted into a positive territory this week, as reflected by a 0.5% rise in the S&P Qatar index, mainly tracking global equity price gains following the US President's shifting trade policies, while also helped by oil price gains and some favorable corporate earnings. 15 out of 51 traded stocks posted price gains, while 35 stocks registered price falls, and one stock saw no price change week-on-week. A closer look at individual stocks shows that Lesha Bank's share price surged by 5.4% to QR 1.345. Lesha Bank reported 2025 first quarter net profits of QR 41 million against net profits of QR 29 million a year earlier. Doha Bank's share price nudged up by 0.5% to QR 1.975. Barwa Real Estate's share price expanded by 2.9% to QR 2.775. Vodafone Qatar's share price increased by 1.2% to QR 2.152. Mazaya Real Estate Development's share price rose by 0.7% to QR 0.575. Ooredoo's share price moved 0.6% higher to close at QR 12.560. Qatar Gas Transport's share price went up by 0.4% to QR 4.615. Industries Qatar's share price edged up by 0.2% to reach QR 12.570.

Boursa Kuwait posted price rises of 0.4% this week, mainly tracking global equity price gains after the US exempted some tech products from its tariffs, easing global growth concerns, while also supported by oil price rebounds. A glance on individual stocks shows that National Bank of Kuwait's share price increased by 0.6% to KWf 955. Commercial Bank of Kuwait's share price surged by 3.2% to KWf 815. Boubyan Bank's share price expanded by 2.6% to KWf 643. Specialties Group Holding's share price jumped by 9.7% to KWf 169. Dar Al Thuraya Real Estate's share price rose by 1.0% to KWf 103. National Investments' share price went up by 1.2% to KWf 246. National Industries Group's share price expanded by 3.7% to KWf 254. Jazeera Airways' share price skyrocketed by 11.9% to KWf 1,099. Mabanee's share price closed 0.5% higher at KWf 790. Mobile Telecommunications' share price moved 2.8% higher to close at KWf 482.

FIXED INCOME MARKETS: MIXED PRICE MOVEMENTS IN MENA BOND MARKETS THIS WEEK

MENA fixed income markets saw two-way flows this week. Some regional papers registered price gains, mainly tracking US Treasuries move after the US Federal Reserve Chair said that the Central Bank would aim to prevent tariffs from leading to stickier inflation. Some other papers posted price declines amid lingering tariff uncertainty and volatile global markets.

In the Saudi credit space, sovereigns maturing in 2030 and 2034 recorded weekly price gains of 0.48 pt and 0.37 pt respectively, while sovereigns maturing in 2050 and 2060 registered price decreases of 0.75 pt and 0.30 pt respectively. Prices of Aramco'30 and '50 went up by 0.21 pt and 0.13 pt respectively, while Aramco'34 decreased by 0.11 pt. Prices of SABIC'28 went up by 0.22 pt. SEC'44 was down by 0.06 pt. Amongst financials, SNB'29 traded down by 0.15 pt. Al Rajhi Bank'29 posted price contractions by 0.13 pt.

In the Bahraini credit space, sovereigns maturing in 2028, 2030, 2035 and 2051 recorded weekly price rises ranging between 0.09 pt and 0.95 pt. In the Qatari credit space, sovereigns maturing in 2030, 2034, 2040 and 2050 registered price contractions of up to 0.58 pt, while sovereigns maturing in 2028 saw price gains of 0.16 pt week-on-week. Prices of Ooredoo'28 and '31 went up by 0.10 pt and 0.09 pt respectively, while Ooredoo'43 fell by 0.53 pt. Amongst financials, Qatar International Islamic Bank'29 traded down by 0.13 pt. Prices of QNB'29 retreated by 0.09 pt. Doha Finance'29 traded down by 0.16 pt.

In the UAE credit space, sovereigns maturing in 2033 and 2041 recorded price increases of 0.21 pt and 0.37 pt respectively week-on-week, while sovereigns maturing in 2031 and 2052 posted price drops of 0.13 pt and 0.30 pt respectively. In the Dubai credit space, sovereigns maturing in 2030 and 2050 posted price declines of 0.34 pt and 0.52 pt respectively this week. Prices of Majid Al Futtaim'29 went down by 0.12 pt. DP World'30 and '49 were down by 0.25 pt and 0.13 pt respectively. Amongst financials, prices of Emirates Islamic Bank'29 fell 0.16 pt. As to new issues, Mashreqbank raised US$ 500 million this week from the sale of a five-year Reg S Sukuk at 105 bps over US Treasuries compared to an initial price guidance of 140 bps over UST.

In the Abu Dhabi credit space, sovereigns maturing in 2027 saw weekly price rises of 0.07 pt, while sovereigns maturing in 2034 and 2050 saw price drops of 0.28 pt and 0.50 pt respectively. Prices of Mubadala’28, ’30, ’34 and ’50 expanded up to 0.41 pt, while Mubadala’41 fell by 0.20 pt. Prices of Taqa’28, ’30 and ’36 rose by 0.21 pt, 0.43 pt and 0.26 pt respectively. Prices of Aldar Investment Properties’33 increased by 0.27 pt. Amongst financials, ADCB’27 and ’29 traded up by 0.09 pt and 0.15 pt respectively. Prices of FAB’29 and ’35 contracted by 0.08 pt and 0.11 pt respectively, while FAB’28 increased by 0.20 pt. In the Sharjah credit space, sovereigns maturing in 2030 posted price contractions of 0.15 pt week-on-week.

In the Kuwaiti credit space, prices of sovereigns maturing in 2027 went up by 0.11 pt week-on-week. KIPCO’27 traded up by 0.47 pt. In the Iraqi credit space, sovereigns maturing in 2028 recorded weekly price decreases of 0.18 pt.

In the Omani credit space, sovereigns maturing in 2028 and 2031 registered price gains of 0.40 pt and 0.33 pt respectively this week, while sovereigns maturing in 2051 recorded price drops of 0.26 pt. Omantel’28 closed up by 0.09 pt.

In the Egyptian credit space, sovereigns maturing in 2033, 2040 and 2050 posted price contractions of up to 1.98 pt, while sovereigns maturing in 2030 registered price rises of 0.93 pt this week. Fitch Ratings affirmed Egypt's long-term foreign currency Issuer Default Rating at “B” with a “stable” outlook. The rating is supported by Egypt's relatively large economy, fairly high potential GDP growth, and strong support from bilateral and multilateral partners. These factors are balanced by weak public finances, including exceptionally high debt interest/revenue, sizeable external financing needs and volatile commercial financing flows, high inflation and geopolitical risks, as per Fitch.

All in all, regional bond markets saw mixed price movements this week. Some papers recorded price gains, mainly tracking increases in US Treasuries after the US Fed Chair said the Central Bank is well positioned to wait for more clarity on how the US President’s evolving trade policy impacts price pressures before changing interest rates. Some other papers dipped into the red as tariff uncertainty

MIDDLE EAST 5Y CDS SPREADS V/S INTL BENCHMARKS

in basis points	18-Apr-25	11-Apr-25	31-Dec-24	Week-on-week	Year-to-date
Abu Dhabi	45	50	43	-5	2
Dubai	59	68	64	-9	-5
Kuwait	64	65	64	-1	0
Qatar	42	49	44	-7	-2
Saudi Arabia	86	100	65	-14	21
Bahrain	236	256	187	-20	49
Morocco	134	141	94	-7	40
Egypt	710	803	591	-93	119
Iraq	502	336	301	166	201
Middle East	209	207	162	2	47
Emerging Markets	188	198	174	-10	14
Global	280	290	277	-10	3

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+/Stable/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$)	18-Apr-25	11-Apr-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)	51.12	51.33	50.84	-0.4%	0.6%
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	-0.1%	-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%	0.0%
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)	245.20	245.33	249.57	-0.1%	-1.8%
NORTH AFRICA					
Algerian Dinar (DZD)	132.20	131.56	135.56	0.5%	-2.5%
Moroccan Dirham (MAD)	9.27	9.31	10.13	-0.5%	-8.5%
Tunisian Dinar (TND)	2.99	2.99	3.19	-0.2%	-6.3%
Libyan Dinar (LYD)	5.47	5.56	4.91	-1.5%	11.4%
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.

DISCLAIMER