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MENA WEEKLY MONITOR

AUGUST 16 TILL AUGUST 22, 2026
WEEK 34

CONTACTS

Treasury & Capital Markets

Bechara Serhal
(961-1) 977421
bechara.serhal@bankaudi.com.lb

Corporate Banking

Carol Ayat
(961-1) 959675
carol.ayat@bankaudi.com.lb

Mohamad Baydoun
(961-1) 959703
mohamad.baydoun@bankaudi.com.lb

Marketing and Communications

Marion Abou Jaoudé
(961-1) 977356
marion.abou-jaoude@bankaudi.com.lb

RESEARCH

Dr. Marwan Barakat
(961-1) 977409
marwan.barakat@bankaudi.com.lb

Salma Saad Baba
(961-1) 977346
salma.baba@bankaudi.com.lb

Michèle Khoury Sakha
(961-1) 977102
michele.sakha@bankaudi.com.lb

Stephanie Bou Sleiman
(961-1) 952397
stephanie.bousleiman@bankaudi.com.lb

Douna Salameh
(961-1) 977356
douna.salameh@bankaudi.com.lb

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Aramco, one of the world's leading integrated energy and chemicals companies, and Maaden, one of the world's fastest growing mining companies and the largest multi commodity mining and metals producer in the Middle East, announced the signing of a shareholders' agreement to form a Joint Venture (JV) to unlock new opportunities in mineral exploration and hard-rock mining in Saudi Arabia.

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MENA equity markets swung between gains and losses this week, as an extended oil price rally stoked by intensifying regional geopolitical friction, and upbeat corporate earnings, were offset by some profit-taking operations and unfavorable company-specific factors. This was reflected by a tiny rise in the S&P Pan Arab Composite index of 0.2%. In parallel, regional fixed income markets reported across-the-board downward price movements this week, mainly tracking US Treasury move, as escalating geopolitical tensions in the Middle East and extended oil price gains fueled global inflation concerns.

MENA MARKETS: AUGUST 16 TILL AUGUST 22, 2026

Stock market weekly trend	↑	Bond market weekly trend	↓
Weekly stock price performance	+0.2%	Average weekly bond price change	-0.33 pt
Stock market year-to-date trend	↑	Bond market year-to-date trend	↓
YTD stock price performance	+1.6%	Average yearly bond price change	-3.24 pts

Bank Audi sal - Group Research Department - Bank Audi Plaza - Bab Idriss - PO Box 11-2560 - Lebanon - Tel: 961 1 994 000 - email: research@bankaudi.com.lb

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ECONOMY

MOODY'S 2026 OUTLOOK UPDATE TURNS NEGATIVE AS CONFLICT WEAKENS REGIONAL CREDIT CONDITIONS

Moody's outlook for credit fundamentals for sovereigns in the Middle East and North Africa (MENA) has changed to negative from stable. The escalation of long-standing geopolitical tensions in the Middle East into an open military conflict since late February 2026 is materially weakening regional credit conditions through disruptions to trade flows and the impact of elevated security risks on sentiment-sensitive sectors. For hydrocarbon-exporting Gulf sovereigns, the main transmission channel is the impairment of shipping through the Strait of Hormuz, which will weigh on growth, as well as fiscal and external positions. However, over the next 12-18 months, large fiscal and external buffers and/or alternative export routes will mitigate the credit impact for most. In the longer term, the full impact will depend on how quickly trade flows normalize and whether the conflict durably damages the economic models of the Gulf sovereigns, weakening their prospects for diversification away from the hydrocarbon sector. For the hydrocarbon-importing sovereigns outside the Gulf, the transmission is mainly indirect through elevated global energy prices, supply-chain disruptions, and sentiment-driven shifts in short-term foreign capital flows.

Growth will slow and become more uneven across the region as trade disruption and confidence shocks weaken earlier momentum At the start of the year, Moody's expected MENA region growth to accelerate in 2026 on higher oil production and further progress on largescale investment projects and pro-business reforms. However, the Middle East conflict has since disrupted that baseline, with early indicators pointing to a real GDP contraction. Nearly all hydrocarbon exporters in the Gulf have been forced to cut production because of disruption to shipping through the Strait, and Qatar's (Aa2 stable) liquefied natural gas (LNG) facilities have been directly damaged by Iranian strikes. Nevertheless, the economic impact will be less severe for those with alternative export routes – notably Saudi Arabia (Aa3 stable) and Abu Dhabi (Aa2 stable). Oman (Baa3 stable), whose ports and energy infrastructure lie to the east of the Strait, is the only sovereign that has so far faced no material constraints on exports.

In their central scenario Moody's assumes that even if the conflict continues, it will not lead to further material damage to energy or other civilian infrastructure in the Gulf region. However, Moody's expects trade flows will remain disrupted through autumn and will not return to pre-conflict levels before early 2027. This will lead to a significant contraction of economic activity for the region's hydrocarbon exporters. Meanwhile, the shock to non-hydrocarbon activity in the Gulf will be broad-based because the conflict affects sectors that have become central to the region's economic diversification strategies. Aviation, hospitality, retail, logistics (centred around maritime transshipment flows), real estate and construction will be affected by reduced tourism inflows, supply chain disruptions, weaker confidence, and delayed investment decisions. The United Arab Emirates (UAE, Aa2 stable), including the constituent emirates of Abu Dhabi, Sharjah (Ba1 stable) and Dubai, as well as Qatar have already seen a sharp fall in tourism arrivals, and the conflict has set in motion a long-anticipated correction in the UAE's real estate market after a five-year boom. Together with Bahrain (B2 negative) and Kuwait (A1 stable) these Gulf sovereigns have been most directly impacted by Iran's military responses and have all or most of their ports located inside the Gulf. In comparison, Saudi Arabia and Oman's exposure to Iran's military responses has so far been more limited.

Recovery in non-oil growth will likely take longer and depend on the durability of the ceasefire, the pace of normalization of non-oil trade flows, and a lasting improvement in confidence and security conditions all of which remain highly uncertain. Although not part of Moody's baseline, a lasting change in perceptions of the Gulf region's security and overall stability would undermine its non-oil economic model and hurt its long-term growth and diversification prospects. Such a scenario would become more likely the longer the underlying tension between the US (Aa1 stable)/Israel (Baa1 stable) and Iran remains unresolved, raising the prospect of periodic re-escalation and the risk of further collateral damage to the region's economic assets and infrastructure. This risk is one of the key factors underpinning the region's negative outlook.

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For most hydrocarbon importers outside the Gulf, the growth impact will be more indirect but still negative. Egypt (Caa1 positive), Jordan (Ba3 stable), Morocco (Ba1 positive), Tunisia (Caa1 stable) and Turkiye (Ba3 stable) are exposed through varying combinations of higher energy import costs and weaker external demand as well as tighter global financing conditions, and supply chain disruptions. Lebanon's (C stable) exposure is more direct because of Israel's military operations in the country since the start of the conflict. On balance, Moody’s expects a relatively modest slowdown in the MENA region outside the Gulf bar Lebanon.

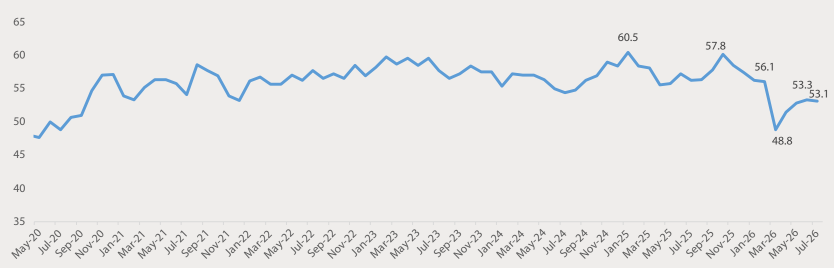
SAUDI ARABIA’S NON-OIL PRIVATE SECTOR MAINTAINS SOLID GROWTH MOMENTUM IN JULY 2026 DESPITE REGIONAL HEADWINDS

Saudi Arabia’s Purchasing Managers’ Index (PMI) registered 53.1 in July 2026, slightly down from 53.3 in June, remaining above the neutral 50.0 threshold and signaling a continued improvement in non-oil private sector business conditions for the fourth consecutive month, according to Riyad Bank’s Saudi Arabia PMI data. Growth was supported by resilient output and new order volumes, as businesses reported a moderate recovery in spending levels and improving market conditions. However, regional tensions, elevated freight costs, and competitive pressures continued to weigh on export performance and business confidence.

Output growth remained strong in July, supported by higher new orders and improved demand conditions, with around 19% of surveyed firms reporting increased activity compared with 4% reporting declines. Nevertheless, the pace of new order growth moderated compared with June and remained below historical trends. Export orders continued to decline for the fifth consecutive month, although the pace of contraction eased to its slowest level during this period, as elevated freight costs and competitive pressures continued to affect international demand. Employment levels returned to growth territory following stagnation in June, although job creation remained weaker than earlier in 2026, while backlogs of work declined at the fastest pace since April 2025, indicating additional spare capacity among firms.

Supply chain conditions continued to improve during July, with supplier delivery times shortening for the third consecutive month, supported by improved vendor responsiveness and increased local sourcing. Inflationary pressures remained elevated but moderated, with input costs rising at their slowest pace in four months, while staff costs increased at the fastest pace in five months. These pressures contributed to a further increase in output prices, although the pace of selling price inflation eased slightly compared with June. Meanwhile, business confidence weakened from June’s five-month high, with only 8% of firms expecting higher output over the coming year amid concerns over regional uncertainty and increased competitive pressures.

COMPOSITE PMI SAUDI ARABIA



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

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KUWAIT RECORDS YEAR-ON-YEAR PRODUCER PRICE INDEX INFLATION OF 13.4% IN Q1-2026

According to data from Kuwait's Central Statistical Bureau (CSB), the country has registered a year-on-year inflation in the Producer Price Index (PPI) of 13.4% in the first quarter of 2026 (Q1-2026) against prices in Q1-2025.

In details, Extractive Industry and Manufacturing Industry recorded year-on-year inflations of 7.2% and 22.0% respectively between Q1-2025 and Q1-2026. Concurrently, Electricity and Water recorded a year-on-year stagnation in prices during the same period.

KUWAIT'S PRODUCERS PRICE INDEX (PPI), GENERAL INDEX AND GROUPS INDICES

Economic Activities	Q1-2026	Q1-2025	VAR %
Extractive Industry	111.8	104.3	7.2%
Manufacturing Industry	130.4	106.9	22.0%
Electricity and Water	100.0	100.0	0.0%
General Index	119.5	105.4	13.4%

Sources: Kuwait's CSB, Bank Audi Group Research Department

JORDAN RECORDS YEAR-ON-YEAR CPI INFLATION OF 2.7% IN JULY

According to data from the Jordanian Department of Statistics (DoS), the country registered a year-on-year inflation in prices of 2.7% in July 2026.

In detail, year-on-year inflations were noted in the prices of Food and Non-Alcoholic Beverages (weight of 26.5%), Housing (weight of 23.8%), Transportation (weight of 16.0%), and Household Furnishings & Equipment (weight of 4.9%) of 0.7%, 3.9%, 6.8%, and 0.3%, respectively, during July 2026 against the same month of the year prior. Year-on-year price inflations during the period were also noted in Other Goods & Services (weight of 4.8%), Alcohol, Tobacco & Cigarettes (weight of 4.4%), Education (weight of 4.4%), and Health (weight of 4.0%) of 2.8%, 4.0%, 2.8%, and 0.4%, respectively. Additionally, the prices of Communication (weight of 2.8%), Culture & Recreation (weight of 2.6%), and Restaurants & Hotels (weight of 1.8%) recorded year-on-year price inflations of 1.0%, 2.7%, and 0.3%, respectively.

On the other hand, Clothing & Footwear (weight of 4.1%) registered a year-on-year price decline, falling by 0.3% during the aforementioned period, as per the Jordanian DoS.

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SURVEYS / REPORTS

GROWING DEMAND FOR PREMIUM WORKSPACES SEES DOUBLE-DIGIT RENT ESCALATIONS ACROSS THE UAE IN Q2 2026, AS PER JLL

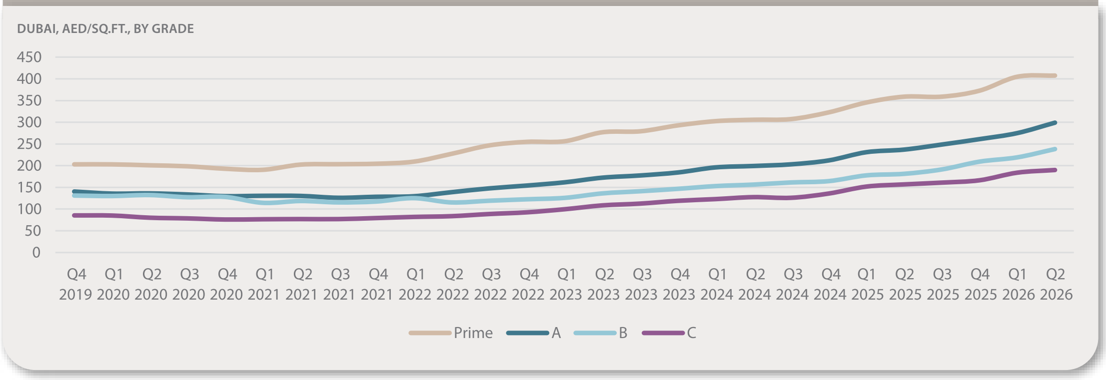
The UAE's commercial real estate sector demonstrated increasing maturity in the second quarter of 2026, with rapid rental escalations in a supply-constrained prime office market and a strategic pivot toward community-led retail formats, according to JLL's latest Q2 market reports.

Despite global macroeconomic and geopolitical uncertainties, business confidence across Dubai and Abu Dhabi remained strong. Corporates continue to execute long-term real estate strategies, while proactive retail developers are successfully driving performance through deeper domestic consumer engagement.

In details, the UAE's office market maintained strong momentum in Q2 with low vacancy levels and a growing appetite for flexible workspaces. Driven primarily by new contracts, Dubai's rental contract registrations surged 24.6% year-on-year and 15.1% quarter-on-quarter.

In parallel, robust demand pushed citywide vacancy rate to 6.1%, down from 7.7% a year earlier. With prime inventory diminishing, tenants explored other alternatives, driving Grade B vacancy to drop to 8% from 10.9% and Grade C to 10.9% from 12.7% last year. Meanwhile, the upward pressure on rents due to limited prime stock pushed Grade B and Grade A rents up by 31.5% and 26.2% respectively, while Prime rents jumped 13.6%.

RENTAL RATES IN DUBAI'S OFFICE MARKET



Source: JLL

Across the market, flexible offices are expanding rapidly as the integration of AI and automation reshapes workforce requirements and businesses prioritize agility. For occupiers, flexible spaces are a lower-risk market entry, given reduced barriers to entry, operational advantages and shorter lease com mitments.

Looking into the retails sector, underlying market fundamentals remained steadfast in Dubai, where a surge in demand for secondary regional and smaller-format malls pushed the citywide vacancy rate to 4.7% in Q2, down from 8.0% a year earlier. Across the rental market, Dubai's performance remained largely stable quarter-on-quarter while posting annual growth across all categories, with Super-Regional malls continuing to command the highest rental escalations, at 8.5% annually.

Concurrently, retail inventory expanded modestly during Q2, with Dubai delivering around 43,000 sq.ft. of Gross Leasable Area (GLA). This brought total retail stock to about 56.1 million sq.ft. in Dubai. Looking ahead, in the remainder of the year, Dubai anticipates 1.3 million sq.ft. of new retail space, with the pipeline consisting primarily of neighborhood and community malls, alongside select regional and super-regional mall expansions. However, delivery timelines remain subject to adjustment. While some landlords are committed to completing projects on schedule, others are deferring completion dates to the following year, anticipating improved conditions as regional uncertainties stabilize.

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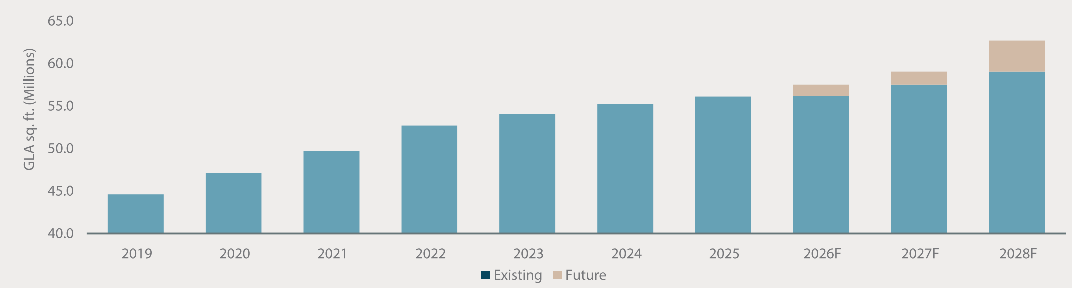
Existing malls are actively refining tenant mixes and introducing new concepts with an emphasis on entertainment and F&B offerings, while implementing loyalty programs to drive footfall and boost spending. Going forward, landlords must continue evolving their tenant strategies and diversifying revenue streams to remain competitive in the country's dynamic retail landscape.

SUPPLY IN DUBAI'S RETAIL MARKET



Source: JLL

THREE IN FOUR SAUDI SME LEADERS REMAIN CONFIDENT ABOUT THE NEXT 12 MONTHS, AS PER MASTERCARD SME CONFIDENCE INDEX

Small and medium business leaders across Saudi Arabia remain optimistic about the future, with 75% expressing confidence in their business outlook over the next 12 months, according to Mastercard research. The Mastercard SME Confidence Index is a multi-market study that captures the sentiment, priorities and growth outlook of Small and Medium Enterprises (SMEs) across Eastern Europe, the Middle East and Africa (EEMEA). The 2026 edition of the Index included a sentiment pulse survey specifically designed to capture how SMEs in Saudi Arabia are navigating the immediate operational and macroeconomic challenges arising from regional instability.

As Saudi Arabia continues to advance its Vision 2030 goals, the findings show that SMEs across the Kingdom are increasingly embracing digital technologies, payment innovation and new growth opportunities to strengthen competitiveness and improve operational efficiency.

Digital transformation remains a key priority. More than seven in ten small and medium business owners recognize that digital payments are important to help them grow better and faster. Meanwhile, SMEs view seamless payment experiences, omnichannel payment acceptance and secure transactions as critical enablers of future growth. Among the SMEs surveyed, 77% accept online payments, 67% accept card payments and 54% accept mobile payments. Looking ahead, businesses identified providing simple, seamless and user-friendly payment methods (73%), accepting digital payments across multiple channels (58%) and ensuring safe and secure payment processing (49%) as the areas with the greatest potential to support future growth.

In parallel, while only 18% of SMEs sought external funding during the past 12 months, 22% said they are looking for credit to support future growth, while a further 16% are seeking funding to help maintain business operations. Businesses also identified improving physical and digital security, supporting and upskilling teams as well as finding new ways to sell online and accept digital payments as important areas where additional support could help accelerate growth.

Small and medium businesses across the Kingdom continue to demonstrate underlying momentum, with 67% reporting revenue growth over the past 12 months. However, the realities of the regional tensions have moderated near-term expectations. While pre-conflict benchmarks captured an overwhelmingly high confidence level of 92% for the year ahead, subsequent sentiment tracking reveals this figure has adjusted to a more cautious, yet still highly resilient 75%, reflecting sustained optimism even in the face of uncertainty.

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CORPORATE NEWS

ARAMCO AND MAADEN FORM JV TO UNLOCK MINING IN SAUDI ARABIA

Aramco, one of the world's leading integrated energy and chemicals companies, and Maaden, one of the world's fastest growing mining companies and the largest multi commodity mining and metals producer in the Middle East, announced the signing of a shareholders' agreement to form a Joint Venture (JV) to unlock new opportunities in mineral exploration and hard-rock mining in Saudi Arabia.

Combining the strengths of two leaders in their respective fields, the JV would focus on copper and other minerals critical to the energy transition. Copper is a major metal making up over 20% of the US$ 1.2 trillion mined metals market. The copper market is currently valued at approximately US$ 250 billion and is projected to grow to over US$ 400 billion by 2035.

The JV is expected to be owned 51% by Maaden and 49% by Aramco and would focus on exploration across Zone-4, also known as the Transition Zone, within the Arabian Platform. It represents a major new opportunity for mineral discovery in the country. Spanning approximately 182,000 square kilometers, nearly 10% of Saudi Arabia's total land area, the expected exploration area stretches along a 100-kilometer-wide zone running parallel to the Arabian Shield.

BANK OF JORDAN GROUP LAUNCHES ITS FIRST BRANCH IN SAUDI ARABIA

The Bank of Jordan Group opened its first branch in Saudi Arabia after receiving approval from the Saudi Central Bank to begin banking operations, marking a major step in its regional expansion strategy, as mentioned in a company statement.

The Riyadh branch would expand the Group's banking services, strengthen support for corporate clients and investors, facilitate trade and investment flows, and deepen economic ties between Saudi Arabia and Jordan.

The expansion is aimed at bringing the Bank of Jordan Group closer to corporate clients and investors across the Arab region by providing banking solutions tailored to their needs. In doing so, the Group contributes to economic development, while supporting greater regional and international economic integration.

STATETRON TO DEVELOP AI, ROBOTICS-POWERED INDUSTRIAL FACILITY IN QATAR

Statetron, one of the leading Swedish industrial technology companies, announced plans to develop a 10-hectar industrial facility in Qatar combining Artificial Intelligence (AI), robotics, energy storage and autonomous logistics in a manufacturing system designed to scale to multi-gigawatt capacity.

The proposed facility would combine robotic assembly, AI-driven production, autonomous movement of materials, digital-twin technology, automated quality control and intelligent energy management.

The factory would also integrate renewable power generation, energy storage and power-management systems, creating what it described as an energy-integrated manufacturing ecosystem.

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UAE'S PARKIN ENTERS EGYPT TO EXPLORE SMART PARKING AND MOBILITY SOLUTIONS

UAE-based Parkin Company signed an agreement with Modon Misr for Asset & Facility Management, Mwasalat Misr and Redcon Properties to explore opportunities for collaboration in developing parking management and smart mobility solutions in Egypt, marking its first entry into the Egyptian market, as reported in a company statement.

Under the MoU, the parties would consider a range of joint initiatives and areas of integration that support their respective objectives and contribute to the development of advanced parking management and mobility solutions.

The MoU aims to explore opportunities for collaboration in Egypt. Areas of focus would include planning and development, parking policies, demand management strategies and technology-enabled mobility solutions, with the aim of enhancing operational efficiency, improving customer experience as well as supporting current and future mobility needs. The MoU forms part of Parkin's strategy to explore growth and expansion opportunities beyond the UAE.

BAHRI LOGISTICS AND RED SEA GLOBAL SIGN MOU TO EXPAND STRATEGIC LOGISTICS COLLABORATION

Bahri Logistics, the integrated logistics arm of Bahri and the national shipping company of Saudi Arabia, signed a Memorandum of Understanding (MoU) with Red Sea Global, the developer behind regenerative tourism destinations The Red Sea and AMAALA, to expand the existing partnership between the two organizations and to explore new opportunities for strategic logistics collaboration.

Under the MoU, the two organizations would explore opportunities to expand their existing partnership, develop integrated logistics solutions and support Red Sea Global's evolving operational and project requirements.

The MoU also supports the objectives of Saudi Vision 2030 and the National Transport and Logistics Strategy by contributing to the development of advanced logistics infrastructure, facilitating trade, and strengthening the efficiency and resilience of supply chains across the country.

DUBAI CHAMBERS SIGNS MOU WITH NASSCOM TO ADVANCE COOPERATION IN AGENTIC AI

Dubai Chambers signed a Memorandum of Understanding (MoU) with the National Association of Software and Service Companies (NASSCOM) to advance cooperation in Agentic AI and support the growth and expansion of Indian companies specializing in these technologies in Dubai.

Under the terms of the MoU, the two parties would work together to develop strategic partnerships among stakeholders across the Agentic AI innovation ecosystems in Dubai and India. The cooperation will also focus on the exchange of knowledge and expertise and the launch of joint initiatives in this field.

The agreement aims to support leading Indian companies specializing in Agentic AI and deep technology to establish and expand their businesses from Dubai by connecting them with promising business opportunities and the emirate's wider innovation and partnership ecosystem. Areas of cooperation would also include specialized Agentic AI business events and joint initiatives designed to strengthen engagement between companies, investors and entrepreneurs in Dubai and India.

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CAPITAL MARKETS

EQUITY MARKETS: MENA EQUITIES SEESAW BETWEEN GAINS AND LOSSES THIS WEEK

MENA equity markets swung between gains and losses this week, as an extended oil price rally stoked by intensifying regional geopolitical friction, and upbeat corporate earnings, were offset by some profit-taking operations and unfavorable company-specific factors. This was reflected by a tiny rise in the S&P Pan Arab Composite index of 0.2%.

The heavyweight Saudi Exchange, which accounts for roughly 60% of the total regional market capitalization, trended higher this week, with the S&P Pan Arab Composite index expanding by 1.3%. This was primarily driven by strong oil price gains as the breakdown of US-Iran negotiations and the threat of unprecedented US sanctions triggered widespread fears of worsening Middle East supply disruptions. Within this context, Brent oil prices surged by 6.6% week-on-week, moving from US$ 88.52 per barrel at the end of last week to US$ 94.39 per barrel on Friday. This compounded with some favorable company-specific factors.

A glance on individual stocks shows that petrochemical stocks broadly advanced this week. Saudi Kayan Petrochemical Company's share price went up by 2.9% to SR 5.30. Advanced Petrochemical Company's share price surged by 3.1% to SR 24.75. Yansab's share price jumped by 4.6% to SR 32.48. SABIC's share price closed 0.6% higher at SR 49.50. FAB Securities raised its recommendation on SABIC's stock to "Buy" from "Accumulate", with a price target of SR 65, which implies a 32% increase from last price. Petro Rabigh's share price expanded by 1.7% to SR 18.00. AlphaMena raised its recommendation on Petro Rabigh's stock to "Add" from "Reduce", with a price target of SR 21, which implies a 18% increase from last price. Sipchem's share price edged up by 0.5% to SR 13.18.

Concurrently, SABIC Agri-Nutrients' share price increased by 1.9% week-on-week to SR 124.50. Maaden's share price surged by 3.7% to SR 66.80. Jefferies initiated coverage of Maaden's stock with a recommendation of "Buy", and a price target of SR 75, which implies a 16% increase from last price. Concomitantly, Maaden signed a MoU with SABIC Agri-Nutrients to set up framework to develop and invest in opportunities across fertilizers and integrated agri-nutrients value chain, including production and manufacturing of value-added products. Qassim Cement's share price went up by 2.1% to SR 44.90. Qassim Cement signed a financing agreement with the Saudi Industrial Development Fund at a value of SR 400 million, noting that the facility aims to fund construction of fourth production line at the company's plant.

EQUITY MARKETS INDICATORS (AUGUST 16 - AUGUST 22, 2026)

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	157.6	1.7%	-8.6%	3.4	36.6%	0.1	17,811.7	1.0%	-	0.46
Jordan	637.7	-0.9%	11.1%	53.7	-30.9%	16.8	40,189.7	6.9%	12..32	2.26
Egypt	441.9	-2.4%	21.0%	1,093.2	-38.6%	17,202.7	80,068.3	71.0%	9.9	2.52
Saudi Arabia	477.1	1.3%	3.6%	4,754.6	-37.0%	892.6	2,570,169.6	9.6%	16.3	3.58
Qatar	143.9	-3.2%	-9.8%	393.2	-34.7%	491.8	161,016.0	12.7%	12.5	1.43
UAE	173.7	-0.4%	0.5%	2,478.0	3.5%	2,665.8	1,047,218.4	12.3%	15.0	3.01
Oman	174.0	0.3%	24.8%	506.4	-35.2%	679.5	56,583.4	46.5%	13.1	2.07
Bahrain	180.1	-0.8%	-4.0%	7.3	-21.2%	9.5	18,647.0	2.0%	10.4	1.44
Kuwait	90.9	-0.7%	-3.7%	1,221.4	-7.0%	1,382.2	168,386.4	37.7%	19.3	2.11
Morocco	429.4	1.5%	1.0%	49.1	-50.8%	1.8	120,295.1	2.1%	17.0	3.18
Tunisia	131.8	0.8%	40.9%	26.0	119.8%	6.6	16,043.4	8.4%	16.9	2.58
Arab Markets	**1,014.1**	**0.2%**	**1.6%**	**10,586.3**	**-27.6%**	**23,349.5**	**4,296,429.0**	**12.8%**	**15.5**	**3.21**

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

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Also, BinDawood's share price climbed by 4.0% over the week to SR 4.70. BinDawood Holding won bid through its subsidiary to purchase dairy production operations assets of AS E-Piim Tootmine in Estonia at a value of €135.25 million. Dallah Healthcare Company's share price surged by 4.3% to SR 101.20. AlphaMena raised its recommendation on Dallah Healthcare Company's stock to "Buy" from "Add", with a price target of SR 133, which implies a 37% increase from last price. Abdullah Al Othaim Markets Company's share price closed 2.1% higher at SR 4.95. AlphaMena raised its recommendation on Abdullah Al Othaim Markets Company's stock to "Buy" from "Add", with a price target of SR 6.75, which implies a 39% increase from last price.

In contrast, the Qatar Stock Exchange fell by 3.2% this week, as soured investor sentiment over rising regional tensions and the expired US-Iran pact dragged the index deeper into the red. Adding to the downward pressure, the market was further weighed down by some downbeat corporate earnings, with aggregate 2026 first half net profits for companies listed on the Qatar Stock Exchange contracting by 11.4% year-on-year to reach QR 23.6 billion. 47 out of 54 traded stocks posted price drops, while seven stocks recorded price gains week-on-week.

A closer look at individual stocks shows that QNB's share price retreated by 2.7% week-on-week to close at QR 16.400. QIIB's share price shed 4.0% to QR 10.650. Doha Bank's share price plunged by 6.4% to QR 2.721. Al Ahli Bank's share price contracted by 2.5% to SR 3.911. Masraf Al Rayan's share price fell by 3.7% to QR 1.909. Also, Gulf International Services' share price nosedived by 7.1% to QR 1.639. Gulf International Services reported net profits of QR 67 million in the first half of 2026 against net profits of QR 408 million a year earlier. United Development Company's share price went down by 2.6% to QR 0.757. Ooredoo's share price dropped by 4.8% to QR 12.450. Vodafone Qatar's share price contracted by 3.9% to QR 2.566. Qatar Insurance's share price retreated by 1.2% to QR 1.886. Qatar Aluminum Manufacturing's share price plummeted by 6.7% to QR 1.430. Nakilat's share price decreased by 4.7% to QR 4.110.

Boursa Kuwait traced a downward trajectory this week, with the S&P Kuwait price index declining by 0.7%, primarily triggered by intensifying regional geopolitical friction and corporate profit-taking following the conclusion of the first half earnings season. A closer look at individual stocks shows that Mabanee's share price contracted by 1.2% this week to reach KWf 968. Kuwait Cement's share price nudged down by 0.3% to KWf 405. Heavy Engineering Industries and Shipbuilding's share price shed 3.8% to KWf 612. Mobile Telecommunications' share price went down by 0.6% to KWf 618. Jazeera Airways' share price fell by 3.5% to KWf 1,723. Senergy Holding's share price declined by 1.2% to KWf 240. National Investments Company's share price retreated by 1.9% to KWf 263. Kuwait Projects' share price dropped by 0.8% to KWf 77.8. Kuwait Projects reported 2026 second quarter net profits of KWD 1.8 million against net profits of KWD 5.0 million a year earlier. As to banking stocks, Kuwait International Bank's share price decreased by 0.8% week-on-week to reach KWf 252. Gulf Bank's share price closed 0.3% lower at KWf 361. Commercial Bank of Kuwait's share price plunged by 4.8% to KWf 492.

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

MENA fixed income markets reported across-the-board downward price movements this week, mainly tracking US Treasury move, as escalating geopolitical tensions in the Middle East and an extended oil price rally fueled global inflation concerns.

In the Saudi credit space, sovereigns maturing in 2029, 2034, 2050 and 2060 recorded price drops of up to 0.79 pt this week. Prices of Aramco'30, '34 and '50 went down by 0.46 pt, 0.38 pt and 0.58 pt respectively. SEC'30 and '44 traded down by 0.24 pt and 0.12 pt respectively. STC'29 closed down by 0.14 pt. Amongst financials, prices of Al Rajhi Bank'29 retreated by 0.07 pt. SNB'29 posted price decreases of 0.09 pt.

In the Bahraini credit space, sovereigns maturing in 2028, 2030, 2035 and 2051 posted price contractions ranging between 0.17 pt and 1.27 pt week-on-week. In the Qatari credit space, sovereigns maturing in 2029, 2034, 2040 and 2050 registered weekly price fall of up to 1.01 pt this week. Prices of Ooredoo'31 decreased by 0.10 pt. Amongst financials, prices of Doha Finance'29 retreated by 0.14 pt. Qatar International Islamic Bank'29 closed down by 0.09 pt.

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In the UAE credit space, sovereigns maturing in 2031, 2041 and 2052 reported price falls of up to 1.05 pt this week. In the Dubai credit space, sovereigns maturing in 2030 and 2050 posted weekly price drops of 0.28 pt and 0.65 pt respectively. DP World'49 was down by 0.79 pt.

In the Abu Dhabi credit space, sovereigns maturing in 2029, 2030, 2034 and 2050 registered weekly price retreats of up to 0.92 pt. ADNOC Murban'29 was down by 0.13 pt. Prices of Mubadala'30, '34, '41 and '50 posted price drops of up to 0.66 pt. Prices of Taqa'30 and '36 contracted by 0.25 pt and 0.26 pt respectively. Aldar Investment Properties'33 traded down by 0.10 pt. Amongst financials, FAB'29 registered price drops of 0.06 pt. In the Sharjah credit space, sovereigns maturing in 2030 saw price falls of 0.25 pt week-on-week.

In the Iraqi credit space, sovereigns maturing in 2028 posted weekly price decreases of 0.07 pt. In the Omani credit space, sovereigns maturing in 2028, 2031 and 2051 recorded price falls of up to 1.96 pt this week. Omantel'28 traded down by 0.08 pt. In the Egyptian credit space, sovereigns maturing in 2028, 2030, 2033, 2040 and 2050 reported price contractions of up to 1.95 pt this week.

All in all, activity in regional bond markets was skewed to the downside this week, mainly as the yield on 30-year US Treasuries hit the highest in almost two decades, reflecting deepening investor anxiety over surging US government spending and a flood of long-dated bond sales, in addition to ongoing concerns that US inflation would remain stuck well above the US Federal Reserve's target, exacerbated by rising energy costs from the Middle East conflict.

MIDDLE EAST 5Y CDS SPREADS V/S INTL BENCHMARKS

in basis points	21-Aug-26	14-Aug-26	31-Dec-25	Week-on-week	Year-to-date
Abu Dhabi	33	33	27	0	6
Dubai	63	63	46	0	17
Kuwait	54	54	47	0	7
Qatar	34	32	27	2	7
Saudi Arabia	58	58	67	0	-9
Bahrain	285	275	184	10	101
Morocco	76	74	70	2	6
Egypt	270	265	271	5	-1
Iraq	241	234	207	7	34
Middle East	124	121	105	3	19
Emerging Markets	88	88	99	0	-11
Global	211	211	213	0	-2

Sources: Bloomberg, Bank Audi's Group Research Department

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SOVEREIGN RATINGS & FX RATES

SOVEREIGN RATINGS	Standard & Poor's	Moody's	Fitch
LEVANT			
Lebanon	SD/Stable/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-/Negative/B	Caa1/Negative	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/Stable/F1+
Kuwait	AA-/Stable/A-1+	A1/Stable	AA-/Stable/F1+
Bahrain	B/Stable/B	B2/Negative	B+/Negative/B
Oman	BBB-/Stable/B	Ba3/Stable	BBB-/Stable/B
Yemen	NR	NR	NR
NORTH AFRICA			
Algeria	NR	NR	NR
Morocco	BBB-/Stable/A-3	Ba1/Positive	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$)	21-Aug-26	14-Aug-26	31-Dec-25	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)	50.85	50.28	47.70	1.1%	6.6%
Iraqi Dinar (IQD)	1,310.00	1,310.00	1,310.00	0.0%	0.0%
GULF					
Saudi Riyal (SAR)	3.75	3.75	3.75	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%	0.0%
Bahraini Dinar (BHD)	0.38	0.38	0.38	0.0%	0.0%
Omani Riyal (OMR)	0.38	0.38	0.39	0.0%	-0.1%
Yemeni Riyal (YER)	237.08	237.17	238.38	0.0%	-0.5%
NORTH AFRICA					
Algerian Dinar (DZD)	132.90	132.73	129.41	0.1%	2.7%
Moroccan Dirham (MAD)	9.23	9.29	9.11	-0.6%	1.3%
Tunisian Dinar (TND)	2.90	2.92	2.89	-0.9%	0.1%
Libyan Dinar (LYD)	6.37	6.37	5.42	0.0%	17.6%
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.