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MENA WEEKLY MONITOR

DECEMBER 21 TO DECEMBER 27, 2025
WEEK 52

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MENA equity markets closed the week in the green, as reflected by a 0.8% expansion in the S&P Pan Arab Composite index, mainly tracking global equity strength (+1.4%) amid bets about a strong finish to the year for global markets following higher-than-surveyed third quarter US economic growth and cooling US inflation in November. Regional equity price gains were also triggered by higher oil prices after the US administration significantly escalated its pressure on Venezuela, transitioning from economic sanctions to a direct naval blockade. In contrast, MENA fixed income markets saw mostly downward price movements this week after recent data showed that the US economy expanded in the third quarter of 2025 at its fastest pace in two years, complicating the outlook for the US Federal Reserve's policymakers as they transition into 2026.

MENA MARKETS: DECEMBER 21 - DECEMBER 27, 2025

Stock market weekly trend	↑	Bond market weekly trend	↓
Weekly stock price performance	+0.8%	Average weekly bond price change	-0.02 pt
Stock market year-to-date trend	↑	Bond market year-to-date trend	↑
YTD stock price performance	+1.0%	Average yearly bond price change	+4.24 pts

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ECONOMY

INVESTING IN HUMAN DEVELOPMENT IN MENA REGION IS STRATEGIC IMPERATIVE AGAINST GLOBAL MEGATRENDS, AS PER WORLD BANK

According to World Bank's flagship report titled "Embracing and Shaping Change: Human Development for a Middle East & North Africa Region in Transition", the Middle East and North Africa (MENA) region is entering a period of profound transformation, driven by three powerful global megatrends:

1. Rapid Demographic Transition: Life expectancy has risen to 74 as of 2023, but the average effective retirement age remains low at 54. This creates massive pressure on pension systems and healthcare, necessitating reforms for productive longevity.

2. Climate Change: The region faces intensifying water scarcity and extreme heat, which threaten food security, health and learning outcomes.

3. Technological Transformation (AI & Digitalization): While AI offers a productivity boost, there is a risk of job displacement or missed opportunities due to limited digital readiness in several MENA countries.

Through the lens of strengthening healthy, productive and secure lives, the report offered a policy framework on how governments can prepare for megatrends, through forward-looking programs, better coverage of foundational human development services, institutional reforms and improved financing of Human Development sectors.

First, educational systems must evolve to equip young people and adults with the digital skills needed for today and tomorrow, and more broadly foster the cognitive and emotional skills to become on the job learners, strong collaborators, critical thinkers and flexible. On the policy front, this means strengthening foundational skills, private sector input on curricula, apprenticeship and work-based learning models, but also offering flexible pathways for lifelong learning through stackable credentials.

In the region, the report revealed that Saudi Arabia is an example of success in improving its educational systems, while also better connecting the labor market to skilled workers. The country's sector councils provide a model for workforce transformation, having developed standards for dozens of green occupations and trained thousands of workers to support the country's net-zero ambitions.

Secondly, to help support the aging populations, working lives must be extended through quality systems and avert greater future costs for an aging population. To harness the working population's potential, countries must first expand women's participation in the labor force through quality childcare, long-term care and policies that provide more economic opportunities for women. Additionally, health systems must work towards mitigating communicable diseases for healthier aging populations. They must reinforce their outreach and interventions to prevent and identify early on chronic conditions, support patients in better managing specific diseases,

improve healthy lifestyles (including by appropriately taxing tobacco and unhealthy foods). Technology can also support these health goals.

Lastly, countries must be prepared to utilize technological advances for better employment. This not only helps with pensions for aging populations but also boosts the private sector. The rise of digital jobs and the use of AI in the workplace requires adapting labor regulations to protect workers from new risks, but it is also an opportunity to introduce incentives to extend social insurance coverage, if done correctly.

The report also proposed a policy roadmap focused on three areas to turn risks into opportunities:

· Future-Fit Policies: Developing programs like adaptive social protection, lifelong learning, and specialized training for green and digital skills.

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· Institutional Resilience: Strengthening the accountability and capacity of health, education, and social protection agencies.

· Smarter Financing: Reversing the current slump in human development spending by improving tax-benefit systems and spending efficiency.

All in all, these components would support inclusive, sustainable development in a region where global trends meet local complexities.

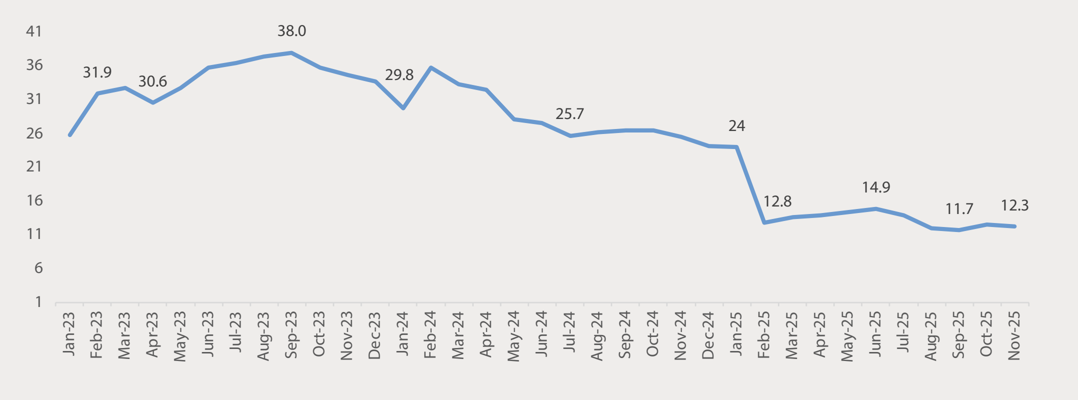
EGYPT YEAR-ON-YEAR CPI INFLATION EASES IN NOVEMBER

According to data from the Central Bank of Egypt (CBE), the country has registered a year-on-year inflation in prices of 12.3% in November 2025 against prices in November 2024. This inflation was driven by an increase in the prices of all General Index components within the period.

In detail, year-on-year inflations were recorded in the prices of Food & Beverages (weight of 32.7%) of 0.7% year-on-year between November 2024 and November 2025. Prices of Housing, Water, Electricity, Gas & Other Fuels (weight of 19.5%) recorded a year-on-year increase of 27.9%. Year-on-year price inflations were also recorded in Medical Care (weight of 8.6%) and Transportation (weight of 6.7%) of 28.6% and 28.9% respectively. Additionally, the price of Education (weight of 5.5%), Hotels, Cafes & Restaurants (weight of 5.0%) and Tobacco & Related Products (weight of 4.4%) recorded year-on-year inflations of 11.2%, 13.4% and 17.7% respectively. Clothing & Footwear (weight of 4.4%) noted a year-on-year inflation of 14.9%. Looking at Egypt's Core CPI (weight of 73.1%) evolution between November 2024 and November 2025, a year-on-year inflation of 12.5% is noted.

Among sub-indices, Fruits & Vegetables (weight of 5.5%) recorded a year-on-year decrease in prices of 3.6% while Food Items Excluding Fruits & Vegetables (weight of 24.5%) recorded a year-on-year CPI inflation of 1.7% during the period.

YEAR-ON-YEAR CPI INFLATION IN EGYPT (%)



Sources: CBE, Bank Audi Group Research Department

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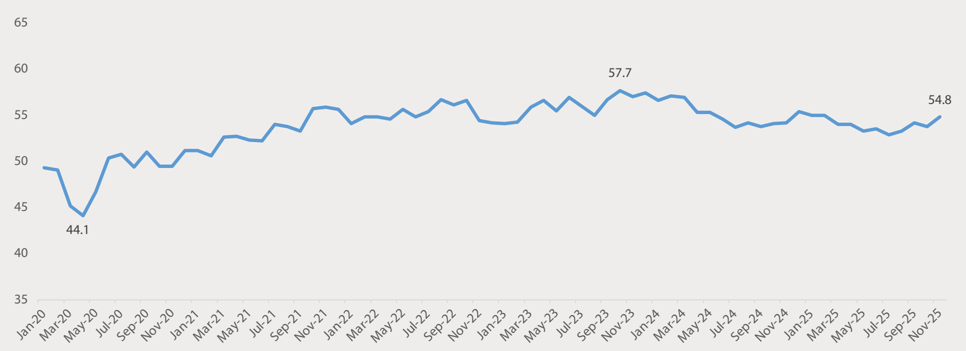
UAE'S NON-OIL PRIVATE SECTOR IMPROVES AT A FASTER PACE IN NOVEMBER

The UAE's non-oil private sector strengthened its growth momentum in November, underpinned by robust market conditions and a faster increase in output. The pace of improvement accelerated compared to October, with overall business conditions reaching their strongest level in several months. The seasonally adjusted S&P Global UAE Purchasing Managers' Index (PMI) rose to 54.8 in November, up from 53.8 in October and above its long-run average of 54.3, signaling a robust improvement in operating conditions, according to S&P Global's UAE PMI report for November 2025.

In detail, non-oil firms recorded a solid expansion in activity, as stronger sales and increased client orders supported business growth at the fastest pace seen so far in 2025. New orders rose sharply, with growth reaching its strongest level since January, as firms cited supportive market conditions alongside product innovation, market diversification, and technology upgrades. Foreign demand also improved, contributing to broader-based sales growth. Purchasing activity increased for the third consecutive month, although inputs were largely absorbed into operations, leading to a further drawdown in inventories despite firms reporting sufficient stock levels to support sales pipelines. Meanwhile, backlogs of work accumulated at a faster pace, reflecting heightened capacity pressures and delays in settling payments related to previous projects.

On the employment front, job creation gathered momentum, with firms showing a greater willingness to hire in response to rising sales and increasing outstanding work. Employment growth, while still modest overall, has been the most pronounced since May 2024. Business confidence edged up from October's near three-year low, supported by strong sales pipelines and a favorable business environment. Cost pressures intensified, with input prices rising at their sharpest pace in 14 months amid elevated wage costs and higher living expenses. As a result, non-oil companies raised their selling prices again in November at the fastest pace in three months, although price increases remained modest as firms sought to balance margin pressures with competitive positioning.

COMPOSITE PMI UAE



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

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SURVEYS / REPORTS

SAUDI ARABIA TOPS MENA REGION IN WORLD BANK'S STATISTICAL PERFORMANCE INDICATOR 2024

Saudi Arabia, represented by the General Authority for Statistics (GASTAT), achieved a new milestone by continuing its advancement in the Statistical Performance Indicator (SPI) 2024 issued by the World Bank.

SPI OVERALL SCORE IN MENA REGION

Sources: World Bank, Bank Audi's Group Research Department

This index is a tool developed by the World Bank to measure a country's statistical capacity and performance. It assesses national statistical systems across five key pillars:

- Data Use: extent to which data is used for decision making.
- Data Services: accessibility and openness of data to users.
- Data Products: availability and coverage of key data products (e.g., SDG indicators, poverty estimates).
- Data Sources: availability of primary data sources such as censuses and surveys.
- Data Infrastructure: the underlying legal frameworks, resources and technology for data production.

In details, Saudi Arabia's score rose to 83.3 percent in 2024, compared with 81.5 percent in 2023, maintaining its first-place ranking in the MENA region and advancing three positions among G20 countries, moving to 11th place from 14th place. Additionally, Saudi Arabia advanced four places globally, ranking 51st out of 188 countries.

In parallel, Saudi Arabia ranked 6th among G20 countries, scoring 93.2 percent in the second pillar related to data services. It also ranked 7th among G20 countries in the fourth pillar concerning data sources and advanced to 17th place globally, compared to 36th place as published last year. Saudi Arabia further achieved strong results, ranking in the top 20 percent across three pillars: data services, data sources and data infrastructure.

This accomplishment stems from Saudi Arabia's ongoing statistical development, its adoption of a digital transformation approach within the national statistical ecosystem, and its efforts in capacity-building, promoting innovation, strengthening transparency, and facilitating the monitoring of progress toward the Sustainable Development Goals (SDGs).

GASTAT continues its efforts to implement a comprehensive statistical transformation, aimed at developing infrastructure for field and digital surveys and enhancing integration with governmental, private, and non-profit entities. To achieve this transformation, GASTAT relies on innovation and advanced technologies in data collection and analysis, improving the quality of statistical outputs and enabling decision-makers to access accurate data that supports Saudi Vision 2030 targets.

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UAE LEADS MENA REGION IN COMPREHENSIVE ESG INTEGRATION, AS PER CICERO & BERNAY

Cicero & Bernay (C&B), one of the leading MENA communication advisories, unveiled its MENA ESG Report 2025, a regional study examining how companies across the Middle East and North Africa are responding to rising expectations around Environmental, Social and Governance (ESG) performance.

The MENA ESG Report 2025 draws on responses from 361 C-suite executives and senior executives from the UAE, Saudi Arabia, Oman, Qatar, Kuwait, Bahrain, Egypt, Lebanon and Jordan. Over the past half-decade, the report has tracked the shift from ad hoc CSR initiatives to ESG as a core part of corporate identity, stakeholder engagement, risk mitigation and long-term value creation.

In details, the UAE continues to set the regional benchmark for ESG practices, according to C&B's newly released study. The findings highlight that 60% of UAE companies now address all three ESG pillars simultaneously, reinforcing the country's leadership in embedding sustainable development at every level of business.

As the nation advances towards UAE Net Zero 2050 and the We the UAE 2031 Vision, companies are moving beyond compliance to cultivate measurable impact. The report also found that 71% of UAE enterprises actively involve employees in ESG activities, with 67% supporting volunteering programs that feed into corporate sustainability goals. A snapshot of this year's findings highlights the growing link between ESG and commercial outcomes. In details, 74% of executives now say ESG directly influences brand value, marking a shift from treating it as a moral obligation to viewing it as a source of competitive differentiation.

More than 52% of firms report actively supporting all three ESG pillars in equal measure. Looking ahead, 83% of respondents predict their ESG strategies for next year would prioritize the social pillar, moving beyond earlier environmental-focused efforts. This evolution reflects growing stakeholder pressure for tangible, evidence-based ESG actions.

While ESG adoption continues to advance, communication efforts remain inconsistent. Just 32% of executives say their organizations share structured updates. With a broader mix of stakeholders involved, clearly and consistently explaining ESG activity is becoming increasingly important.

The path forward calls for embedding ESG into every layer of the business, from strategic planning to day-to-day workflows. With ESG entering the lexicon of business and operations, corporate groups must ensure internal alignment and fluency across departments.

MOODY'S AFFIRMS QATAR'S RATING AT "AA2" WITH "STABLE" OUTLOOK

Moody's (Moody's Investors Service) affirmed the "Aa2" foreign-currency and local-currency long-term issuer and foreign-currency senior unsecured debt ratings of the Government of Qatar. The outlook remains "stable".

The affirmation reflects Moody's expectation that the government's balance sheet would remain very robust, anchored by exceptionally large government financial assets, which significantly outweigh the government's moderate debt burden, provide a large and effective buffer for absorbing shocks, and mitigate credit risks stemming from Qatar's high economic and fiscal reliance on the oil and gas sector. The credit rating agency expects the impact of lower oil prices on government revenue and Qatar's exports in the coming years to be more than offset by significant increases in Qatar's Liquefied Natural Gas (LNG) production scheduled for 2026-31.

The "stable" outlook reflects the balance of risks at the "Aa2" level. A large sustained decline in global hydrocarbon demand and prices as a result of more rapid than currently assumed carbon transition, could result in material fiscal deterioration compared to Moody's baseline expectations.

In contrast, faster and more significant progress on economic and fiscal diversification could exert positive pressure on Qatar's credit profile. Longer-term credit risks related to global carbon transition are partly mitigated by the government's track record of policy effectiveness, its access to ample financial buffers that could be used to accelerate economic adjustment to shifting environmental trends. Furthermore, demand for Qatar's hydrocarbon export mix, which is dominated by LNG, is likely to peak later than demand for other fossil fuels, allowing the sovereign more time to adjust.

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CORPORATE NEWS

ACWA POWER AND AFDB SEAL US$ 5 BILLION AFRICA ENERGY AND WATER COOPERATION

Saudi-based ACWA Power, one of the world's largest private water desalination companies, signed a Cooperation Framework with the African Development Bank (AfDB), to significantly strengthen collaboration in the development, investment and financing of power generation and water desalination projects across the African continent.

The framework establishes a clear structure for cooperation in identifying, developing, and financing energy and water projects. Both parties aim to accelerate the financing of up to US$ 5 billion of sustainable energy and water projects across Africa between 2025 and 2030.

The cooperation would focus on appraising and supporting renewable energy, desalination and grid-connected power projects on the Continent, with a particular emphasis on sub-Saharan Africa. This aligns closely with Mission 300, a joint initiative of the AfDB and the World Bank Group, which aims to bring electricity to 300 million people in sub-Saharan Africa by 2030. In addition to financial collaboration, the framework includes a focus on Environmental and Social (E&S) Development.

NDF SEALS US$ 1.6 BILLION DEALS TO POWER SAUDI ARABIA'S SUSTAINABLE DEVELOPMENT

Saudi Arabia's National Development Fund (NDF) and its affiliated sector funds and banks signed 45 MoUs and agreements worth a total value of US$ 1.6 billion (SR 6 billion) with leading local, regional and international partners mainly aimed at helping accelerate investment and unlock new opportunities across priority sectors including small and medium enterprises (SMEs), tourism, infrastructure and sustainable development.

The agreements involve various sectors and funds:
- The SME Bank and the National Infrastructure Fund signed agreements to improve finance access for small and medium-sized enterprises.
- The Tourism Development Fund and the Cultural Development Fund signed deals to support tourism and cultural projects.
- The Human Resources Development Fund and the Events Investment Fund made agreements to support job seekers and enhance the events sector.
- The Saudi Industrial Development Fund and Saudi Arabia Railways (SAR) signed a cooperation agreement to explore opportunities in the railway industry.
- The NDF also signed agreements with global technology firms to accelerate the use of artificial intelligence and digital solutions in development finance.

Collectively, the MoUs represent a significant step forward in Saudi Arabia's efforts to build a diversified, inclusive and sustainable economy.

MUBADALA AND BARINGS INK US$ 500 MILLION GLOBAL REAL ESTATE DEBT PARTNERSHIP

Mubadala Investment Company, an Abu Dhabi-based sovereign investor, and US-based Barings, one of the world's leading investment managers, and subsidiary of MassMutual, announced the launch of a new US$ 500 million global real estate debt partnership.

As per the deal, Mubadala would be investing alongside MassMutual, and the joint venture would be managed by Barings. The joint venture would combine Barings' extensive expertise in real estate debt with Mubadala's global investment platform to deliver innovative credit solutions across the US, Europe and Asia-Pacific.

This partnership aims to further diversify Mubadala's real estate debt portfolio and strengthen Barings' position as one of the world's largest diversified real estate investment managers. The new partnership would focus on investing in senior and subordinated real estate loans across real estate asset classes.

PIF AND JLL ANNOUNCE AGREEMENT FOR JLL TO INVEST IN FMTECH

PIF and JLL announced that JLL is acquiring a significant stake in the Saudi Facility Management Company (FMTECH), a PIF company. PIF would maintain a majority stake in FMTECH. The transaction is expected to close subject to customary closing conditions.

Launched by PIF in 2023, FMTECH is a national integrated facilities management company, serving PIF portfolio companies, as well as public and private sector clients across Saudi Arabia. The investment allows JLL to expand its service capabilities in the Saudi market, while building on the existing relationship with PIF.

FMTECH would benefit from JLL's global network and operational track record to create new commercial opportunities and localize knowledge and technologies. FMTECH would integrate JLL's advanced digital facility management platforms and global operating systems which would enable the company to significantly elevate service quality, efficiency and transparency across its entire delivery model, driving long-term value creation for clients.

The transaction aligns with PIF's strategy to increase private sector investments from domestic and global investors into its companies to help unlock their full potential, while delivering on its unique mandate to drive the country's economic transformation and deliver sustainable returns.

ASMO AND J.P. MORGAN SIGN MOU TO DEVELOP WORKING CAPITAL AND SUPPLY CHAIN FINANCING SOLUTIONS IN SAUDI ARABIA

ASMO, the joint venture between Saudi Aramco Development Company and DHL, signed a memorandum of understanding (MoU) with J.P. Morgan, an American multinational banking institution, to explore working capital and supply chain financing solutions in Saudi Arabia that would enhance liquidity, improve access to capital and strengthen end-to-end supply chain performance.

The MoU sets the framework for both parties to assess financing structures that support ASMO's procurement, logistics and inventory operations. It also defines the guiding principles for potential future agreements and solution deployment.

As part of the collaboration, services would be provided by J.P. Morgan Payments with the focus on developing off-balance sheet inventory finance tools to help enable ASMO's customers in Saudi Arabia to free up critical working capital through innovative structures. In addition, the parties would seek to address a broader range of trade finance options for ASMO's customers, including payables finance, receivables finance and other on-balance sheet solutions.

This collaboration supports the goals of Saudi Vision 2030 by advancing digital financial infrastructure, expanding access to flexible capital and reinforcing the foundations of industrial growth across the country.

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CAPITAL MARKETS

EQUITY MARKETS: WEEKLY PRICE REBOUNDS IN MENA EQUITIES, MAINLY TRACKING GLOBAL EQUITY STRENGTH AND ON RISING OIL PRICES

MENA equity markets slid into the red (-1.8%) this week, reversing the upward momentum observed over MENA equity markets closed the week in the green, as reflected by a 0.8% expansion in the S&P Pan Arab Composite index, mainly tracking global equity strength (+1.4%) amid bets about a strong finish to the year for global markets following higher-than-surveyed third quarter US economic growth and cooling US inflation in November. Regional equity price gains were also triggered by higher oil prices after the US administration significantly escalated its pressure on Venezuela, transitioning from economic sanctions to a direct naval blockade.

The heavyweight Saudi Exchange, whose market capitalization represents more than 57% of the total regional market capitalization, registered price rebounds (+0.8%) this week, mainly tracking a global risk-on sentiment on optimistic year-end forecasts. This compounded with Brent oil price gains over the week (hovering around US$ 62 per barrel) after the US President declared a "total and complete blockade" on all sanctioned oil tankers entering or leaving Venezuela, in addition to some favorable company-specific factors.

A glance on individual stocks shows that Saudi Aramco's share price edged up by 0.2% week-on-week to SR 23.69. Advanced Petrochemical Company's share price increased by 1.5% to SR 29.30. As to banking stocks, SNB's share price expanded by 2.8% to SR 38.04. Al Rajhi Bank's share price closed 1.3% higher at SR 97.05. Banque Saudi Fransi's share price rose by 1.1% to SR 17.00. Saudi Awwal Bank's share price nudged up by 0.3% to SR 32.28. Alinma Bank's share price went up by 0.9% to SR 24.41. Riyad Bank's share price expanded by 2.6% to SR 26.38.

Concomitantly, Alkhorayef Water and Power Technologies' share price surged by 3.8% over the week to SR 133.20. Alkhorayef Water and Power Technologies' Board of Directors recommended the distribution of dividends at a rate of SR 1.75 per share for the year 2025. National Medical Care Company's share price jumped by 3.6% to SR 143.00. National Medical Care Company signed a SR 392 million contract with BEC Arabia for Mechanical, Electrical, Plumbing and finishing works for Phase 1 of its new Care Medical Hospital in Al-Narjis, with a 548-day duration, adding significant non-current assets starting the first quarter of 2026. In parallel, Arqaam Capital Limited raised its recommendation on National Medical Care Company's stock to "Buy" from "Hold", with a price target of SR 195, which implies a 45% increase from last price.

EQUITY MARKETS INDICATORS (DECEMBER 21 TO DECEMBER 27, 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	171.4	1.5%	-24.6%	2.8	-84.9%	0.1	19,366.4	0.8%	-	0.52
Jordan	575.9	0.9%	47.4%	36.9	-22.6%	13.8	38,124.5	5.0%	12.4	2.01
Egypt	361.8	1.0%	49.6%	468.3	-17.3%	10,066.2	60,845.7	40.0%	8.7	2.42
Saudi Arabia	462.2	0.8%	-11.1%	2,999.7	-30.1%	484.6	2,356,759.1	6.6%	15.5	3.49
Qatar	180.5	1.5%	4.2%	255.6	-28.6%	339.3	177,784.8	7.5%	12.8	1.59
UAE	175.2	1.2%	15.0%	3,085.3	1.4%	2,912.5	1,124,407.3	14.3%	11.5	2.33
Oman	328.1	0.7%	29.2%	342.8	-21.3%	566.8	42,036.9	42.4%	10.6	1.62
Bahrain	285.6	-0.4%	23.7%	11.4	15.7%	11.9	21,128.3	2.8%	11.5	1.39
Kuwait	163.5	0.7%	21.1%	727.1	-40.4%	744.4	171,244.3	22.1%	19.8	2.20
Morocco	417.6	-3.4%	35.9%	793.7	124.4%	15.6	111,690.3	37.0%	16.1	3.17
Tunisia	92.8	1.8%	40.0%	37.5	55.9%	10.4	11,361.9	17.2%	12.5	2.21
Arab Markets	**1,003.0**	**0.8%**	**1.0%**	**8,761.1**	**-15.5%**	**15,165.5**	**4,134,749.5**	**11.0%**	**14.2**	**2.95**

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, Dallah Healthcare's share price climbed by 6.6% week-on-week to SR 129.00. Dallah Healthcare signed an agreement to purchase all the remaining 41.36% stake of Care Shield Holding (Kingdom Hospital and Consulting Clinics) owned by Growth Avenue Investments, at a value of SR 434 million. Seera Group Holding's share price expanded by 1.6% to SR 26.34. AlphaMena analyst raised its recommendation on Seera Group Holding's stock to "Add" from "Reduce", with a price target of SR 29.60, which implies a 14% increase from last price. Maharah Human Resources Company's share price surged by 3.7% to SR 6.20. Arqaam Capital Limited raised its recommendation on Maharah Human Resources Company's stock to "Buy" from "Hold", with a price target of SR 7.10, which implies a 20% increase from last price.

The Qatar Stock Exchange bounced back (+1.5%) this week, mainly tracking global equity price gains and supported by rising oil prices. 34 out of 54 traded stocks posted price gains, while 17 stocks recorded price falls, and three stocks saw no price change week-on-week.

A closer look at individual stocks shows that Industries Qatar's share price expanded by 2.8% week-on-week to close at QR 12.130. Gulf International Services' share price surged by 4.1% to QR 2.618. Barwa Real Estate's share price closed 2.3% higher at QR 2.634. Ooredoo's share price nudged up by 0.3% to QR 13.070. Qatar Electricity & Water's share price went up by 0.7% to QR 15.070. Vodafone Qatar's share price jumped by 3.2% to QR 2.452. Qatar Gas Transport's share price rose by 1.6% to QR 4.440. Qatar Aluminum Manufacturing's share price expanded by 2.4% to QR 1.565. Qatar National Cement's share price went up by 1.7% to QR 2.756. United Development's share price edged up by 0.8% to QR 0.918. Gulf Warehousing's share price rose by 0.9% to QR 2.229. As to banking stocks, QNB's share price increased by 2.5% to QR 18.800. Masraf Al Rayan's share price nudged up by 0.5% to QR 2.200. Doha Bank's share price climbed by 4.6% to QR 2.929. Qatar Islamic Bank's share price edged up by 0.2% to QR 23.900.

Boursa Kuwait shifted into a positive territory (+0.7%) this week, mainly buoyed by a rise in global investor appetite for risk, and helped by surging oil prices after the US President intensified a maritime blockade on Venezuela. A glance on individual stocks shows that Gulf Bank's share price nudged up by 0.3% to KWf 362. National Bank of Kuwait's share price rose by 1.3% to KWf 1,017. Kuwait International Bank's share price increased by 1.5% to KWf 278. Boubyan Bank's share price edged up by 0.3% to KWf 726. Al Ahli Bank of Kuwait's share price expanded by 1.7% to KWf 298. Specialties Group Holding's share price increased by 2.5% to KWf 166. National Industries Group's share price closed 1.3% higher at KWf 302. National Mobile Telecommunications' share price surged by 3.7% to KWf 1,430. Zain's share price expanded by 1.2% to KWf 522. Mabanee's share price jumped by 5.5% to KWf 1,150. Dar Al Thuraya Real Estate's share price closed 1.6% higher at KWf 192. Arkan Al Kuwait Real Estate's share price went up by 0.7% to KWf 307. Kuwait Cement's share price rose by 2.6% to KWf 428.

FIXED INCOME MARKETS: ACTIVITY IN MENA BOND MARKETS MOSTLY TILTED TO DOWNSIDE THIS WEEK

MENA fixed income markets saw mostly downward price movements this week after recent data showed that the US economy expanded in the third quarter of 2025 at its fastest pace in two years, complicating the outlook for the US Federal Reserve's policymakers as they transition into 2026.

In the Saudi credit space, sovereigns maturing in 2050 and 2060 recorded weekly price drops of 0.22 pt and 0.05 pt respectively, while sovereigns maturing in 2030 registered price increases of 0.28 pt. Prices of Aramco'34 went down by 0.06 pt. SEC'28 traded down by 0.06 pt, while SEC'44 was up 0.16 pt. STC'29 closed up by 0.10 pt. Prices of SABIC'28 retreated by 0.07 pt. Amongst financials, prices of SNB'29 fell by 0.18 pt. Prices of Al Rajhi Bank'29 decreased by 0.06 pt.

In the Bahraini credit space, sovereigns maturing in 2028, 2030, 2035 and 2051 recorded price declines ranging between 0.07 pt and 0.32 pt week-on-week. In the Qatari credit space, sovereigns maturing in 2028, 2030, 2040 and 2050 registered price drops of up to 0.22 pt, while sovereigns maturing in 2034 posted price gains of 0.05 pt this week. Prices of Ooredoo'31 went down by 0.12 pt.
In the UAE credit space, sovereigns maturing in 2031 and 2033 posted price declines of 0.10 pt and 0.12 pt respectively, while sovereigns maturing in 2041 and 2052 saw price rises of 0.13 pt and 0.35 pt respectively week-on-week. In the Dubai credit space, sovereigns maturing in 2030 and 2050 recorded price falls of 0.15 pt and 0.51 pt respectively this week. DP World'30 traded down by 0.09 pt, while DP World'49 was up

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by 0.15 pt. Prices of Majid Al Futtaim'29 contracted by 0.07 pt. Amongst financials, prices of Emirates NBD Bank'27 edged down by 0.05 pt.

In the Abu Dhabi credit space, sovereigns maturing in 2027 and 2030 saw weekly price retreats of 0.06 pt and 0.05 pt respectively, while sovereigns maturing in 2050 registered price gains of 0.21 pt. Prices of Mubadala'28 and '50 contracted by 0.21 pt and 0.24 pt respectively. Prices of Taqa'28, '30 and '36 fell by 0.22 pt, 0.07 pt and 0.26 pt respectively. Amongst financials, ADCB'27 was down 0.06 pt this week. Prices of FAB'29 went down by 0.09 pt. In the Sharjah credit space, sovereigns maturing in 2030 recorded price decreases of 0.06 pt week-on-week.

In the Kuwaiti credit space, KIPCO'27 traded down by 0.18 pt this week. In the Omani credit space, sovereigns maturing in 2031 registered price drops of 0.30 pt, while sovereigns maturing in 2051 recorded price increases of 0.10 pt week-on-week. Omantel'28 closed up by 0.13 pt.

In the Egyptian credit space, sovereigns maturing in 2030, 2033 and 2050 registered price expansions of up to 0.78 pt this week.

All in all, activity in regional bond markets was mostly skewed to the downside this week, after recent data released by the US Bureau of Economic Analysis showed that the US economy grew at an annual pace of 4.3% in the third quarter of 2025, against 3.3% surveyed, mainly driven by much stronger consumer spending and an upturn in exports. This prompted some policymakers to reconsider the speed of US Fed interest rate cuts as they head into the year 2026.

MIDDLE EAST 5Y CDS SPREADS V/S INTL BENCHMARKS

in basis points	26-Dec-25	19-Dec-25	31-Dec-24	Week-on-week	Year-to-date
Abu Dhabi	28	27	43	1	-15
Dubai	49	49	64	0	-15
Kuwait	46	45	64	1	-18
Qatar	28	27	44	1	-16
Saudi Arabia	68	67	65	1	3
Bahrain	187	184	187	3	0
Morocco	70	69	94	1	-24
Egypt	274	274	591	0	-317
Iraq	181	197	301	-16	-120
Middle East	103	105	162	-2	-59
Emerging Markets	99	102	174	-3	-75
Global	213	213	277	0	-64

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/-/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	AA-/Stable/A-1+	A1/Stable	AA-/Stable/F1+
Bahrain	B/Stable/B	B2/Stable	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/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$)	26-Dec-25	19-Dec-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)	47.60	47.58	50.84	0.0%	-6.4%
Iraqi Dinar (IQD)	1,310.00	1,310.00	1,310.00	0.0%	0.0%
GULF					
Saudi Riyal (SAR)	3.75	3.75	3.76	0.0%	-0.1%
UAE Dirham (AED)	3.67	3.67	3.67	0.0%	0.0%
Qatari Riyal (QAR)	3.64	3.64	3.64	0.0%	0.0%
Kuwaiti Dinar (KWD)	0.31	0.31	0.31	0.0%	-0.7%
Bahraini Dinar (BHD)	0.38	0.38	0.38	0.0%	-0.1%
Omani Riyal (OMR)	0.38	0.38	0.38	0.0%	-0.1%
Yemeni Riyal (YER)	238.37	238.38	249.57	0.0%	-4.5%
NORTH AFRICA					
Algerian Dinar (DZD)	129.26	129.59	135.56	-0.3%	-4.6%
Moroccan Dirham (MAD)	9.11	9.16	10.13	-0.6%	-10.1%
Tunisian Dinar (TND)	2.88	2.91	3.19	-1.3%	-9.8%
Libyan Dinar (LYD)	5.42	5.42	4.91	-0.1%	10.2%
Sudanese Pound (SDG)	647.81	647.81	647.81	0.0%	0.0%

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

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