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MENA WEEKLY MONITOR

OCTOBER 25 TO OCTOBER 31, 2026
WEEK 44

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MENA equity markets snapped a six-week losing streak, with the S&P Pan Arab Composite index advancing 1.5% week-on-week. The rebound was largely driven by intense diplomatic efforts aimed at de-escalating regional geopolitical tensions, alongside pivotal State-backed initiatives that bolstered investor sentiment. This upward trajectory was further supported by some upbeat corporate earnings. In parallel, regional fixed income markets experienced broad-based upward price movements this week, primarily tracking US Treasuries move after disappointing earnings in the US technology sector revived doubts about whether massive capital expenditure on artificial intelligence would deliver sufficient returns, subsequently driving safe-haven demand. This upward shift defied robust US economic data revealing that the US real economy expanded in the third quarter of 2026 at its fastest pace in a year.

MENA MARKETS: OCTOBER 25 TO OCTOBER 31, 2026

Stock market weekly trend	↑	Bond market weekly trend	↑
Weekly stock price performance	+1.5%	Average weekly bond price change	+0.19 pt
Stock market year-to-date trend	↓	Bond market year-to-date trend	↓
YTD stock price performance	-6.3%	Average yearly bond price change	-4.35 pts

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ECONOMY

GCC BANK DOLLAR DEBT ISSUANCE FALLS; GEOPOLITICS, RATES KEY TO REBOUND AS PER FITCH

According to a new report by Fitch, GCC banks' gross US dollar debt issuance is likely to fall by about 30% in 2026 as weaker credit growth, geopolitical uncertainty and higher borrowing costs curb supply, Fitch Ratings says. A 2027 recovery will depend on greater geopolitical stability and more favorable market conditions, with about US$ 32 billion due to mature (US$ 19 billion excluding short-term certificates of deposits; CDs).

US dollar debt issuance by GCC banks fell sharply to about US$ 59 billion in 9M26, from a record US$ 102 billion in full-year 2025. This reflects higher borrowing costs, with yields on five-year GCC bank bonds and sukuk up by 170bp since the Iran conflict began. This is mainly due to higher US Treasury yields (up by about 150bp) but also weaker domestic credit growth across the region. The UAE was the exception, sustaining credit growth of 18% yoy in 7M26, outpacing 14% deposit growth.

A 38% yoy fall in CD issuance drove the overall issuance drop, which also reflected higher funding costs and slightly improved domestic liquidity in Saudi Arabia, where the region's largest CD issuers are based. Saudi banks' issuance fell by about 50% yoy in 9M26. In Fitch view, this reflects slower domestic credit growth and the slight improvement in domestic liquidity. The banking sector's loans/customer deposits ratio declined this year to 112.5% at end-August 2026. It also stems from the front-loading of capital issuance in 2025 ahead of the 1% countercyclical capital buffer taking effect in May 2026, as well as a shift towards Saudi riyal issuance given the sector's widening net foreign liability position (US$ 58 billion at end-August 2026, or 4.2% of sector assets) amid rising US dollar borrowing costs.

Excluding CDs, issuance fell by 13% yoy to about US$ 33 billion. Additional Tier 1 and Tier 2 issuance dropped to about US$ 13.1 billion in 9M26 (2025: US$ 20 billion). UAE banks were again the exception, with 43% higher issuance yoy in 9M26, reflecting strong senior unsecured issuance amid slightly tighter sector liquidity. Saudi banks' share of GCC issuance fell to 37% in 9M26 (2025: 55%), while UAE banks' share nearly doubled to 32% (2025: 17%). About US$ 13 billion of GCC US dollar debt matures in 4Q26.

Assuming full refinancing and no new issuance, gross US dollar supply is likely to be 30% lower than in 2025. Investor appetite remains strong, with recent issuance being oversubscribed, though with a stronger domestic and regional bid, particularly for additional Tier 1 debt. As Fitch highlighted in May, GCC banks are likely to increase private placements if geopolitical conditions stay volatile. Private placements accounted for about 20% of US dollar issuance (excluding CDs) in 9M26, per Fitch's estimates (2025: about 6%).

Under Fitch base case of average 2027 oil prices of US$ 70/barrel and US Fed rates maintained at 4.25% following a 25bp hike in 4Q26, issuance conditions should improve, assuming a more favorable geopolitical backdrop. In this scenario, they expect gross issuance of US$ 70 billion–80 billion in 2027, supported by pent-up supply and recovering credit growth as non-oil real GDP growth rebounds sharply.

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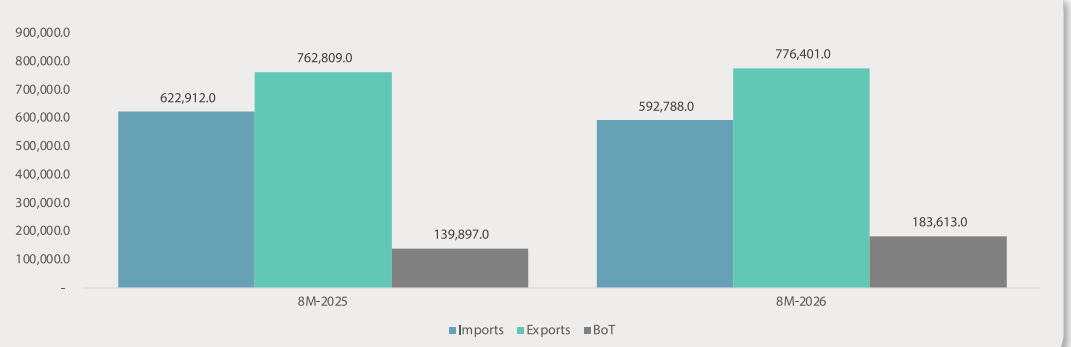
SAUDI ARABIA RECORDS A 31% INCREASE IN BOT SURPLUS IN 8M-2026

According to data from the Saudi General Authority for Statistics (GASTAT), Saudi Arabia's BoT surplus increased by 31.2% year-on-year, reaching SAR 183.6 billion (US$ 49.6 billion) in the first eight months (8M) of 2026, up from SAR 139.9 billion (US$ 37.8 billion) in 8M-2025. The expansion in the BoT surplus was driven by a 1.8% increase in exports year-on-year, coupled with a 4.8% decrease in imports between 8M-2025 and 8M-2026.

In detail, total exports were reported at SAR 776.4 billion (US$ 209.6 billion) in 8M-2026, registering a 1.8% increase from the figures recorded in 8M-2025. The majority of exports (71.6%) were from the oil sector, while non-oil exports accounted for 16.7% of total exports and re-exports represented the remaining 11.6%. Oil exports recorded a year-on-year increase of 4.7%, while non-oil exports declined by 7.3% over the period, reaching SAR 556.3 billion (US$ 150.2 billion) and SAR 129.8 billion (US$ 35.1 billion), respectively, in 8M-2026. Meanwhile, re-exports decreased by 1.5% year-on-year to SAR 90.3 billion (US$ 24.4 billion). The breakdown of exports by destination in 8M-2026 indicates that China held the largest share with 12.7% of total exports, followed by the UAE (9.5%), South Korea (9.2%), India (9.0%), Japan (8.3%), Egypt (4.1%) and the USA (2.7%), as per data from GASTAT.

On the other hand, total imports were reported at SAR 592.8 billion (US$ 160.1 billion) in 8M-2026, registering a 4.8% contraction from the figures recorded in 8M-2025.

FOREIGN TRADE IN SAUDI ARABIA (SAR MILLION)



Sources: GASTAT, Bank Audi Group's Research Department

UAE'S NON-OIL SECTOR MAINTAINS STRONG GROWTH IN SEPTEMBER AMID SHARPEST OUTPUT PRICE INFLATION IN OVER 15 YEARS

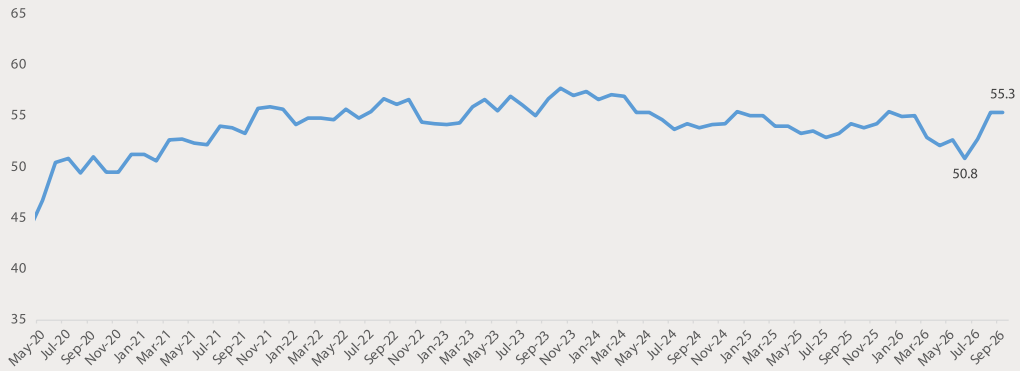
UAE's Purchasing Managers' Index (PMI) remained unchanged at 55.3 in September 2026, matching August's 20-month high and remaining above the neutral 50.0 threshold, signaling a strong improvement in non-oil private sector business conditions. The reading reflected continued growth in business activity and strengthening demand conditions, according to S&P Global's UAE PMI data.

New business expanded markedly, supported by improving customer demand and strong pipelines of new work, although the pace of growth eased from August's seven-month high. Export orders increased for the third consecutive month, recording their fastest expansion since November 2024, while output growth accelerated to a seven-month high. Meanwhile, employment increased modestly following a decline in August, as firms sought to meet rising workloads. However, backlogs of work continued to accumulate sharply, albeit at a slower pace than in August. Business confidence weakened slightly, remaining relatively subdued and only marginally above March's recent low.

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Input cost inflation accelerated to a three-month high, driven by higher raw material prices and increased freight costs, while staff costs remained broadly unchanged. Purchasing activity increased rapidly in response to stronger demand, helping input inventories record their fastest expansion since November 2023. Meanwhile, output prices rose at the sharpest pace since May 2011, as strengthening demand allowed firms to pass higher input costs on to customers. Supplier delivery times improved for the fourth consecutive month, supported by better material availability and smoother logistics.

COMPOSITE PMI UAE



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

JORDAN'S INDUSTRIAL PRODUCTION INDEX RISES BY 0.6% IN 8M-2026

According to data from Jordan's Department of Statistics (DoS), the country's Industrial Production Index (IPI) recorded a year-on-year increase of 0.6% in the first eight months (8M) of 2026, reaching 89.45 points compared to 88.90 points in 8M-2025. At the monthly level, the IPI increased by 3.3% year-on-year in August 2026, reaching 95.88 points, while registering a month-on-month increase of 3.2% compared to July 2026.

In detail, the increase in the IPI during 8M-2026 was driven by a 0.7% year-on-year rise in Manufacturing Industries (weight of 88.7%) and a 2.1% increase in Electricity (weight of 5.9%) compared to 8M-2025. Meanwhile, Quarrying Industries (weight of 5.4%) recorded a year-on-year contraction of 2.2% over the period.

JORDAN IPI

Sector	Weight (%)	8M-2026 YoY Change (%)
Manufacturing Industries	88.7	0.7%
Electricity	5.9	2.1%
Quarrying Industries	5.4	-2.2%
Total IPI	**100**	**0.6%**

Sources: Jordanian Department of Statistics, Bank Audi Group Research Department

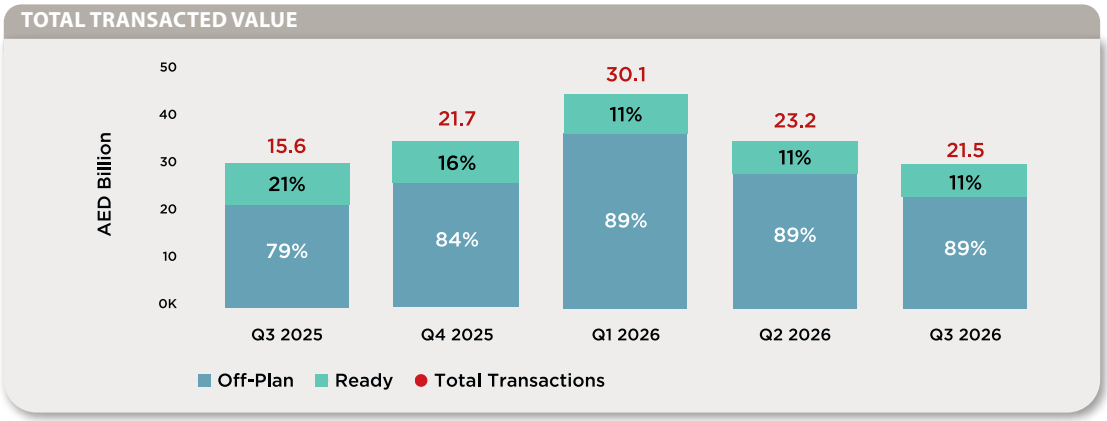
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SURVEYS / REPORTS

ABU DHABI RESIDENTIAL SALES REACH US$ 5.9 BILLION IN Q3 2026 AS LUXURY DEMAND STRENGTHENS, AS PER SAVILLS

Abu Dhabi's residential property market maintained its resilience in the third quarter of 2026, recording 6,085 transactions worth AED 21.5 billion, according to the latest Market in Minutes report from Savills Middle East.

While transaction volumes declined by 19% quarter-on-quarter and 7% year-on-year, total sales value remained 32% above Q3 2025 levels, reflecting continued demand for higher-value properties.



Source: Savills

In details, off-plan properties accounted for 81% of residential transactions during the quarter, reinforcing their dominant position in the market. The average off-plan transaction value reached AED 5 million, increasing by 15% quarter-on-quarter and 40% year-on-year, while the average ready-property transaction stood at AED 2.8 million.

The luxury segment recorded particularly strong activity, with 582 transactions exceeding AED 10 million during Q3 2026, representing a 35% quarterly increase and a 104% rise compared with the same period last year. Off-plan properties accounted for 95% of these transactions.

Concurrently, residential prices recorded moderate quarterly growth, with average apartment values reaching AED 22,700 per square meters, up 9% year-on-year, while villa and townhouse prices averaged AED 18,200 per square meters, an annual increase of 8%.

The rental market recorded 50,500 transactions during the quarter, up 29% from Q2 2026, largely driven by renewals, which accounted for 68% of rental activity. New rental rates showed mixed performance across key residential communities, reflecting increasingly location-specific market conditions.

In parallel, international investment continues to play an important role in Abu Dhabi's residential market. Foreign buyers, including resident expatriates and non-resident investors, accounted for 70% of residential sales value in the first half of 2026, compared with 64% in H1 2024.

Looking forward, approximately 68,000 additional residential units are projected to enter the market by 2030, with new supply concentrated across key locations including Saadiyat Island, Al Reem Island, Yas Island and Zayed City.

Savills expects demand to remain supported by Abu Dhabi's economic fundamentals, ongoing infrastructure investment and continued interest in premium residential developments, although the growing supply pipeline would remain an important factor in shaping market performance.

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SAUDI ARABIA'S CONSTRUCTION MARKET TRANSITIONS TO MATURE PHASE IN H1 2026 DESPITE RISING COSTS, AS PER JLL

Saudi Arabia's construction sector is entering a phase of a measured pace of growth through 2026 and 2027, according to JLL's Saudi Arabia Construction Market Review for H1 2026. Following years of record-breaking activity, the moderate and steady growth ahead reflects market maturation and a shift toward sustainable, long-term growth.

This growth is driven by recent policy changes, including Riyadh's revised White Land Tax, which is accelerating construction activity and incentivizing the development of previously unutilized land parcels, providing fresh momentum to the market.

The development activity comes as Saudi Arabia navigates significant supply chain headwinds, with ongoing geopolitical tensions disrupting regional trade routes and resulting in upward pressure on commodity prices. Imported construction materials and equipment are seeing extended delivery timelines, creating scheduling risks, while trade policy shifts and constrained supply chains are increasing input costs for steel, aluminum and cement.

Based on current market conditions and input-cost evidence from the first half of the year, JLL adjusted its 2026 Tender Price Inflation (TPI) forecast to circa 5.0%, with a lower-bound estimate of 4.0% and an upper-bound estimate of 6.0%, up from a previously projected 4.0%. Cost escalation was concentrated in metal-intensive, import-dependent trades, with prices for key construction materials and fuels such as copper, aluminum, and diesel increasing by 44.5%, 23.9%, and 7.9%, respectively, year-on-year in August 2026.

Despite these cost pressures, the tendering environment remains fiercely competitive. Contractors are currently absorbing a portion of these increases through compressed margins, preventing realized inflation from climbing even higher.

Looking ahead, expanding opportunities in Public-Private Partnerships (PPP) across healthcare, education and urban development are attracting a robust mix of local and international players, reflecting long-term sector resilience. JLL forecasts TPI to hold at circa 5.0% in 2027, within the same 4.0% to 6.0% range, as input-cost pressures persist and competitive tension continues in the market.

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CORPORATE NEWS

MUBBADRAH CONSORTIUM PLANS US$ 3 BILLION AI DATA CENTER FACILITY IN OMAN

Omani investment group Mubbadrah Investment announced that a consortium led by the group (comprising local and international companies) is set to develop a US$ 3 billion Artificial Intelligence (AI) data center in the sultanate, which, on completion, would have a planned capacity of up to 400 megawatts (MW).

The project, designed to serve hyperscale computing operators, would be developed alongside Sustopia Capital, Vela Tech and O2 Global Energy, with scope for future expansion.

The planned campus would support large-scale AI training and inference workloads, combining local and international expertise with global investment, technology and development capabilities.

The facility would draw power from the national grid and renewable energy sources. O2 Global Energy would develop 400 MW of solar generation capacity, supported by battery storage, to provide additional clean energy for the campus.

NAMA ELECTRICITY DISTRIBUTION PLANS US$ 1.6 BILLION INVESTMENT TO MODERNIZE OMAN'S POWER NETWORKS

Nama Electricity Distribution plans to invest more than US$ 1.6 billion (OMR 600 million) between 2026 and 2029 to expand and strengthen electricity networks, upgrade infrastructure and accelerate the transition towards a smart, data-driven power distribution system across Oman.

The investment program would focus on improving network reliability, enhancing operational efficiency and preparing infrastructure to meet future electricity demand, while expanding the use of digital technologies, AI and advanced data analytics.

Its next phase of development would move beyond network digitization towards maximizing the value of data to improve services, strengthen network management and deliver a better experience for subscribers. The integration is expected to enable real-time network monitoring, faster fault detection, more rapid emergency response and shorter electricity restoration times.

Nama is also expanding the use of big data, advanced analytics and AI to develop applications that monitor the condition and performance of network assets. These technologies would support predictive maintenance, allowing potential faults to be identified earlier and maintenance activities to be directed more accurately.

The initiatives support Oman Vision 2040, particularly its objectives for infrastructure development, digital transformation, operational efficiency and economic diversification.

ACWA POWER SIGNS US$ 478 MILLION WATER PURCHASE DEAL FOR DUBAI DESAL PROJECT

Saudi utility giant ACWA Power announced that it signed a water purchase agreement worth US$ 478 million (SR 1.79 billion) with the Dubai Electricity and Water Authority (DEWA) for the Hassyan seawater desalination project.

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On completion, the project, located at the Hassyan Complex, would have a production capacity of 272,000 cubic meters of water per day. ACWA Power would have a strategic 40% stake in the project.

Under the agreement, the scope of work includes the development, financing, construction and operation of the reverse osmosis desalination plant. The water purchase agreement has a term of 30 years.

QATARENERGY SIGNS LONG-TERM DEALS FOR 4 MTPA OF US LNG THROUGH 2054

QatarEnergy signed two long-term Sale and Purchase Agreements (SPAs) with Cheniere, an American liquefied natural gas company, for the purchase of up to 4 million tons per annum (MTPA) of LNG from Cheniere's Sabine Pass and Corpus Christi facilities in the States of Louisiana and Texas respectively, located along the United States Gulf Coast, as mentioned in a company statement.

Under the terms of the SPAs, deliveries are anticipated to commence in 2031 and continue through 2054.

The two major long-term purchases would expand and diversify QatarEnergy's global LNG portfolio and advance their ability to meet the evolving requirements of the market. The additional volumes would also complement their existing LNG supplies, enhance supply and trading portfolio, and strengthen their ability to serve customers across the globe.

CISCO TO BUILD SOVEREIGN AI INFRASTRUCTURE IN QATAR WITH MANNAI

Cisco, a global technology leader driving innovation in AI-powered digital infrastructure, is advancing plans to develop sovereign AI infrastructure in Qatar to support the country's digital transformation, focusing on secure and locally controlled AI environments.

Working with its partner Mannai Corporation, through Mannai Technologies, Cisco is bringing together computing, networking, cybersecurity and infrastructure management capabilities to help meet the growing demand for secure and resilient AI infrastructure.

Cisco's Sovereign Critical Infrastructure portfolio brings together integrated technologies across networking, security, collaboration and observability. Designed for customer-controlled environments, the portfolio supports organizations seeking greater autonomy over the systems and data underpinning essential services.

For Qatar, such capabilities align with growing demand for AI-ready infrastructure across government, energy, financial services, healthcare and other critical sectors, alongside the country's broader digital transformation ambitions under Qatar National Vision 2030.

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CAPITAL MARKETS

EQUITY MARKETS: MENA EQUITIES SNAP LOSING STREAK AMID DIPLOMATIC PUSH AND UPBEAT CORPORATE EARNINGS

MENA equity markets snapped a six-week losing streak, with the S&P Pan Arab Composite index advancing 1.5% week-on-week. The rebound was largely driven by intense diplomatic efforts aimed at de-escalating regional geopolitical tensions, alongside pivotal State-backed initiatives that bolstered investor sentiment. This upward trajectory was further supported by some upbeat corporate earnings.

The heavyweight Saudi Exchange, which represents roughly 60% of the total regional market capitalization, shifted into a positive territory this week, with the S&P Saudi price index expanding by 2.2%. This upward momentum followed high-stakes diplomatic efforts aimed at averting a renewed US-Iran conflict. The market rally was further amplified by a wave of robust financial results and high energy prices. In fact, Brent prices crossed the US$ 117 per barrel threshold on Friday compared to US$ 116.72 per barrel at the end of last week, as fears of Middle Eastern military escalation spooked energy markets.

A closer look at individual stocks shows that SABIC's share price jumped by 7.7% week-on-week to reach SR 47.08. SABIC announced a 16% year-on-year expansion in its 2026 third quarter net profits to reach SR 499 million. Yansab's share price climbed by 5.6% to SR 31.80. Sipchem's share price surged by 4.3% to SR 11.84. Advanced Petrochemical Company's share price expanded by 3.9% to SR 23.90.

Concomitantly, Saudi Bahri's share price rose by 2.9% this week to close at SR 35.80. Saudi Bahri reported 2026 third quarter net profits of SR 5.09 billion compared to net profits of SR 513 million in the same period of last year. Al Nahdi Medical Company's share price surged by 6.8% to SR 91.20. Al Nahdi Medical Company posted a 7% year-on-year expansion in its 2026 third quarter net profits to reach SR 172 million. Americana's share price jumped by 9.8% to SR 2.58. Americana posted a 63% year-on-year rise in its net profits during the third quarter of 2026 to reach US$ 70 million. As to banking stocks, Saudi National Bank's share price rose by 3.7% week-on-week to close at SR 35.90. Saudi Awwal Bank's share price increased by 1.9% to SR 31.58. Banque Saudi Fransi's share price surged by 4.5% to SR 19.22. Bank Al-Jazira's share price went up by 0.8% to SR 10.82. Alinma Bank's share price increased by 1.1% to SR 21.69.

The Qatar Stock Exchange- the MENA region's worst-performing bourse this year until last week's close- received a strong 6.2% boost this week, shrugging off downbeat corporate earnings. This powerful upward momentum developed after Doha Investment, a specialized investment company established to accelerate the next phase of Qatar's economic growth, increased the size of its Active Asset Management Initiative from QR 2.6 billion to QR 5 billion. According to Doha Investment, the increase would support

EQUITY MARKETS INDICATORS (OCTOBER 25 TO OCTOBER 31,2026)

Market	Price Index	Week-on-week	Year-to-Date	Trading Value	Week-on-week	Volume Traded	Market Capital-ization	Turnover ratio	P/E*	P/BV*
Lebanon	145.5	-1.7%	-15.6%	2.7	406.0%	0.2	16,442.8	0.9%	-	0.47
Jordan	640.9	-0.1%	11.7%	81.5	11.7%	19.6	39,511.4	10.7%	12.6	2.08
Egypt	355.4	-4.3%	-2.6%	536.8	-12.3%	9,563.1	66,022.0	42.3%	9.4	2.55
Saudi Arabia	429.2	2.2%	-6.8%	5,692.1	29.6%	1,282.6	2,452,704.1	12.1%	15.4	3.49
Qatar	137.9	6.2%	-13.6%	684.7	61.8%	963.8	153,814.7	23.1%	10.8	1.32
UAE	168.3	-0.1%	-2.7%	2,832.2	14.8%	2,645.9	935,029.0	15.8%	14.0	2.72
Oman	171.3	-0.6%	22.9%	534.4	32.4%	838.0	55,754.7	49.8%	13.4	1.94
Bahrain	164.5	-2.2%	-12.3%	3.8	-40.6%	4.9	17,622.3	1.1%	10.0	1.36
Kuwait	86.8	1.9%	-8.0%	1,110.5	42.4%	1,393.8	160,799.0	35.9%	18.5	2.01
Morocco	351.9	-3.2%	-17.2%	115.9	6.2%	5.9	100,665.2	6.0%	15.9	2.84
Tunisia	121.1	1.3%	29.5%	12.4	1.9%	3.2	14,617.8	4.4%	14.3	2.48
Arab Markets	**935.4**	**1.5%**	**-6.3%**	**11,607.3**	**25.1%**	**16,721.0**	**4,012,982.8**	**15.0%**	**14.8**	**3.08**

Values in US$ million; volumes in millions

** markets cap-weighted averages*

Sources: S&P, Bloomberg, Bank Audi'sGroup Research Departement.

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the initiative's expansion, attract more qualified asset managers, increase institutional participation, and foster the sustainable development of the country's capital markets. The surge was further amplified by regional de-escalation efforts and high oil prices.

49 out of 54 traded stocks on the Qatar Stock Exchange posted price gains, while only five stocks recorded price falls week-on-week. A glance on individual stocks shows that QNB's share price surged by 5.8% this week to reach QR 16.400. Al Rayan Bank's share price skyrocketed by 10.5% to QR 1.816. Commercial Bank of Qatar's share price jumped by 4.9% to QR 3.690. Doha Bank's share price closed 6.9% higher at QR 2.385. Qatar International Islamic Bank's share price climbed by 11.6% to QR 10.820. Dukhan Bank's share price increased by 3.7% to QR 3.060. Qatar Islamic bank's share price jumped by 7.7% to QR 19.990.

Concurrently, Aamal Company's share price expanded by 2.7% this week to reach QR 0.657, despite announcing a 12% year-on-year fall in its net profits during the first nine months of 2026 to reach QR 287 million. Barwa Real Estate's share price closed 7.5% higher at QR 2.145 despite posting a 25% year-on-year contraction in its net profits in the first nine months of 2026 to reach QR 588 million. Qatar Navigation's share price surged by 6.7% to QR 9.333 despite reporting a 9% year-on-year decline in its net profits in the first nine months of 2026 to reach QR 958 million. United Development Company's share price increased by 3.1% to QR 0.708 despite posting a 36% year-on-year fall in its net profits in the first nine months of 2026 to reach QR 157 million. Industries Qatar's share price went up by 4.4% to QR 8.820. Gulf International Services' share price expanded by 3.5% to QR 1.456. Qatar Gas Transport Company's share price jumped by 7.6% to QR 3.905.

Boursa Kuwait bounced back this week, with the S&P Kuwait price index rising by 1.9%. This upward trajectory was mainly supported by intense diplomatic efforts aimed at preventing a broader military escalation in the region, alongside high oil prices and some favorable financial results. A closer look at individual stocks shows that Kuwait Finance House's share price rose by 1.8% this week to reach KWf 750. Kuwait Finance House posted a 7% year-on-year expansion in its 2026 third quarter net profits to reach KWD 160 million. National Bank of Kuwait's share price increased by 2.2% to KWf-843. National Bank of Kuwait reported a 3% year-on-year increase in its 2026 third quarter net profits to reach KWD 157 million. Boubyan Bank's share price closed 1.4% higher at KWf 651. Also, National Industries Group's share price went up by 1.5% to KWf 206. Heavy Engineering Industries and Shipbuilding's share price surged by 3.6% to KWf 601. Independent Petroleum's share price jumped by 6.5% to KWf 809. Kuwait Reinsurance Company's share price rose by 2.9% to KWf 350. Kuwait Reinsurance Company posted a 43% year-on-year expansion in its 2026 third quarter net profits to reach KWD 5 million.

FIXED INCOME MARKETS: BROAD-BASED UPWARD PRICE MOVEMENTS IN MENA BOND MARKETS, TRACKING US TREASURIES MOVE

MENA fixed income markets experienced broad-based upward price movements this week, primarily tracking US Treasuries move after disappointing earnings in the US technology sector revived doubts about whether massive capital expenditure on artificial intelligence would deliver sufficient returns, subsequently driving safe-haven demand. This upward shift defied robust US economic data revealing that the US real economy expanded in the third quarter of 2026 at its fastest pace in a year.

In the Saudi credit space, sovereigns maturing in 2028, 2029, 2030 and 2034 recorded price increases of up to 0.57 pt this week. Prices of Aramco'30 and '34 went up by 0.34 pt and 0.24 pt respectively. SEC'30 traded up by 0.38 pt. STC'29 closed up by 0.06 pt. In contrast, prices of SABIC'28 declined by 0.07 pt. Amongst financials, prices of Al Rajhi Bank'29 rose by 0.12 pt. Banque Saudi Fransi'29 was up by 0.11 pt. SNB'29 traded up by 0.07 pt.

In the Qatari credit space, sovereigns maturing in 2029, 2034 and 2040 posted weekly price expansions of up to 0.72 pt. S&P Global Ratings affirmed its "AA/A-1+" long-term and short-term foreign and local currency sovereign credit ratings on Qatar, with "stable" outlook. The "stable" outlook reflects S&P's view that Qatar's sizable accumulated fiscal and external assets would enable it to weather a period of security and trade flow disruptions tied to the Middle East conflict. Also, prices of Ooredoo'31 and '43 increased by 0.12 pt and 0.30 pt respectively.

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In the UAE credit space, sovereigns maturing in 2031 and 2041 recorded price gains of 0.29 pt and 0.50 pt respectively this week. In the Dubai credit space, sovereigns maturing in 2030 registered weekly price rises of 0.33 pt. Prices of Majid Al Futtaim'29 went up by 0.06 pt. DP World'30 was up by 0.27 pt. Amongst financials, prices of Emirates NBD Bank'27 expanded by 0.11 pt.

In the Abu Dhabi credit space, sovereigns maturing in 2029, 2030 and 2034 reported weekly price gains of up to 0.44 pt. Fitch Ratings has affirmed Abu Dhabi's Long-Term IDRs at "AA" with "stable" outlook. The affirmation reflects, as per Fitch, Abu Dhabi's high GDP per capita and very strong fiscal and external metrics. Prices of Mubadala'30 and '34 increased by 0.21 pt and 0.18 pt respectively. Aldar Investment Properties'33 traded up by 0.35 pt. Prices of Taqa'30 rose by 0.26. Taqa raised US$ 1.75 billion this week from the sale of a dual-tranche bond offering comprising green and conventional notes. The first tranche consisted of US$ 1.1 billion five-year green notes issued at a coupon of 5.875%. The second tranche consisted of US$ 650 million 10-year conventional notes issued at a coupon of 6.125%. The orderbook was more than three times oversubscribed. Amongst financials, prices of FAB'29 rose by 0.12 pt. ADCB'29 registered price gains of 0.12 pt. In the Sharjah credit space, sovereigns maturing in 2030 recorded price rises of 0.16 pt week-on-week.

In the Kuwaiti credit space, KIPCO'27 traded up by 0.45 pt this week. In the Omani credit space, sovereigns maturing in 2031 saw price gains of 0.78 pt this week. Omantel'28 closed up by 0.11 pt. In the Bahraini credit space, sovereigns maturing in 2030 and 2035 recorded price expansions of 0.70 pt and 1.19 pt respectively week-on-week.

In the Egyptian credit space, sovereigns maturing in 2028 and 2033 posted price expansions of 0.36 pt and 0.35 pt respectively, while sovereigns maturing in 2030 registered price retreats of 3.03 pts week-on-week.

All in all, activity in regional bond markets was tilted to the upside this week, mainly tracking increases in US Treasuries as disappointing US tech earnings sparked safe-haven demand by casting doubt on whether massive spending on the technology sector would yield timely returns to justify current valuations. This took place despite robust US economic data, showing that third-quarter 2026 US real GDP grew by 3.4% year-on-year, outperforming the 3.2% consensus survey and accelerating sharply from the 2.2% year-on-year expansion recorded in the second quarter.

MIDDLE EAST 5Y CDS SPREADS V/S INTL BENCHMARKS

in basis points	30-Oct-26	23-Oct-26	31-Dec-25	Week-on-week	Year-to-date
Abu Dhabi	39	41	27	-2	12
Dubai	66	69	46	-3	20
Kuwait	58	62	47	-4	11
Qatar	48	51	27	-3	21
Saudi Arabia	72	76	67	-4	5
Bahrain	321	330	184	-9	137
Morocco	99	105	70	-6	29
Egypt	346	357	271	-11	75
Iraq	239	274	207	-35	32
Middle East	143	152	105	-9	38
Emerging Markets	104	107	99	-3	5
Global	228	230	213	-2	15

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	B3/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/Negative/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$)	30-Oct-26	23-Oct-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)	56.05	55.06	47.70	1.8%	17.5%
Iraqi Dinar (IQD)	1,515.85	1,517.62	1,310.00	-0.1%	15.7%
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	0.1%	0.1%
Omani Riyal (OMR)	0.38	0.38	0.39	0.0%	-0.1%
Yemeni Riyal (YER)	236.12	236.11	238.38	0.0%	-0.9%
NORTH AFRICA					
Algerian Dinar (DZD)	135.69	134.75	129.41	0.7%	4.9%
Moroccan Dirham (MAD)	9.84	9.82	9.11	0.2%	8.0%
Tunisian Dinar (TND)	3.01	3.00	2.89	0.2%	3.9%
Libyan Dinar (LYD)	6.43	6.41	5.42	0.3%	18.7%
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.

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