GCC Banking Sector Report – Q2-2025

September-2025

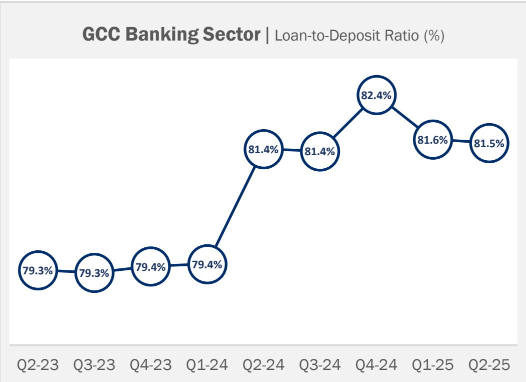
Profits reach a new high on higher non-interest income and lower opex...

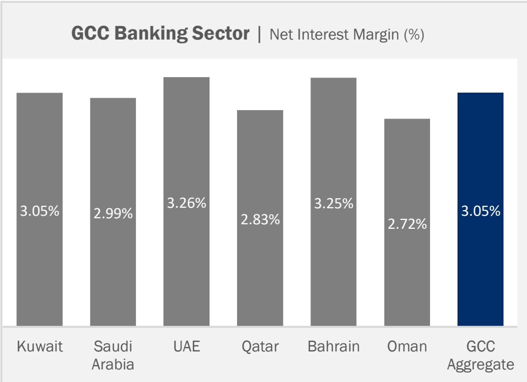
Net profits reported by listed banks in the GCC reached a new record high of USD 16.2 Bn during Q2-2025, an increase for the second consecutive quarter with a growth of 3.7% while y-o-y growth stood at a strong 9.2%. ***The sequential increase was once again mainly led by a broad-based increase in revenues for the sector and lower cost-to-income ratio that more than offset an increase in impairments during the quarter. The topline growth for the sector reflected continued lending growth as economic fundamental remain strong in the region backed by a healthy pipeline of projects.***

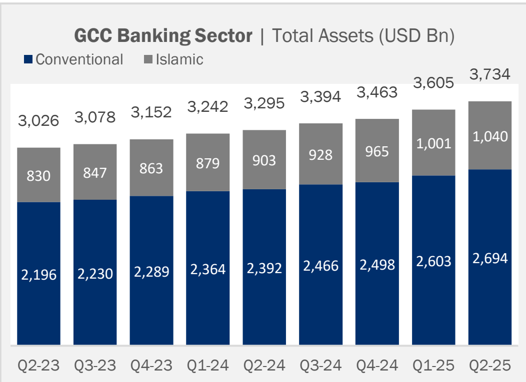
At the country level, the q-o-q growth remained largely positive with five out of six country aggregates showing a sequential growth in net income while the aggregate for the Bahraini banking sector showed a decline. ***Kuwaiti-listed banks showed the biggest absolute growth in net profits with an increase of USD 204.6 Mn or 15.6% mainly led by reversal of provisions reported by three out of nine listed banks on the exchange. UAE and Saudi banks were next with net profit growth of USD 191.8 Mn (+3.2%) and USD 152.3 Mn (+2.6%), respectively. The y-o-y growth in net income was also positive across the board with double-digit growth in profits for Saudi and Bahraini banks further supported by healthy growth in profits for banks in Oman and Kuwait.***

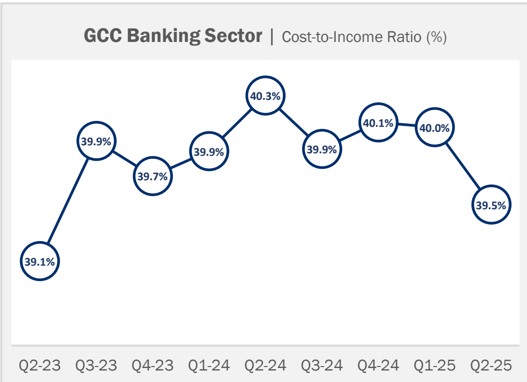
In terms of topline performance, aggregate banking sector revenues reached a new record high during the quarter at USD 35.6 Bn, after registering a healthy q-o-q growth of 3.6%. The growth was led by a broad-based increase in revenues reported by banks across country aggregates that more than offset an 8.2% decline reported by Bahraini banks. UAE-listed banks led the way during the quarter with a revenue growth of 5.3% or USD 674.0 Mn during Q2-2025 as compared to Q1-2025.

Lending growth remained resilient during the quarter, registering an increase of 3.4%, the second-biggest q-o-q growth in 16 quarters, reaching USD 2.23 Trillion at the end of Q2-2025. *The growth reflected resilient non-oil sector growth in the region with non-oil manufacturing consistently well above the growth mark for key economies in the region. Gross loans also showed a healthy growth of 3.3% during the quarter.*









Source: Reuters, Company Financials, Kamco Invest Research

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Highlights - GCC Banking Sector

This report analyzes the financials reported by 56 listed banks in the GCC for the quarter ended Q2-2025. Data for individual banks have been aggregated to the country level. Some of the key observations from the most recent financial quarter for the GCC Banking Sector includes the following:

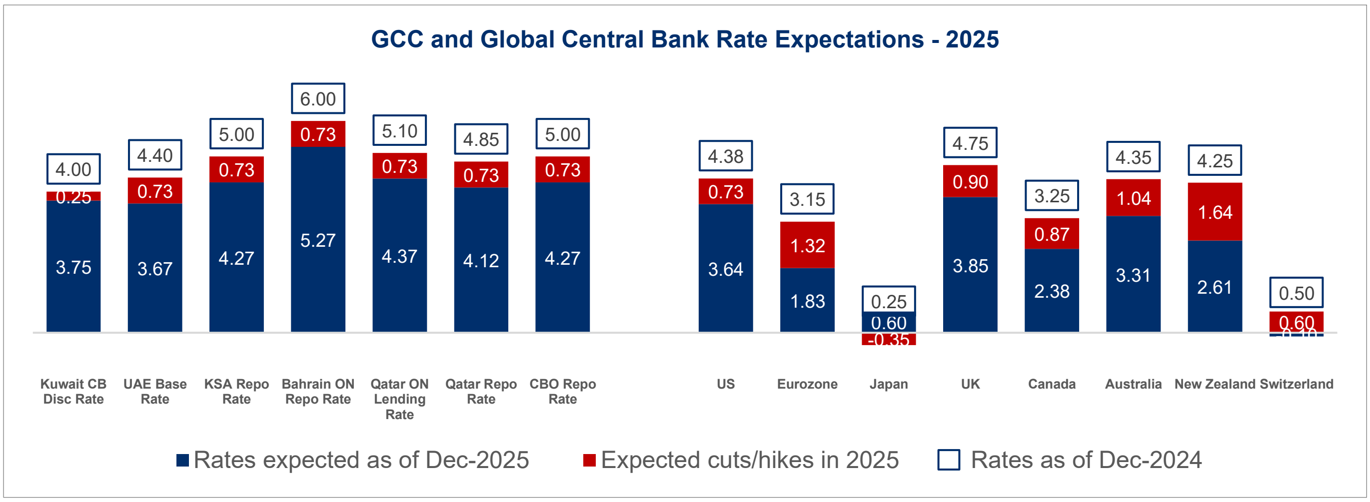
Fed ready to make its first interest rate cut after a year's pause…

The debate and uncertainty surrounding tariffs imposed by the US on its trading partners seems to be reaching some consensus with the finalization of rates between the US against a majority of its trading partners, including European and Japan at 15%. We believe that the ongoing negotiations with the rest of the countries would be around this level once finalized. However, now the uncertainty has increased regarding the impact that these tariffs would have on inflation in the US and the labor market. In his latest comments after the Jackson Hole symposium, the US Fed chairman clearly signaled that the central bank is prepared to cut interest rates, potentially as soon as this month. He cautiously pointed to a shifting balance of risks in the economy, noting that while inflation is still a concern, the labor market is showing signs of weakness that could worsen rapidly. He noted that the downside risks to employment are rising, and that if these risks were to materialize, they could happen quickly. He also mentioned that while inflation risks are still tilted to the upside due to factors like tariffs, the overall balance of risks may warrant an adjustment to the current policy stance.

Inflation in Europe is modestly above target and showing resilience, but mixed signals from ECB officials reflect cautious monitoring. As per economists, while cuts seem premature now, they remain plausible if disinflationary trends take hold along with strengthening Euro and falling energy costs. Eurostat's flash estimate for August 2025 placed annual inflation at 2.1%. This slight rise comes after the inflation rate held steady at 2.0% for the previous two months. This suggests that while inflation has been brought closer to the European Central Bank's target, it remains a dynamic situation with some ongoing price pressures.

On the other hand, the Chinese economy continues to battle deflationary pressures with falling producer and consumer prices reflecting weak domestic demand and oversupply in some sectors. While official figures show that the economy met its GDP growth target of around 5% in 2024 and in Q2-2025, there are also signs of weakness. For instance, in July 2025, factory output growth slumped to an eight-month low and retail sales slowed sharply, prompting calls for more government stimulus. The real estate sector, which has been in a severe downturn, continues to remain a drag on growth. Reports on China's manufacturing sector also showed subdued figures, with the official manufacturing PMI marking its fifth consecutive monthly contraction in August reaching 49.4 points.

The interest rate outlook for global central banks continues to remain uncertain although the probabilities of cuts in the US has strengthened over the last week. For the US Fed, there is an almost 90% probability for a 25-bps cut in this month's meeting. There is also an over 80% probability for another rate cut in December-2025. The futures market is pricing in three cuts as of now. The ECB, meanwhile, is following a wait and see approach and has paused its easing cycle after eight rate cuts over the past year. The main refinancing rate is currently at 2.15% and the impact of ongoing trade uncertainty and potential U.S. tariffs on economic growth and inflation would determine the future path. The Bank of England slashed its base rate by 25 bps to 4.0% in August-2025 marking the third rate cut this year citing signs that inflation is coming down.



Source: Bloomberg Estimates, Kamco Invest Research

GCC credit continues to grow…

Data from GCC central banks once again highlighted the resilience of regional economies with continued growth in outstanding credit facilities. Total credit facilities, as seen from central bank published data, continued to show growth during Q2-2025 led by growth in all countries in the region, barring Bahrain. The lending growth in the region continued despite a sharp fall in project awards. According to data from MEED Projects, the total value of contracts awarded in the GCC fell by 58.0% y-o-y in Q2-2025, totaling USD 28.4 Bn, the lowest figure recorded in the past fourteen quarters, compared to USD 67.7 Bn in Q2-2024. The decline was seen across the region with five of the six member countries recorded y-o-y decreases in project awards.

On the contrary, manufacturing activity data from Bloomberg (Markit Whole Economy Surveys) showed PMI figures stayed strong during the quarter above the growth mark of 50 for all the countries in the GCC that reported the number at the end of Q2-2025. Manufacturing activity in Saudi Arabia remained robust with PMI at 57.2 points during June-2025, a three-month high level. This was also reflected in the quarterly GDP growth for the Kingdom that reached 3.9% y-o-y in Q2-2025 led by with oil activities rebounding by 3.8% and non-oil activities growing by 4.7%. Oil production increased by 5.6% q-o-q during Q2-2025.

UAE also boasted a healthy PMI figure of 53.5 points in June-2025 as compared to 54.0 point during March-2025. The growth came despite Dubai reporting one of the lowest levels of non-oil manufacturing growth during June-2025 with a PMI of 51.8 points. Manufacturing activity recovered in Qatar with the PMI recorded at 52.0 points during June-2025, in line with the activity during March-2025. The PMI data for Kuwait also showed manufacturing comfortably above the growth mark at 53.1 points in June-2025 as compared to 52.3 points during March-2025, according to S&P Global.

Kuwaiti banks witnessed the strongest q-o-q increase in outstanding credit facilities during Q2-2025 with a growth of 2.9% followed by Saudi Arabia and Oman with similar growth of 2.7% and 2.2%, respectively. Data for Q1-2025 for UAE banks showed a q-o-q growth of 2.7% supported by a slightly faster growth in personal loans to residents. The Q2-2025 credit sentiment survey from the Central Bank of UAE showed that the quarter saw moderating credit growth led by steady demand from both individuals and businesses underpinned by strong economic conditions, rising household incomes, and a supportive investment climate. As per the report, Dubai witnessed the strongest growth in business lending while Abu Dhabi recorded the largest increase in personal loans. In terms of sectors, property development registered the strongest growth followed by retail and wholesale trade, construction, and manufacturing.

According to SAMA, growth in outstanding credit facility in Saudi Arabia was at a six-quarter low level of 2.7% during Q2-2025 as compared to a growth of 5.7% during the previous quarter. The y-o-y growth stood at a strong 15.8% as compared to the corresponding quarter in 2024 to reach SAR 3.2 Trillion. The q-o-q growth reflected an increase in credit facilities to a majority of the sectors in the economy. From among the prominent sectors, outstanding credit facilities for Building and Construction activities increased by 8.1% q-o-q during Q2-2025 to reach SAR 142.1 Bn. Loans to the Real Estate sector increased by 1.5% to reach SAR 933.8 Bn led by 1.8% growth in retail Real Estate loans while Corporate Real Estate loan growth stood at 0.3%. Individual loans also increased at a smaller pace of 0.6% whereas outstanding facilities in the Electricity Water Gas & Health Services sector increased by 9.9% during Q2-2025. Sectors like Transport, Accommodation & Food Service Activities, Information & Communications, Professional, Scientific & Technical Activities and Human Health & Social Activities registered double digit q-o-q growth during Q2-2025. On the other hand, merely two sectors reported a q-o-q decline in outstanding credit facilities that included Education and Mining & Quarrying with declines of 10.2% and 7.7%, respectively.

Meanwhile, banking credit facilities in Qatar showed a marginal growth during Q2-2025 with an increase of 0.2%. The increase was led by growth in lending to almost all the sectors in the economy but a 2.8% decline in lending to the Public sector almost fully offset the overall growth. In Oman, outstanding credit facilities increased by 2.2% led by growth in all three components i.e. credit to government, public enterprises as well as private sector, as per data from the CBO.

Outstanding credit facilities in Kuwait showed consistent growth in lending to reach KWD 51.7 Bn during Q2-2025. The 2.9% q-o-q increase was led by a broad-based growth in lending to a majority of the sectors that was offset by a marginal decline in lending for Consumer Loans, Crude Oil & Gas, Public Services and Other loans. Among the key sectors, lending to the Real Estate sector increased by 0.9% q-o-q.

On the other hand, outstanding credit facilities in Bahrain declined by 1.0% during Q2-2025 to reach BHD 12.5 Bn from BHD 12.4 Bn in the previous quarter. The decline was led by a fall in credit to Business sector and to government that was partially offset by an increase in lending to the personal sector. Almost all heads under the personal sector witnessed growth during the quarter barring credit card receivables that registered a 2.3% q-o-q decline.

Lending by listed banks shows broad-based expansion…

Aggregate lending by listed banks in the GCC continued to show q-o-q growth during Q2-2025, backed by growth in all GCC markets. Aggregate gross loans at the GCC level reached a new record high of USD 2.32 Trillion, recording the second-biggest q-o-q growth in 16 quarters at 3.3% or USD 74.3 Bn in Q2-2025 vs. 3.6% during the previous quarter. The y-o-y growth continued to remain steady in double digits at 13.0%. Banks in the UAE reported the biggest q-o-q growth in gross loan in the GCC during

Q2-2025 mainly led by healthy lending in almost all sectors. Gross loans growth for UAE-listed banks came in at 4.6% or USD 29.8 Bn to reach USD 672.8 Bn at the end of Q2-2025.

Saudi and Kuwaiti banks were next with lending growth of USD 20.3 Bn (+2.5% q-o-q) and USD 10.8 Bn (+4.2% q-o-q), respectively, while banks in Qatar was a close next with loan growth of USD 9.2 Bn or 2.2%, respectively, at the end of Q2-2025. In terms of type of banks, Islamic banks in the GCC registered a relatively healthy growth in lending during the quarter with gross loan growth of 4.3% to reach USD 706.8 Billion while growth in conventional bank lending came in at 2.9% to reach an outstanding gross loan of USD 1.6 Trillion at the end of the quarter.

Customer deposits increase backed by sharp increase in savings deposits…

Total customer deposits reported by listed GCC banks reached a new record high level at the end of Q2-2025 at USD 2.74 Trillion registering a q-o-q growth of 3.5%. The y-o-y growth when compared to Q2-2024 came in at 13.3% or USD 91.8 Bn. The growth was broad-based as seen in higher q-o-q customer deposits in all countries in the GCC. At the country level, Kuwaiti banks registered the strongest growth in deposits during the quarter that reached USD 334.8 Bn after a q-o-q growth of 4.7%. UAE-listed banks were next with a q-o-q growth of 4.1% to reach total customer deposits of USD 941.0 Bn, the highest in the GCC, followed by banks in Saudi Arabia with a growth of 3.9% reaching USD 858.8 Bn. Banks in Bahrain, Oman and Qatar, reported slightly smaller customer deposit growth during the quarter.

Based on available data for banks in Saudi, UAE and Oman, the increase in customer deposits were mainly led by higher savings deposit that was up by 3.6% for the banks in the three countries. Based on data from Refinitiv, savings deposit growth was the strongest in Saudi Arabia at 8.6% during Q2-2025. In terms of demand deposits, the increase was slightly smaller at 3.1% q-o-q.

Loan-to-deposit ratio sees marginal decline during Q2-2025…

The aggregate loan-to-deposit ratio for the GCC banking sector remained elevated above the 80% mark at the end of Q2-2025. However, the ratio declined sequentially to reach 81.5% when compared to 81.6% in Q1-2025. The ratio has remained consistently above the 80% mark over the last five quarters and reflects improving asset utilization as well as better margins to offset pressure from lowering interest rates. At the country level, banks in Saudi Arabia reported one of the highest levels of the loan-to-deposit ratio that reached 94.3% during the quarter, registering a decline of 120 bps as compared to the record level seen during Q1-2025 at 95.5%. Qatari banks were next with a loan-to-deposit ratio of over 90% at 90.3% during Q2-2025, an improvement from 89.6% during Q1-2025. Omani banks also registered a growth of 30 bps with the ratio at the third-highest level in the GCC at 88.6% during the quarter. UAE-listed banks showed an increase in the ratio during Q2-2025 after registering a decline during the previous quarter. Aggregate ratio for the UAE banking sector came in at 67.9%, the lowest in the GCC.

In a recent development, Saudi Arabia launched its first residential mortgage backed securities (RMBS) in an effort to free up liquidity with Saudi banks and boost lending in light of new efforts in the real estate market. The first RMBS was launched by the Saudi Real Estate Refinance Co. (SRC) and is expected to see an increase in the coming months. As per a Bloomberg analysis, Saudi banks are forecasted to transfer as much as USD 48 Bn in legacy mortgages to SRC by 2030.

Net interest income sees marginal improvement...

Aggregate net interest income reported by banks listed in the GCC increased marginally in Q2-2025 after sliding from record levels in the previous quarter. Aggregate net interest income was up 0.7% q-o-q to reach USD 22.9 Bn during Q2-2025 vs. USD 22.8 Bn during Q2-2025. The q-o-q growth an increase in gross loans during the quarter that more than offset the impact of an increasing cost of funding in certain markets and the rate cuts implemented last year.

At the country level, the trend remained mixed with four country aggregates showing an increase in net interest income while Bahrain and Qatari banks showed declines. UAE-listed banks showed a net interest income growth of 1.8% during Q2-2025 to reach USD 7.6 Bn followed by 1.0% growth recorded by Saudi-listed banks reaching USD 8.0 Bn. The quarter also reflected a full 100 bps cut in interest rates implemented by almost all banks in the GCC by the end of the year, barring the Central Bank of Kuwait that slashed the discount rate by 25 bps during the year. The yield on credit also showed the impact of lower interest rates reaching 4.11% for the aggregate GCC banking sector at the end of Q2-2025 as compared to 4.16% at the end of Q1-2025.

Non-interest income remains the main driver of revenue growth…

Total revenues for the GCC banking sector once again showed growth during Q2-2025 after subdued performance during the previous quarter with flattish revenues. The growth came in at 3.0% during the quarter with total bank revenues reaching USD 35.6 Bn. The increase in revenues was led by growth in almost all markets barring Bahrain that registered a decline of 8.2%.

Omani banks registered the biggest sequential growth in revenues at 5.6% to reach USD 0.9 Bn during Q2-2025. UAE-listed banks were a close second with revenue growth of 5.3% reaching USD 13.3 BN, the highest in the GCC. Kuwaiti and Saudi-listed banks were next with revenue growth of 2.7% and 2.5%, respectively.

In terms of key drivers, the increase in non-interest income coupled with marginal growth in net interest income led to the growth in revenues during the quarter. Aggregate non-interest income increased by 7.5% during the quarter to reach USD 12.7 Bn while net interest income increased by 0.7% to reach USD 22.9 Bn. The increase in non-interest income was broad-based with five out of six country aggregates showing a q-o-q increase. UAE-listed banks registered a double-digit growth in non-interest income at 10.1% to reach USD 5.7 Bn, the highest in the GCC. Omani and Kuwaiti banks were next, also with healthy growth of 9.7% and 9.5%, respectively. Banks in Qatar and Saudi showed mid-single-digit growth of 5.8% and 5.7%, respectively.

Impairments surged but remained below historical levels highlighting improving credit quality…

Impairments booked by banks in the GCC increased during Q2-2025 after reaching a three-quarter low level during the previous quarter. Total loan impairment increased by 12.4% during the quarter to reach USD 2.4 Bn as compared to USD 2.1 Bn during Q1-2025. The increase reflected an increase in impairments booked by banks in the UAE and Qatar that more than offset a decline in the rest of the GCC. The biggest decline was seen in banks in Kuwait that registered a net reversal of impairments during the quarter after NBK, KFH and CBK reported impairment reversals during the quarter more than offsetting impairment charges for other banks in the country during Q2-2025. The decline in impairments in other markets were marginal, including 2.9% fall registered by banks in Saudi Arabia. On the other hand, impairments booked by banks in the UAE more than doubled to reach USD 0.50 Bn in Q2-2025 from USD 0.39 in Q1-2025. A majority of the banks in the UAE reported a q-o-q increase in impairments during the quarter.

The steep increase in impairments also led to a marginal increase in cost of risk for the GCC banking sector. The cost of risk (ratio of 12-month provisions vs. average loans) increased 0.46% for the aggregate GCC banking sector in Q2-2025 vs. 0.45% at the end of Q1-2025. Nevertheless, the low ratio as compared to historical levels indicates recoveries, strong economic indicators as well as stable asset quality. The ratio was highest in the case of Qatari banks at 0.83% in Q2-2025 vs. 0.79% during Q1-2025 reflecting almost 20% increase in impairment during the quarter. Bahraini banks were next with the ratio at 0.58%, closely followed by Omani banks with the ratio at 0.57%. The ratio was the lowest in the case of Kuwaiti and Saudi banks at 0.22% and 0.29%, respectively, while UAE-listed banks showed slightly higher cost of risk of 0.50%. The cost of risk has fallen for Saudi banks after peaking in 2020s led by steady economic growth, and the absence of default on payments to contractors and other sectors.

Operating expenses declined to three-quarter low…

Aggregate operating expenses for listed banks in the GCC continued to decline for the second consecutive quarter reaching a three-quarter low level during Q2-2025. Total operating expenses for the GCC Banking sector stood at USD 13.4 Bn during Q2-2025 with a q-o-q decline of 1.5% and a y-o-y growth of 6.9%. The q-o-q decline showed mixed trends at the country level with three countries showing an increase and the remaining three showing a decline. UAE-listed banks showed the biggest decline in operating expenses during the quarter that reached USD 4.6 Bn from USD 4.9 Bn in Q1-2025. Qatari and Bahraini banks also showed a declines of 4.5% and 4.0%, respectively. On the other hand, Kuwait banks reported the biggest increase of 4.4% with total operating expenses reaching USD 1.6 Bn in Q2-2025. The q-o-q increase reported by Saudi and Omani banks were marginal during Q2-2025.

The decline in operating expenses also resulted in a marginal drop in the cost-to-income ratio for the GCC banking sector that once again went below the 40% mark during Q2-2025. The ratio declined by 50 bps to reach 39.5% at the end of the quarter as compared to 40.0% during Q1-2025. The decline reflected a drop in the ratio for three of six country aggregates. At the country level, the aggregates for Qatari banks showed a decline of 110 bps followed by UAE and Saudi Arabia banks with declines of 70 bps and 60 bps, respectively. Qatari banks continued to boast the lowest cost to income ratio in the GCC that reached a seven-quarter low level of 36.6% during Q2-2025.

NIM continued to slide led by the impact of rate cuts…

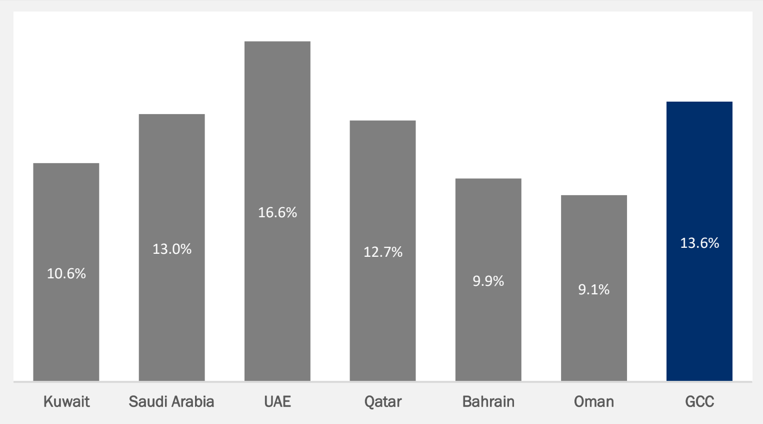
The aggregate net interest margin reported by GCC-listed banks continued to decline during Q2-2025 as a larger share of lending was repriced at the lower interest rates after the rate cuts announced during the second half of last year. The NIM at the GCC level reached 3.05% at the end of Q2-2025 falling marginally when compared to 3.10% at the end of Q1-2025. The ratio showed a broad-based decline falling in five out of six countries in the GCC. The ratio for Bahraini banks showed a marginal increase during the quarter to reach 3.25% at the end of Q2-2025. On the other hand, banks in the rest of the GCC countries registered declining NIMs.

UAE banks once again ranked first in the GCC in terms of NIMs that reached 3.26% in Q2-2025 as compared to 3.34% during Q1-2025. The higher margins as compared to gulf peers reflect ample liquidity with low cost CASA deposits. The composition of loan book in the UAE also helped in generating relatively higher NIM as personal loans accounted for close to a quarter of total banking credit facilities in the country.

GCC banking RoE remains flat q-o-q…

Aggregate return on equity (RoE) for the GCC banking sector remained flat q-o-q during Q2-2025 from one of the highest levels recorded during Q4-2024. Aggregate RoE reached 13.6% during Q2-2025 as compared to 13.7% recorded at the end of last year. The flattish ratio reflected a fall in the case of two out of six country aggregates in the GCC that was fully offset by an increase in the remaining four country aggregates. Banks in UAE and Qatar recorded a slight decline in the ratio during Q2-2025 while Bahrain and Saudi-listed banks showed improvements. Total shareholder equity reached USD 469.8 Bn at the end of Q2-2025, registering a growth of 3.7% as compared to Q1-2025.

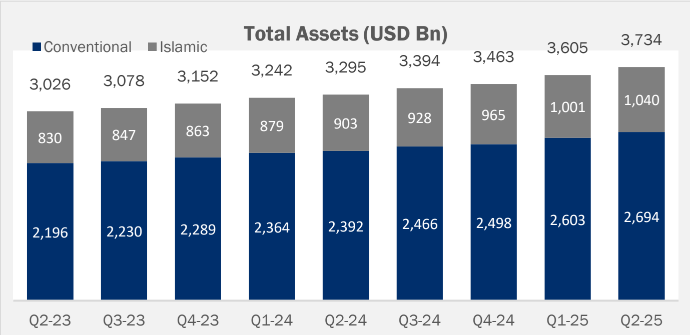
GCC Banking Sector – Return on Equity (%)

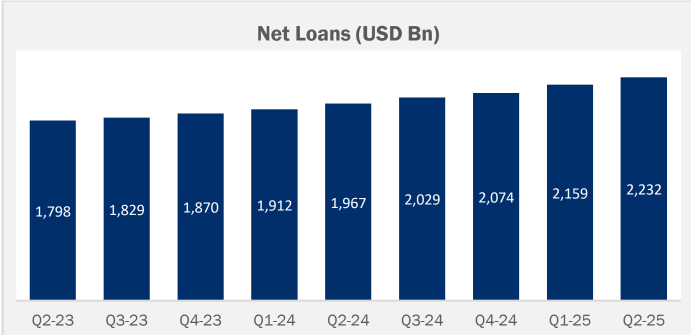


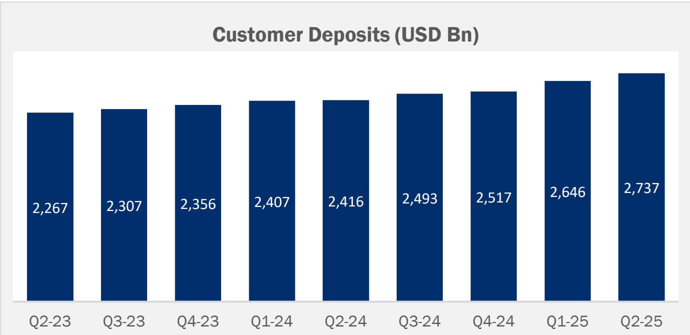
Source: Reuters Refinitiv, Financial Statements, Kamco Invest Research

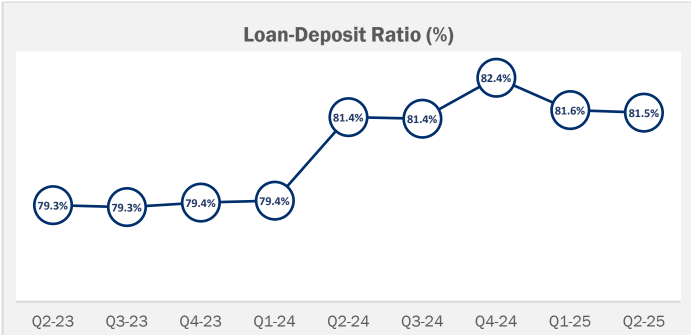
At the country level, UAE-listed banks once again topped in the region with the highest RoE at the end of Q2-2025 at 16.4%, although it declined slightly for the fourth consecutive quarter. Saudi-listed banks were next with an RoE of 13.0%, flat as compared to Q1-2025 followed by Qatari banks with an RoE of 12.6% recording a decline of 20 bps from the previous quarter. ROEs for Kuwaiti banks stayed elevated at a double-digit level of 10.6%, in line with the previous quarter.

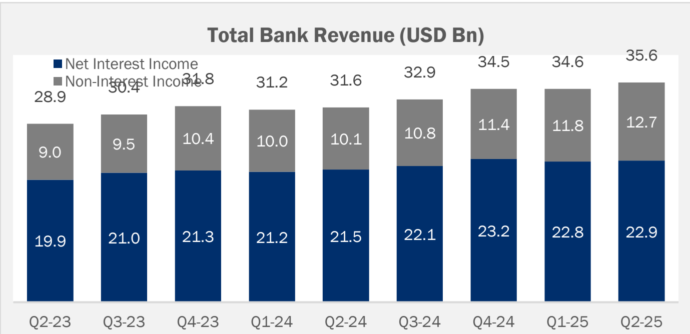
Key Banking Sector Metrics : GCC

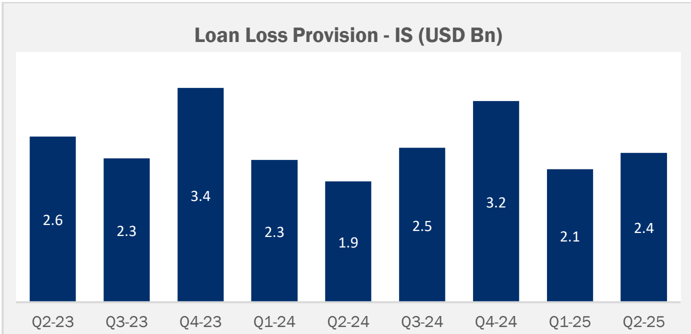


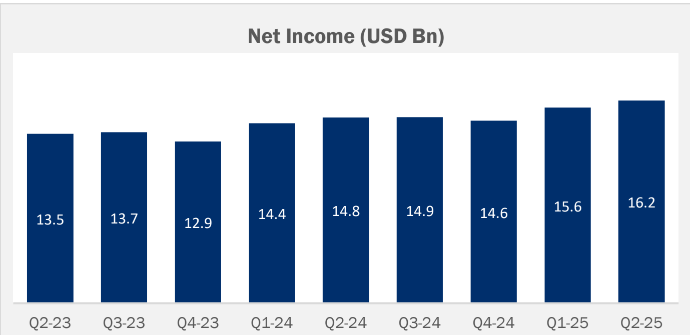


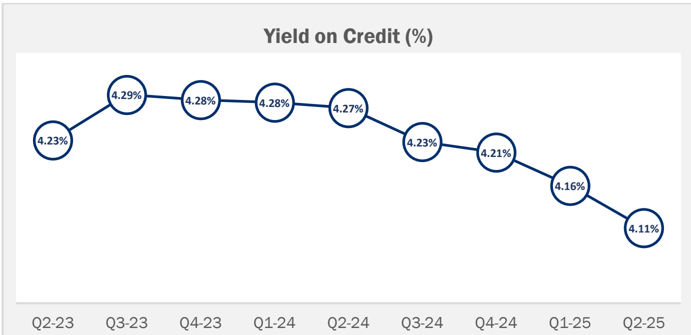


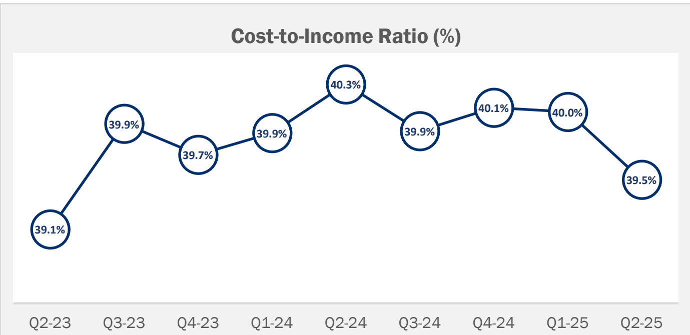


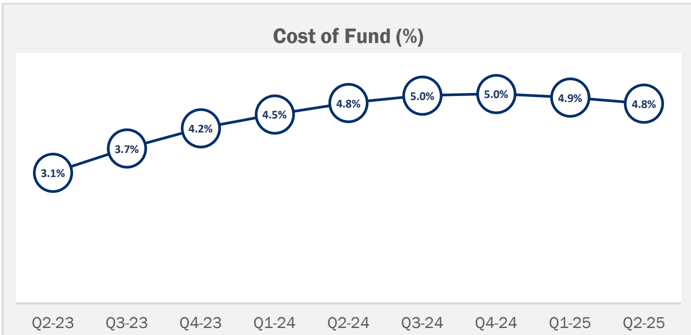






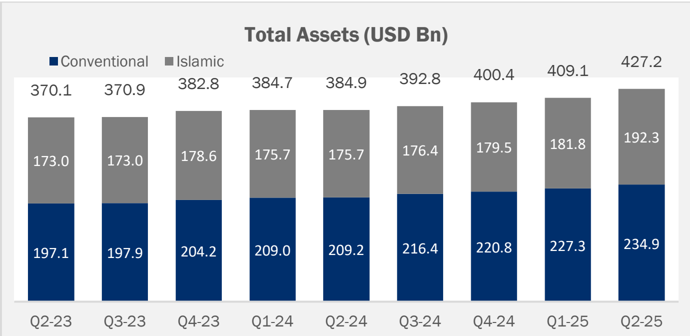


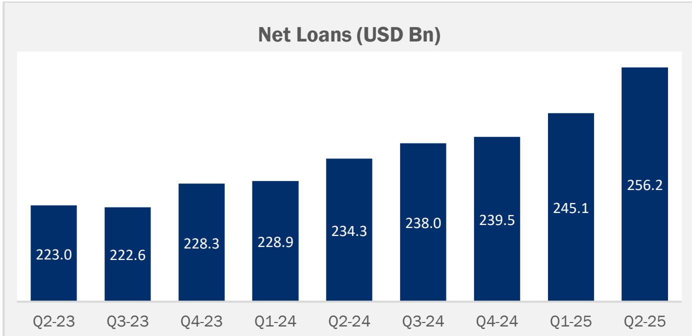


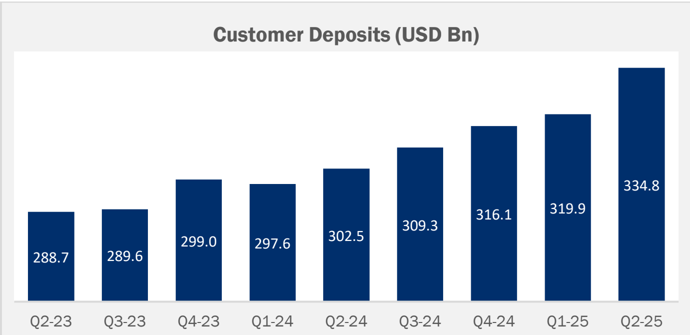


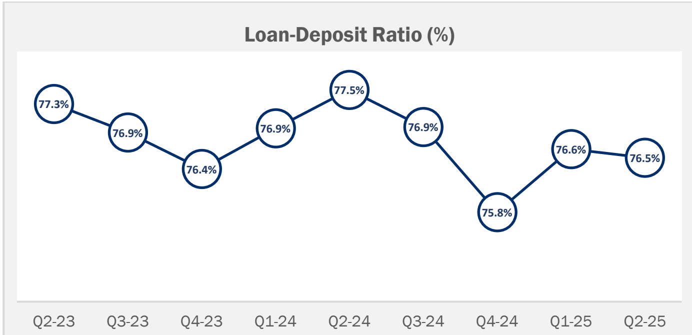
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

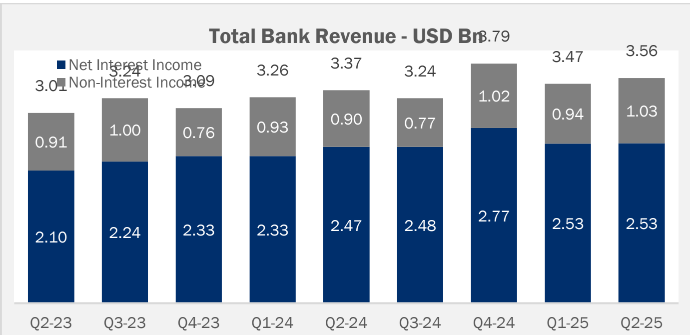
Key Banking Sector Metrics : Kuwait

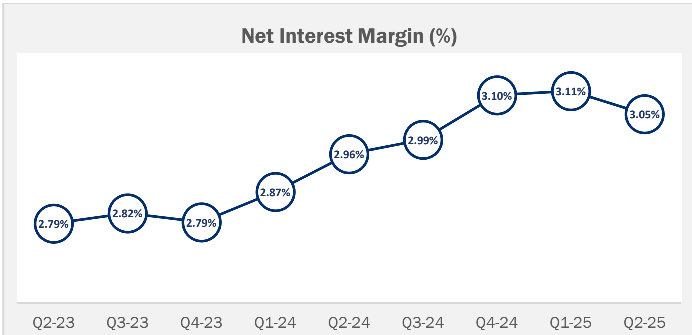


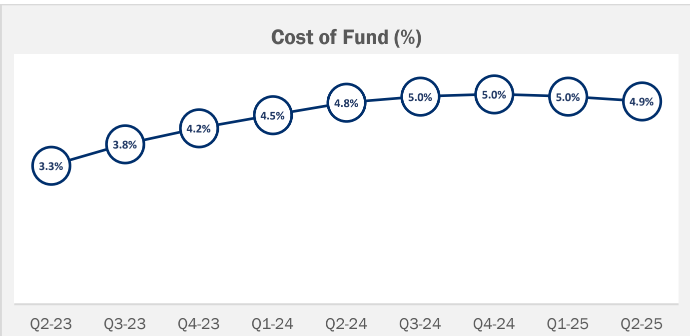


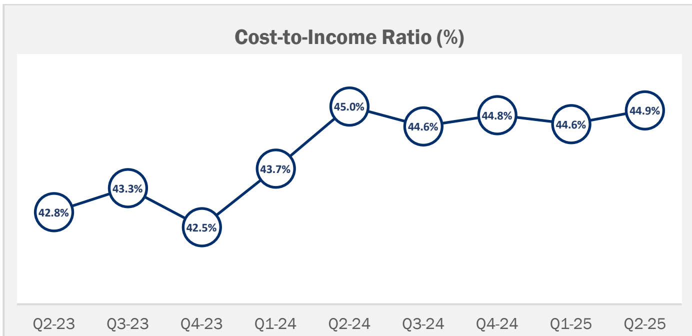


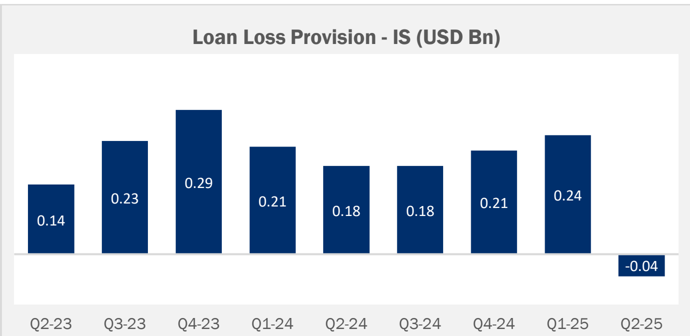


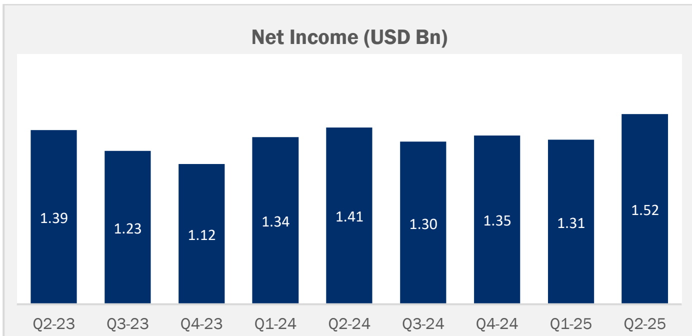








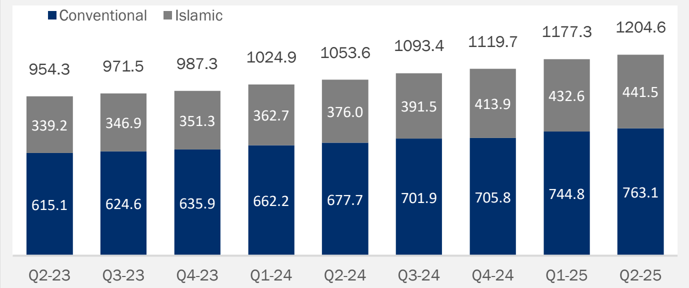




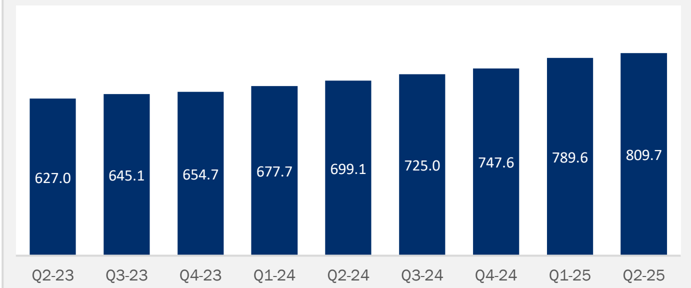
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

Key Banking Sector Metrics : Saudi Arabia

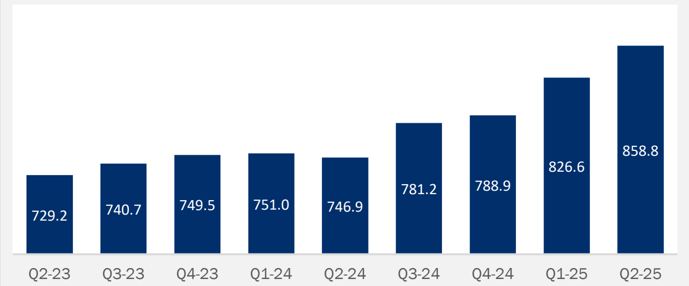
Total Assets (USD Bn)



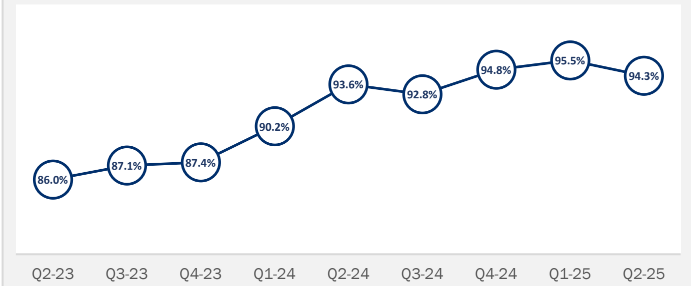
Net Loans (USD Bn)



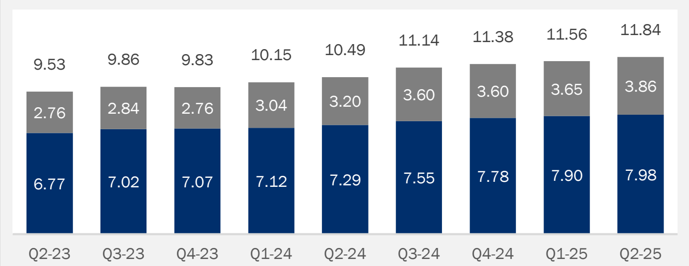
Customer Deposits (USD Bn)



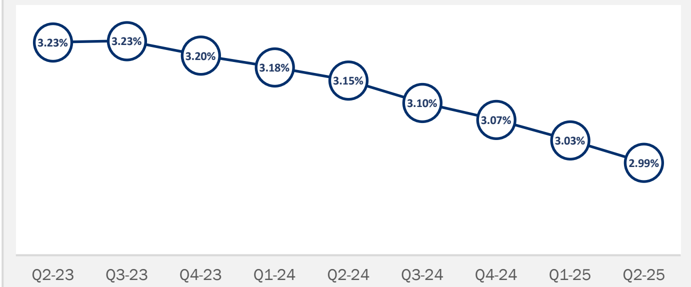
Loan-Deposit Ratio (%)



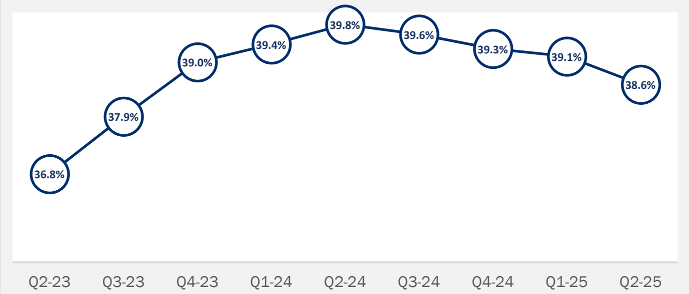
Total Bank Revenue (USD Bn)



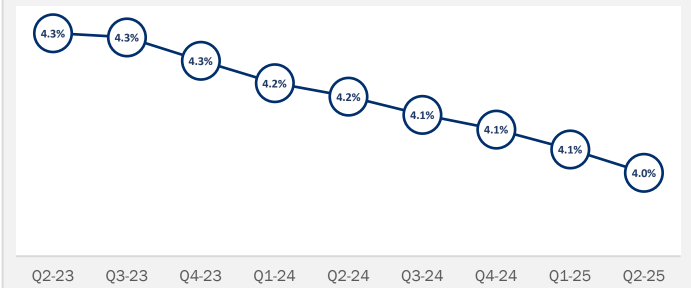
Net Interest Margin (%)



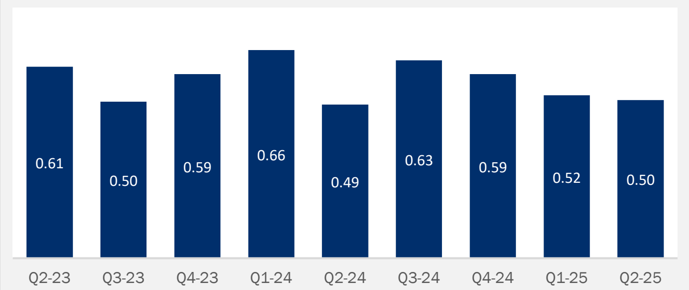
Cost-to-Income Ratio (%)



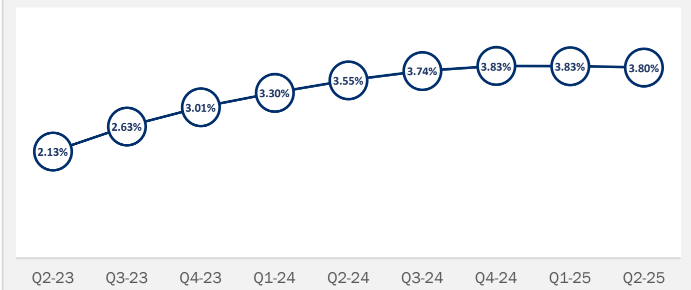
Yield on Credit (%)



Loan Loss Provision - IS (USD Bn)

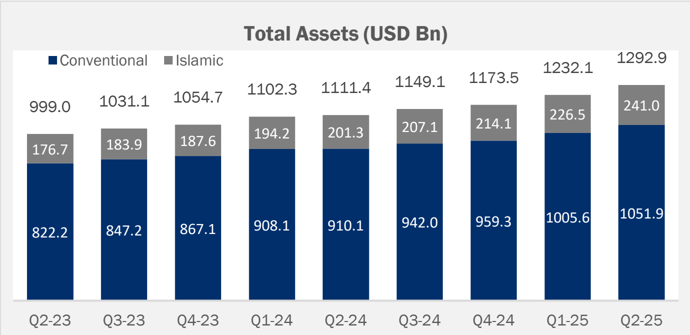


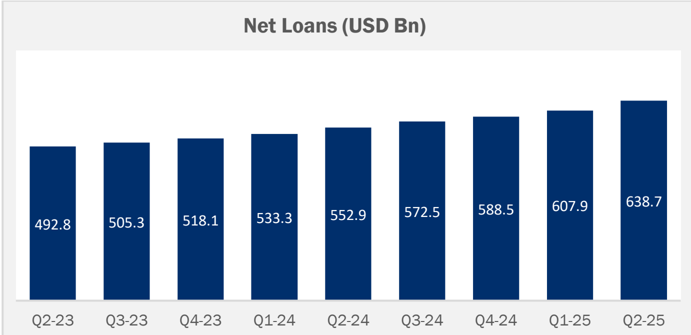
Cost of Fund (%)

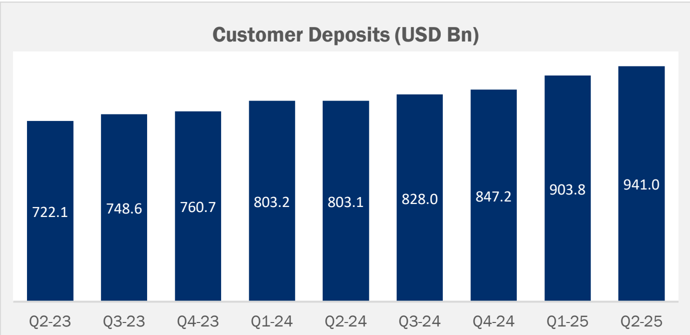


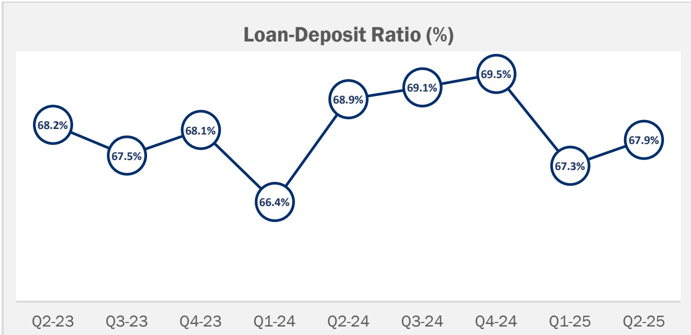
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

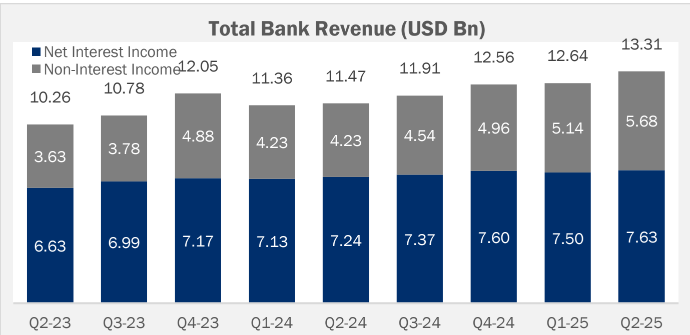
Key Banking Sector Metrics : UAE

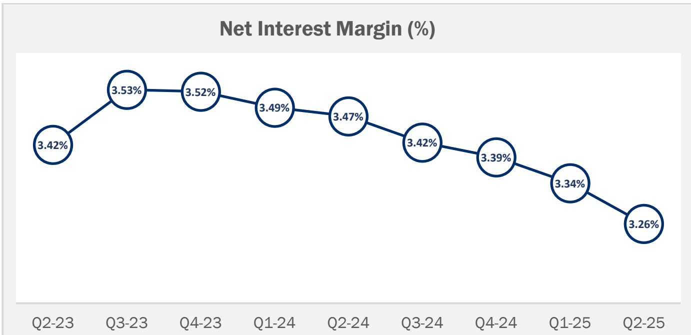


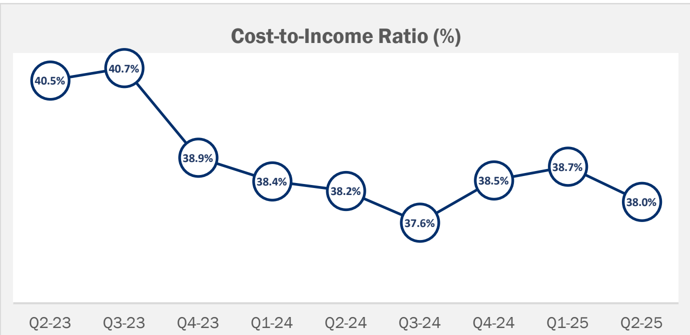


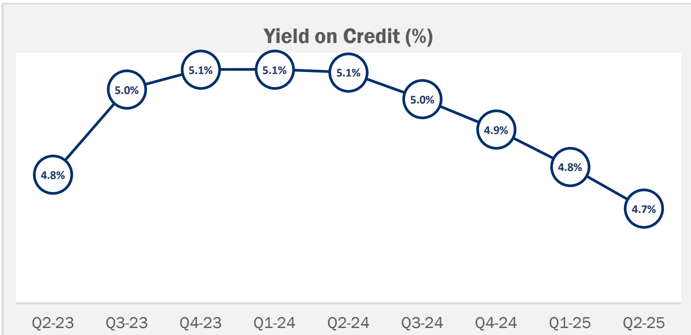


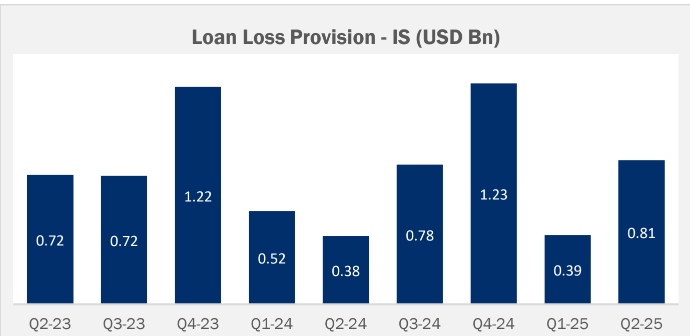


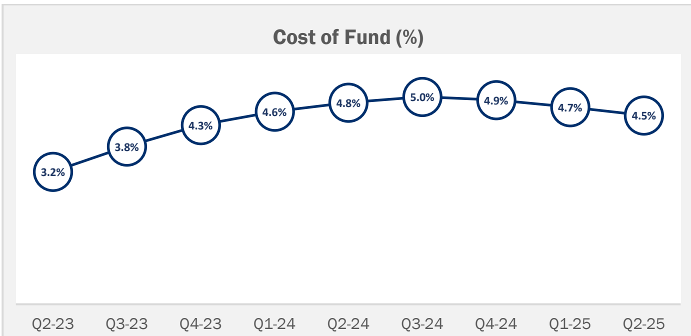






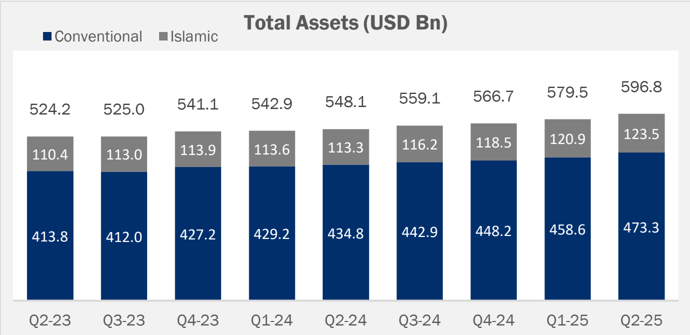


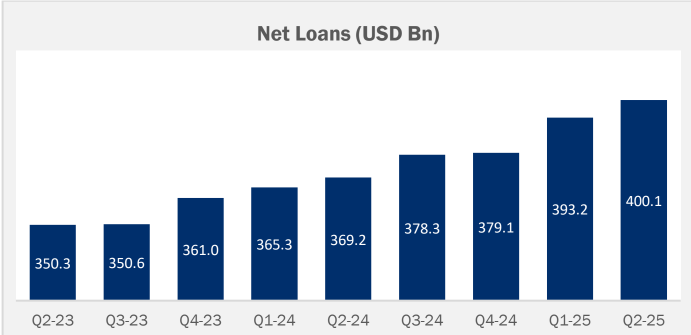


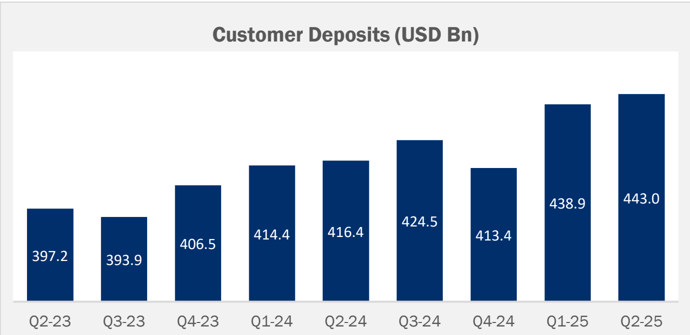


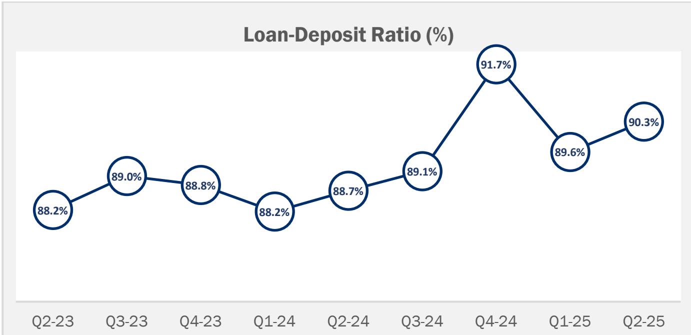
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

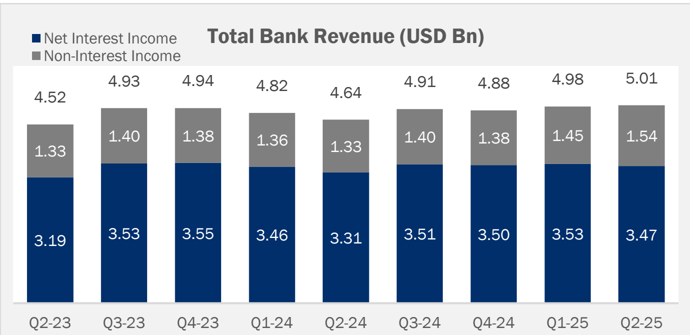
Key Banking Sector Metrics : Qatar

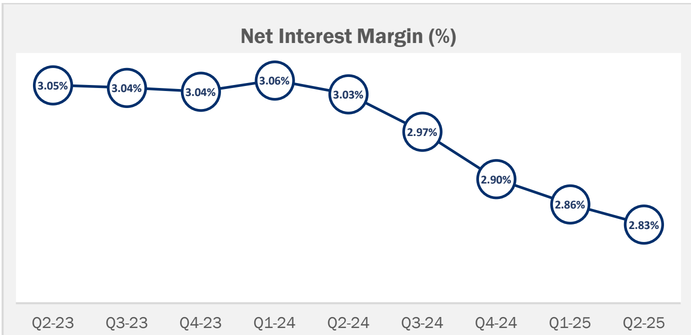


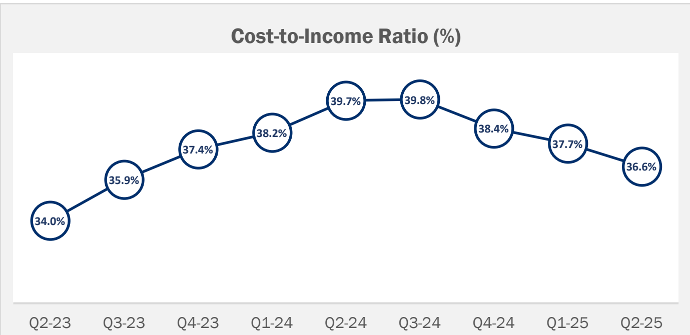


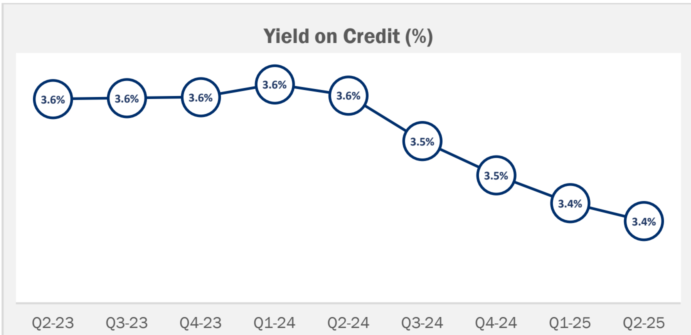


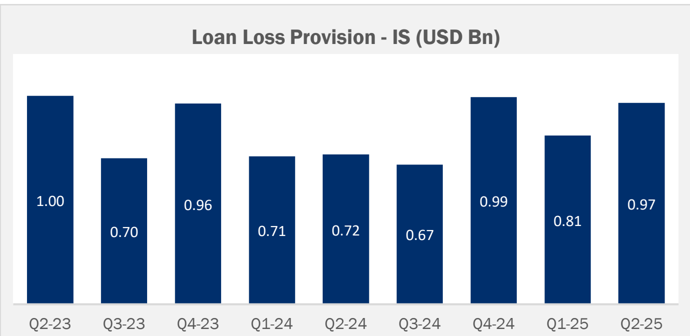


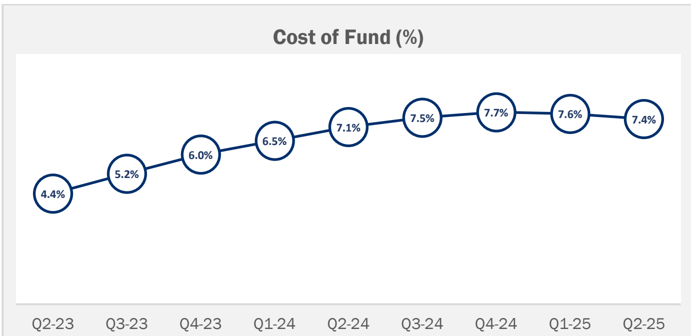






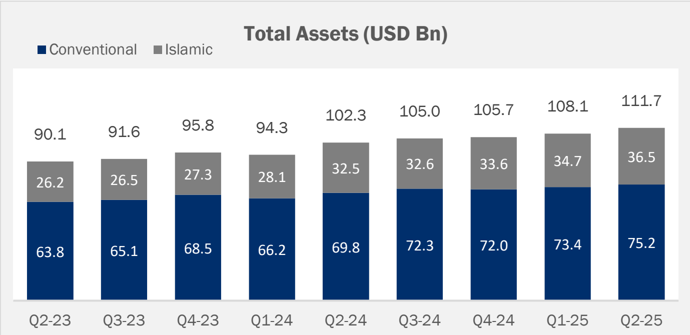




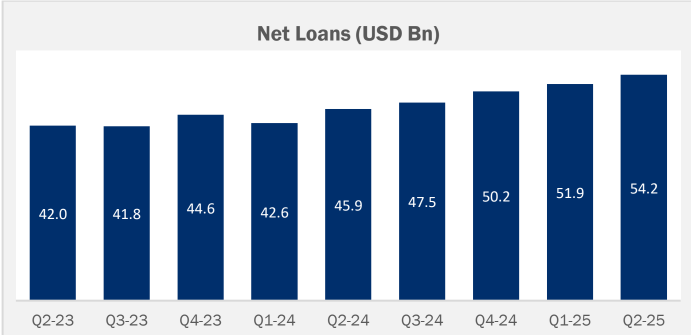


Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

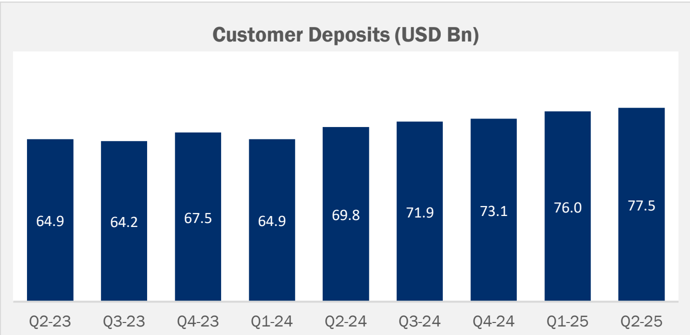
Key Banking Sector Metrics : Bahrain



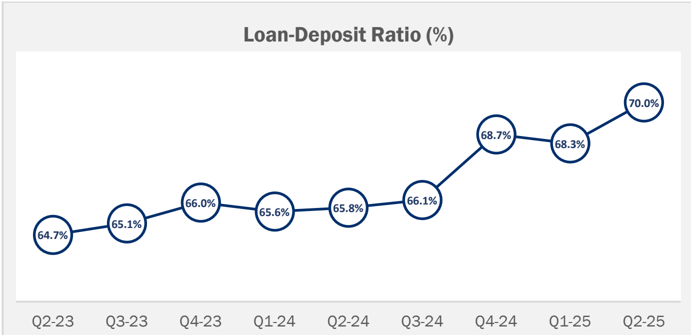
Total Assets (USD Bn)



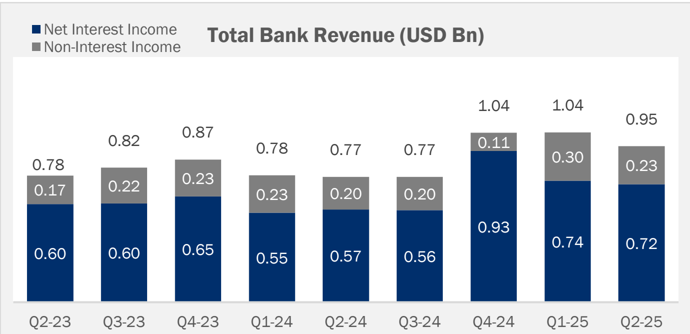
Net Loans (USD Bn)



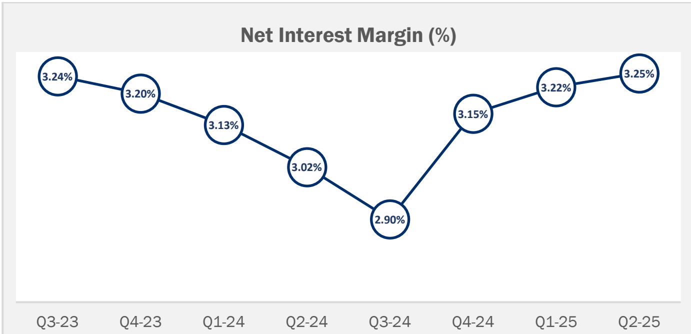
Customer Deposits (USD Bn)



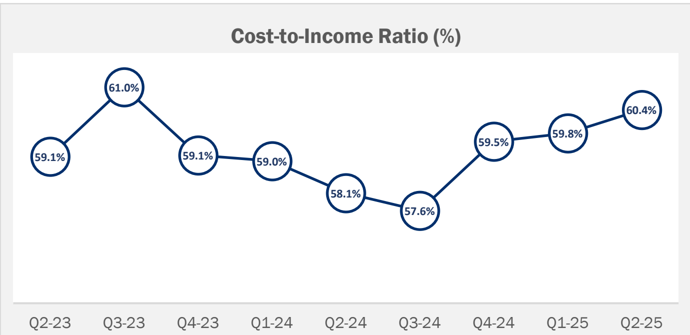
Loan-Deposit Ratio (%)



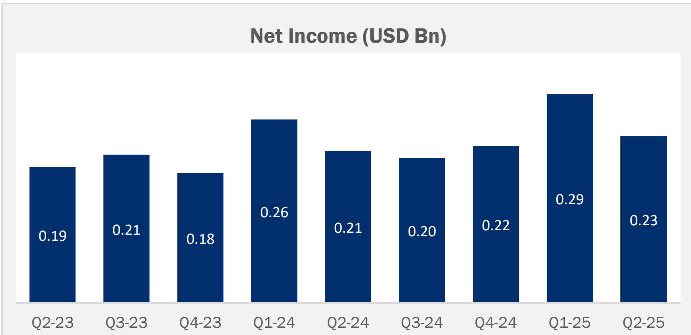
Total Bank Revenue (USD Bn)



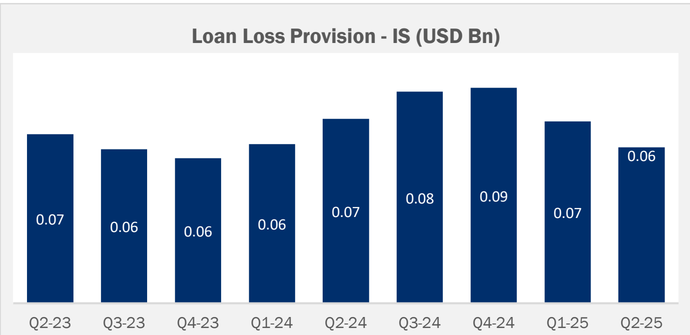
Net Interest Margin (%)



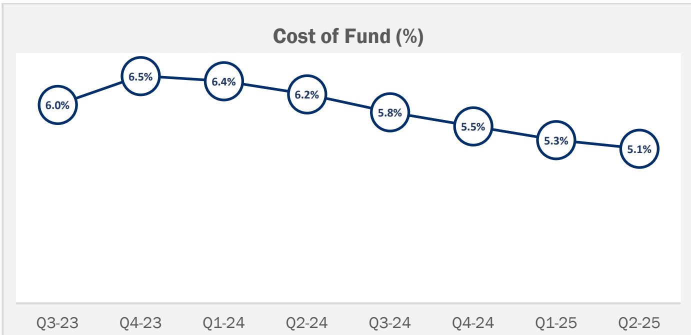
Cost-to-Income Ratio (%)



Net Income (USD Bn)



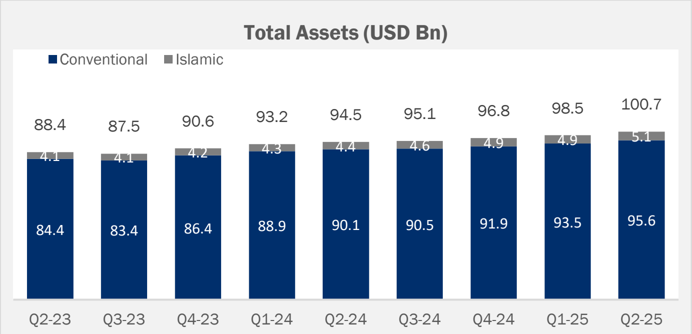
Loan Loss Provision - IS (USD Bn)

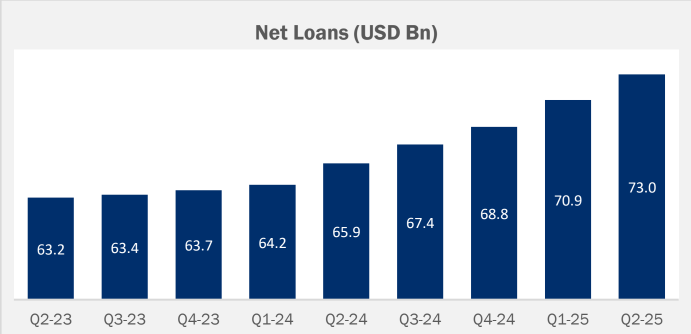


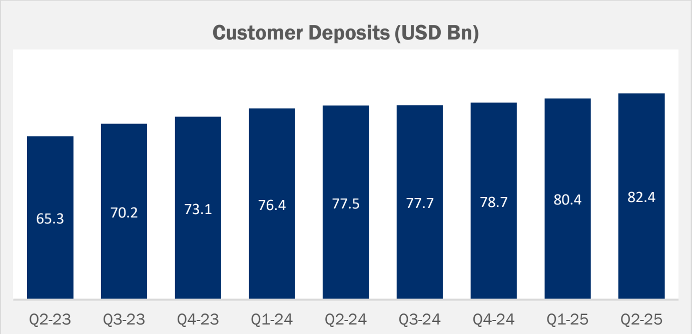
Cost of Fund (%)

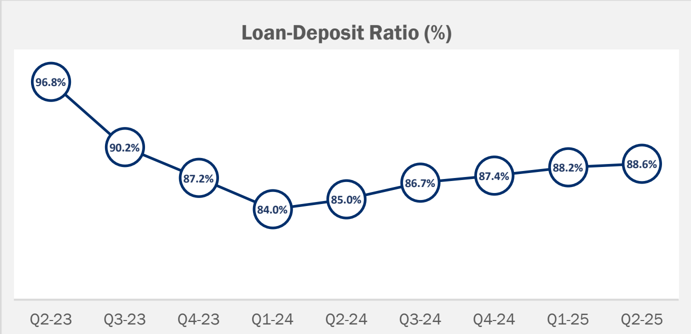
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

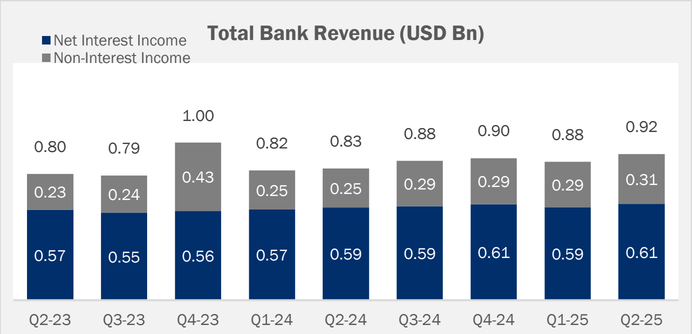
Key Banking Sector Metrics : Oman

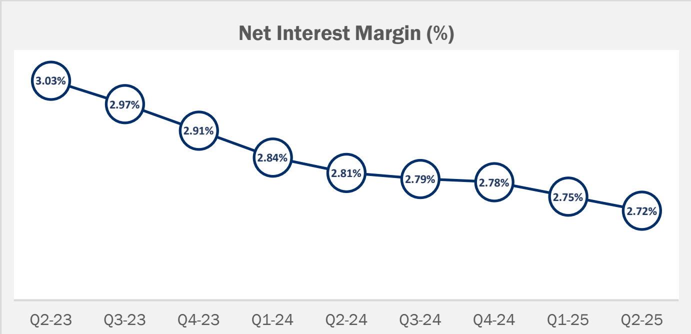


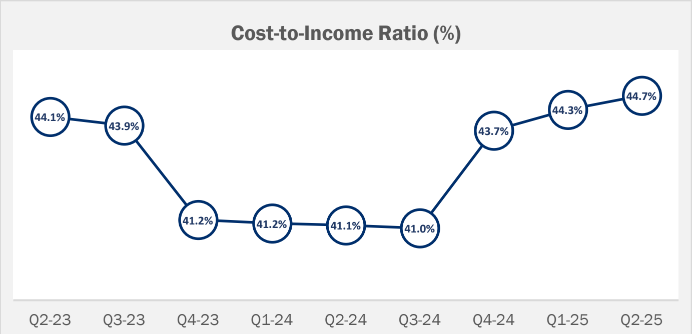


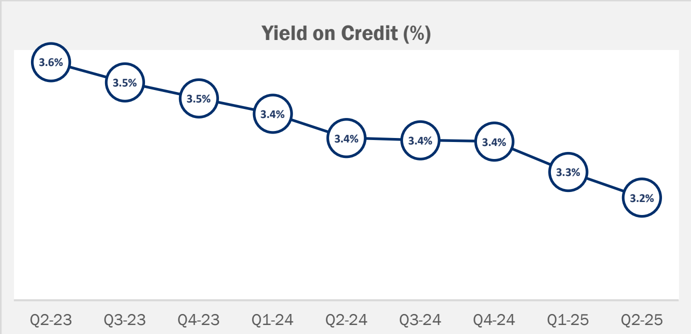


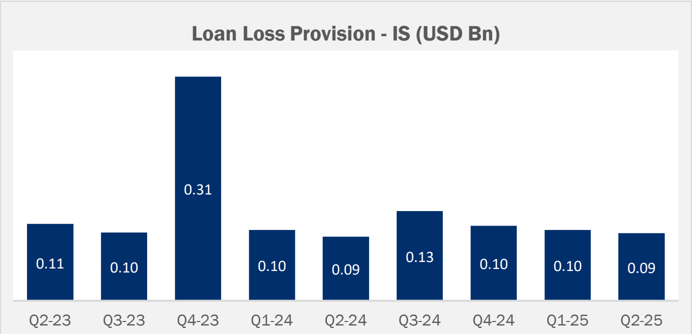


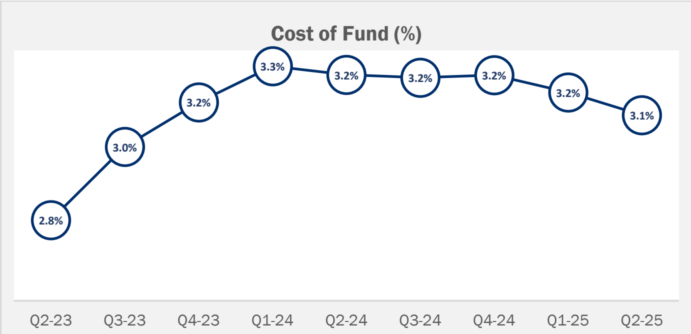












Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

GCC Banking Sector : Market Data

Name	Country	M-CAP (USD Bn)	Price (LCL)	P/E (x)	P/BV (x)	Div Ind Yield (%)	YTD-23 Returns	3-Yr Avg Tot Return	5-Yr Avg Tot Return	10-Yr Avg Tot Return
NATIONAL BANK OF BAHRAIN BSC	Bahrain	3.0	0.506	13.8	2.0	6.9	10.7%	2.8%	6.6%	8.1%
ARAB BANKING CORP	Bahrain	1.1	0.350	4.3	0.3	7.9	12.3%	N/A	7.8%	0.0
BBK BSC	Bahrain	2.5	0.510	12.4	1.5	6.9	13.3%	12.9%	13.6%	12.0%
AL-SALAM BANK	Bahrain	1.8	0.231	10.2	1.8	2.4	25.1%	50.4%	36.0%	13.3%
BAHRAIN ISLAMIC BANK	Bahrain	0.2	0.082	6.1	0.5	N/A	0.4	N/A	N/A	-0.1
NATIONAL BANK OF KUWAIT	Kuwait	29.8	1.039	15.2	2.1	4.6	25.0%	7.5%	12.8%	11.4%
KUWAIT FINANCE HOUSE	Kuwait	46.6	0.792	24.0	2.6	2.7	17.9%	7.3%	17.3%	15.2%
BOUBYAN BANK K.S.C	Kuwait	10.1	0.697	33.3	3.2	1.4	32.5%	-0.3%	12.1%	13.2%
COMMERCIAL BANK OF KUWAIT	Kuwait	3.8	0.582	7.5	1.6	8.3	4.4%	15.9%	10.5%	7.7%
GULF BANK	Kuwait	4.4	0.340	24.4	1.6	2.8	12.7%	7.1%	17.5%	7.3%
BURGAN BANK	Kuwait	3.1	0.249	27.3	1.1	2.3	52.4%	8.4%	13.3%	2.2%
AL AHLI BANK OF KUWAIT	Kuwait	2.5	0.295	14.9	0.1	3.2	23.1%	3.8%	20.1%	3.9%
WARBA BANK KSCP	Kuwait	4.3	0.292	25.7	0.8	N/A	64.0%	11.8%	13.4%	6.5%
KUWAIT INTERNATIONAL BANK	Kuwait	1.4	0.265	22.6	1.3	1.8	55.5%	15.5%	15.9%	7.5%
BANKMUSCAT SAOG	Oman	6.3	0.322	11.2	1.2	5.1	36.1%	8.0%	19.8%	11.8%
BANK DHOFAR SAOG	Oman	1.0	0.130	11.4	0.7	5.0	-11.6%	3.4%	7.5%	0.0%
NATIONAL BANK OF OMAN SAOG	Oman	1.3	0.308	9.7	0.9	3.1	7.4%	7.8%	13.8%	5.6%
SOHAR INTERNATIONAL BANK	Oman	2.5	0.147	3.3	1.1	5.4	15.6%	19.1%	13.4%	2.8%
AHLI BANK	Oman	1.0	0.146	9.6	0.9	3.4	-7.8%	8.2%	6.1%	3.1%
BANK NIZWA	Oman	0.6	0.103	9.8	0.9	2.4	8.8%	5.1%	3.5%	4.9%
QATAR NATIONAL BANK	Qatar	48.3	19.1	11.1	1.8	3.8	14.9%	1.4%	4.8%	6.8%
QATAR ISLAMIC BANK	Qatar	16.1	24.8	13.0	2.1	3.8	21.1%	1.9%	12.8%	12.6%
MASRAF AL RAYAN	Qatar	6.2	2.4	15.0	0.9	4.1	2.6%	-15.9%	-6.5%	-1.8%
COMMERCIAL BANK PQSC	Qatar	5.4	4.8	7.4	1.0	6.2	19.0%	-9.3%	7.5%	3.9%
QATAR INTERNATIONAL ISLAMIC	Qatar	4.7	11.3	14.3	2.2	4.5	8.9%	3.0%	10.5%	9.2%
AL AHLI BANK	Qatar	2.6	3.7	11.0	1.3	6.7	15.9%	2.8%	9.4%	4.9%
DOHA BANK QSC	Qatar	2.2	2.5	9.0	0.7	3.9	34.0%	4.3%	5.1%	-2.3%
AL RAJHI BANK	Saudi Arabia	102.4	96.1	18.1	3.7	3.0	3.1%	4.0%	20.8%	17.0%
SAUDI NATIONAL BANK	Saudi Arabia	57.5	36.0	9.7	1.2	5.6	13.9%	-8.1%	9.0%	5.2%
RIYAD BANK	Saudi Arabia	21.6	27.0	8.4	1.3	6.5	0.4%	-5.2%	12.4%	10.5%
SAUDI BRITISH BANK	Saudi Arabia	16.9	30.9	8.1	1.0	6.5	-2.4%	-4.8%	6.4%	3.4%
BANQUE SAUDI FRANSI	Saudi Arabia	11.2	16.8	9.0	1.0	6.3	12.4%	-7.8%	6.0%	5.2%
ALINMA BANK	Saudi Arabia	17.2	25.8	11.2	1.9	4.7	-8.0%	-2.4%	19.4%	9.8%
ARAB NATIONAL BANK	Saudi Arabia	11.9	22.4	8.8	1.1	5.8	12.8%	3.3%	12.4%	7.3%
BANK ALBILAD	Saudi Arabia	10.6	26.5	13.4	1.9	3.3	-17.0%	-8.3%	17.7%	10.1%
SAUDI INVESTMENT BANK/THE	Saudi Arabia	4.7	14.2	9.9	1.1	5.6	3.1%	1.0%	14.5%	5.6%
BANK AL-JAZIRA	Saudi Arabia	4.3	12.6	12.6	1.1	N/A	-15.9%	-6.8%	9.8%	2.2%
FIRST ABU DHABI BANK PJSC	UAE	51.9	17.2	10.3	1.6	4.4	32.6%	0.0%	13.5%	10.6%
EMIRATES NBD PJSC	UAE	44.7	26.0	7.7	1.3	3.8	27.1%	31.2%	23.8%	15.5%
EMIRATES ISLAMIC BANK	UAE	16.0	10.9	19.6	3.6	N/A	31.0%	10.7%	6.7%	N/A
ABU DHABI COMMERCIAL BANK	UAE	31.2	15.7	12.2	1.7	3.8	58.6%	27.1%	28.9%	13.2%
DUBAI ISLAMIC BANK	UAE	19.3	9.8	9.1	1.8	4.6	46.4%	26.0%	25.0%	12.2%
ABU DHABI ISLAMIC BANK	UAE	21.6	21.9	13.5	3.5	3.8	66.1%	41.5%	46.7%	24.5%
MASHREQBANK	UAE	13.4	246.1	6.0	1.5	8.6	22.2%	57.7%	40.0%	15.7%
COMMERCIAL BANK OF DUBAI	UAE	8.1	10.0	9.5	1.9	5.1	48.2%	38.4%	31.2%	10.7%
NATIONAL BANK OF FUJAIRAH	UAE	2.8	4.0	10.6	1.4	3.8	9.6%	-2.0%	-0.3%	4.4%
INVEST BANK	UAE	32.2	0.5	N/A	77.5	N/A	0.0%	0.0%	0.9%	-15.4%
NATIONAL BANK OF RAS AL-KHAI	UAE	4.4	8.1	6.9	1.3	6.2	43.5%	34.8%	28.8%	8.7%
NATIONAL BANK OF UMM AL QAIW	UAE	1.4	2.6	9.7	0.8	7.0	27.0%	20.4%	13.3%	4.4%
UNITED ARAB BANK PJSC	UAE	1.0	1.2	7.0	1.1	N/A	-5.7%	22.6%	7.6%	-11.0%
BANK OF SHARJAH	UAE	1.3	1.6	9.7	1.2	N/A	72.1%	43.9%	25.6%	1.6%
AJMAN BANK PJSC	UAE	1.1	1.5	9.0	1.2	5.0	-10.8%	33.8%	20.8%	2.0%
COMMERCIAL BANK INTERNATIONA	UAE	0.5	1.1	9.3	0.7	N/A	34.6%	-0.3%	10.0%	-1.6%

Source: Bloomberg

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