GCC Banking Sector Report – Q4-2024

April-2025

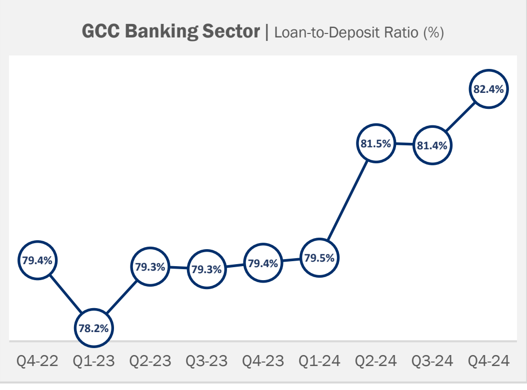
Investment Strategy & Research

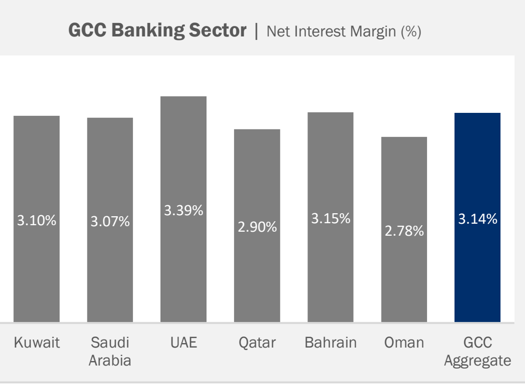
Profits see marginal q-o-q decline on higher impairments...

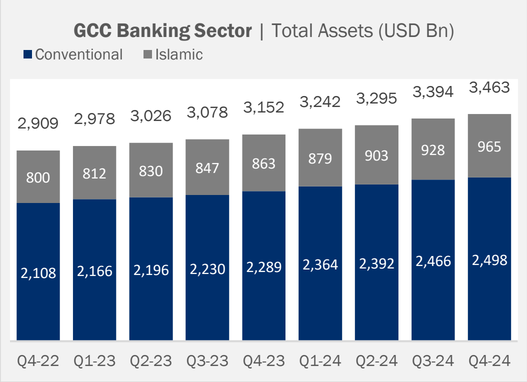
Quarterly net income for banks in the GCC region registered a sequential decline during Q4-2024 mainly reflecting the recent rate cuts implemented by global central banks as well as central banks in the GCC. Total profits reached USD 14.6 Bn during the quarter, a decline of 1.8% as compared to USD 14.9 Bn during Q3-2024, although y-o-y growth in profits remained robust at 12.8%. *At the country level, the q-o-q trend remained mixed with three countries reporting sequential declines while the remaining three registering growth in net profits. Banks in Qatar reported the biggest decline in profits with a q-o-q fall of 13.5% to reach USD 1.9 Bn. Oman and UAE-listed banks also reported decline in profits during the quarter. On the other hand, Bahraini banks registered the strongest q-o-q growth in profits at 8.2% reaching USD 219.5 Mn during Q4-2024 followed by aggregates for Kuwait and Saudi Arabia with profit growth of USD 3.8% and 1.9%, respectively.*

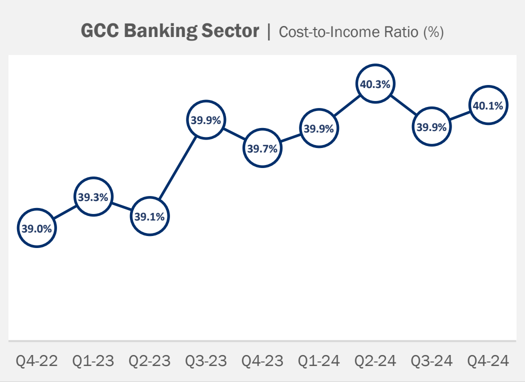
In terms of topline performance, aggregate banking sector revenues reached a new record high during the quarter at USD 34.5 Bn led by healthy growth in both net interest income and non-interest income. *Aggregates for all countries in the GCC showed q-o-q growth in total bank revenue during Q4-2024, barring Qatari banks that reported a marginal decline. Banks in Kuwait and Bahrain registered double-digit growth in revenues during the quarter while UAE-listed banks reported the biggest absolute q-o-q growth in profits with an increase of USD 646.4 Mn or 5.4% during Q4-2024.*

Factors that weighed on the bottom-line performance were a q-o-q increase in operating expenses as well as higher loan impairments booked during the quarter that partially offset the healthy topline growth during Q4-2024. Total operating expenses registered the biggest sequential growth in five quarters during Q4-2024 with an increase of 8.9% to reach USD 14.2 Bn led by growth in almost all markets in the GCC. *Aggregate impairments also continued to show growth for the second consecutive quarter to reach a four-quarter high level of USD 3.2 Bn during Q4-2024. The increase in impairments was led by double-digit growth in impairments booked by banks in UAE, Qatar and Kuwait. Saudi-listed banks, on the other hand, reported a 7.0% q-o-q decline in impairments during Q4-2024.*









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 Q4-2024. 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:

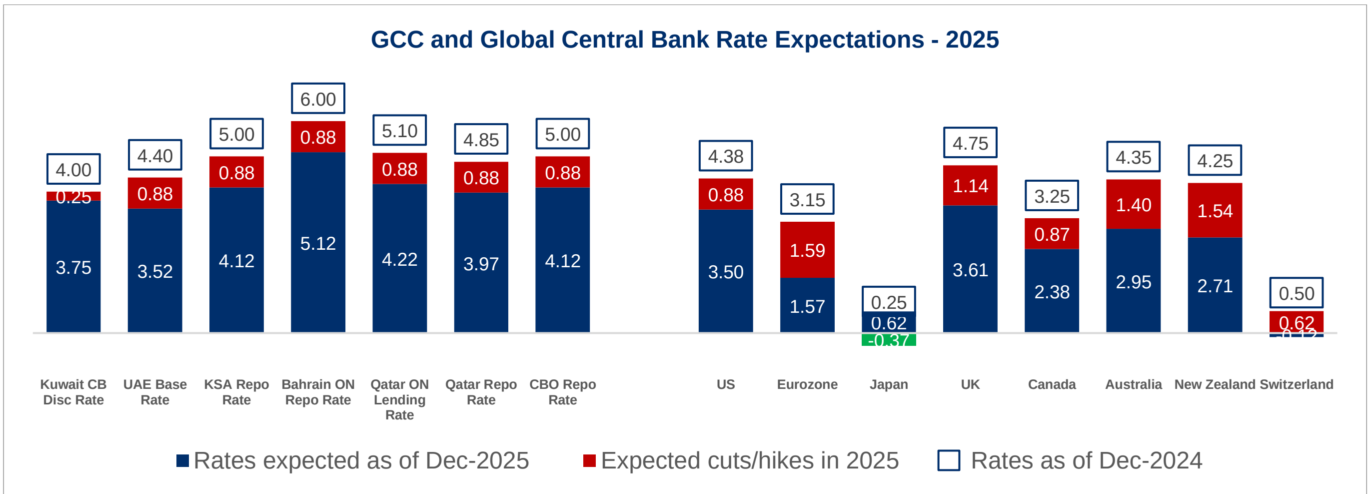
Fed to rely on inflation readings to decide the future trajectory of interest rates…

The interest rate outlook for global central banks underwent significant volatility, especially over the last one month post the announcement of the tariffs. The biggest volatility was seen in expectations for Fed funds rates that came after speculations post the tariffs showed that the Fed may cut rates significantly this year to counter any economic pressure on the US economy due to the tariffs. Some forecasts suggested as high as four to five cuts by the end of the year. However, the Fed clearly announced that the rate cuts would only be targeted on taming inflation. This calmed down rate cut bets, and the current Bloomberg consensus forecast shows lower probability of rate cuts this year, indicating one or a maximum of two rate cuts of 25 bps by the end of the year and during the second half of the year. Fed rates have remained unchanged since the start of the year after the 100 bps cuts last year. In terms of interest rates in the GCC region, central banks followed the rate cut policy of the US Fed with no cuts since the start of the year.

The most recent developments on the tariff front, especially with respect to China, shows a possible US-China trade deal and a deal with respect to currency as the USD losing its value to the lowest in almost two years could affect global financial markets and at the same time the Chinese yuan cannot strengthen as it would affect its exports. The Chinese economy is already started to feel the effects of the tariffs and its recently announced goal to attain 5% GDP growth seems stretched as of now. There is also news of new tariffs in the pipeline on semiconductors, pharmaceuticals and critical minerals. Consensus now expects that the Chinese central bank would cut key rate and may announce fiscal stimulus to offset the impact of external shock and boost domestic demand along with structural reforms.

In terms of inflation, global central bank's efforts are at varying levels of success. In the US, inflation has remained above the Fed target for more than four years. The latest inflation reading from the US showed CPI falling more than expected to the lowest level in six months at 2.4% during March-2025. When compared to monthly change, the index fell 0.1% from February-2025. This was the first decline on a monthly basis since May-2020. The annual core inflation increased by 2.8%, also below consensus estimates. However, the slowing inflation might not trigger a rate cut as the Fed faces a dilemma over whether to slash interest rates to prevent a possible slowdown triggered by the tariff war or hold the rates steady against an anticipated rise in inflation in the near term. In its most recent forecast, the IMF increased its inflation expectation for the US by 100 bps to 3.0% from its previous forecast in January-2025.

In the Euro area, inflation slowed further in March-2025 led by an easing of energy prices and prices in the services sector. CPI declined to 2.2% during the month vs. 2.3% during February-2025 while core inflation also eased to 2.4%. The falling inflation in the region also reflects the impact of the consistent rate cuts by the ECB that has lowered borrowing costs seven times since June last year. The ECB lowered deposit rates last week by 25 bps to 2.25%, in line with expectations. Economists expect the ECB to further lower lates this year as inflation risks have subsided. A recent comment from the ECB president said that the trade tensions may probably have a disinflationary impact on the region rather than inflationary. Also, the ECB's wage tracker suggested that the region does now have an inflation problem.



Source: Bloomberg Estimates, Kamco Invest Research

Meanwhile, the most recent inflation release came from the UK which saw CPI decelerating faster than the forecast to reach an annual growth of 2.6% in March-2025 from 2.8% in February-2025. Core inflation was also lower at 3.4% as compared to 3.5% during the previous month. The downward reading came from a fall in recreation and culture, and motor fuels sub-group that was partially offset by an upward swing in prices for clothing. The latest forecast from economists suggests that the UK could cut rates at an accelerated pace as economic growth is expected to be slow and inflation is expected to decelerate further.

Saudi Arabia drives GCC credit growth…

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 data continued to show growth during Q4-2024 led by growth in almost all countries in the region, barring Qatari banks. Saudi Arabia witnessed the strongest double-digit y-o-y growth in outstanding credit facilities at 14.4% followed by UAE banks with a y-o-y growth of 9.5%. The lending growth in the region reflected a strong project pipeline with aggregate contract awards of USD 74.8 Bn in Q4-2024, the highest quarterly mark in over six years. Total contracts awarded in Saudi Arabia increased by 16.3% y-o-y during Q4-2024 to reach USD 40.4 Bn, compared to USD 34.7 Bn in Q4-2023.

Similarly, 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 Q4-2024. The manufacturing activity in Saudi Arabia remained robust with PMI at 58.4 points during December-2024, the second-highest mark since October-2023. This was also reflected in the quarterly GDP growth for the Kingdom that reached 4.5% y-o-y in Q4-2024 led by healthy growth in activity in almost all the sub-sectors.

UAE also boasted a healthy PMI figure of 55.4 points in December-2024 while Dubai showed a similar growth with a PMI of 55.5 points. Manufacturing activity also remained steady in Qatar with the PMI recorded at 52.9 points during December-2024, a healthy improvement from the September-2024 as well as previous year's levels. The PMI data for Kuwait also showed manufacturing comfortably above the growth mark at 54.1 points in December-2024, the third highest level since the inception of the index in September-2018, reflecting solid improvement in business conditions, according to S&P Global.

According to SAMA, outstanding credit facility in Saudi Arabia increased by 3.6% q-o-q and 14.4% y-o-y during Q4-2024 to reach SAR 2.96 Trillion. The healthy growth was backed by a broad-based growth in almost all sectors in the economy. From among the prominent sectors, outstanding credit facilities for the Real Estate sector increased by 4.3% q-o-q during the quarter to reach SAR 883.3 Bn mainly led by a 6.6% growth in real estate corporate loans while retail real estate loans increased by 3.7%. Personal facilities also increased but at a relatively lower pace of 3.0% whereas outstanding facilities in the Electricity Water Gas & Health Services sector increased by 3.2% during Q4-2024. Decliners mainly included facilities to the Building & Construction group that fell 11.8% while Wholesale & Retail Trade witnessed a smaller fall in credit facilities by 2.2%. For the UAE, the latest credit sentiment survey pointed to steady credit conditions, although personal lending conditions seem to have deteriorated slightly from the previous quarter but remains expansionary. Business credit conditions also improved towards the end of the year with higher loan demand across all Emirates and sectors of the economy. The retail & wholesale trade sector recorded the strongest growth rate, followed by construction, property development, manufacturing, and transport, storage & communications.

Banking credit facilities in Qatar showed a sequential decline for the first time in seven quarters during Q4-2024. Total credit facilities recorded a marginal decline of 0.2% to reach QAR 1.4 Trillion mainly led by a decline in outstanding credit facilities for the Public sector by 1.3% as well as a fall in the Consumption sub-group by 0.7%. Facilities to Industry and Contractors also receded during the quarter. These declines were partially offset by a growth in lending to General Trade as well as to the Services group by 2.3% and 1.6%, respectively.

Outstanding credit facilities in Kuwait witnessed the fastest pace of growth in the last nine quarters with an increase of 1.1% during Q4-2024 to reach KWD 49.8 Bn. The increase was led by higher Personal Facilities owing to higher installment loans and loans for purchase of securities. Real Estate loans also increased by 1.6% during the quarter. The growth more than offset a decline in outstanding credit facilities mainly for the Construction, NBFC and Crude & Gas subgroups.

Lending by listed GCC banks reach a new record…

Aggregate lending by listed banks in the GCC continued to show q-o-q growth during Q4-2024, backed by growth in all GCC markets, barring Qatar that registered a marginal decline during the quarter. Aggregate gross loans at the GCC level reached a new record high of USD 2.17 Trillion, although the q-o-q growth dropped to a three-quarter low level of 2.4% in Q4-2024 vs. 3.1% during the previous quarter. The y-o-y growth continued to remain steady in double digits at 10.4%. Banks in Saudi Arabia reported the biggest absolute q-o-q gross loan growth in the GCC during Q4-2024 mainly led by healthy lending in almost all sectors. Gross loans growth for Saudi-listed banks came in at USD 22.3 Bn or 3.0% to reach USD 759.6 Bn during Q4-2024.

UAE and Kuwaiti banks were next with lending growth of USD 15.0 Bn (+2.5% q-o-q) and USD 8.9 Bn (+3.6% q-o-q), respectively, while Qatari banks registered a marginal decline of 0.1% in outstanding gross loans at the end of Q4-2024. In terms of type of banks, Islamic banks registered a relatively healthy growth in lending during the quarter with gross loan growth of 4.9% to reach USD 662.3 Bn while growth in conventional bank lending came in at 1.3% to reach an outstanding gross loan of USD 1.51 Trillion at the end of the quarter.

A report from Bloomberg showed that the lending mix of banks listed in Saudi Arabia has shifted more toward floating-rate corporate loans in 2024 from fixed rate retail credit. This shift was mainly led by a healthy growth in mortgage loans during the last five years. The report also showed that banks in the Kingdom have a greater share of fixed-rate credit and investment could perform better when interest rates are falling as they reprice new lower rates more slowly than lenders with low fixed-rate exposure. However, a decline in oil price is expected to lower low-cost deposits but the banks' high fixed-rate exposure should protect asset yields. In terms of liquidity, banks in the Kingdom are forecasted to see a liquidity gap of USD 137 Bn and may need to issue debt of around USD 16 Bn a year until 2030, as per Bloomberg. This also reflects a strong projects pipeline in the Kingdom that would require a funding of USD 456 Bn over the next five years to fund 60% of the expected pipeline of projects.

Customer deposits reach a new record high…

Total customer deposits reported by listed GCC banks reached a new record high level at the end of Q4-2024 to reach USD 2.52 Trillion after registering a growth of 1.0% vs. the previous quarter. The growth when compared to Q4-2023 came in at 6.8%. The growth was led by higher q-o-q customer deposits in almost all countries in the GCC, barring Qatari banks that reported a decline in customer deposits to the tune of 2.6%. At the country level, UAE-listed banks registered the strongest growth in deposits during the quarter that reached USD 847.2 Bn after a q-o-q growth of 2.3%. Kuwait banks were next with a q-o-q growth of 2.2% to reach total customer deposits of USD 316.1 Bn. Banks in Saudi Arabia, Bahrain and Oman reported much smaller customer deposit growth of around 1.0% during Q4-2024.

Loan-to-deposit ratio reached pre pandemic highs…

The aggregate loan-to-deposit ratio for the GCC banking sector reached levels seen before the pandemic at 82.4% at the end of Q4-2024, the highest level since Q1-2018. The ratio has remained consistently above the 80% mark over the last three quarters and reflects improving asset utilization as well as better margins to offset pressure from lowering interest rates. The increase during Q4-2024 was led by a resilient growth in lending across the GCC. At the country level, banks in Saudi Arabia reported one of the highest level of the loan-to-deposit ratio that reached 94.8% during the quarter, registering a growth of 200 bps as compared to Q3-2024. This was also the highest loan-to-deposit ratio in the GCC. Banks in Qatar also reported a healthy growth in the ratio that reached 91.7%, also one of the highest for the Qatari banking system after increasing by 260 bps as compared to the previous quarter. Oman and Kuwaiti banks were next with the ratios reaching 87.4% and 75.8%, respectively. Kuwaiti banks reported a decline in the ratio by 120 bps during the quarter while banks in Oman saw a growth of 70 bps. UAE-listed banks registered a small increase of 30bps with the ratio reaching 69.6%, still the second lowest in the GCC after Bahrain which recorded the ratio at 68.7% at the end of Q4-2024.

In terms of liquidity needs, banks in the UAE continue to remain in a comfortable position to finance future growth as the loan-to-deposit ratio remains the lowest in the GCC. On the other hand, banks in Saudi Arabia may face headwinds and may have to rely on external funding as the loan-to-deposit ratio for banks in the Kingdom remains the highest in the GCC. In addition, with oil trading below USD 70/b and with a strong project pipeline, banks in Saudi Arabia are forecasted to tap the debt market in the near term to fund the growing market.

Net interest income hit an all-time high...

Aggregate net interest income reported by banks listed in the GCC reached a new record high of USD 23.2 Bn during Q4-2024. The q-o-q growth was the highest in the last five quarters at 5.1% while the y-o-y growth stood at a healthy 8.7%. The increase came after five out of the six country-aggregates in the GCC showed growth during the quarter. Banks in Bahrain and Kuwait reported the biggest q-o-q increase in net interest income during the quarter while the growth in aggregates for Saudi Arabia and UAE-listed banks remained steady at around 3.0% during Q4-2024. On the other hand, banks in Qatar reported a marginal decline in total net interest income with a fall of 0.5% to reach USD 3.5 Bn during the quarter.

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. Nevertheless, despite lower policy rates, the yield on credit remained steady q-o-q at 4.2% for the aggregate GCC banking sector mainly led by higher loan-to-deposit ratio. As a result, the quarter reported one of the highest quarterly total interest incomes that reached USD 54.8 Bn after increasing by 1.2% during the quarter vs. Q3-2024. On the other hand, a relatively smaller decline in interest expense from USD 32.1 Bn in Q3-2024 to USD 31.7 Bn in Q4-2024 resulted in the overall growth in net-interest income.

Record revenues driven by higher NII and non-interest income…

The sequential growth in total bank revenues for the GCC banking sector reached the highest level in five quarters at 5.1% to reach USD 34.5 Bn following consistent growth over the last three quarters. The growth was led by healthy growth in both net interest income as well as non-interest income during the quarter with an increase of 5.1% and 6.6%, respectively. Also, the growth was backed by growth in all countries in the GCC barring Qatari banks that recorded a marginal decline in both net interest income as well as non-interest income. UAE-listed banks reported the biggest absolute growth in total banking revenues with a q-o-q increase of USD 646.4 Mn or 5.4% followed by Kuwaiti banks with a growth of USD 550.5 Mn.

The healthy growth in total non-interest income during Q4-2024 reflected a broad-based growth in almost all countries in the GCC, barring Qatari banks that reported a decline of 1.2% to reach USD 1.4 Bn. UAE-listed banks registered the biggest absolute q-o-q growth in non-interest income at USD 416.7 Mn or 9.2% followed by Kuwaiti banks with a growth of USD 253.6 Mn during the quarter.

Impairments surged to reach the highest in four quarters…

Impairments booked by banks in the GCC increased for the second consecutive quarter during Q4-2024 mainly led by a lower base with one of the lowest levels of total impairment in Q2-2024. Aggregate impairments reached USD 3.2 Bn during Q4-2024 after four out of six country aggregates showed higher impairments during the quarter vs. the previous quarter. The biggest increase was seen in the UAE with impairments increasing by almost 60% q-o-q or USD 454.3 Mn to reach USD 1.2 Bn during the quarter as compared to USD 0.8 Bn in Q3-2024. Qatari banks were next with a growth of USD 322.9 Mn with aggregate impairments reaching USD 1.0 Bn in Q4-2024 as compared to USD 0.7 Bn during Q3-2024. Banks in Kuwait and Bahrain reported slightly smaller growth in loan loss provisions during the quarter. On the other hand, banks in Saudi Arabia and Oman recorded a fall in loan impairments during Q4-2024.

Meanwhile, despite the increase in impairments, the cost of risk (ratio of 12-month provisions vs. average loans) continued to remain low compared to recent quarters at 0.47% for the aggregate GCC banking sector. 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 0.77% in Q4-2024 followed by Bahraini banks at 0.64%. The ratio was the lowest in the case of Saudi and Kuwaiti banks at 0.33% and 0.31%, respectively, while UAE-listed banks showed slightly higher cost of risk of 0.49%.

Operating expenses see fastest growth in five quarters…

Aggregate operating expenses for listed banks in the GCC increased for the third consecutive quarter during Q4-2024. Total operating expenses reached a new record higher for the GCC Banking sector at USD 14.2 Bn during Q4-2024 with a q-o-q increase of 8.9%, double the growth rate seen in the previous quarter. The increase was mainly led by higher expenses reported in five out of six country aggregates in the GCC. Banks in UAE reported the biggest q-o-q absolute growth in expenses that increased by USD 480.8 Mn or 10.5% to reach USD 5.1 Bn, the highest in the GCC. Kuwaiti banks were next with an increase of USD 251.0 Mn or 17.2% to reach USD 1.7 Bn in expenses. Saudi Arabian banks also reported an increase of 4.5% or USD 196.0 Mn to reach USD 4.5 Bn in Q4-2024 as compared to USD 4.3 Bn in the previous quarter. Qatari banks, on the other hand, reported a decline in operating expenses by 4.9% mainly led by a fall in expenses reported by QNB, Masraf Al Rayan and Ahli Bank that more than offset a increase in expense for the remaining four banks in Qatar.

The increase in operating expenses also resulted in an increase in the cost-to-income ratio for the GCC banking sector by the end of Q4-2024. The ratio once again went above the 40% mark to reach 40.1% during Q4-2024 after increasing by 20 bps as compared to the previous quarter. The increase reflected an increase in the ratio for four of six country aggregates. At the country level, the aggregates for Saudi Arabia and Qatar showed a decline in the ratio by 30 bps and 140 bps, respectively, while the rest of the GCC aggregates showed an increase.

NIM declined to reflect lower policy rates…

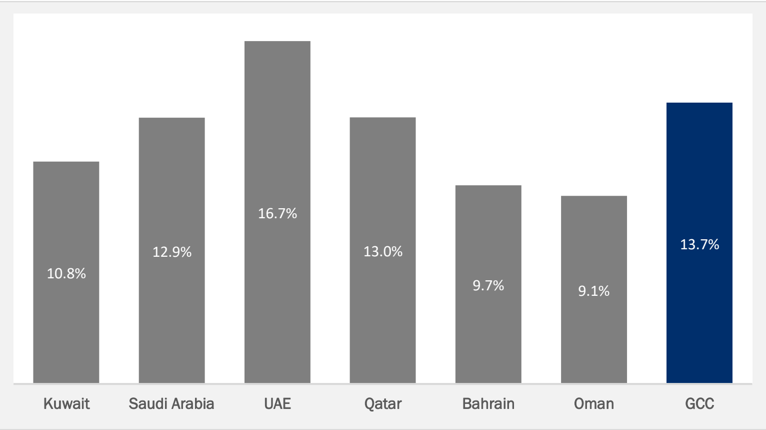
After remaining stable over the last six quarters at 3.2%, the aggregate net interest margin reported by GCC-listed banks declined marginally during Q4-2024 to reach 3.1%, indicating the impact of rate cuts during the last quarter of the year. The ratio declined in four out of six countries in the GCC. The ratio for Bahraini and Kuwait banks showed marginal increase during the quarter to reach 3.15% and 3.10% at the end of Q4-2024. On the other hand, banks in Qatar, Saudi Arabia, UAE and Oman registered declines.

UAE banks once again ranked first in the GCC in terms of NIMs that reached 3.39% in Q4-2024 as compared to 3.42% during Q3-2024. The higher margins as compared to gulf peers reflect ample liquidity that allows UAE banks to capitalize on the tightening interest rate cycle with more modest asset growth. Kuwaiti banks were next with a NIM of 3.10% followed by Saudi Arabian banks at 3.07%.

GCC banking RoE continues to grow…

Aggregate return on equity (RoE) for the GCC banking sector increased marginally q-o-q during Q4-2024 to reach one of the highest levels over the last few years at 13.7%. The ratio also improved in terms of y-o-y comparison by 20 bps supported by an increase in aggregate 12-month profitability coupled with a relatively smaller growth in shareholders' equity. Total shareholder equity reached USD 449.5 Bn at the end of Q4-2024, registering a growth of 3.2% as compared to Q3-2024.

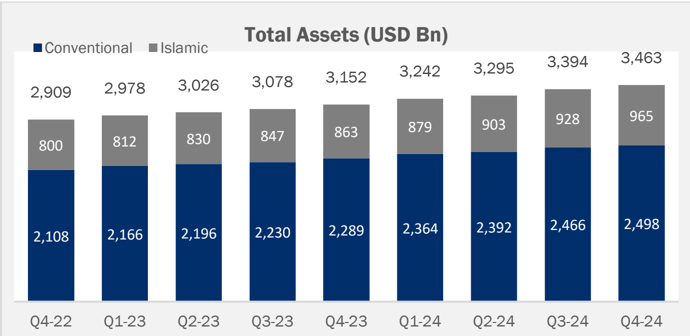
GCC Banking Sector – Return on Equity (%)

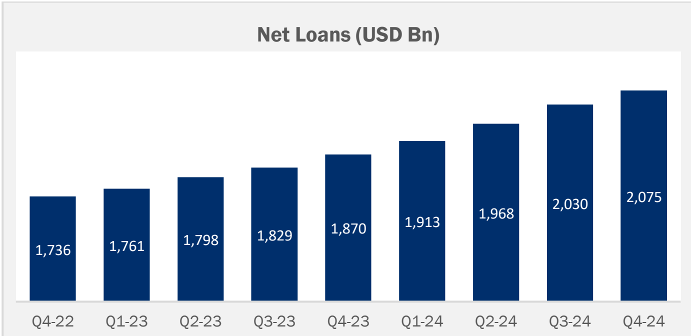


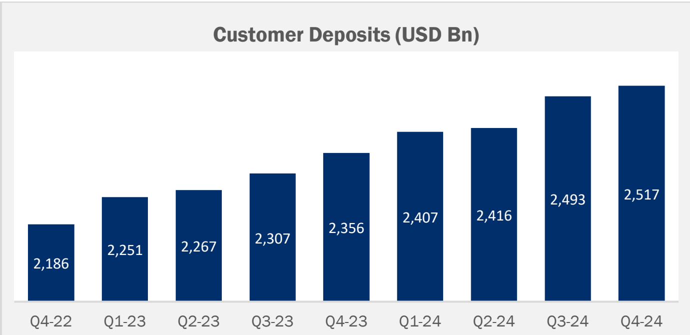
Source: Reuters Refinitiv, Financial Statements, Kamco Invest Research

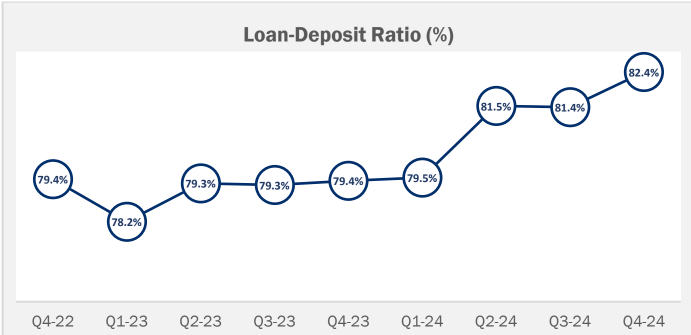
At the country level, UAE-listed banks once again topped in the region with the highest RoE at the end of Q4-2024 at 16.7%, although it declined slightly by 10bps for the second consecutive quarter. Qatari banks were next with an RoE of 13.0%, registering a quarterly increase of 10bps followed by Saudi Arabian banks with an RoE of 12.9% each, also increasing by 10 bps from the previous quarter. The biggest y-o-y growth in RoE was also seen for Bahraini banks at 70 bps which was mainly led by elevated profits as well as a relatively smaller growth in total shareholders' equity. ROEs for Kuwaiti banks stayed elevated at a double-digit level of 10.8% while Bahraini and Omani banks reported RoEs at 9.7% and 9.1%, respectively.

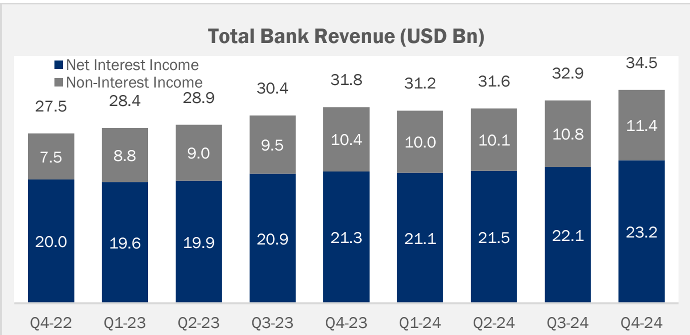
Key Banking Sector Metrics : GCC

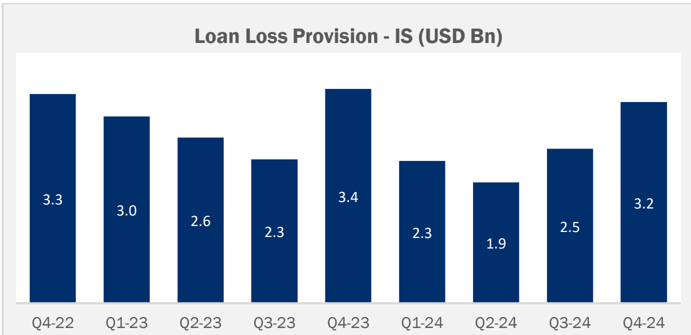


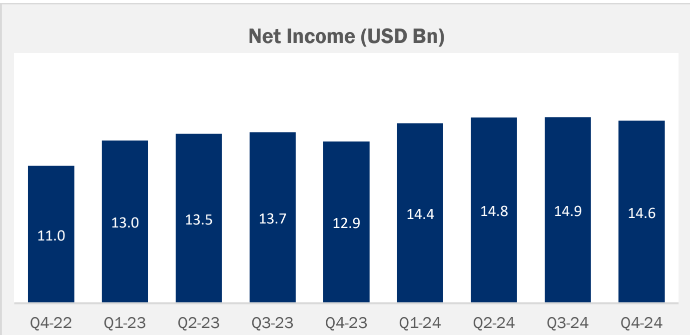


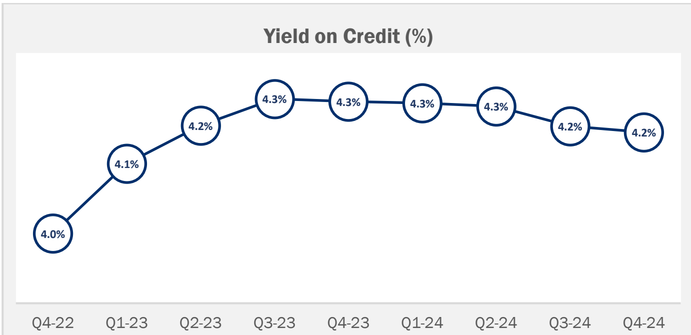


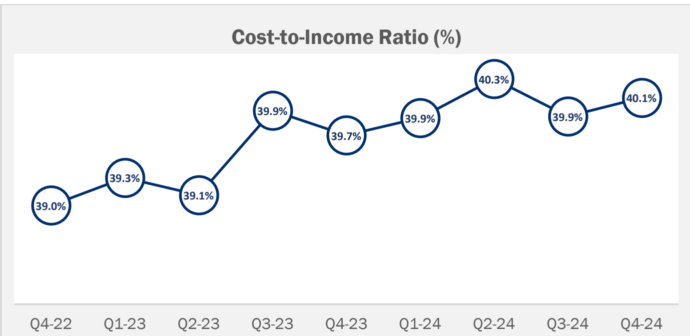


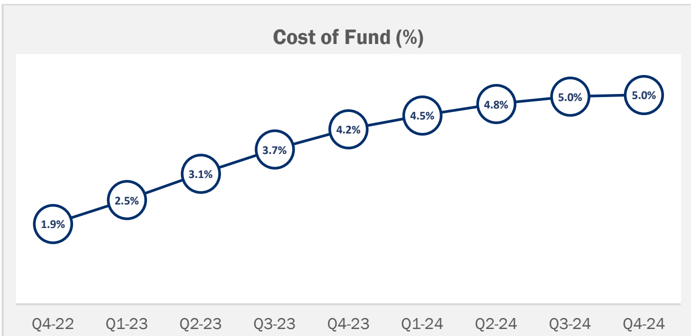






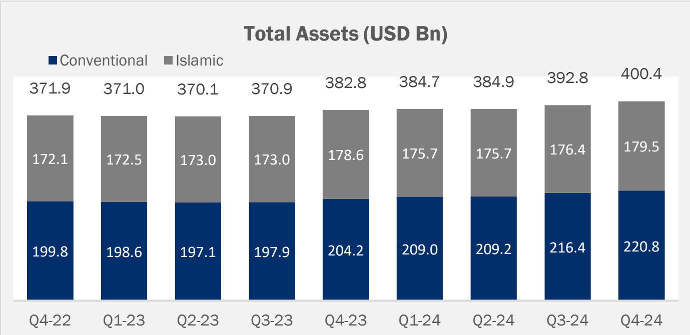


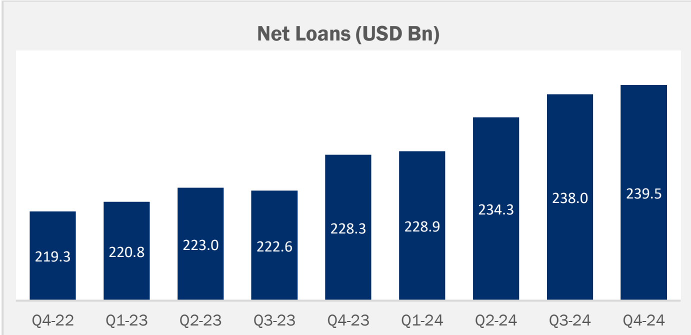


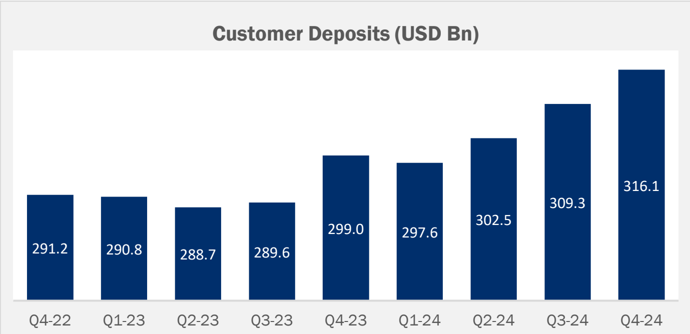


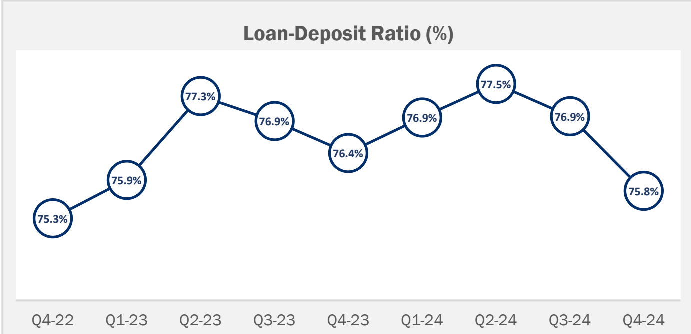
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

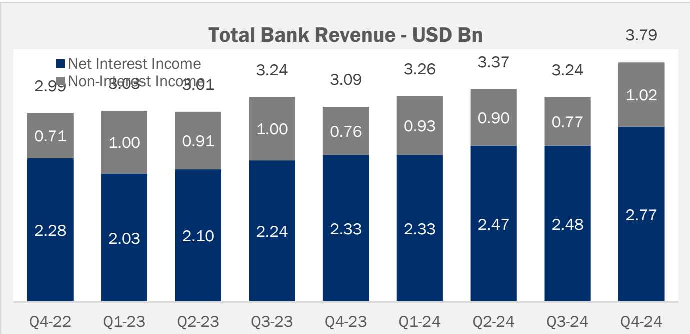
Key Banking Sector Metrics : Kuwait

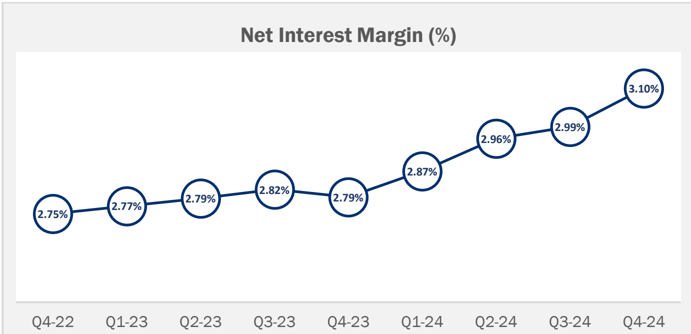


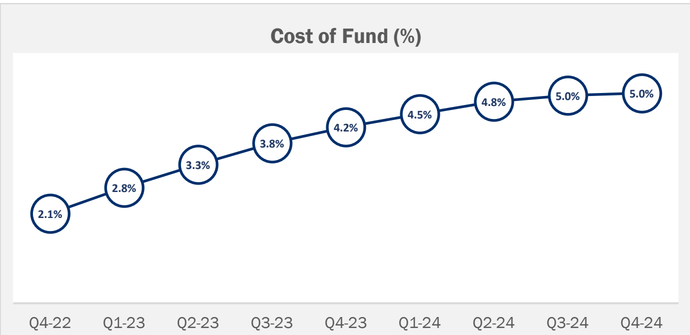


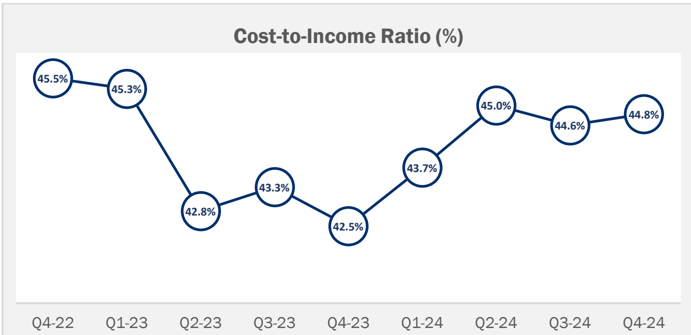


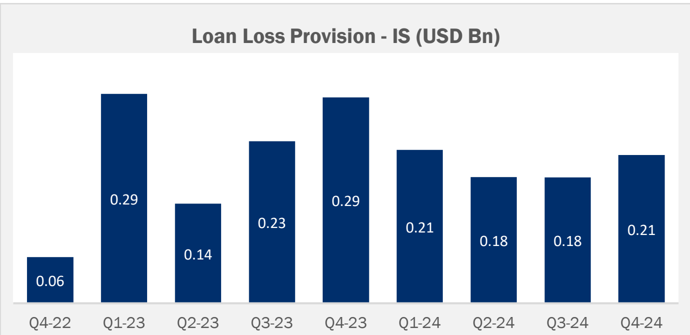


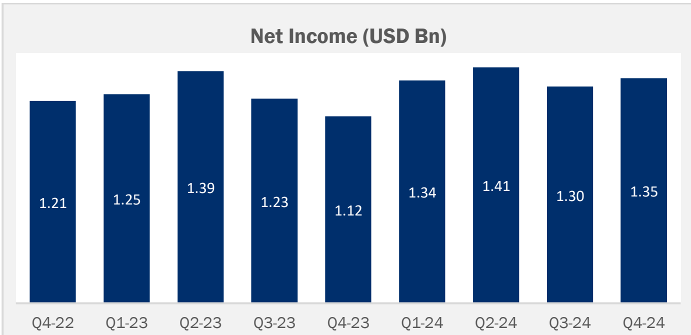






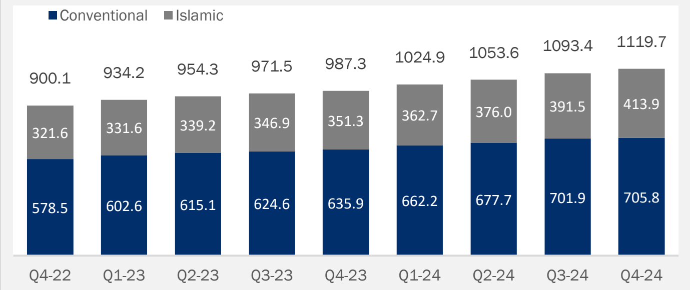




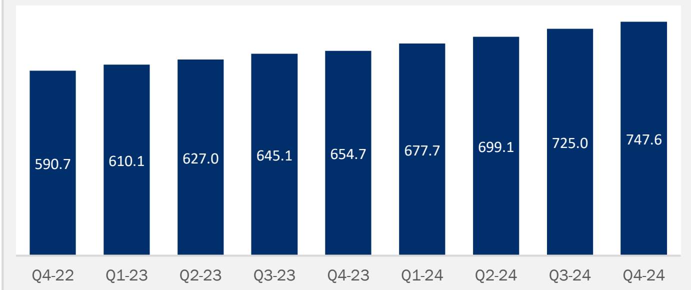


Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

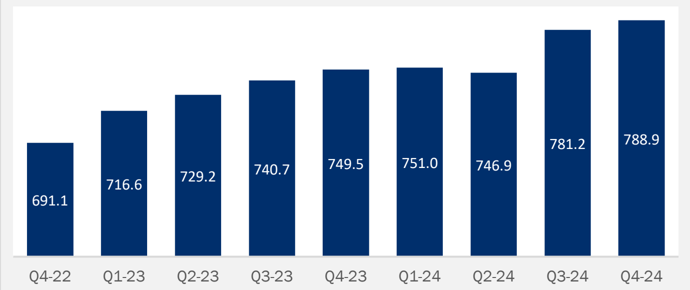
Key Banking Sector Metrics : Saudi Arabia



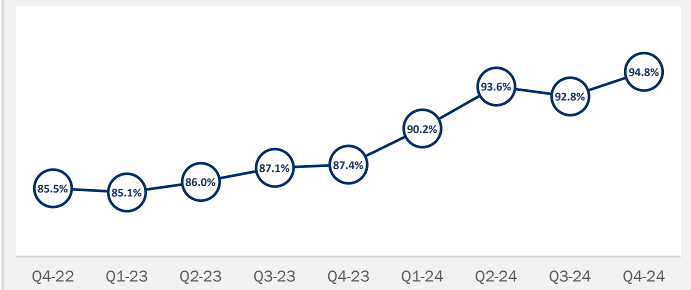
Total Assets (USD Bn)



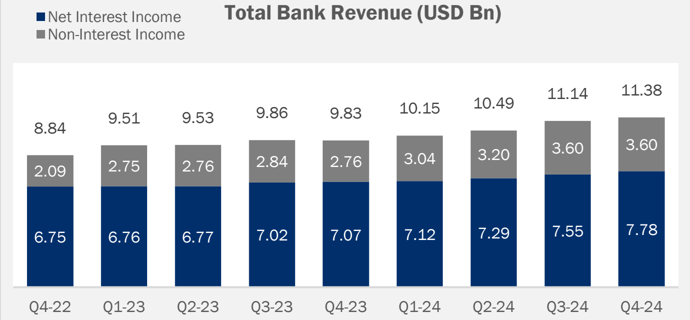
Net Loans (USD Bn)



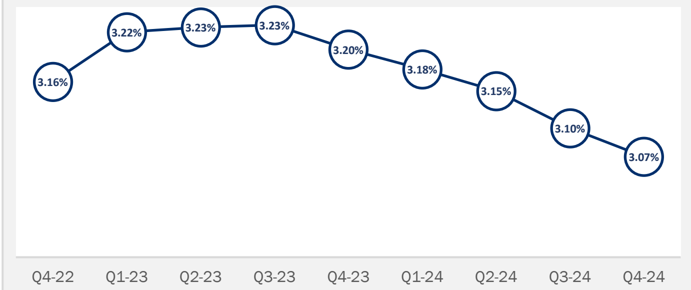
Customer Deposits (USD Bn)



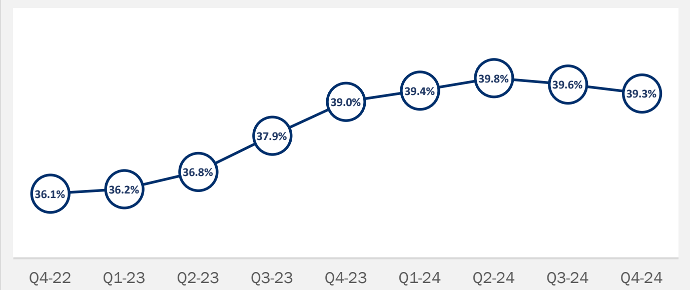
Loan-Deposit Ratio (%)



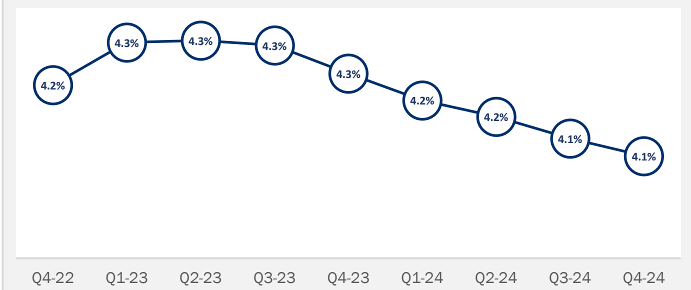
Total Bank Revenue (USD Bn)



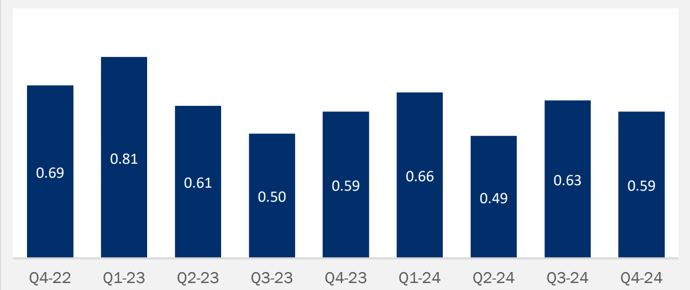
Net Interest Margin (%)



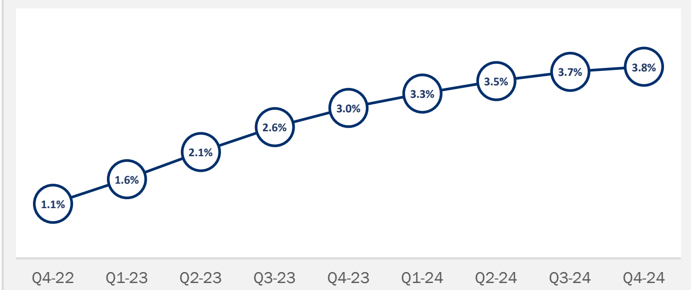
Cost-to-Income Ratio (%)



Yield on Credit (%)



Loan Loss Provision - IS (USD Bn)

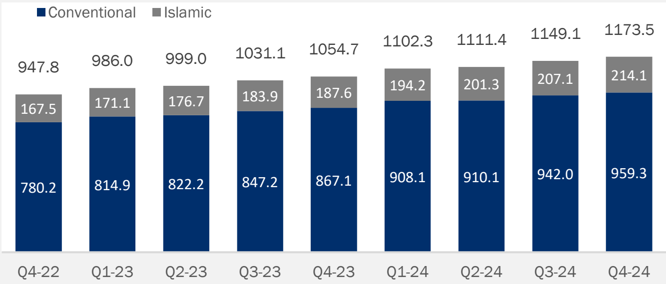


Cost of Fund (%)

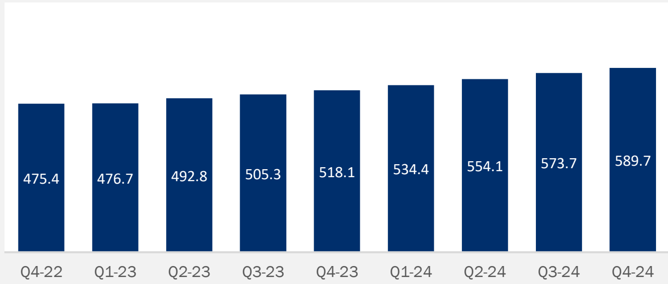
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

Key Banking Sector Metrics : UAE

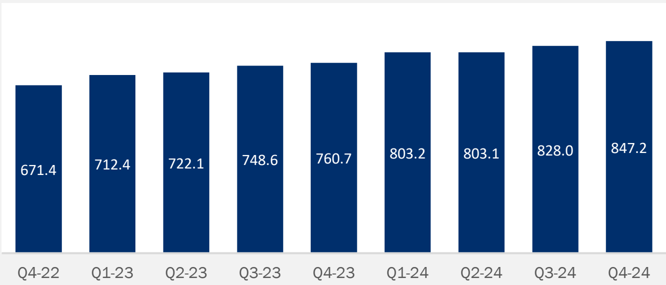
Total Assets (USD Bn)



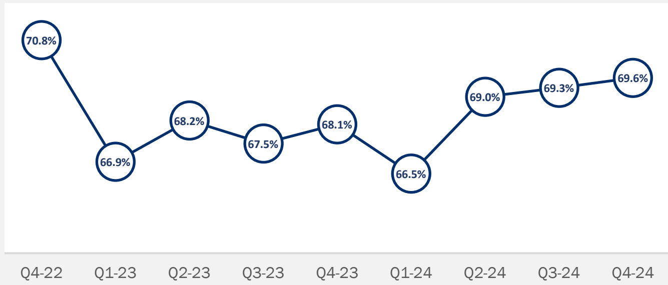
Net Loans (USD Bn)



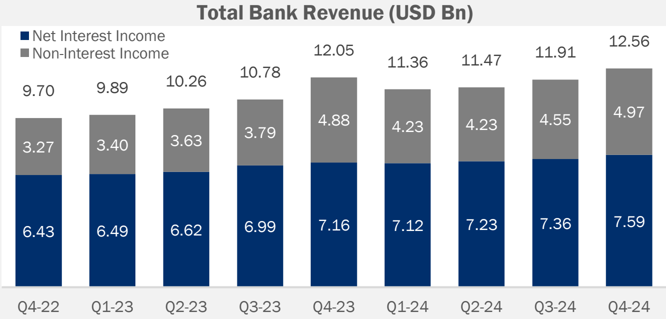
Customer Deposits (USD Bn)



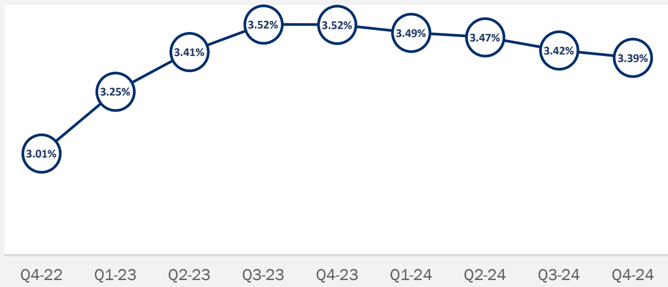
Loan-Deposit Ratio (%)



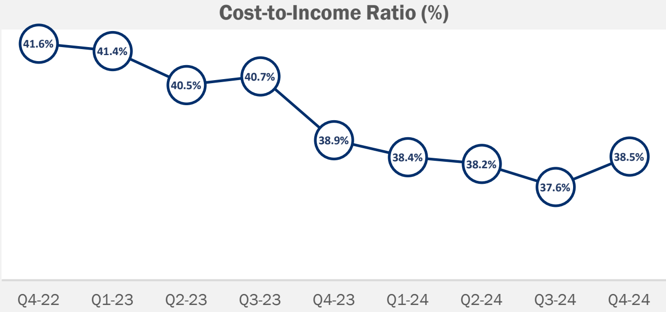
Total Bank Revenue (USD Bn)



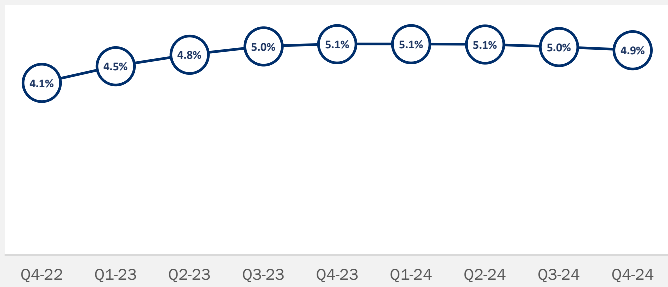
Net Interest Margin (%)



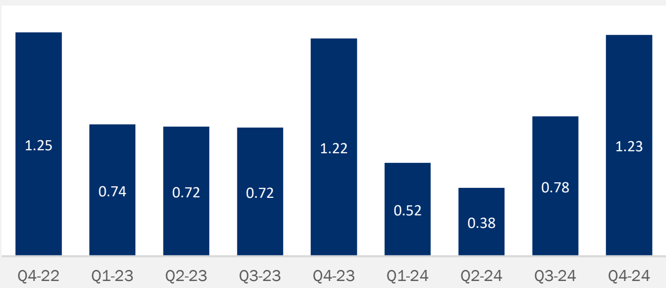
Cost-to-Income Ratio (%)



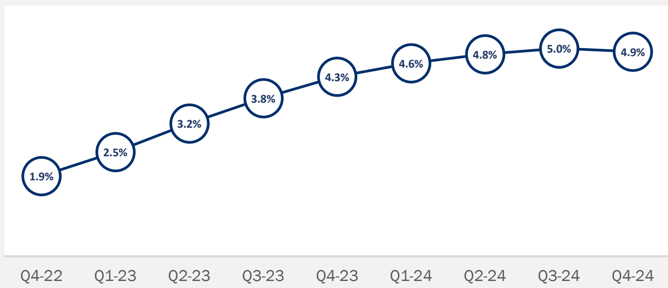
Yield on Credit (%)



Loan Loss Provision - IS (USD Bn)

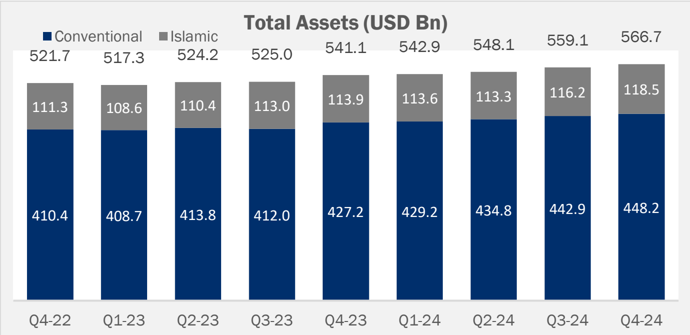


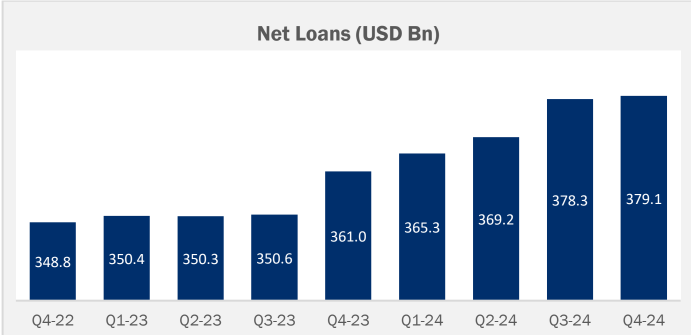
Cost of Fund (%)

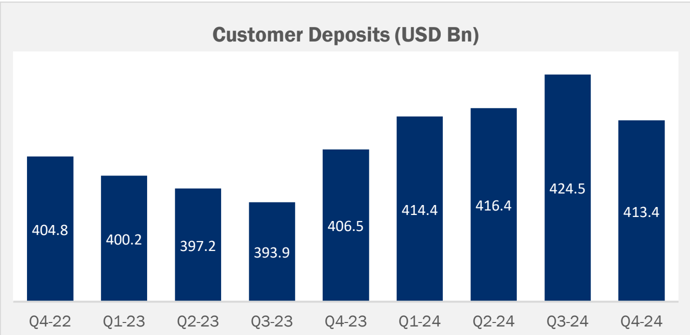


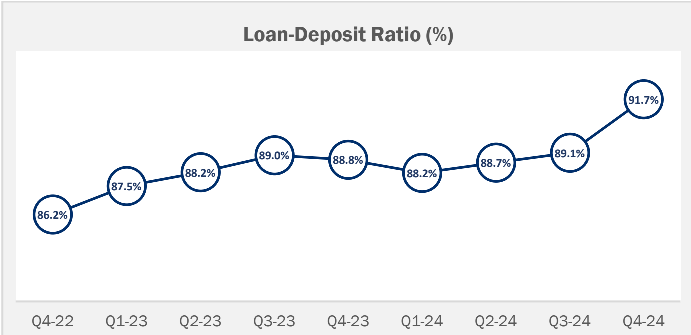
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

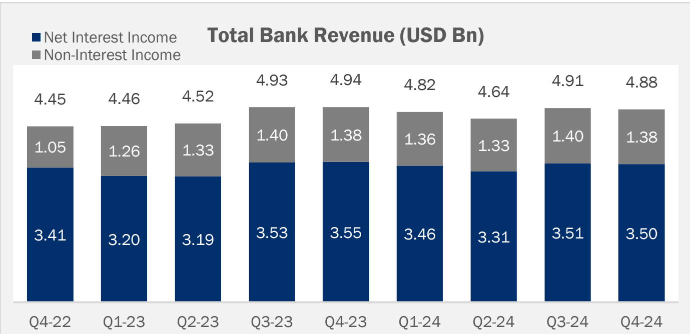
Key Banking Sector Metrics : Qatar

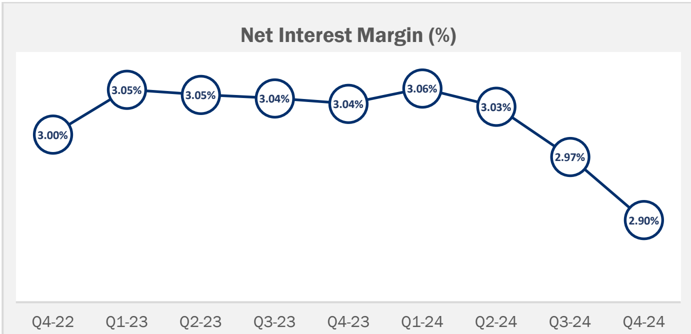


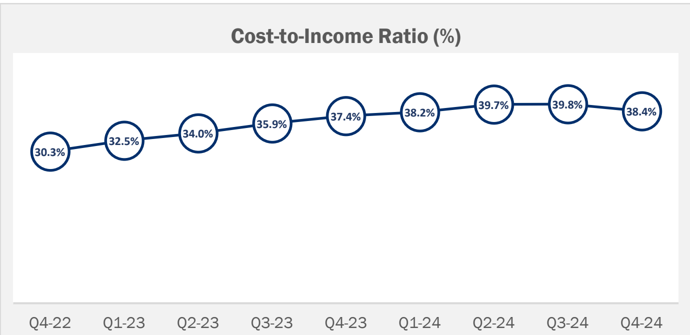


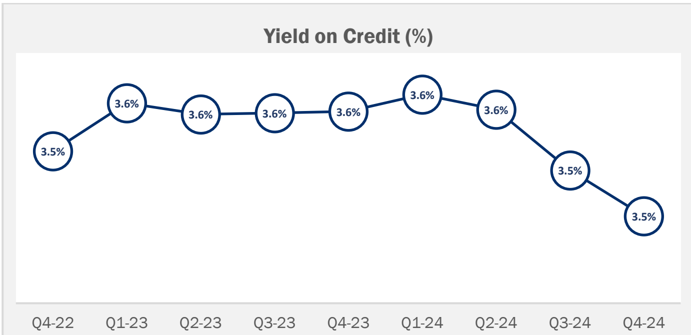


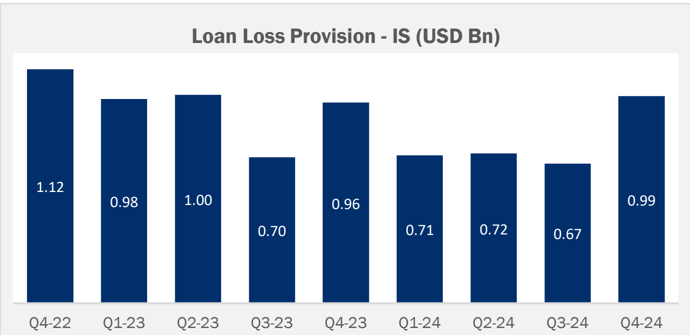


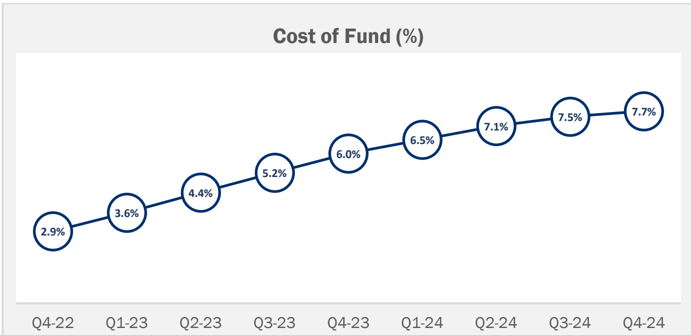








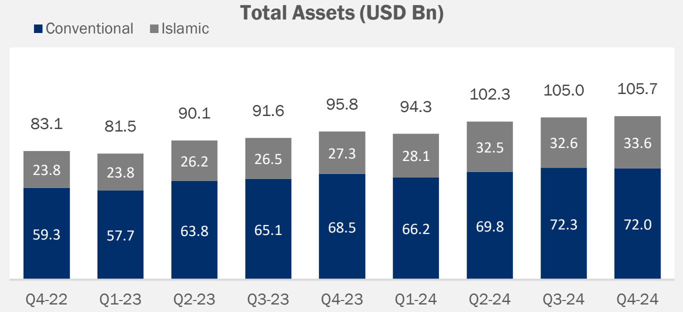




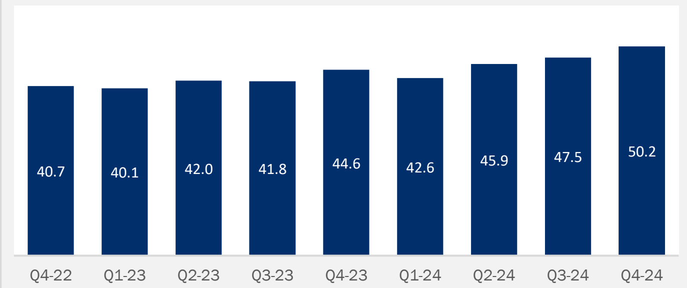
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

Key Banking Sector Metrics : Bahrain

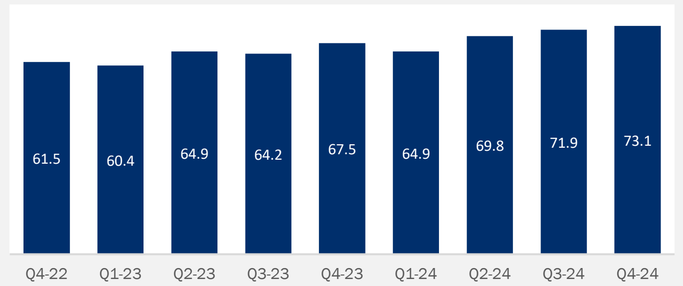
Total Assets (USD Bn)



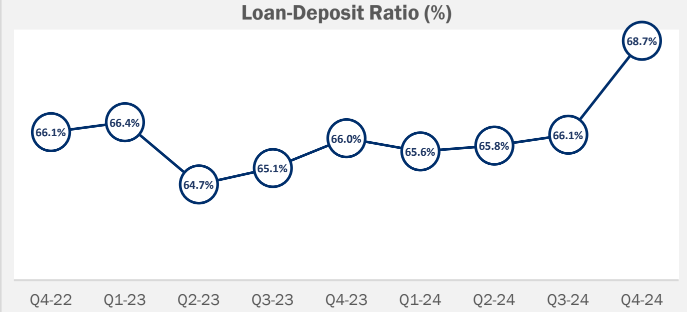
Net Loans (USD Bn)



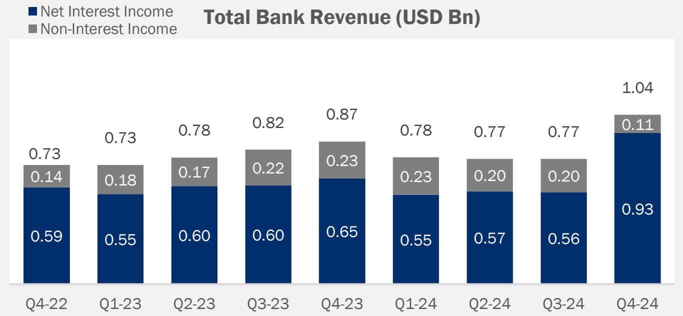
Customer Deposits (USD Bn)



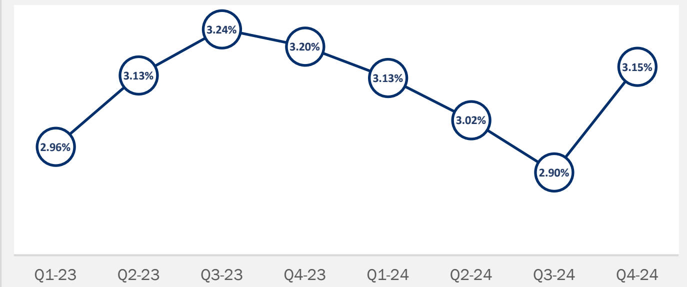
Loan-Deposit Ratio (%)



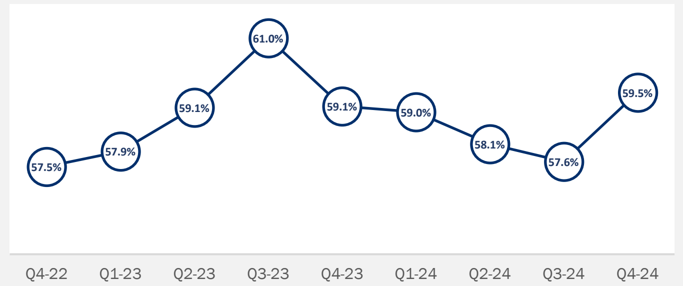
Total Bank Revenue (USD Bn)



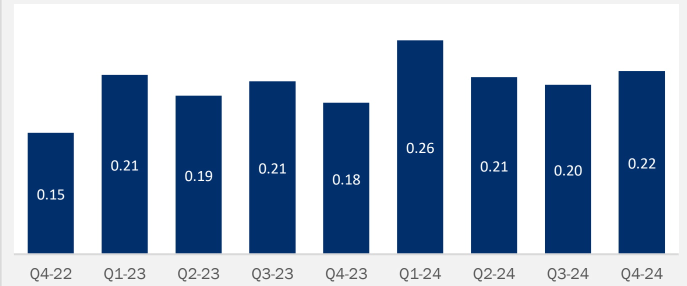
Net Interest Margin (%)



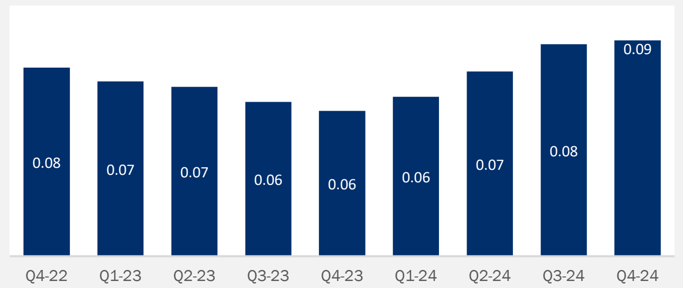
Cost-to-Income Ratio (%)



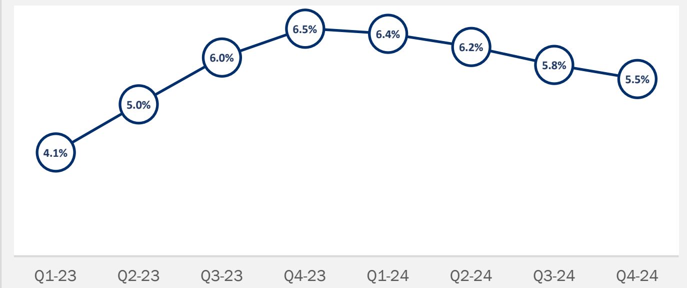
Net Income (USD Bn)



Loan Loss Provision - IS (USD Bn)

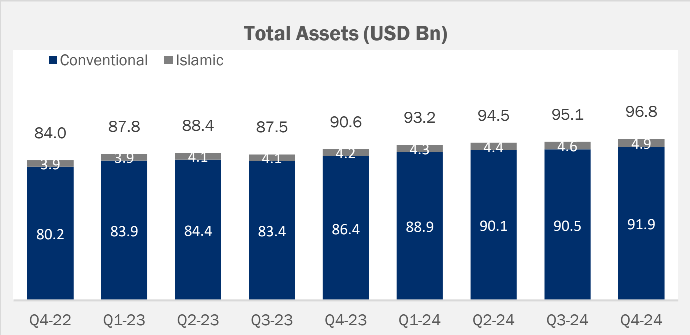


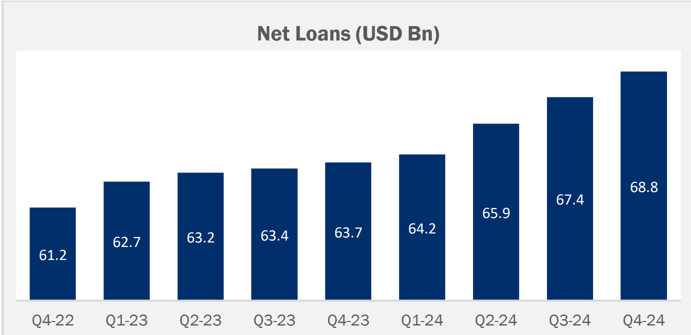
Cost of Fund (%)

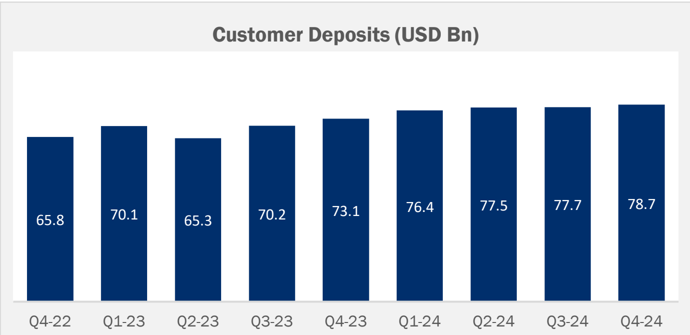


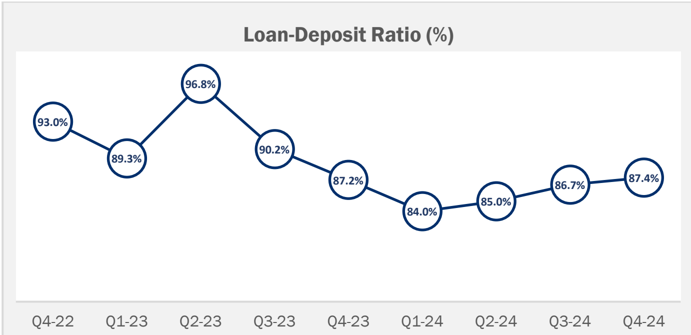
Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

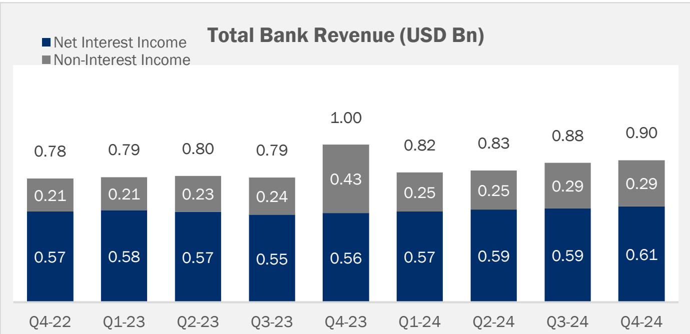
Key Banking Sector Metrics : Oman

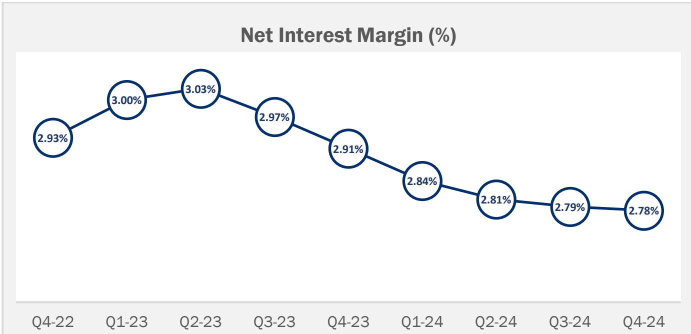


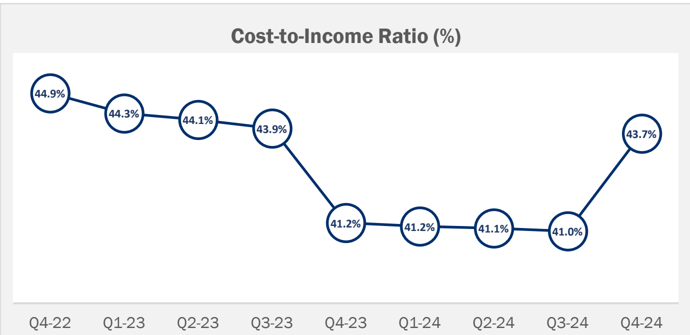


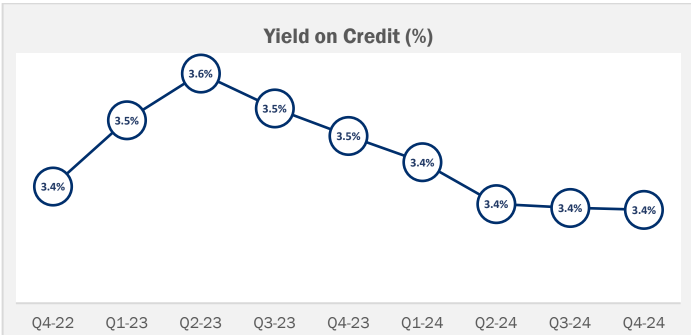


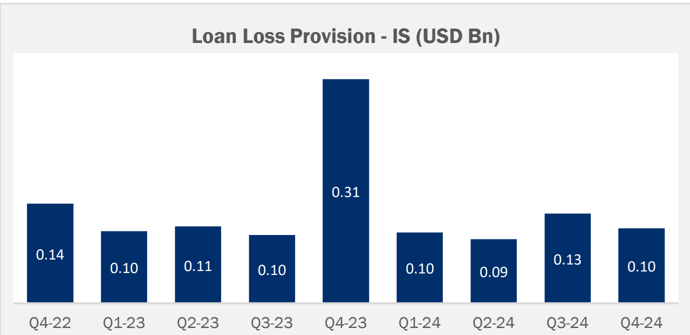


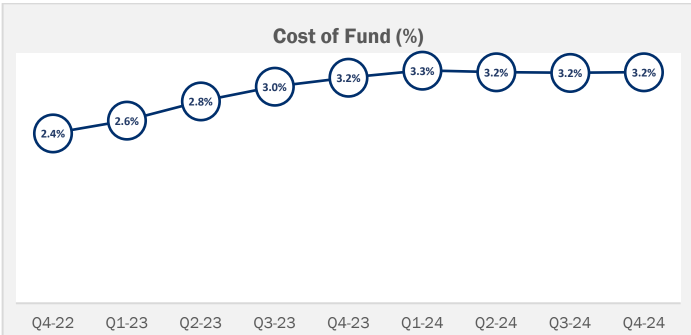












Source : Reuters, Bloomberg, Bank Financials, Kamco Invest Research

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	2.9	0.490	13.7	1.9	7.1	5.2%	0.3%	5.6%	6.3%
ARAB BANKING CORP	Bahrain	1.1	0.340	4.1	0.3	8.1	9.1%	9.3%	5.7%	N/A
BBK BSC	Bahrain	2.4	0.490	12.3	1.4	7.1	6.3%	9.0%	10.1%	11.8%
AL-SALAM BANK	Bahrain	1.6	0.202	10.1	1.6	2.8	9.4%	40.7%	37.2%	13.8%
BAHRAIN ISLAMIC BANK	Bahrain	0.2	0.060	19.8	0.4	N/A	0.0	-0.1	N/A	N/A
NATIONAL BANK OF KUWAIT	Kuwait	26.9	0.939	14.6	2.0	5.1	13.0%	5.1%	14.6%	11.2%
KUWAIT FINANCE HOUSE	Kuwait	41.6	0.709	21.3	2.2	2.9	4.2%	0.3%	16.9%	13.3%
BOUBYAN BANK K.S.C	Kuwait	9.2	0.640	31.0	3.2	1.5	21.6%	-3.0%	14.1%	12.6%
COMMERCIAL BANK OF KUWAIT	Kuwait	4.5	0.698	8.8	1.8	6.8	24.7%	20.6%	14.5%	10.2%
GULF BANK	Kuwait	4.4	0.340	22.8	1.6	2.8	12.7%	10.4%	19.0%	7.2%
BURGAN BANK	Kuwait	2.8	0.225	23.3	1.0	2.5	37.7%	-0.6%	11.5%	0.7%
AL AHLI BANK OF KUWAIT	Kuwait	2.4	0.298	14.1	1.2	3.4	14.6%	9.0%	19.5%	3.3%
WARBA BANK KSCP	Kuwait	1.7	0.215	26.6	1.5	N/A	20.7%	-2.7%	9.4%	3.4%
KUWAIT INTERNATIONAL BANK	Kuwait	1.2	0.226	21.7	1.1	2.1	32.7%	5.8%	12.4%	4.6%
BANKMUSCAT SAOG	Oman	4.9	0.250	9.0	1.0	6.6	5.7%	3.6%	20.0%	10.8%
BANK DHOFAR SAOG	Oman	1.2	0.148	13.1	0.8	4.4	0.6%	13.9%	11.3%	0.9%
NATIONAL BANK OF OMAN SAOG	Oman	1.2	0.290	9.2	0.9	3.2	1.1%	14.8%	15.1%	7.7%
SOHAR INTERNATIONAL BANK	Oman	2.2	0.130	8.3	1.0	6.2	2.2%	12.6%	15.5%	3.6%
AHLI BANK	Oman	2.4	0.155	11.4	1.0	3.2	-3.2%	13.6%	8.0%	5.9%
BANK NIZWA	Oman	0.6	0.099	11.8	0.8	2.5	4.6%	3.7%	5.8%	3.4%
QATAR NATIONAL BANK	Qatar	40.6	16.0	9.4	1.6	4.4	-5.2%	-7.9%	2.4%	4.7%
QATAR ISLAMIC BANK	Qatar	13.0	20.0	10.7	1.8	4.0	-3.9%	-4.1%	9.2%	11.5%
MASRAF AL RAYAN	Qatar	5.6	2.2	13.9	0.8	4.6	-7.3%	-23.7%	-6.9%	-2.5%
COMMERCIAL BANK PQSC	Qatar	4.6	4.1	6.1	0.8	7.2	2.1%	-13.3%	5.1%	1.8%
QATAR INTERNATIONAL ISLAMIC	Qatar	4.2	10.2	13.1	2.1	4.9	-3.7%	-1.9%	9.1%	8.2%
AL AHLI BANK	Qatar	2.5	3.6	10.7	1.3	6.9	12.5%	2.8%	9.7%	4.2%
DOHA BANK QSC	Qatar	1.8	2.1	7.8	0.6	4.7	12.8%	-1.7%	6.7%	-4.0%
AL RAJHI BANK	Saudi Arabia	104.5	98.0	21.0	3.9	3.0	5.2%	-2.0%	27.0%	19.0%
SAUDI NATIONAL BANK	Saudi Arabia	56.4	35.3	9.8	1.2	5.7	8.6%	-9.7%	10.2%	5.3%
RIYAD BANK	Saudi Arabia	24.8	31.0	9.6	1.6	5.5	11.4%	-3.5%	20.4%	11.7%
SAUDI BRITISH BANK	Saudi Arabia	18.9	34.5	9.1	1.2	5.8	2.5%	-4.6%	14.7%	4.7%
BANQUE SAUDI FRANSI	Saudi Arabia	12.0	18.0	9.7	1.2	5.5	13.6%	-8.0%	11.3%	5.3%
ALINMA BANK	Saudi Arabia	19.9	29.8	13.4	2.3	3.7	2.9%	-0.3%	24.0%	11.5%
ARAB NATIONAL BANK	Saudi Arabia	11.9	22.4	9.0	1.2	5.8	9.5%	2.8%	15.5%	7.3%
BANK ALBILAD	Saudi Arabia	11.6	29.0	15.4	2.6	2.9	-11.0%	-4.1%	24.3%	10.9%
SAUDI INVESTMENT BANK/THE	Saudi Arabia	5.0	15.1	10.5	1.2	5.0	6.8%	-1.9%	20.8%	4.8%
BANK AL-JAZIRA	Saudi Arabia	4.6	16.9	14.0	1.3	N/A	-9.8%	-11.2%	15.1%	2.7%
FIRST ABU DHABI BANK PJSC	UAE	40.4	13.4	9.1	1.2	5.6	3.2%	-12.3%	9.1%	7.2%
EMIRATES NBD PJSC	UAE	34.2	19.9	5.7	1.1	5.0	-2.8%	15.4%	25.5%	14.1%
EMIRATES ISLAMIC BANK	UAE	18.1	12.3	22.1	4.7	N/A	47.9%	17.9%	9.4%	N/A
ABU DHABI COMMERCIAL BANK	UAE	21.0	10.6	8.8	1.2	5.6	6.9%	7.5%	26.7%	12.2%
DUBAI ISLAMIC BANK	UAE	14.8	7.5	7.2	1.4	6.0	12.5%	13.0%	24.3%	11.1%
ABU DHABI ISLAMIC BANK	UAE	16.3	16.5	11.0	2.7	5.1	25.3%	29.9%	44.2%	20.8%
MASHREQBANK	UAE	13.1	240.0	5.4	1.4	8.8	19.2%	59.4%	41.0%	14.7%
COMMERCIAL BANK OF DUBAI	UAE	6.2	7.7	8.0	1.5	6.6	14.3%	25.2%	22.9%	8.0%
NATIONAL BANK OF FUJAIRAH	UAE	2.6	4.2	12.7	1.6	3.7	15.9%	-0.1%	0.8%	5.2%
INVEST BANK	UAE	32.2	0.5	N/A	80.1	N/A	0.0%	0.0%	-3.2%	-15.1%
NATIONAL BANK OF RAS AL-KHAI	UAE	3.5	6.4	6.3	1.1	7.8	14.8%	21.4%	23.0%	7.3%
NATIONAL BANK OF UMM AL QAIW	UAE	1.2	2.2	8.5	0.7	8.4	5.8%	14.7%	10.4%	2.5%
UNITED ARAB BANK PJSC	UAE	0.8	1.4	9.6	1.4	N/A	2.2%	29.0%	9.3%	-11.5%
BANK OF SHARJAH	UAE	0.8	1.0	7.4	0.7	N/A	3.8%	21.6%	11.1%	-4.0%
AJMAN BANK PJSC	UAE	1.1	1.5	9.5	1.4	4.7	-6.0%	32.3%	26.9%	1.8%
COMMERCIAL BANK INTERNATIONA	UAE	0.3	0.7	5.1	0.5	N/A	-10.5%	-11.6%	0.7%	-7.6%

Source: Bloomberg

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