

Fed rate cut expectations shine spotlight on GCC banks while geopolitical tensions linger

The Week Ahead

Regional markets - Banks in focus due to Fed meeting and geopolitical risks

This week, volatility in GCC banking and financial stocks is expected to rise if the US Federal Reserve proceeds with a widely anticipated rate cut. Given the region's currency pegs, most GCC central banks typically mirror US monetary policy, making interest rate decisions particularly significant for financial sector valuations. At the same time, geopolitical risks persist, with Israel threatening further action against Qatar if support for Hamas continues following last week's strike.

Global markets - Central Bank moves to dominate sentiment

Investors are focused on monetary policy decisions. According to FedWatch, 93.4% expect the US Federal Reserve to cut rates by 25bps on 17 September in response to labor market weakness. The Bank of Canada is likely to follow. In Asia, the Bank of Japan is expected to hold rates unchanged at its 19 September meeting as exports weaken. In Europe, the Bank of England is set to pause after lowering rates in August, preferring to reassess the domestic backdrop before acting again.

Note to Management 1 - GCC Sentiment Index hits record high

Iridium's GCC Sentiment Index climbed to 42.7 in 2Q 2025, the highest level since 2015. The improvement was driven by stronger analyst sentiment during Q&A sessions, showing better alignment between management commentary and market expectations. Overall, 69% of companies exceeded analyst forecasts, with sentiment improving in Qatar and weakening in Saudi Arabia. Looking ahead, credibility will depend on how management teams address inflation, geopolitical risk, and trade concerns while sustaining the candid dialogue that market participants now expect from companies. [See Report](#)

Note to Management 2 - GEM funds invest more in Saudi Arabia

The UAE remains the most overweight GCC market at 40.5%, supported by allocations to real estate, financials, and industrials. Funds invested in Saudi Arabia increased for a second straight month to 59%, led by financials and communications. At the company level, ADIB, Al Rajhi, and SNB gained weight, while Emaar Development, Mobily, and SAB lost ground. GEM funds now hold 201 GCC companies, adding 14 new names since 1H 2025. [See Report](#)

Food for thought

IR & Beyond

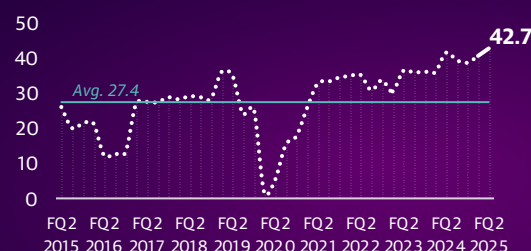
Iridium	GCC sentiment index hits new high as analyst Q&As jump 22%	Link
Iridium	Active GEM fund managers push deeper into GCC equities	Link
HBR	AI Is Changing the Structure of Consulting Firms	Link
Inst. Inv.	Frozen Pensions Are Sitting on Billions. Sponsors Want Access	Link
Reuters	From waste to wealth: Unlocking the \$1tn food innovation opportunity	Link

In case you missed it...

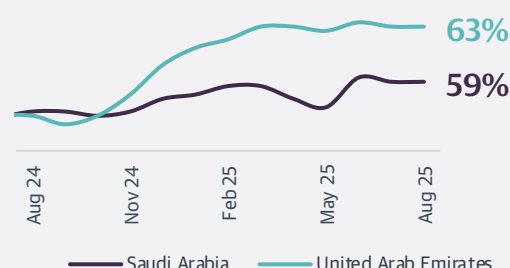
Last week, Kuwait (+2.5%) led regional gains, supported by rising oil prices. Dubai (+0.7%) advanced following its strongest single-day rally on 12 September 2025. Bahrain (+0.5%) extended its upward streak for a second consecutive week. In contrast, Qatar (-0.1%) edged lower due to banking sector losses. Abu Dhabi (-0.2%) declined for a seventh straight week, pressured by a sharp fall in ADCB shares after its proposed rights issue at a 30% discount to its market price. Oman (-0.8%) saw its ten-week rally come to an end. Meanwhile, Saudi Arabia (-1.9%) closed the week near a two-year low.

In the US, recent inflation and labor market data reinforced expectations that the Fed will cut rates at its upcoming meeting. This optimism fueled gains across major indices: the Dow Jones (+1.0%), S&P 500 (+1.6%), and Nasdaq Composite (+2.0%). In Europe, equities recovered ground, with the FTSE 100 (+0.8%) building on prior gains, while the DAX (+0.4%), STOXX 600 (+1.0%), and CAC 40 (+2.0%) reversed losses.

Iridium GCC Earnings Call Sentiment Index Points



Saudi Arabia vs UAE GEM Funds invested, %



Events Calendar

Events Calendar	Date
JP Morgan EM and FM Conference	16-18 Sep
ENBD Capital Saudi Investor Forum	17 Sep
FOMC Meeting	17 Sep
MEIRA Annual Conference, OMAN	24-25 Sep
JP Morgan Investor Conference, NYC	7-9 Oct
More events: iridiumevents.com	

Asset Class Monitor	WTD	YTD
Bitcoin	5.29%	23.81%
MSCI EM	3.89%	23.27%
Aluminium	3.88%	7.57%
MSCI World	1.72%	15.55%
S&P 500	1.59%	11.95%
FTSE 100	0.82%	13.58%
US Treasury	0.25%	-6.64%
MSCI GCC	-0.54%	0.40%

10 Most Read Regional Sector Headlines

Insurance	CMA greenlights CHUBB Arabia, Saudi Re's capital raise
Telecom	Bahrain: Northstar Telecom ties up with Kingston 10
Energy	Abu Dhabi, Goldman Sachs sign deal to explore energy, water opportunity
Aviation	Oman: Demand for Muscat-Salalah air travel surges during khareef
Infrastructure	Saudi Arabia seeks bids for new 35km Riyadh rail link project
Banking	Qatar banking sector loan book up 1.1% to \$386bln
Technology	Digital Dubai explores new technologies during official visit to Shenzhen
Transportation	Dubai RTA launches new executive regulation for tourist transport
Pharmaceutical	Saudi: Al-Modawat hospital expansion work to complete in Q4
Construction	Saudi Arabia continues push to attract global contractors

10 Most Read Regional Company Headlines

Etihad Airways	Etihad Airways mulls bulk buying parts to stave off supply woes
Adnoc	Adnoc is said to mull \$10bn financing for Santos deal
Flydubai	Flydubai, TAROM form new interline partnership
QatarEnergy	QatarEnergy secures offshore exploration licence in Congo
Combined Group	Kuwait's Combined Group Contracting wins \$29mln road contract in Dubai
OMRAN	Oman: OMRAN acquires strategic stake in UK's UnderTheDoormat Group
UCC Holding	UCC Holding signs MoUs for energy cooperation with SOCAR
Watermelon Eco	Gainz partners with Watermelon Ecosystem for F&B financing in Gulf
EMSTEEL	EMSTEEL launches world's 1st ePGH pilot for steel sector
Binance Bahrain	Binance Bahrain and SGB partner to offer USD transfers for retail users

Macro Calendar

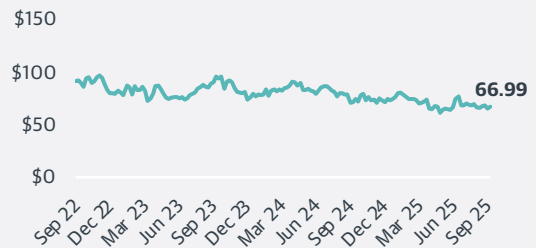
15 Sept 2025	China Industrial Production (YoY) (Aug)
15 Sept 2025	Eurozone ECB's President Lagarde speech
16 Sept 2025	UK Claimant Count Change (Aug)
16 Sept 2025	US Retail Sales (MoM) (Aug)
17 Sept 2025	UK Consumer Price Index (MoM) (Aug)
17 Sept 2025	US Fed Interest Rate Decision
18 Sept 2025	UK BoE Monetary Policy Summary
19 Sept 2025	Japan BoJ Interest Rate Decision
19 Sept 2025	UK Retail Sales (MoM) (Aug)
19 Sept 2025	Japan BoJ Press Conference

Markets	Last Close	YTD %	QTD %	MTD %	MCap (bn)	P/E	P/B
Saudi Arabia	10,453	-13.2%	-6.4%	-2.3%	\$2,332	18.0x	2.1x
ADX	10,014	6.3%	0.6%	-0.8%	\$769	20.9x	2.6x
DFM	6,031	16.9%	5.7%	-0.5%	\$248	9.3x	1.5x
Nasdaq Dubai	4,848	15.2%	3.0%	-0.8%	\$138	10.5x	1.8x
Qatar	11,093	4.9%	3.2%	-1.2%	\$163	12.4x	1.4x
Bahrain	1,943	-2.1%	0.0%	0.7%	\$19	12.8x	1.3x
Oman	5,082	11.0%	12.9%	1.0%	\$30	9.5x	1.0x
Kuwait	8,717	18.4%	3.1%	2.6%	\$169	17.2x	1.8x

Sources: S&P Capital IQ Pro, Iridium Advisors Analysis

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Crude Oil - Brent - Spot, USD/ bbl



Commodities	WTD	YTD
Oil (Brent)	2.27%	-10.25%
Gold	1.57%	38.81%
Oil (WTI)	1.33%	-12.59%
Natural Gas	-3.51%	-19.05%

Leaderboard	MCap (bn)	WTD	YTD	P/B	3m ADTV
Aramco	\$1,492	-2.2%	-17.5%	3.8x	10.5
IHC	\$239	0.0%	-1.2%	6.2x	0.3
TAQA	\$107	0.3%	-79.9%	3.9x	1.2
Rajhi	\$100	-1.6%	-1.3%	3.6x	2.1
STC	\$55	-1.4%	3.1%	2.5x	2.6
SNB	\$55	-2.7%	2.5%	1.1x	2.9
FAB	\$50	-0.4%	19.7%	1.5x	3.1
SABIC	\$47	-1.3%	-11.9%	1.2x	1.9
QNB	\$47	-2.0%	8.1%	1.8x	1.8
KFH	\$47	2.2%	14.7%	2.6x	9.9

About Iridium

Iridium is a management consulting firm and MENA's leading advisor on investor relations.

We unlock valuation potential by advancing the science and practice of investor relations.

Please don't hesitate to let us know if we can be of assistance in any way.

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