

GCC Debt Capital Market Monitor: 2026

DCM Passes USD1.1 Trillion Outstanding; Dollar Issuance Surges

Outlook: Fitch Ratings expects the GCC countries to continue to be among the largest emerging-market (EM) US dollar debt and sukuk issuers in 2026. The GCC debt capital market (DCM) is expected to continue growing, surpassing USD1.25 trillion in 2026. Growth drivers include cross-sector diversification and refinancing goals, funding deficits and projects, and government initiatives to develop the DCM. Forecasted lower oil prices (2026F and 2027F: USD63/bbl) and Fed rate cuts (2026F: 3.25%; 2027F: 3%) could drive further growth.

Most GCC issuers maintained strong market access in 2025 and so far in 2026 despite global and regional shocks. However, the DCMs remain exposed to oil-price and interest-rate volatility, geopolitical risks, and new sharia requirements for sukuk. These can affect fiscal balances, funding costs, and investor sentiment. Many GCC issuers, mainly Saudi, are increasingly utilising alternative funding tools such as private credit, syndicated financing, and certificates of deposit for banks.

Rating Landscape: Around 84% of Fitch-rated sukuk in the GCC are investment-grade (end-2024: 80%), with 63.2% in the 'A' category and 90% of issuers on Stable Outlooks (end-2024: 91.7%). Fitch rated around 70% of the GCC dollar sukuk market outstanding at end-2025 (end-2024: 69%). There were no rating defaults or falling angels in 2025. However, there were a few rising stars, as some Omani entities/sukuk were upgraded following the sovereign's upgrade to 'BBB-'.

Market Profile: GCC outstanding DCM surpassed USD1.1 trillion in 2025, up over 14% year on year (yoY) (dollar share: 62%). Saudi Arabia (46%) and the UAE (29%) made up the majority of the GCC DCM outstanding, followed by Qatar (12%), Bahrain (5%), Kuwait (4%) and Oman (4%). ESG DCM outstanding was USD65 billion. Total DCM issuances exceeded USD400 billion in 2025, up 3% YoY.

In EMs (excluding China), the GCC accounted for 35% of dollar debt issued in 2025 (2024: 29%), and 81% of dollar sukuk issued (2024: 73%). Saudi Arabia and the UAE held 41% of all EM ESG dollar debt issued in 2025. GCC dollar sukuk issuance grew 72.2% YoY to USD70.2 billion, outpacing bonds which grew 26.1% to USD123.7 billion. Sukuk share of the DCM outstanding reached a record 41%.

Fragmentation: Saudi Arabia and the UAE's DCMs are the most developed in the GCC. The Saudi Exchange launched its Fixed Income Market Making Framework. The UAE launched an Islamic finance and halal industry strategy, with sukuk growth plans. Kuwait issued USD11.25 billion in sovereign bonds, its first in eight years. Oman's DCM is likely to grow more conservatively as it continues to deleverage. Qatar launched the second phase of its primary dealer framework. Digitally native notes emerged in Qatar and the UAE.

GCC dollar issuance surged in 2025. However, local-currency issuance was mixed across the GCC and mostly sovereign-driven. There continue to be few bank and corporate local-currency issuances in the GCC, except in Saudi Arabia where riyal issuances are more visible.

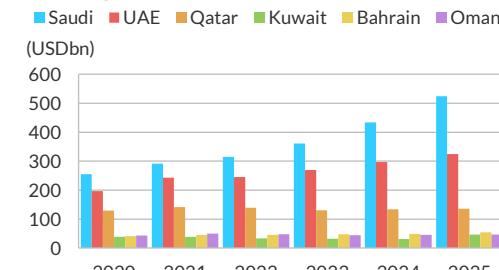


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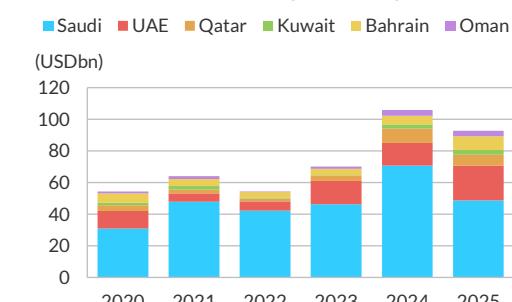
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GCC DCM Outstanding at Year-End by Country



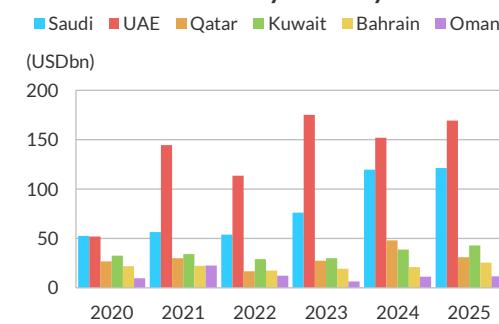
Source: Fitch Ratings, Bloomberg

GCC Sukuk Issuance by Country



Source: Fitch Ratings, Bloomberg

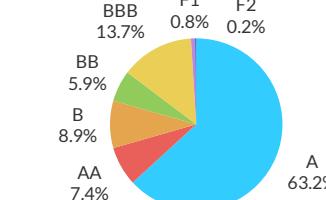
GCC DCM Issuance by Country



Source: Fitch Ratings, Bloomberg

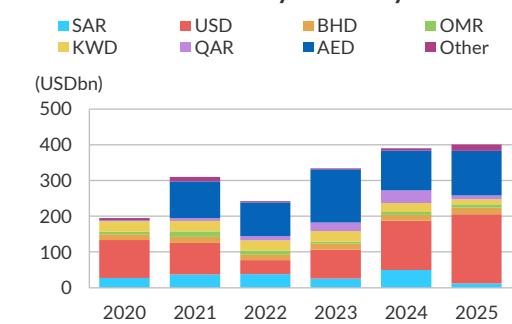
GCC Fitch-Rated Sukuk by Rating

At end-2025



Source: Fitch Ratings

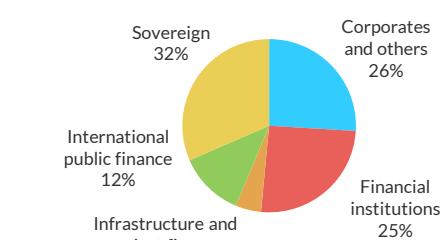
GCC DCM Issuance by Currency



Source: Fitch Ratings, Bloomberg

GCC Fitch-Rated Sukuk by Sector

At end-2025



Source: Fitch Ratings

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