Rabee Securities
Est. 1995
Member of the Iraq Stock Exchange

RABEE SECURITIES (RS) RESEARCH

03/11/2025

Launch of the Rabee Securities Iraq Banking Index (RSIBX)

Rabee Securities has created a banking sector index to enhance the variety of indices in the market and provide investors with the opportunity to focus on different indicators. This new index, named the **"RS Iraq Banking Index (RSIBX)"**, is a price return index, and therefore reflects price returns but not dividend income.

The **RSIBX** includes five banks that meet our index eligibility criteria. Since its computation began in January 2022, the index has served as a valuable benchmark for assessing the performance of the banking sector through its five representative constituents.

Overview of the RSIBX

- RSIBX is a free-float-adjusted market capitalization-weighted index.
- Reflects changes in the market prices of the stocks within the index (Price Return Index).
- Not adjusted for the impact of dividends but adjusted for capital increase decisions.
- The RSIBX has calculated since the beginning of 2022 (1000 at Jan 3, 2022) in both IQD and USD.
- The RSIBX includes five banks. **[Table (1.0)]**
- The weights of index constituents are determined daily by their market capitalization (Mcap) and free float.
- The RSIBX will be calculated daily, and announced through:
  - RS Research Bulletins
  - RS website
  - RABEE App

Table (1.0): Breakdown of RSIBX (free-float-adjusted market capitalization-weighted index)

Company Name	ISX Code	Mcap (IQD bn)	Mcap ($ mn)	Free Floats*	Weights in the RSIBX**
National Bank of Iraq	BNOI	2,226	1,686	15.0%	43.4%
Bank of Baghdad	BBOB	1,360	1,030	17.0%	30.0%
Al-Mansour Bank	BMNS	894	678	15.0%	17.4%
Iraqi Islamic Bank	BIIB	400	303	10.0%	5.2%
Commercial Islamic Bank of Iraq	BCOI	233	176	13.0%	3.9%
Total		**5,113**	**3,873**		**100.0%**

**Assumptions of Rabee Securities (RS).*
***As of Nov. 2, 2025*

Performance of the RSIBX

IQD-RSIBX recorded considerable performance, mainly in 2023 and 2024, driven both by the growth of the banking sector and, more specifically, by the expansion of operations of the index banks, as they are among the few banks eligible to conduct USD transactions. Four out of five index banks—excluding the Commercial Islamic Bank of Iraq—have direct correspondent banking relationships, which positively contribute to their operations, particularly in commission and FX income related to international dollar transactions. As a result, the IQD-RSIBX increased by 153.8% in 2023 and 74.0% in 2024.

Despite Iraq's ongoing economic growth, regional issues have been putting pressure on the stock market since the beginning of the year. Consequently, RSIBX recorded a limited 8.5% growth year-to-date (YTD). **[Table (1.1)]**

The USD-RSIBX recorded a 193.2% increase in 2023, outperforming the IQD-RSIBX due to the appreciation of the Iraqi Dinar against the US Dollar in February 2023. However, as the FX rate stabilized from February 2023 onward, its impact on index performance was neutralized. As a result, USD-RSIBX also recorded 8.5% increase YTD.

Table (1.1): RSIBX Performance Since Inception (IQD & USD)

Period	IQD-RSIBX		USD - RSIBX	
	Closings: IQD-RSIBX	Change (%): IQD-RSIBX	Closings: USD-RSIBX	Change (%): USD-RSIBX
2022	1112.6	11.3%	1079.7	8.0%
2023	2823.6	153.8%	3165.8	193.2%
2024	4914.0	74.0%	5509.7	74.0%
2025 YTD*	5331.0	8.5%	5977.2	8.5%

**As of Nov. 2, 2025*

Launch of the Rabee Securities Iraq Banking Index (RSIBX)

RSIBX Stock Selection Criteria

- Banks included in the RSIBX Index are selected from the regular market of the ISX.
- Selected banks are not subject to any legal restrictions.
- The RSIBX components must be among the top 20 most liquid stocks over the last two consecutive quarters.
- The financial strength and overall health of banks are considered during the selection and review process.
- Banks facing significant challenges in meeting the capital requirements set by the Central Bank of Iraq (CBI) will be excluded from the index.

RSIBX Update Process

We will maintain a quarterly review process for RSIBX, like all our indexes, ensuring timely updates to index constituents as deemed necessary, contingent upon liquidity performances and free float assumptions. Adjustments to the index for all required corporate actions (capital increases: rights issue and bonus issue) will be made on the day an index company resumes trading after announcing its capital increase decision after the annual general meeting (AGM).

For any inquiries, contact:

Research
Aysegul Ozge Ozgur (SVP, Head of Research)
aozgur@rs.iq

Tugba Tan Karakaya (Equity Analyst)
ttan@rs.iq

Omar Shahine (Junior Equity Analyst)
oshahine@rs.iq

RS WhatsApp / Trading
traders@rs.iq
Tel: +964 783 534 5151

research@rs.iq
Tel: +90 212 219 2524
Mob: +90 539 456 4566

Info
info@rs.iq
Tel: +964 780 227 2233

RS Bloomberg page: <RSIQ>
RS Website: RS.IQ

Baghdad HQ
903/14/19
Karrada
Baghdad, Iraq
Tel: +964 783 534 5151

Erbil
Italian Village offices
Office No: 32
Erbil, Iraq
Tel: +964 770 493 9999

Suleymani
Rand Gallery
Office No: 4, Floor: 6
Suleymani, Iraq
Tel: +964 770 651 9944

Istanbul
Halaskargazi Cad. 103/16
Osmanbey, Istanbul, Turkey
Tel: +90 212 219 2524
Mob: +90 539 456 4566