

GCC Markets Monthly Report

April-2019

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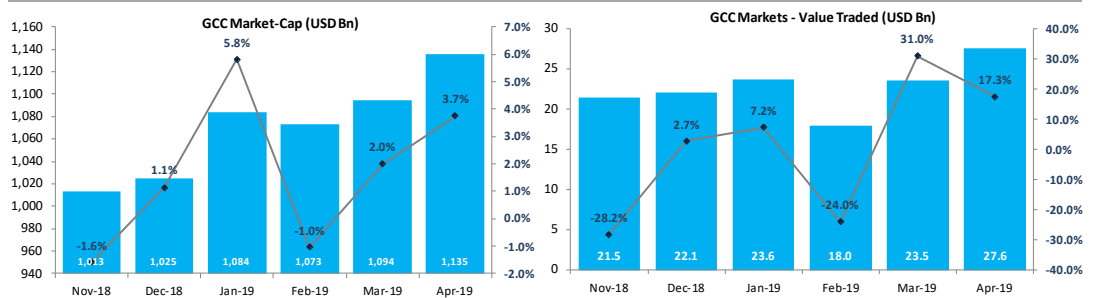
GCC rally continues in April-19 taking positive cues from global markets...

GCC markets' surge continued during April-19 with the aggregate index up almost 5% during the month led by gains in all the individual countries barring Oman. The positive monthly performance pushed YTD-19 gains for the index to 14.6% by the end of April-19. The sector performance chart also highlighted the positive trend in the market as a majority of the large-cap sectors closed the month in the green. The Transportation sector topped monthly growth with double digit gains followed by Retailing and Food & Beverage sectors. Banks also had a positive run during the month with a majority of the large-cap banks adding double digit gains. On the other hand, the decliners side was topped by Diversified Financials and the Capital goods sector that recorded low-single digit declines during the month. Also, initial trends from Q1-19 earnings were positive with banks leading earnings growth at 11.7%.

The effects of positive global markets were also reflected on GCC markets with almost all the key global benchmarks showing growth during the month resulting in a 3.2% gain for the MSCI World Index. Oil prices also provided support with crude up around 6% during the month on the back of tightening supplies led by a decline in output from OPEC producers. However, there was increasing downward pressure on oil prices during the second half of the month.

During the month, around 121 stocks went ex-dividend which had minimal impact on the performance of the markets. Trading activity during the month witnessed strong growth with total monthly volumes up almost 20% while value traded was up almost 10% to reach USD 28 Bn. The UAE markets attracted significant investor interest during the month with both Abu Dhabi and Dubai recording growth in trading activity. Value traded in Dubai was up 41% during the month to reach AED 5.7 Bn while that in Abu Dhabi was up 17% to reach AED 5.1 Bn.

GCC Equity Markets	Index Closing	MTD Chg%	YTD Chg%	M-Cap (USD Bn)	Monthly Value Traded (USD Mn)	P/E (x) TTM	P/B (x) TTM	Div. Yield
Kuwait - Premier Market Index	6,047.3	1.0%	14.8%	107.1	2,326.0	15.5	1.4	3.8%
Kuwait - Main Market Index	4,828.8	(1.8%)	1.9%					
Kuwait - All Share Index	5,630.0	0.2%	10.8%					
Saudi Arabia	9,304.2	5.5%	18.9%	582.0	20,594.4	18.7	2.1	3.5%
Abu Dhabi	5,258.0	3.6%	7.0%	149.0	1,386.4	13.3	1.4	4.8%
Dubai	2,767.1	5.0%	9.4%	97.9	1,585.0	7.6	0.9	4.6%
Qatar	10,376.8	2.7%	0.8%	160.5	1,506.4	14.2	1.3	3.9%
Bahrain	1,433.9	1.5%	7.2%	21.7	89.4	9.4	0.8	5.1%
Oman	3,945.6	(1.0%)	(8.7%)	17.2	108.8	8.8	0.7	6.6%
Total GCC				1,135.4	27,596.4	15.0	1.6	3.9%



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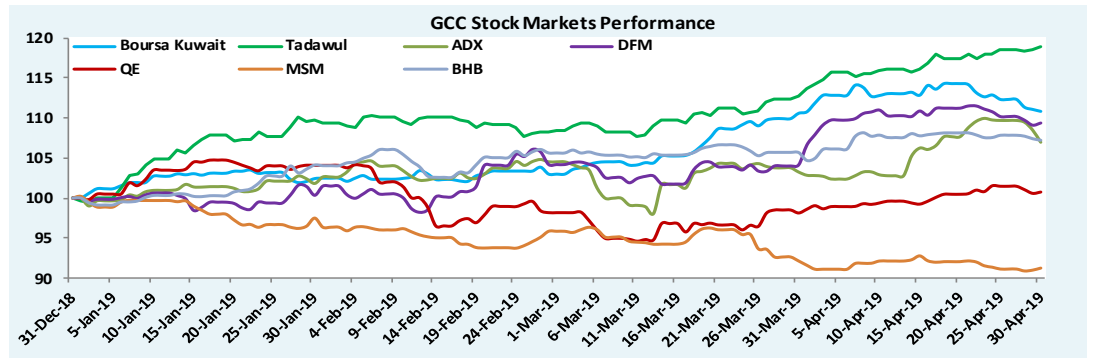
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Source: GCC Stock Exchanges, KAMCO Research

Boursa Kuwait

Monthly Indicators	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Premier Market Index	4,690.6	4,904.8	5,297.0	5,261.8	5,343.9	5,234.2	5,317.8	5,267.4	5,430.1	5,482.2	5,986.9	6,047.3
Monthly % Change	(1.8%)	4.6%	8.0%	(0.7%)	1.6%	(2.1%)	1.6%	(0.9%)	3.1%	1.0%	9.2%	1.0%
Main Market Index	4,816.3	4,863.5	4,933.0	4,897.5	4,735.6	4,693.7	4,730.0	4,738.6	4,798.1	4,773.0	4,917.3	4,828.8
Monthly % Change	(0.4%)	1.0%	1.4%	(0.7%)	(3.3%)	(0.9%)	0.8%	0.2%	1.3%	(0.5%)	3.0%	(1.8%)
All Share Market Index	4,735.7	4,890.4	5,167.6	5,132.3	5,128.0	5,042.2	5,109.2	5,079.6	5,206.0	5,231.7	5,617.8	5,630.0
Monthly % Change	(1.3%)	3.3%	5.7%	(0.7%)	(0.1%)	(1.7%)	1.3%	(0.6%)	2.5%	0.5%	7.4%	0.2%
Thomson Reuters Kuwait TRI	194.5	202.6	215.6	214.2	215.5	212.4	215.5	214.9	218.3	221.8	240.0	247.0
Monthly % Change	(1.9%)	4.2%	6.4%	(0.6%)	0.6%	(1.4%)	1.5%	(0.3%)	1.6%	1.6%	8.2%	2.9%
Market Cap (KWD Mn)	26,607	27,473	29,205	28,989	29,054	28,578	29,059	29,013	29,745	29,938	32,179	32,369
P/E (X) - TTM	14.50	14.90	15.80	15.37	15.40	14.31	14.60	14.60	15.00	15.10	16.20	15.50
P/BV (X) - TTM	1.14	1.17	1.25	1.24	1.24	1.24	1.26	1.19	1.22	1.23	1.32	1.36
Dividend Yield (%)	3.92%	3.88%	3.72%	3.78%	3.77%	3.89%	3.84%	3.86%	3.91%	3.84%	3.68%	3.79%
Volume (Mn Shares)	1,198.0	1,017.4	2,916.2	1,789.5	2,100.8	1,464.2	1,944.7	2,487.4	3,960.0	2,509.3	3,651.9	3,643.3
Value (KD Mn)	204.8	242.1	633.4	356.5	523.8	309.8	284.8	574.6	610.0	438.7	817.2	702.7
Trades ('000)	57.4	47.5	126.5	85.2	91.7	75.6	75.7	101.5	123.1	87.7	120.4	141.8

Source: Kuwait Stock Exchange, KAMCO Research

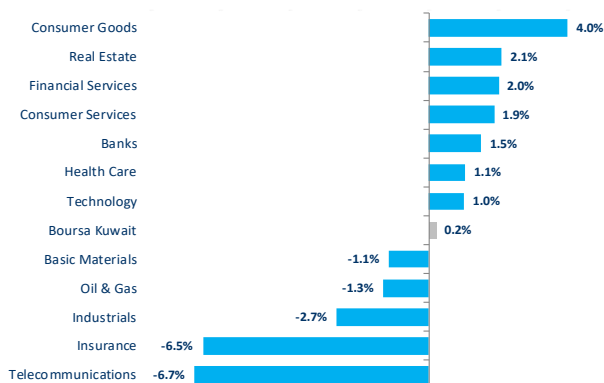
Kuwait recorded flattish performance during April-19 after recording the best monthly performance during the previous month. Monthly gains were once again led by the Premier Market index that was up 1% while the Main Market index dropped 1.8% resulting in a marginal return of 0.2% for the All Share Index. In terms of YTD-19 growth, Kuwait continued to remain the second biggest gainer with a return of 10.8% for the All Share Index that came almost wholly on the back of large-cap stocks with the Premier Market Index gaining 14.8% since the start of the year. The attractiveness of the large-cap fundamentally strong stocks in Kuwait comes primarily on the back of the expected MSCI decision in addition to earnings that continues to remain resilient despite subdued regional economic growth.

In terms of sector performance, the Consumer Goods index topped monthly gains which stood at 4.0% primarily led by an equivalent gain in shares of Mezzan Holding and CATTI. The Real Estate index recorded a growth of 2.1% primarily buoyed by shares of Mabaneer that were up 11.7% during the month. Shares of the Mabaneer surged after it reported 13% growth in net profits during Q1-19 on the back of 21.5% growth in operating revenues. In the banking sector, performance was mixed and almost equally split between gainers and losers. However, 8.4% gain in shares of Boubyan Bank and gain in shares of NBK, CBK and KFH pushed the index higher by 1.5% during the month. Both NBK and Boubyan Bank reported double digit growth in net income during Q1-19.

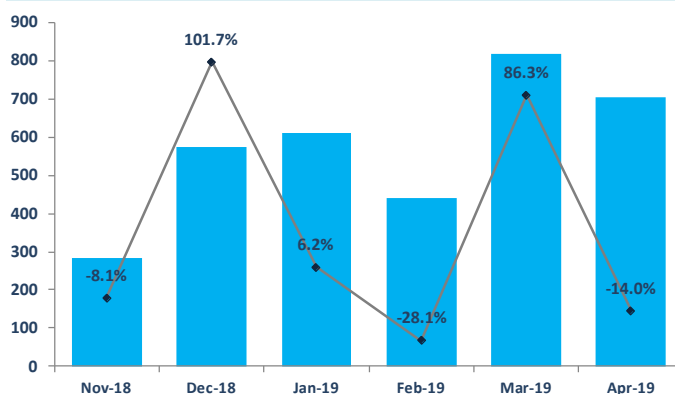
Trading activity declined during the month despite an increase in the number of trades. Monthly volume of shares traded was almost flat at 3.64 Bn while monthly value traded witnessed a bigger drop of 14.0% to reach KWD 703 Mn as compared to KWD 817.2 Mn during March-19. Aayan Leasing topped the monthly volume chart with 240.8 Mn traded shares during the month followed by AUB Bahrain and National Industries Group with 216.2 Mn and 204.0 Mn traded shares. KFH topped the monthly value traded chart with KWD 114.82 Mn worth of shares changing hand during the month followed by NBK and Gulf Bank with KWD 83.8 Mn and KWD 61.28 Mn in value traded, respectively. Salbookh Trading topped the monthly gainers chart with a gain of 32.4% followed by Arabi Holding Group and Gulf Investment House at 26.4% and 25.6%, respectively. On the other hand, three out of the five monthly decliners were real estate stocks.

On the regulatory front, the Kuwait CMA announced the first part of the third phase of the market development project with key changes that include introduction of stock lending and borrowing, improved off market trade, adding an after-hours trading session and improvements to the investment fund trading platform. New investment instruments launched included a REITs trading platform, swap service and a buy offer service.

Boursa Kuwait Monthly Sector Performance



Monthly Value Traded (KWD Mn)



Source: Kuwait Stock Exchange, KAMCO Research

Saudi Arabia (Tadawul)

Monthly Indicators	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Tadawul All Share Index	8,161.1	8,314.2	8,294.8	7,948.3	7,999.5	7,907.0	7,703.0	7,826.7	8,560.0	8,492.7	8,819.4	9,304.2
Monthly % Change	(0.6%)	1.9%	(0.2%)	(4.2%)	0.6%	(1.2%)	(2.6%)	1.6%	9.4%	(0.8%)	3.8%	5.5%
Market Cap (SAR Bn)	1,957.8	1,983.1	1,970.2	1,893.5	1,899.8	1,873.8	1,814.4	1,855.8	2,022.3	2,007.5	2,084.0	2,182.7
P/E (X) - TTM	16.37	16.73	15.93	15.34	15.41	14.88	14.58	14.84	16.25	16.52	17.36	18.75
P/BV (X) - TTM	1.81	1.85	1.85	1.77	1.78	1.75	1.71	1.74	1.90	1.90	1.97	2.09
Dividend Yield (%)	3.74%	3.62%	3.78%	3.93%	3.91%	3.94%	4.06%	4.00%	3.63%	3.67%	3.65%	3.45%
Volume (Mn Shares)	3,706.3	1,933.7	2,881.1	2,020.9	2,227.3	3,856.8	2,689.8	2,553.9	2,883.1	2,036.6	2,723.2	2,905.4
Value (SAR Mn)	83,905.9	46,427.9	73,214.0	54,251.5	49,661.6	95,741.5	62,180.7	60,141.9	68,211.1	46,962.8	61,741.2	77,232.8
Trades ('000)	2,195	1,251	2,031	1,486	1,678	2,616	2,326	2,363	2,473	1,809	2,217	2,412

Source: Tadawul, KAMCO Research. Note: Trading data includes stocks in the Main Market.

Saudi benchmark was up for the second consecutive month and recorded the best monthly performance in the GCC during April-19. The Tadawul All Share Index (TASI) was up 5.2% during the month led by gains in large-cap stocks resulting in 18.5% gains since the start of the year, the highest in the GCC. The sector performance chart showed double digit gains for the Retailing index that topped monthly performance followed by 8.9% gains for the Insurance Index and 8.6% gains for the Banking benchmark. On the decliner's side, Diversified Financials index recorded the biggest monthly drop of 7.7% followed by the small cap Media index at -6.7% and Capital Goods Index with a much smaller decline of 2.6%.

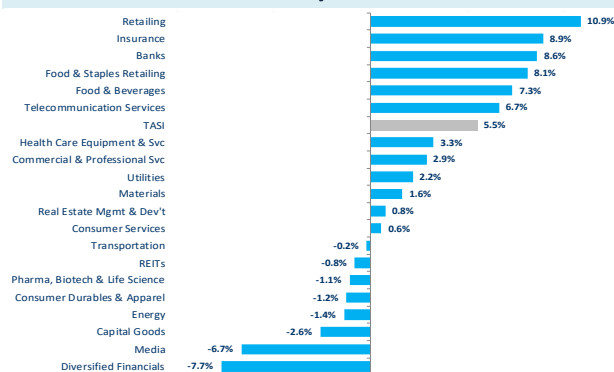
Trading activity once again improved m-o-m during April-19. Total value of shares traded during the month was up 13.8% to reach SAR 70.2 Bn as compared SAR 61.7 Bn during the previous month. On the other hand, monthly volumes declined during the month by 1.3% to reach 2.7 Bn shares indicating higher trades in large-cap stocks eyeing MSCI's decision to add Saudi stocks to its Emerging Markets index starting the end of May-19. Al Rajhi Bank once again topped the monthly value traded chart with shares worth SAR 9.9 Bn changing hands during the month. SABIC was next on the list with SAR 7.6 Bn in trades followed by Alinma Bank and Saudi Kayan at SAR 5.2 Bn and SAR 2.4 Bn, respectively. On the monthly volume chart, Alinma Bank topped with 197 Mn shares traded during the month followed by Saudi Kayan and Dar Al Arkan Real Estate at 174 Mn shares and 152 Mn shares, respectively.

The monthly gainers chart was dominated by insurance stocks with three out of top five stocks from the sector. Ace Arabia topped with a monthly gain of 31.3% followed by Aldrees Petroleum & Transport Co. and Riyadh Bank with gains of 24.7% and 23.9%, respectively. Shares of Riyadh Bank surged after the bank reported 45% y-o-y surge in its net income for Q1-19 on the back of higher commission income. On the decliners side, Saudi Cable Co. topped with its share sliding 13.8% after the company announced rights issue to raise SAR 250. Saudi Paper Manufacturing Co. and Alkhabeer REIT were next on the decliners list with declines of 12.5% and 12.2%, respectively.

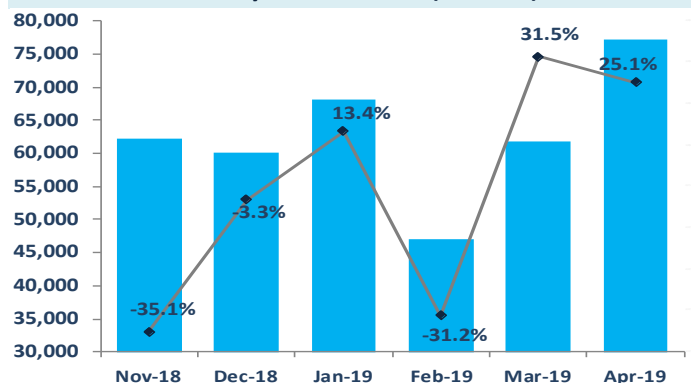
On the regulatory front and in a significant development, the Saudi stock market and debt market regulators announced the opening up of the bond market to retail investors. According to the announcement, Saudi sovereign sukuk would now be sold in small lots of SAR 1,000 instead of SAR 1 Mn previously. The trading commissions on Tadawul was also lowered while fees for new offerings and annual registration charges for issuers were also slashed. The annual listing fees and fees for subsequent issuances were also lowered. The move is aimed at encouraging a savings culture in the economy. It will also help in developing the fixed income market in the Kingdom and encourage issuance and secondary market trades.

In terms of economic developments, Fitch confirmed its rating on Saudi Arabia at A+ and maintained its Stable outlook on the Kingdom. Saudi Arabia also reported its first quarterly budget surplus since the oil crisis. According to the statement, Q1-19 budget surplus stood at SAR 27.8 Bn led by 31% increase in oil revenues and an even higher 46% increase in non-oil revenues.

Tadawul Monthly Sector Performance



Monthly Value Traded (SAR Mn)



Source: Tadawul, KAMCO Research

Abu Dhabi Securities Exchange

Monthly Indicators	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
ADX General Index	4,605.0	4,560.0	4,859.5	4,986.9	4,935.4	4,901.9	4,770.1	4,823.8	5,044.9	5,137.8	5,074.7	5,258.1
Monthly % Change	(1.4%)	(1.0%)	6.6%	2.6%	(1.0%)	(0.7%)	(2.7%)	1.1%	4.6%	1.8%	(1.2%)	3.6%
Market Cap (AED Bn)	491.1	486.8	510.9	518.3	518.2	513.5	504.1	518.8	531.9	538.4	525.4	547.5
P/E (X) - TTM	11.76	11.60	12.12	12.52	12.34	12.35	11.92	12.23	12.53	12.62	12.66	13.29
P/BV (X) - TTM	1.20	1.19	1.27	1.30	1.29	1.28	1.25	1.29	1.32	1.34	1.32	1.41
Dividend Yield (%)	5.52%	5.60%	5.20%	5.07%	5.16%	5.19%	5.34%	5.18%	5.17%	4.91%	4.97%	4.76%
Volume (Mn Shares)	1,403.4	942.2	686.5	597.7	1,029.2	1,141.7	1,103.4	942.7	629.3	980.4	1,248.9	1,467.4
Value (AED Mn)	2,971.8	2,485.7	2,124.5	2,193.1	3,278.0	3,067.7	4,572.6	4,886.3	3,055.3	4,206.9	4,347.2	5,092.2
Trades	26,261	17,927	16,717	15,859	22,373	24,775	32,303	26,212	30,042	36,210	30,142	36,226

Source: Abu Dhabi Securities Exchange, KAMCO Research

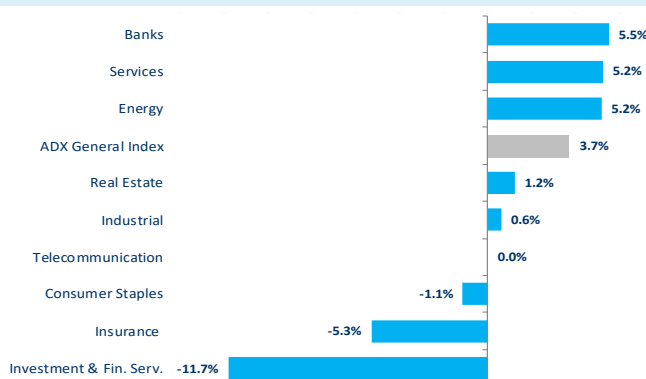
After declining in Mar-19, the ADX index gained by 3.6% m-o-m in April-19 to reach 5258.05 points. Sectoral performance was broadly positive as Banks gained by 5.5% for the month followed by Energy and Services indices as they moved up by 5.2% each. Major banks such as First Abu Dhabi Bank (+5.3%), ADIB and ADCB were up and contributed to the increase in the banking sector. ADNOC Distribution was the main driver for the Energy index as the stock was up 17.1% m-o-m. Services index performance was ascribed to 9.3% increase in the share price of Abu Dhabi National Hotels. The Real Estate index was up by 1.2% m-o-m for the month of April-19, despite being down 18.2% YTD, as Ral Khaimah Properties jumped by 13.6% m-o-m. Investment and Financial Services companies were the major laggards as they receded by 11.7% m-o-m, as Waha Capital was down 14.8% m-o-m for the month, followed by Insurance companies (-5.3%). The Insurance index was dragged down mainly by Emirates Insurance as the stock was down 9.3% m-o-m.

In major earnings Etisalat saw their aggregate subscriber base reach 143 Mn, representing a 2% y-o-y increase. Consolidated revenues for the Telecom operator amounted to AED 13 Bn, a decrease of 1% y-o-y, while consolidated EBITDA increased 2% y-o-y to AED 6.6 Bn. Net profit after Federal Royalty came in at AED 2.2 Bn, representing an increase of 5% y-o-y. Banking major Abu Dhabi Islamic Bank reported Q1-19 group net revenues of AED 1,436.6 Mn vs. AED 1,363.9 Mn in Q1-18, an increase of 5.3% y-o-y. Group net profit for Q1-19 increased by 1.7% y-o-y to AED 600.3 Mn as compared to AED 590.4 Mn in Q1-18. Credit provisions and impairments for Q1-19 increased by 24.4% y-o-y to AED 186.4 Mn from AED 149.9 Mn in Q1-18.

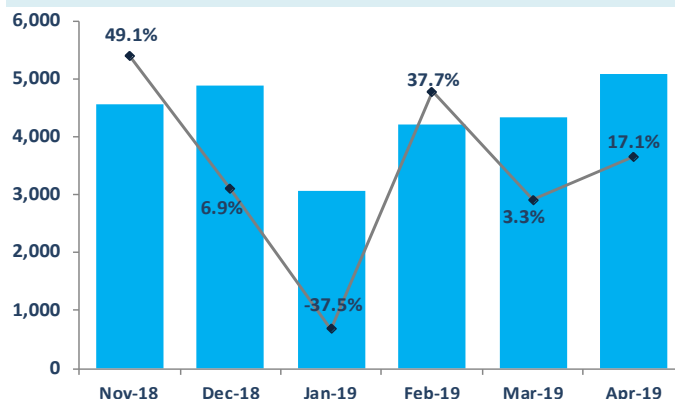
Energy name ADNOC Distribution reported a Q1-19 net profit increase of 6.6% y-o-y to AED 578 Mn compared to Q1-18. Excluding inventory gains recorded in Q1-18, Q1-19 underlying EBITDA grew by 16.5% y-o-y compared to Q1-18 to AED 733 Mn. Profitability improved as Q1-19 EBITDA margin reached 15.4%, up from 13.6% in Q1-18. Within Banks, Abu Dhabi Islamic Bank saw net revenues for Q1-19 increase by 5.3% y-o-y to AED 1,436.6 Mn as compared to AED 1,363.9 Mn in Q1-18. Group net profit for Q1-19 increased by 1.7% to AED 600.3 Mn as compared to AED 590.4 Mn in Q1-18. Credit provisions and impairments for Q1-19 increased by 24.4% y-o-y to AED 186.4 Mn as compared to AED 149.9 Mn for Q1-18.

Al Khaleej Investment topped the monthly gainers chart, with a gain of 46.6% m-o-m followed by ADNOC Distribution and Ooredoo with gains of 17.1% and 14.3% respectively. On the decliners side, the top two companies were Waha Capital and Green Crescent Insurance with declines of 14.8% and 9.8%, respectively. Trading activity on the exchanged picked up m-o-m in April-19, as volumes traded improved by 17.5% to 1.47 Bn shares. Value traded also improved by 17.1% m-o-m to reach AED 5.1 Bn during April-19. In terms of most actively traded stocks, ADCB led all stocks in terms of value traded, with AED 1.5 Bn worth of shares traded during April-19. FAB and UNB followed as AED 1.0 Mn and AED 689 Mn worth of shares were traded respectively. Eshraq Properties led the most active stocks list in terms of volumes traded, as 269 Mn shares were traded. Dana Gas and Aldar followed with 268 Mn and 200 Mn shares traded during April-19.

ADX Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Abu Dhabi Securities Exchange, KAMCO Research

Dubai Financial Market

Monthly Indicators	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
DFM General Index	2,964.1	2,821.0	2,956.0	2,840.2	2,834.95	2,784.6	2,668.7	2,529.8	2,567.6	2,635.8	2,634.9	2,767.1
Monthly % Change	(3.3%)	(4.8%)	4.8%	(3.9%)	(0.2%)	(1.8%)	(4.2%)	(5.2%)	1.5%	2.7%	(0.0%)	5.0%
Market Cap (AED Bn)	358.7	352.1	372.2	362.4	360.5	354.7	346.2	334.3	339.7	345.3	346.7	359.4
P/E (X) - TTM	7.97	7.68	7.84	7.67	7.66	7.54	7.52	7.15	7.08	7.17	7.25	7.56
P/BV (X) - TTM	1.02	0.97	1.04	1.00	1.00	0.98	0.95	0.90	0.87	0.90	0.89	0.94
Dividend Yield (%)	5.16%	5.39%	5.00%	5.74%	5.75%	5.91%	6.03%	6.24%	5.88%	5.90%	5.25%	4.59%
Volume (Mn Shares)	4,919.0	3,361.0	3,448.2	1,718.9	4,089.7	4,257.4	2,899.0	3,859.3	2,453.4	2,916.0	2,532.2	4,221.2
Value (AED Mn)	7,001.7	4,914.5	4,156.5	2,492.8	4,378.6	4,374.8	3,784.2	3,682.4	2,864.8	4,424.4	4,021.6	5,821.9
Trades	72,982	53,145	50,788	26,532	50,403	55,567	47,042	52,594	48,929	56,325	46,179	65,625

Source: Dubai Financial Market, KAMCO Research

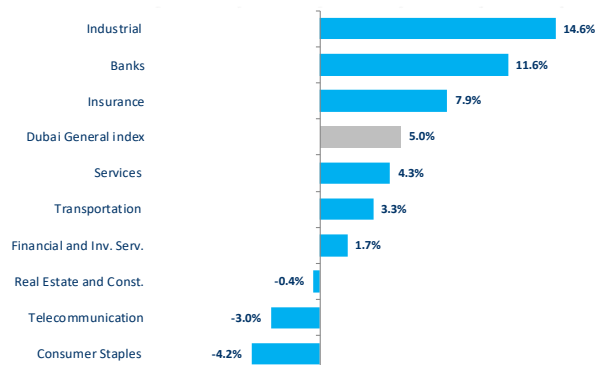
DFM was amongst the best performers in the GCC as the market was up 5% for April-19, after closing broadly flat in Mar-19. The frontline index ended the month at 2767.1 points, and market breadth favored gainers as 26 stocks rose as compared to Mar-19, while 14 stocks witnessed declines. Key sectors that led to the monthly gain for the DFM were Banks and Industrials sectors as they gained by 11.6% and 14.6% m-o-m. Frontline banks were positive in April-19 as Emirates NBD was up by 18.9% m-o-m, followed by Dubai Islamic Bank and Commercial Bank of Dubai, as they witnessed increases of 6.6% and 1.8% respectively. The Industrials index was driven by National Cement Co, as it gained by 14.6% m-o-m. Consumer Staples and Telecoms were the major laggards on the DFM as they declined by 4.2% and 3% respectively. DXB Entertainment was the major catalyst behind the drop in the Consumer Staples index as the stock was down 4.9% m-o-m, while both Telecom players DU (-3.1%) and Hits Telecom (-3.8%) witnessed declines during the month.

In major Q1-19 earnings, Emirates NBD witnessed a net profit growth of 15% y-o-y, as net profits reached AED 2.7 Bn. Performance was supported by an increase in total income, driven by loan growth and stable margins. Core fee income increased 15% y-o-y on the back of higher income from forex and derivatives. Net Interest Margin improved by 15 bps y-o-y to 2.83%, helped by interest rate rises. Commercial Bank of Dubai reported an operating income of AED 774 Mn, up 17.6% y-o-y, driven by higher net interest income and other operating income. Net profit of AED 340 Mn came in 21.6% higher than the same period last year.

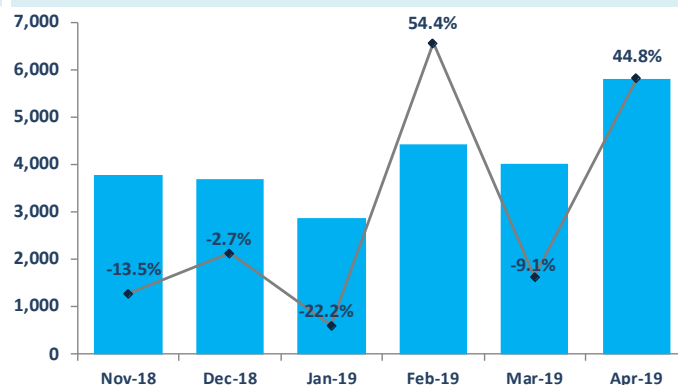
EIB reported a record net profit of AED 411 Mn for Q1-19, an increase of 97% y-o-y and 54% q-o-q supported by balance sheet growth, higher funded income, growth in fee income and lower cost of risk. Total Income for EIB increased 12% y-o-y to AED 663 Mn, while funded Income margins improved by 28 bps y-o-y to 3.1% from interest rate rises. Real Estate player Emaar Malls recorded a net profit growth of 7% y-o-y AED 584 Mn during Q1-19, compared to AED 548 Mn in Q1-18. Revenues for Emaar Malls grew 4% y-o-y to AED 1.075 Bn, compared to AED 1.038 Mn in Q1-18, driven by strong performances from The Dubai Mall, Dubai Marina Mall, and the Community Retail Centres.

In terms of trading activity, the DFM improved on all major indicators, as volumes traded increased by 66.7% m-o-m to reach 4.2 Bn shares. In terms of value traded, total value of shares grew by 44.8% m-o-m to AED 5.8 Bn. In terms of monthly gainers, National Industries Group Holdings led all stocks as its stock price was up 28.2% in April-19. Emirates NBD and Shuaa Capital followed, as their stock prices moved up by 18.9% and 17.9% respectively. On the other hand, shares of Ithmaar Holding declined the most as its share price declined by 12.7% m-o-m. Dubai National Insurance & Reinsurance and Al Sagr National Insurance followed with declines of 11.8% and 9.7% respectively for the month. Emaar Properties was the most actively traded stock on the exchange as AED 964 Mn worth of stock was traded. DIB and GFH followed with value traded of AED 949 Mn and AED 642 Mn respectively. In terms of volumes, Union Properties led all stocks as 630 Mn shares were traded. GFH and Islamic Arabic Insurance followed as 626 Mn and 416 Mn shares were traded.

DFM Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Dubai Financial Market, KAMCO Research

Qatar Exchange

Monthly Indicators	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
QE 20 Index	8,880.5	9,024.0	9,825.1	9,886.5	9,813.3	10,300.9	10,364.5	10,299.0	10,720.3	10,111.6	10,107.4	10,376.8
Monthly % Change	(2.5%)	1.6%	8.9%	0.6%	(0.7%)	5.0%	0.6%	(0.6%)	4.1%	(5.7%)	(0.0%)	2.7%
Market Cap (QAR Bn)	491.7	493.6	539.9	546.3	547.4	580.5	588.4	588.7	615.9	578.1	567.8	584.4
P/E (X) - TTM	12.72	12.68	13.75	13.82	13.84	14.47	14.75	14.65	15.32	13.83	13.78	14.24
P/BV (X) - TTM	1.16	1.17	1.27	1.29	1.29	1.35	1.38	1.37	1.43	1.32	1.29	1.34
Dividend Yield (%)	4.55%	4.51%	4.15%	4.09%	4.09%	3.88%	3.81%	3.84%	3.53%	3.89%	3.94%	3.87%
Volume (Mn Shares)	265.9	170.1	166.0	107.8	134.7	125.2	148.8	239.7	218.3	167.7	234.5	283.2
Value (QAR Mn)	10,703.2	7,966.4	4,485.2	3,187.9	4,460.4	4,270.8	5,580.1	5,252.7	5,789.6	5,247.2	6,841.5	5,484.8
Trades	107,738	78,360	70,475	59,202	67,546	73,785	97,199	152,156	138,925	107,717	119,732	120,178

Source: Qatar Exchange, KAMCO Research

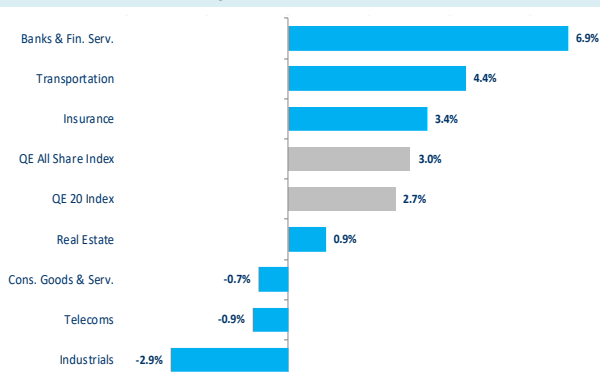
Qatar exchange gained in April-19 after closing broadly flat in Mar-19, as the QE 20 index closed at 10,376.80 points. The Qatar All Share index which maps the broader market, also closed as well by 3.0% compared to the previous month at 3170.05 points. Market breadth was however weak and favored decliners as 27 companies closed in the red, while 19 companies moved higher as compared to the previous month. Sectoral performance was mixed and was led by Banks & Financial Services companies that gained by 6.9% m-o-m. All major banking names rose as QNB was up 8.4% m-o-m, followed by Qatar Islamic Bank (+10.8%) and Commercial Bank of Qatar (+10.8%). Transportation and Insurance indices followed as they gained by 4.4% and 3.4% respectively m-o-m. A c.4% rise in the share price of Ezdan Holding offset declines in other Real Estate index constituents and contributed a 0.9% rise in the sectoral index. Industrials was the worst performing sectoral index with declines of 2.9% m-o-m. Telecoms were down 0.9% m-o-m, driven by a 2.2% decline in the share price of Vodafone Qatar.

In Q1-19 earnings, QNB reported a net profit of QAR 3.6 Bn, up by 4% as compared to Q1-18, despite effects of Turkish Lira devaluation. Operating Income for the bank increased by 2.5% to QAR 6.2 Bn, while the bank was able to rein in costs, which resulted in a decrease of cost to income ratio to 25.9%, from 27.8% in Q1-18. Other banking constituent, QIIB's total income for Q1-19 reached QAR 558 Mn, a growth of 8.6% y-o-y, as compared to QAR 514 Mn for Q1-18. Total assets for the bank amounted to QAR 54.3 Bn, registering a growth of 7.6% y-o-y compared to QAR 50.4 Bn at the end of Q1-18.

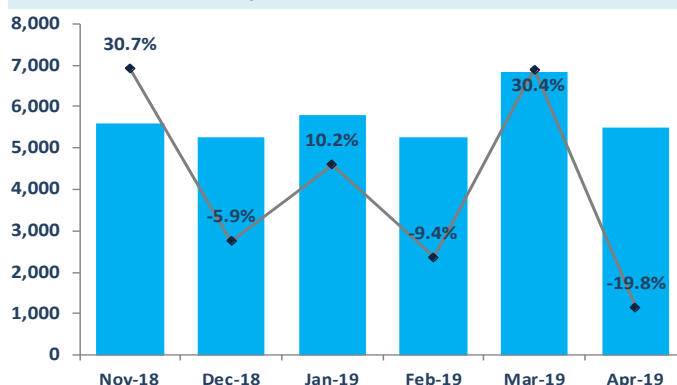
Separately, Qatar Fuel's net profit amounted to QAR 327 Mn in Q1-19, compared to QAR 301 Mn for Q1-18, an increase of QAR 26 Mn, a growth of 9% y-o-y. The company achieved 3% growth in total fuel sales, where sales of Jet A1 which increased by 9%, Bitumen by 17%, LPG by 4%, Natural Gas by 62% and Heavy Fuel Oil by 44%. The retail sales of petroleum products reportedly increased by 30% while non-oil retail sales including Sidra stores sales, grew by 13% in Q1-19.

Trading activity on the index was mixed, as value traded during April-19 decreased by 19.8% to reach QAR 5.5 Bn, while traded volumes improved by 20.8% m-o-m to reach 283 Mn shares. In terms of trading activity, QNB topped the monthly value traded chart with QAR 857 Mn worth of shares traded, followed by Industries Qatar and Qatar Aluminum recording QAR 375 Mn and QAR 322 Mn in monthly value traded. In terms of volumes traded, Qatar First Bank led all stocks with traded volumes of 52.3 Mn shares. Qatar Aluminum and Ezdan Holding followed with traded volumes of 28.9 Mn shares and 21.8 Mn shares respectively. The Banks & Financials Services was the most active in terms of value traded during Apr-19, accounting for 38.8% of the total value traded, followed by Industrials and Real Estate sectors, as they accounted for 24.7% and 13.9% of the total value traded respectively. Qatar First Bank was the top performing stock in the index for the month as its share price surged by 13.8%. Gulf Warehousing Co. followed along with Qatar Islamic Bank, as their stock prices moved up by 12.2% and 10.8% respectively. On the other hand, shares of Qatar Cinema & Film Distribution led the monthly losers chart losing 18.8% m-o-m. Qatar Islamic Insurance and Qatar National Cement followed with declines of 13.3% and 10.8% for the month.

QE Monthly Sector Performance



Monthly Value Traded (QAR Mn)



Source: Qatar Exchange, KAMCO Research

Bahrain Bourse

Monthly Indicators	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Bahrain All Share Index	1,265.80	1,310.99	1,358.35	1,338.10	1,338.55	1,314.73	1,328.81	1,337.26	1,391.42	1,412.66	1,413.32	1,433.92
Monthly % Change	0.6%	3.6%	3.6%	(1.5%)	0.0%	(1.8%)	1.1%	0.6%	4.1%	1.5%	0.0%	1.5%
Market Cap (BHD Mn)	7,531	7,667	7,948	7,830	7,832	7,701	7,859	7,948	8,265	8,061	8,062	8,168
P/E (X) - TTM	8.51	8.69	8.71	8.45	8.79	8.74	8.45	8.60	8.93	9.42	9.36	9.41
P/BV (X) - TTM	0.77	0.78	0.81	0.80	0.80	0.79	0.79	0.80	0.82	0.85	0.83	0.84
Dividend Yield (%)	5.92%	5.81%	5.61%	5.70%	5.69%	5.76%	5.77%	5.69%	5.48%	4.79%	5.13%	5.06%
Volume (Mn Shares)	82.4	56.2	190.5	82.8	115.2	126.6	85.4	194.6	140.7	98.3	100.3	145.0
Value (BHD Mn)	14.5	12.8	24.9	18.7	22.1	28.8	23.5	89.3	35.4	23.1	30.2	33.7
Trades	1,429	1,104	2,329	1,493	1,320	1,720	1,265	1,521	2,094	2,185	1,719	2,040

Source: Bahrain Bourse, KAMCO Research

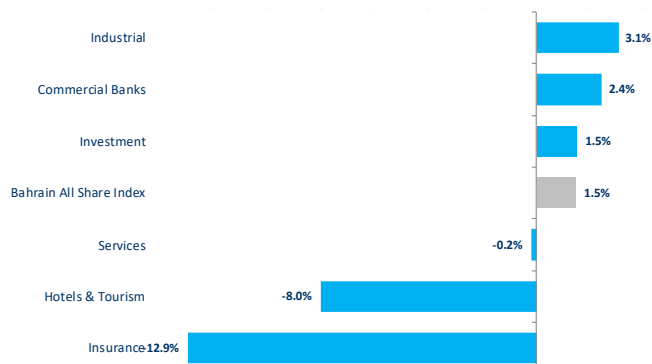
The Bahrain All Share Index closed at 1433.92 points, up 1.5% m-o-m in April-19. The Industrials index continued as the best performing index and was up 3.1% m-o-m, as Aluminum Bahrain was up 3.3% over the same period. Commercial Banks also gained by 2.4% over April-19, as AUB was up 2.4% m-o-m, while National Bank of Bahrain was up by 2.5% over the same period. Investment companies gained by 1.5% m-o-m, as most shares on the index gained on the sectoral index. The Insurance index was the worst performing index as it plunged by 12.9% m-o-m, driven by significant drops in the share prices of Arab Insurance Group (-31.3%) and Bahrain National Holding (-22.2%).

In earnings releases for Q1-19, AUB reported a net profit of USD 192.9 Mn, an increase of 10.4% y-o-y from USD 174.7 Mn in Q1-18. Operating income grew by 6.6% y-o-y to USD 311.9 Mn, driven by a 6.1% y-o-y increase in interest income to USD 243.3 Mn, attributable to growth in loans and investments and to effective interest rate risk management. Operational efficiencies continued to improve as cost to income ratios declined to 25.6% in Q1-19 from 25.9% in Q1-18. National Bank of Bahrain reported a net profit of BHD 20.4 Mn for Q1-19, an increase of 3.6% compared to BHD 19.7 Mn in Q1-18. Operating profit rose by 17.4% y-o-y to BHD 23.6 Mn compared with BHD 20.1 Mn in Q1-18. Operating income rose by 13.6% y-o-y to BHD 34.2 Mn compared with BHD 30.1 Mn, while net interest income increased 21.4% y-o-y to BHD 23.8 Mn compared with BHD 19.6 Mn in the prior-year period.

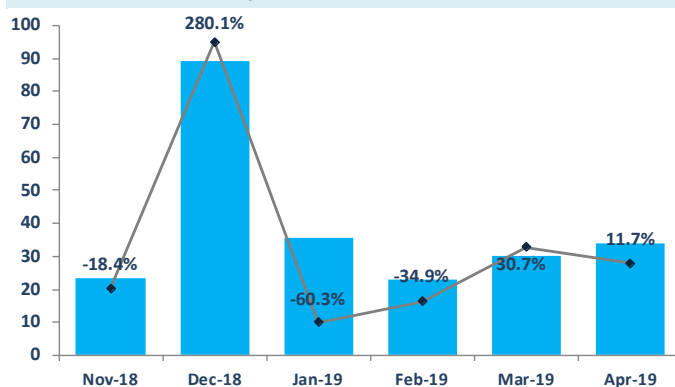
BBK announced a net profit of BHD 20.0 Mn, an increase of 20% y-o-y in Q1-19 compared to BHD 16.7 Mn in Q1-18. The increase in the net profit for Q1-19 y-o-y mainly ascribes to the increase in net interest income by 18.7%, driven mainly by the improvements in margins compared to Q1-18 because of higher global interest rates and effective assets and liabilities management, as well as due to the increase in the investment portfolio. Aluminum Bahrain (Alba), reported total revenues of BHD 203.5 Mn in Q1-19 a drop of 8% y-o-y, as compared to BHD 221.3 Mn in Q1-18. Alba's top-line and bottom-line were impacted by lower LME price, down by 14% y-o-y (USD 1,859/t in Q1-19 vs. USD 2,159/t in Q1-18) and higher Alumina prices respectively [21% of LME price in Q1-19 vs. 18% of LME price in Q1-18]. The Company reported a net loss of BHD 15.8 Mn in Q1-19 as compared to a net profit of BHD 33.9 Mn for Q1-18, down by 147% y-o-y.

Trading activity in April-19 witnessed growth as volumes increased by 44.6% m-o-m to reach 145 Mn shares from 101 Mn shares in Mar-19. Value traded also improved, albeit moderately by 11.7% m-o-m from 30.2 Mn in Mar-19 to reach BHD 33.7 Mn. The number of trades made in the exchange also increased to 2,040 trades, up 31.8% m-o-m from Mar-19. AUB was the most actively traded stock in April-19 with BHD 15.6 Mn worth of its shares traded on the exchange. Bank of Bahrain and Kuwait and GFH followed with BHD 4.7 Mn and BHD 4.4 Mn worth of shares traded. Of the 11 stocks that closed in the green in April-19, Bank of Bahrain and Kuwait topped the gainers list, as it witnessed a 6.2% m-o-m increase, followed by GFH with monthly gains of 6.0%. Arab Insurance Group was the main laggard, as it witnessed a m-o-m decline of 31.3%, followed by Bahrain National Holding and Zain Bahrain with monthly declines of 22.2% and 19.8% each.

BSE Monthly Sector Performance



Monthly Value Traded (BHD Mn)



Source: Bahrain Bourse, KAMCO Research

Muscat Securities Market

Monthly Indicators	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
MSM 30 Index	4,606.7	4,571.8	4,336.6	4,419.3	4,543.7	4,422.9	4,412.1	4,323.7	4,215.8	4,144.5	3,983.7	3,945.6
Monthly % Change	(2.6%)	(0.8%)	(5.1%)	1.9%	2.8%	(2.7%)	(0.2%)	(2.0%)	(2.5%)	(1.7%)	(3.9%)	(1.0%)
Market Cap (OMR Mn)	7,491	7,397	7,132	7,240	7,528	7,350	7,391	7,233	7,002	6,892	6,709	6,613
P/E (X) - TTM	10.01	10.08	9.34	9.36	9.65	9.15	9.36	9.25	8.91	8.96	8.82	8.82
P/BV (X) - TTM	0.82	0.82	0.82	0.82	0.85	0.83	0.84	0.83	0.79	0.76	0.72	0.71
Dividend Yield (%)	6.26%	6.34%	6.67%	6.49%	6.36%	6.54%	6.54%	6.66%	6.96%	7.18%	6.61%	6.60%
Volume (Mn Shares)	757.1	198.8	215.1	153.8	230.2	213.7	283.5	257.6	261.7	400.7	310.8	303.3
Value (OMR Mn)	154.8	36.0	56.8	24.9	48.6	40.1	32.8	42.2	53.6	51.8	45.3	41.9
Trades	14,955	6,333	8,955	6,286	11,405	9,457	7,677	8,442	8,380	9,847	9,547	12,704

Source: Muscat Securities Market, KAMCO Research.

The MSM 30 index once again declined during April-19 to reach a new record low making it the worst performing market in the GCC during April-19. The index declined 1% during the month pushing the YTD-19 decline to 8.7%. The index traded below the 4,000 points mark for most part of the month and breached this level only on one trading session. Nevertheless, unlike the previous month wherein decline came on the back of a slide in all the three sectoral indices, the decline in April-19 was solely on the back of the Financial index that declined by 3.1%. On the other hand, the Services and Industrial indices recorded positive monthly performance with gains of 2.8% and 0.2%, respectively.

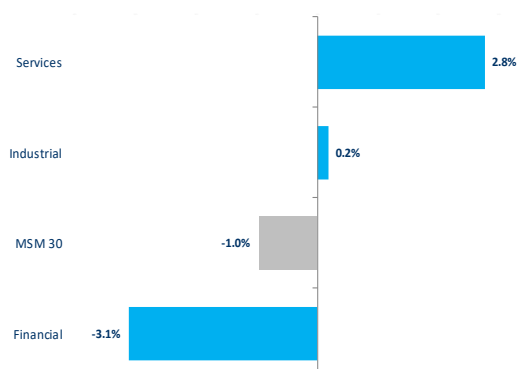
The monthly stock performance chart for the regular market was topped by Al Anwar Ceramic Tiles with a gain of 33.8% after the company reported 69% y-o-y increase in net profits for Q1-19 despite recording a marginal increase in topline for the quarter. Al Sharqia Investment Holding was next on the monthly chart with a gain of 3.9% despite a drop in Q1-19 earnings. Al Jazeera Services and Oman Investment and Finance also featured on the gainers list with gains of 1.8% and 1.2%, respectively. On the decliners side, Al Maha Ceramics recorded the steepest monthly decline of 7.5% followed by Voltamp Energy and United Finance with the shares declining 6.35% and 6.3%, respectively, on the back of lower Q1-19 profits.

Trading activity continued to slide during the month. Monthly value traded declined by 7.6% to reach a three-month low level of OMR 41.9 Mn as compared to OMR 45.3 Mn in March-19. Monthly volume traded also declined but at a slightly lower pace of 2.4% to reach 303.3 Mn shares in April-19 as compared to 310.8 Mn shares during the previous month. Amongst the regular market stocks, Bank Muscat once gain topped the monthly value chart recording trades worth OMR 5.5 Mn during the month followed by Al Anwar Ceramic Tiles and Ooredoo Oman with trades at OMR 3.4 Mn and OMR 2.2 Mn, respectively. On the monthly volume chart, Al Anwar Ceramic Tiles topped with 34.8 Mn traded shares followed by Al Madina Takaful and Oman Investment & Finance with 20.9 Mn shares and 17.2 Mn shares, respectively.

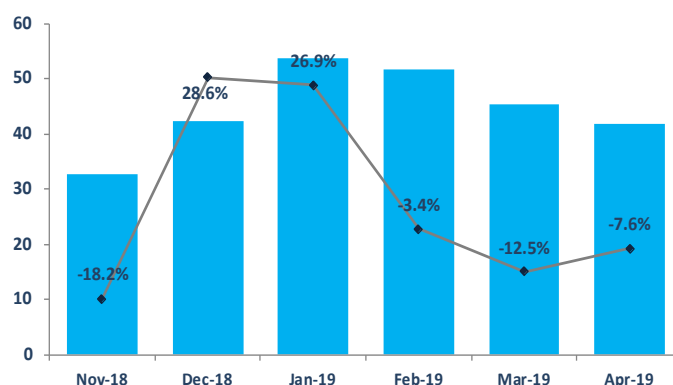
Volume traded in the regular market gained 18.0% during the month to reach 120.9 Mn shares while that in the parallel market declined by 11.5% to reach 179.7 Mn shares. The value of shares traded in the regular market declined by 5.4% to OMR 19.8 Mn while that in the parallel market declined at a slightly higher pace of 9.3% to reach OMR 22.0 Mn. In terms of investor participation, the share of Omanis in the value of buy trades increased to 74.1% from 70.2% and declined in terms of value of sell trades to 77.5% from 78.2% in March-19.

On the economic front, S&P revised the outlook on Oman to Negative while affirming the sovereign's rating at BB. According to the agency, the change in outlook reflects excessive external debt coupled with still-sizable fiscal deficits that is expected to continue to rise till 2022. The agency said that the absence of substantial fiscal measures to control deficits, the Sultanate's fiscal and external buffers would continue to erode.

MSM Monthly Sector Performance



Monthly Value Traded (OMR Mn)



Source: Muscat Securities Market, KAMCO Research

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