

GCC Markets Monthly Report

November-2019

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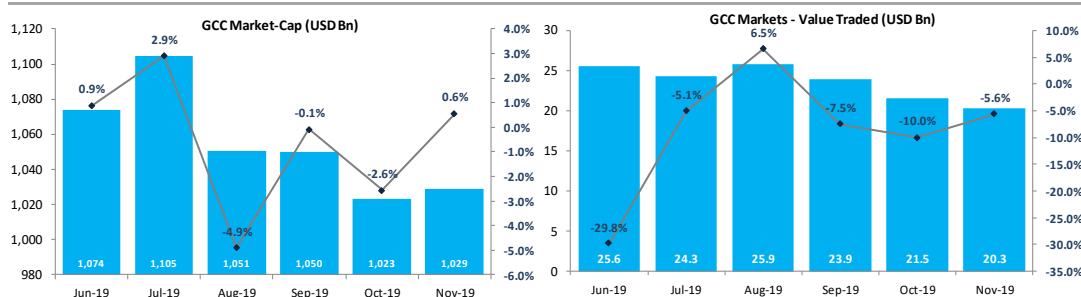
Kuwait, Saudi and Oman drive broader GCC index into the green during November-19...

After three consecutive months of decline, the broader GCC gauge (MSCI GCC Index) saw gains during November-19 primarily on the back of Kuwait, Saudi and Oman that showed low single digit gains. These gains were partially offset by declines in the UAE and Qatari benchmarks. The 3.7% gains in Kuwait's All Share Index once again pushed the Kuwaiti market to the top spot in terms of YTD-19 gains at 16.7% followed by Bahrain at 14.2%. On the other hand, the decline in UAE and Qatar came mainly on the back of the rebalancing in MSCI's EM index that led to an outflow of passive funds during the last week.

In terms of sector performance, gains were mainly driven by the Materials sector that witnessed a growth of more than 2% during the month. The Banking and the Energy sectors closely followed with monthly gains of around 1.7%. Gains in the Materials sector was led by regional cement stocks in addition to SABIC that gained 3.8% during the month while, Saudi Arabian Mining, the second biggest stock in the sector, gained 1.3%. In the Banking sector, Saudi and Kuwaiti banks featured as top performers during the month with double to high single digit gains during the month. Meanwhile, Bahri and Naqilat were prominent large-cap gainers in the Energy sector. On the decliners side, Real Estate and Financial stocks underperformed with declines of around 2.5% for the two sectors. Trading activity in the GCC continued to decline for the third consecutive month and reached a nine month low of USD 20.3 Bn in Nov-19 primarily led by a 10% decline in value traded in Saudi Arabia.

Globally, equity markets were largely positive during November-19 following the trends seen during the previous month. The MSCI World Index gained more than 3% during the month supported by positive performance recorded in almost all major stocks markets. In the commodities space, oil prices gained during the month by more than 6% taking cues from the US-China trade talks.

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	6,519.4	5.0%	23.8%	113.5	1,701.6	16.1	1.4	3.6%
Kuwait - Main Market Index	4,767.0	0.2%	0.6%					
Kuwait - All Share Index	5,928.3	3.7%	16.7%					
Saudi Arabia	7,859.1	1.5%	0.4%	483.4	14,752.0	16.4	1.8	4.1%
Abu Dhabi	5,030.8	(1.5%)	2.4%	141.4	935.6	12.8	1.4	5.0%
Dubai	2,678.7	(2.5%)	5.9%	95.6	1,324.6	6.6	0.9	4.4%
Qatar	10,147.9	(0.4%)	(1.5%)	154.4	1,438.9	13.7	1.4	4.2%
Bahrain	1,527.0	0.2%	14.2%	23.1	67.4	10.4	0.9	4.6%
Oman	4,064.1	1.6%	(6.0%)	17.4	84.2	8.3	0.7	7.1%
Total GCC				1,028.7	20,304.3	13.5	1.5	4.2%



Junaid Ansari

Vice President

+(965) 2233 6912

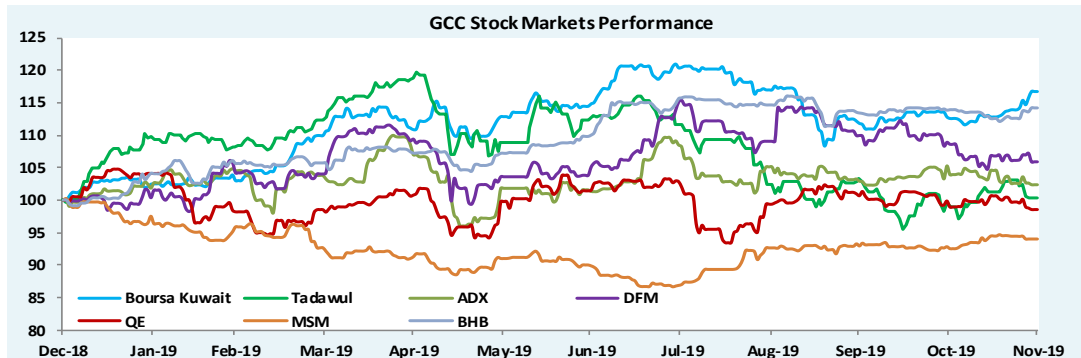
junaid.ansari@kamconline.com

Thomas Mathew

Assistant Vice President

+(965) 2233 6914

thomas.mathew@kamconline.com



Source: GCC Stock Exchanges, KAMCO Research

Boursa Kuwait

Monthly Indicators	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Premier Market Index	5,267.4	5,430.1	5,482.2	5,986.9	6,047.3	6,242.2	6,377.0	6,744.1	6,527.8	6,174.8	6,211.1	6,519.4
Monthly % Change	(0.9%)	3.1%	1.0%	9.2%	1.0%	3.2%	2.2%	5.8%	(3.2%)	(5.4%)	0.6%	5.0%
Main Market Index	4,738.6	4,798.1	4,773.0	4,917.3	4,828.8	4,736.6	4,766.5	4,881.6	4,789.4	4,713.8	4,757.9	4,767.0
Monthly % Change	0.2%	1.3%	(0.5%)	3.0%	(1.8%)	(1.9%)	0.6%	2.4%	(1.9%)	(1.6%)	0.9%	0.2%
All Share Market Index	5,079.6	5,206.0	5,231.7	5,617.8	5,630.0	5,731.7	5,832.1	6,116.7	5,941.1	5,678.7	5,717.3	5,928.3
Monthly % Change	(0.6%)	2.5%	0.5%	7.4%	0.2%	1.8%	1.8%	4.9%	(2.9%)	(4.4%)	0.7%	3.7%
Thomson Reuters Kuwait TRI	214.9	218.3	221.8	240.0	247.0	254.3	259.1	271.9	263.0	249.9	251.6	262.0
Monthly % Change	(0.3%)	1.6%	1.6%	8.2%	2.9%	2.9%	1.9%	4.9%	(3.3%)	(5.0%)	0.6%	4.2%
Market Cap (KWD Mn)	29,013	29,745	29,938	32,179	32,369	33,083	33,664	35,399	34,380	32,862	33,081	34,285
P/E (X) - TTM	14.60	15.00	15.10	16.20	15.50	15.60	15.83	16.60	16.20	15.50	15.60	16.10
P/BV (X) - TTM	1.19	1.22	1.23	1.32	1.36	1.41	1.44	1.51	1.44	1.38	1.39	1.44
Dividend Yield (%)	3.86%	3.91%	3.84%	3.68%	3.79%	3.65%	3.59%	3.42%	3.52%	3.69%	3.68%	3.55%
Volume (Mn Shares)	2,487.4	3,960.0	2,509.3	3,651.9	3,643.3	2,264.3	2,630.3	4,682.6	2,587.2	3,113.0	2,924.1	2,981.0
Value (KD Mn)	574.6	610.0	438.7	817.2	702.7	617.2	660.2	979.0	490.3	749.9	503.8	514.1
Trades ('000)	101.5	123.1	87.7	120.4	141.8	112.9	108.1	180.3	108.5	139.2	122.7	122.4

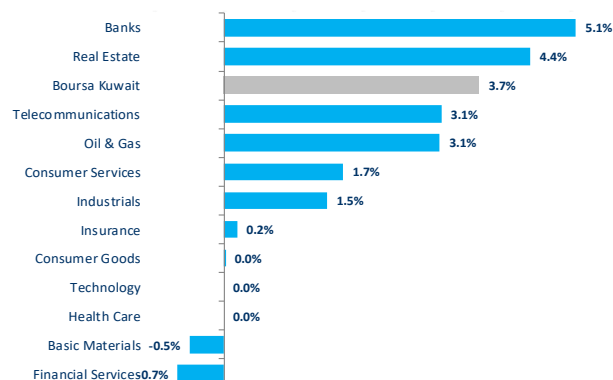
Source: Kuwait Stock Exchange, KAMCO Research

After recording marginal gains during October-19, Kuwaiti benchmarks recorded the best monthly return in the GCC during November-19. Kuwait was also one of the best performing market globally during the month closely following the US stock market. Gains during the month came solely on the back of large-cap stocks as seen from the disparity between returns for the Premier market index and the Main Market index. The Premier Market benchmark gained 5% during the month pushing its YTD-19 gains to 23.8%, one of the highest globally. On the other hand, the Main Market index remained almost flat with a marginal gain of 0.2% resulting in a YTD-19 gain of 0.6%. The net impact on the All Share Index came in at 3.7% during November-19 with YTD-19 gains now recorded at 16.7%, the highest in the GCC, overtaking last month's top performer Bahrain.

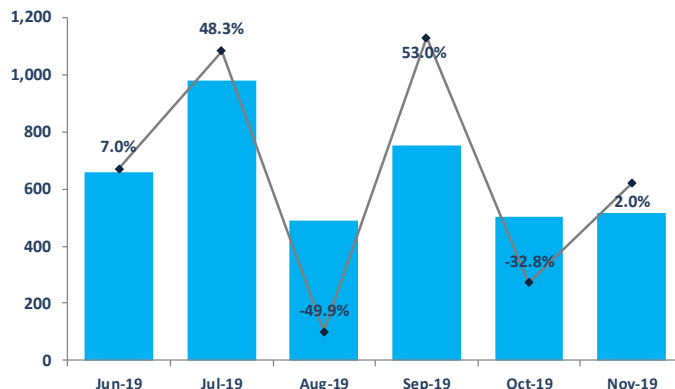
Monthly gains came primarily on the back of large-cap sectors like Banks, Real Estate and Telecoms. The Banking sector index topped the sector performance chart with a gain of 5.1% led by gains recorded by 9 out of 10 Kuwaiti banks during the month. Warba Bank recorded the biggest monthly gain of 8.2% followed by NBK and KFH at 7.4% and 6.6%, respectively, while ABK was the only decliner with a fall of 7.6%. Decline in the shares of ABK came after the bank recorded a net loss of KWD 7.1 Mn during Q3-19 led by higher provisions that more than doubled q-o-q to KWD 32.0 Mn. The Bank also announced the sale of its entire stake of 8.05% in KFIC. Meanwhile, gains in the Real Estate sector came after large-cap stocks in the sector recorded gains including Mabanee (+9.5%), Salhia Real Estate (+4.4%) and Al Tijaria (+2.5%). For the Telecom sector, gains came on the back of 4.3% and 3.9% gain in shares of Ooredoo and Zain, respectively, while shares of Viva declined by 2.7%.

Trading activity saw marginal gains during the month with gains in both monthly volume and value traded. Monthly value traded increased by 2% to reach KWD 514.1 Mn in November-19 as compared to KWD 503.8 Mn during the previous month. Monthly volume also gained at almost the same pace of 1.9% to reach 3.0 Bn shares as compared to 2.9 Bn shares during October-19. NBK topped the monthly value traded chart with KWD 103.4 Mn worth of trades followed by last month's top performer KFH at KWD 68.5 Bn. On the monthly volume chart, Arzan Financial Group topped with 247.5 Mn shares changing hands during the month followed by A'ayan Leasing and Abyaar Real Estate at 209 Mn shares and 192.5 Mn shares, respectively. In terms of monthly performance, Arabi Holding Group topped with a return of 52.2% followed by Educational Holding Group and Manazel Holding with gains of 34.4% and 33.1%, respectively. On the decliners side, Al Masaken Intl. Real Estate topped with a decline of 33.8% followed by Kuwait Syrian Holding and Tahsilat with declines of 26.4% and 22.9%, respectively.

Boursa Kuwait Monthly Sector Performance



Monthly Value Traded (KWD Mn)



Source: Kuwait Stock Exchange, KAMCO Research

Saudi Arabia (Tadawul)

Monthly Indicators	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Tadawul All Share Index	7,826.7	8,560.0	8,492.7	8,819.4	9,304.2	8,516.5	8,821.8	8,732.6	8,019.8	8,091.8	7,744.1	7,859.1
Monthly % Change	1.6%	9.4%	(0.8%)	3.8%	5.5%	(8.5%)	3.6%	(1.0%)	(8.2%)	0.9%	(4.3%)	1.5%
Market Cap (SAR Bn)	1,855.8	2,022.3	2,007.5	2,084.0	2,182.7	1,989.8	1,989.8	2,024.2	1,873.7	1,881.0	1,790.7	1,812.9
P/E (X) - TTM	14.84	16.25	16.52	17.36	18.75	17.12	17.62	17.91	17.14	17.28	16.33	16.37
P/BV (X) - TTM	1.74	1.90	1.90	1.97	2.09	1.93	2.01	2.01	1.85	1.87	1.78	1.81
Dividend Yield (%)	4.00%	3.63%	3.67%	3.65%	3.45%	3.57%	3.46%	3.60%	3.99%	3.97%	4.12%	4.05%
Volume (Mn Shares)	2,553.9	2,883.1	2,036.6	2,723.2	2,905.4	3,525.0	2,689.4	2,528.4	2,563.1	2,536.0	2,456.2	2,225.4
Value (SAR Mn)	60,141.9	68,211.1	46,962.8	61,741.2	77,232.8	109,967.1	74,796.3	65,156.3	78,720.1	64,757.5	61,661.3	55,322.8
Trades ('000)	2,363	2,473	1,809	2,217	2,412	2,479	1,858	2,262	2,119	2,318	2,537	2,173

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

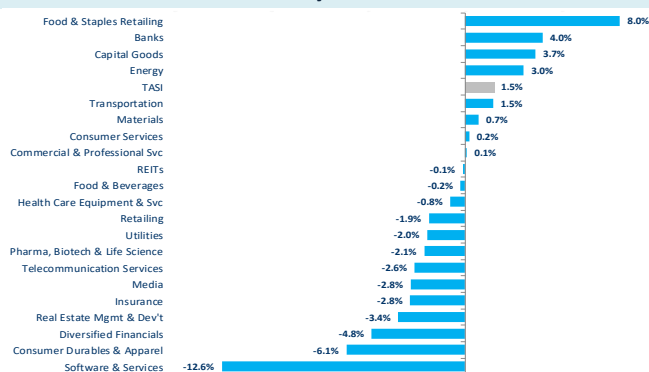
Saudi Arabia was the third-best performing market in the GCC during November-19 with a monthly gain of 1.5%. The index witnessed a five day winning streak during the third week of the month in which the benchmark breached the 8,000 mark to reach 8062.6 points but declines after the MSCI rebalancing pulled down the index to close the month at 7,859.06 points. Gains during the month also pushed YTD -19 returns in the positive territory, albeit marginally, at 0.4%. Sector performance during the month was mixed with the Food & Staples Retailing index topping with a gain of 8.0% followed by Banks and Capital Goods indices with gains of 4.0% and 3.7%, respectively. On the other hand, the Software & Services sector was the top decliner during the month with the sole stock in the index declining by 12.6%. The Diversified Financials and Real Estate sectors also declined during the month by 4.8% and 3.4%, respectively.

Trading activity on the exchange declined for the third consecutive month in November-19. Total value traded reached a 9-month low level of SAR 55.3 Bn, a decline of 10.3% as compared to previous month's SAR 61.7 Bn. Volume of shares traded also declined but at a slightly smaller pace of 9.4% to reach 2.2 Bn shares in November-19 as compared to last month's 2.46 Bn. The weekly trading data for the first three weeks of the month showed that local Saudi retail investors have been net sellers this month while foreign institutional investors were net buyers. In terms of individual companies, Alinma Bank topped the monthly volume traded chart with 210 Mn shares traded during the month followed by Al Rajhi Bank and SABB with 127.2 Mn shares and 108.8 Mn shares, respectively. On the monthly value traded chart, Al Rajhi Bank topped with SAR 7.9 Bn worth of shares changing hands during the month followed by Alinma Bank and SABIC at SAR 4.6 Bn and SAR 4.0 Bn, respectively.

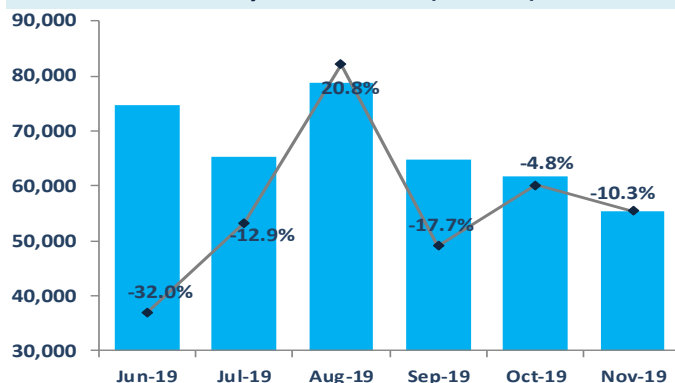
The monthly stock performance chart was topped by Al Kathiri Holding, which moved from the Nomu Parallel Market into the main market during the month, with a gain of 62.3%. Gains came after the company reported more than 30% increase in Q3-19 revenues and 20% increase in net profits. Saudi Ceramic was next on the gainers list with 28.2% gain followed by City Cement and Raydan Food with monthly gains of 15.3% and 12.0%, respectively. Shares of Saudi Ceramic gained after the company reported higher revenues during Q3-19, and the bottomline came in at a positive SAR 34.5 Mn as compared to loss of SAR 38.5 Mn during Q3-18. On the decliners side, Al Ahlia Insurance topped with a fall of 19.3% after the company recorded a loss of SAR 19 Mn during Q3-19 as compared to a profit of SAR 4.5 Mn during Q3-18. Salama Coop Insurance was next on the list with a decline of 17.8% after the company reported a loss during Q3-19 followed by Saudi Company for Hardware and Al Moammar Information Systems with declines of 13.6% and 12.6%, respectively, after both the companies reported a y-o-y decline in net profits during Q3-19.

The Q3-19 earnings of Saudi-listed companies showed a 25.4% y-o-y decline during the quarter. Total quarterly profits reached USD 6.4 Bn during Q3-19 as compared to USD 8.6 Bn during Q3-18. The decline came after a 73.4% decline in profits for the Materials sector and 45.3% decline for the Utilities sector. These declines were partially offset by 3.7% y-o-y rise in profits for the Banking sector and 10.6% increase in profits for the Telecom sector.

Tadawul Monthly Sector Performance



Monthly Value Traded (SAR Mn)



Source: Tadawul, KAMCO Research

Abu Dhabi Securities Exchange

Monthly Indicators	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
ADX General Index	4,823.8	5,044.9	5,137.8	5,074.7	5,258.1	5,003.6	4,980.0	5,317.9	5,165.6	5,057.3	5,107.8	5,030.8
Monthly % Change	1.1%	4.6%	1.8%	(1.2%)	3.6%	(4.8%)	(0.5%)	6.8%	(2.9%)	(2.1%)	1.0%	(1.5%)
Market Cap (AED Bn)	518.8	531.9	538.4	525.4	547.5	498.7	510.6	542.9	530.2	525.0	525.9	519.2
P/E (X) - TTM	12.23	12.53	12.62	12.66	13.29	12.66	12.69	13.53	13.10	12.72	12.85	12.77
P/BV (X) - TTM	1.29	1.32	1.34	1.32	1.41	1.38	1.38	1.48	1.44	1.41	1.43	1.40
Dividend Yield (%)	5.18%	5.17%	4.91%	4.97%	4.76%	4.99%	4.98%	4.67%	4.87%	4.97%	4.94%	5.00%
Volume (Mn Shares)	942.7	629.3	980.4	1,248.9	1,467.4	921.7	677.9	1,378.2	984.5	956.2	842.7	874.0
Value (AED Mn)	4,886.3	3,055.3	4,206.9	4,347.2	5,092.2	3,801.0	3,446.9	4,017.1	3,240.7	3,394.0	2,663.3	3,436.5
Trades	26,212	30,042	36,210	30,142	36,226	36,212	26,310	33,745	32,103	34,016	30,702	29,132

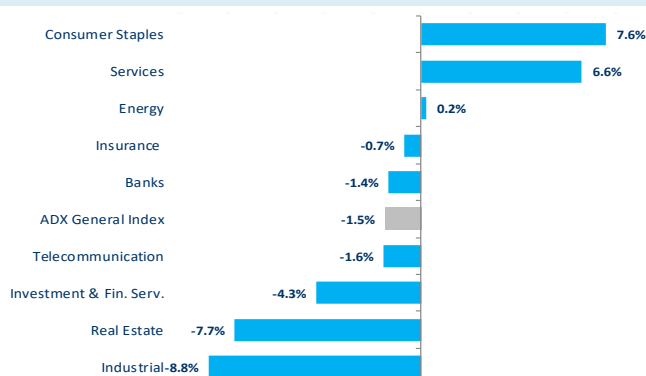
Source: Abu Dhabi Securities Exchange, KAMCO Research

After closing Oct-19 as the best performing market in the GCC, the ADX index ended Nov-19 in the red (-1.5%). The index closed at 5030.76 points as sectoral performance was mostly negative and market breadth favoured decliners. Consumer Staples was the best performing sectoral index and gained by 7.6% m-o-m in Nov-19, driven by International Holdings Company, as its share price gained by almost 13% m-o-m. Services names followed with gains of 6.6%, as Abu Dhabi National Hotels gained by 14.7% m-o-m. In terms of sectoral laggards, Industrials was the worst performing index as the index declined by 8.8% m-o-m in Nov-19, as five stocks witnessed double digit declines, led by Sharjah Cement & Industrial Development (-29.3%) and RAK Co. for White Cement & Construction (-18.4%). Real Estate followed with declines of 7.7% as the sector witnessed weakness across the UAE in Nov-19. RAK Properties and Aldar were the main contributors for the declines as their stock prices receded by 8.3% and 7.7% respectively. Aldar saw its net profit decline for 9M-19, as net profit decreased 12% to AED 1.36 Bn from AED 1.53 Bn in 9M-18, reportedly due to higher non-recurring income in 2018, primarily from Government reimbursement payments for completed infrastructure delivered by Aldar. Further a USD 500 Mn sukuk issued by Aldar Investment Properties LLC ("Aldar Investments"), a 100% owned subsidiary of Aldar Properties PJSC was oversubscribed by six times with global investors accounting for 71% of the total allocation. The 10-year fixed-rate USD sukuk carries a coupon rate of 3.875%.

In other earnings releases, TAQA recorded revenues of AED 13.1 Bn for 9M-19, a decrease of 3% compared to the corresponding period in 2018. Power and Water segment revenues remained stable at AED 8.7 Bn and were 9% lower at AED 4.4 Bn for the Oil and Gas segment, due to lower volumes and realized prices in Europe. TAQA mentioned that global power technical availability averaged 94.5%, with oil and gas production up 1% to 123,322 barrels of oil equivalent per day (boepd). Group EBITDA came in at AED 7.0 Bn, a 5% reduction y-o-y, reportedly driven by lower revenue along with reduced income from associates due to one-off insurance proceeds at Sohar Aluminium in 2018. TAQA's net profit jumped 246% to USD 142 Mn in 9M-19 compared to USD 41 Mn in 9M-18. This increase was mainly due to higher other income amounting to USD 126 Mn resulting from recognition of financial assets related to certain reserve-based earn-out and other entitlements. This increase was partially offset by a USD 60 Mn impairment provision in relation to the Merak-1 well in Egypt which was drilled in Q3 but did not encounter commercial hydrocarbons.

Green Crescent Insurance Co topped the monthly gainers chart, with a gain of 24.9% m-o-m followed by Abu Dhabi National Hotels and International Holding Co with gains of 14.7% and 13.0% respectively. On the decliners side, the main laggards were Invest Bank and Union Insurance Co with declines of 33.5% and 32.2%, respectively. Trading activity on the exchange was marginally positive m-o-m in Nov-19, as volumes traded improved by 3.7% to 874 Mn shares. Value traded improved by 29.0% m-o-m to reach AED 3.4 Bn during Nov-19. In terms of most actively traded stocks, FAB led all stocks in terms of value traded, with AED 1.33 Bn worth of shares traded during Nov-19. ADCB and Etisalat followed as AED 444.9 Mn and AED 428.9 Mn worth of shares were traded respectively. Aldar led the most active stocks list in terms of volumes traded, as 124.6 Mn shares were traded. Dana Gas and FAB followed with 118.3 Mn and 87.4 Mn shares traded.

ADX Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Abu Dhabi Securities Exchange, KAMCO Research

Dubai Financial Market

Monthly Indicators	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
DFM General Index	2,529.8	2,567.6	2,635.8	2,634.9	2,767.1	2,620.3	2,658.6	2,918.4	2,758.6	2,781.1	2,746.9	2,678.7
Monthly % Change	(5.2%)	1.5%	2.7%	(0.0%)	5.0%	(5.3%)	1.5%	9.8%	(5.5%)	0.8%	(1.2%)	(2.5%)
Market Cap (AED Bn)	334.3	339.7	345.3	346.7	359.4	343.3	347.7	371.6	357.3	361.2	359.0	351.0
P/E (X) - TTM	7.15	7.08	7.17	7.25	7.56	7.26	7.29	7.87	7.56	7.26	6.82	6.57
P/BV (X) - TTM	0.90	0.87	0.90	0.89	0.94	0.90	0.91	0.97	0.92	0.93	0.93	0.90
Dividend Yield (%)	6.24%	5.88%	5.90%	5.25%	4.59%	4.84%	4.77%	4.33%	4.43%	4.40%	4.49%	4.43%
Volume (Mn Shares)	3,859.3	2,453.4	2,916.0	2,532.2	4,221.2	3,222.4	2,200.7	3,814.1	2,281.1	3,166.0	4,462.3	3,249.9
Value (AED Mn)	3,682.4	2,864.8	4,424.4	4,021.6	5,821.9	4,075.6	2,838.3	4,990.5	2,886.8	5,270.5	4,423.8	4,865.5
Trades	52,594	48,929	56,325	46,179	65,625	62,391	45,095	63,397	45,792	51,127	62,712	60,225

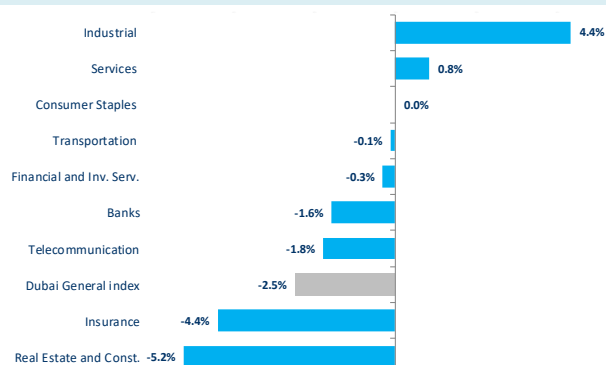
Source: Dubai Financial Market, KAMCO Research

DFM closed in the red for the second consecutive month in Nov-19, and was the worst performing GCC index for the month. The benchmark index was down 2.5% m-o-m and closed at 2678.7 points. Sectoral trends were mostly negative barring the Industrials and Services index, as they gained by 4.4% and 0.8% respectively m-o-m. The Industrials sector outperformance was single-handedly driven by National Cement Co that gained by 4.4% m-o-m, while the Services index was buoyed by a 2.2% gain in Tabreed's share price. Real Estate & Construction was the worst performing index and was down by 5.2% m-o-m. Key drivers for the underperformance was a 33.5% decline in the share price of Arabtec, followed by declines for Emaar Development (-11.1%) and Damac Properties (-9.4%). Arabtec's decline can be largely attributed to the net loss reported to parent of AED 380 Mn for 9M-19, attributable to Arabtec Construction (one of the Group's subsidiaries), mainly due to delays in handing over legacy projects, along with the continued decline of the real estate and construction sector. Banks were down by 1.6% m-o-m, as most names in the index closed in the red. In funding activity for banks, Dubai Islamic Bank closed a USD 750 Mn 5-year Sukuk with a profit rate of 2.950% per annum, equivalent to 140bps over the 5-year Mid Swap Rate.

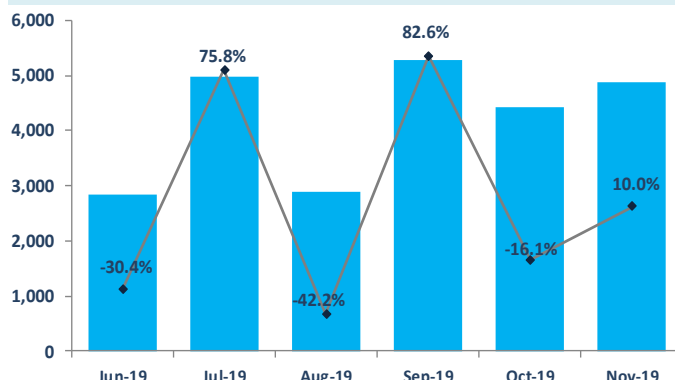
In other earnings releases, DXB entertainment reported 9M-19 revenues of AED 330 Mn, compared to AED 392 Mn in 9M-18, and mentioned that the decline was mainly due to lower visits from the resident market. Total visits in 9M-19 were 1.80 Mn, compared to 1.96 Mn in the same period in 2018, while international visitors constituted 42% of the visitor mix in 2019 YTD. However, they reported a 13% y-o-y improvement in 9M-19 adjusted EBITDA loss, due to the impact of cost optimization measures, and excluding a one-off gain of AED 17 Mn from the contribution of land to the LEGOLAND Hotel, which was reported in 9M-18. Banking name Emirates Investment Bank reported a total comprehensive income for 9M-19 of AED 30.37 Mn as compared to AED 29.65 Mn in 9M-18. Net profit reached AED 21.50 Mn for 9M-19 as compared to AED 32.77 Mn in 9M-18. EIBank's total assets at the end of September 2019 amounted to AED 7.56 Bn from AED 9.69 Bn in FY-18. DFM reported a net profit of AED 95.5 Mn in 9M-19, an 8% decrease from AED 103.7 Mn from 9M-18. Net profit was lower mainly as total revenue for DFM was lower and reached AED 241.6 Mn during 9M-19 vs. AED 251.9 Mn in 9M-18.

In terms of trading activity, the DFM witnessed mixed trends, as volumes traded declined by 27.2% m-o-m to reach 3.3 Bn shares. In terms of value traded, total value of shares improved by 10.0% m-o-m to reach AED 4.9 Bn. In terms of monthly gainers, International Financial Advisors Co led all stocks as its stock price jumped by 27.7% m-o-m in Nov-19. Dubai Refreshments and Air Arabia followed, as their stock prices moved up by 14.7% and 6.6% respectively. On the other hand, shares of Arabtec declined the most as its share price declined by 33.5% m-o-m. Arabian Scandinavian Insurance and Ithmaar Holding, as its stock price receded by 25.9% and 18.7% respectively m-o-m. Emaar Properties was the most actively traded stock on the exchange as AED 970.7 Mn worth of stock was traded. Emirates NBD and Emaar Development followed with value traded of AED 821 Mn and AED 500 Mn respectively. In terms of volumes, Union Properties led all stocks as 585.9 Mn shares were traded. Air Arabia and GFH followed as 322.5 Mn and 315.3 Mn shares were traded. Market breadth favored decliners as 13 stocks gained ground while 32 stocks witnessed lower levels during the month of Nov-19.

DFM Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Dubai Financial Market, KAMCO Research

Qatar Exchange

Monthly Indicators	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
QE 20 Index	10,299.0	10,720.3	10,111.6	10,107.4	10,376.8	10,273.0	10,455.7	10,505.0	10,232.9	10,367.1	10,189.0	10,147.9
Monthly % Change	(0.6%)	4.1%	(5.7%)	(0.0%)	2.7%	(1.0%)	1.8%	0.5%	(2.6%)	1.3%	(1.7%)	(0.4%)
Market Cap (QAR Bn)	588.7	615.9	578.1	567.8	584.4	568.1	577.6	578.1	564.2	574.8	563.4	562.2
P/E (X) - TTM	14.65	15.32	13.83	13.78	14.24	13.68	13.92	13.88	13.84	14.05	13.77	13.74
P/BV (X) - TTM	1.37	1.43	1.32	1.29	1.34	1.29	1.31	1.31	1.27	1.29	1.39	1.39
Dividend Yield (%)	3.84%	3.53%	3.89%	3.94%	3.87%	4.03%	3.96%	3.96%	4.08%	4.02%	4.15%	4.16%
Volume (Mn Shares)	239.7	218.3	167.7	234.5	283.2	439.5	672.0	1,282.1	1,239.7	2,343.5	1,614.2	1,412.0
Value (QAR Mn)	5,252.7	5,789.6	5,247.2	6,841.5	5,484.8	10,299.7	5,468.2	3,784.8	4,083.5	6,021.3	4,711.0	5,238.8
Trades	152,156	138,925	107,717	119,732	120,178	194,051	121,014	109,728	118,906	147,557	111,539	116,733

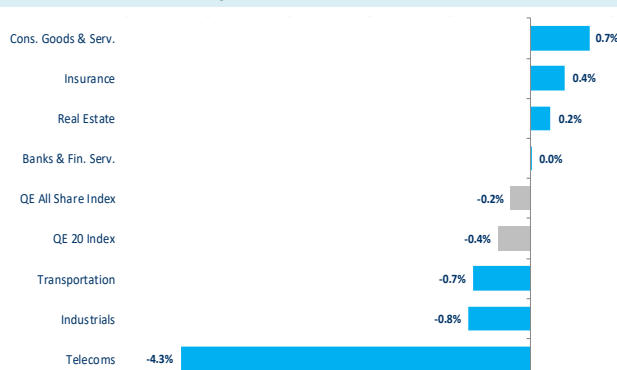
Source: Qatar Exchange, KAMCO Research

Qatar exchange declined marginally in Nov-19 (-0.4%), after declining by 1.7%. The QE 20 index closed at 10,147.88 points and remained marginally in the red on a YTD basis (-1.5%). The Qatar All Share index which maps the broader market also exhibited similar trends as the index declined by 0.24% for the month of Nov-19. Market breadth favored gainers, as 25 stocks gained, while 18 stocks closed the month in the red. Sectoral performance was mixed and contained both gainers and decliners. The Consumers Goods & Services index was the best performing index with gains of 0.7% m-o-m, driven by Widam and Qatar Fuel, as their stock prices was up by 6.2% and 1.5% respectively. The Real Estate index remained broadly stable with gains of 0.2% for the month, as Ezdan Holding was up 0.8% while United Development was up 0.7%. Telecoms were the worst performing index and plunged by 4.3% m-o-m.

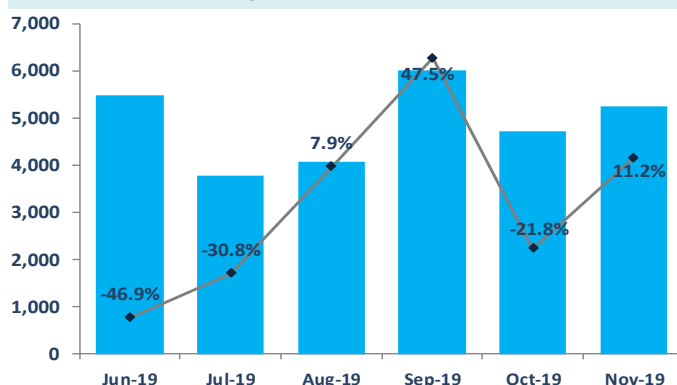
In funding activity, QIIB issued Additional Tier 1 Capital instruments of USD 300 Mn. The order book for the issue exceeded USD 2.6 Bn and was 9 times oversubscribed. The issue was priced at fixed rate of 4.875% p.a, and this was reportedly the lowest pricing ever of this Additional Tier-1 from the GCC. Separately, in ratings action, Fitch Ratings affirmed Doha Bank 's Long-Term Issuer Default Rating (IDR) at 'A' with a Stable Outlook. The rating reportedly reflects Fitch's expectation of an extremely high probability of support from the Qatari authorities for domestic banks in case of need, combined with Fitch's belief of a strong willingness to support the banking sector, including Doha Bank. They also mentioned that Doha Bank's standalone creditworthiness is underpinned by the well-established domestic franchise in Qatar of the fifth-largest bank, with market shares of about 6%-7% in loans and deposits at end-1H19. In other funding action, Masraf Al Rayan announced the successful issuance of a USD 500 Mn sukuk with a term of 5 years under the Bank's existing USD 2 Bn Sukuk programme. The debut issuance was 3 times oversubscribed as a result of strong investor demand and was priced at a spread of 140 basis points over the 5-year mid swaps carrying fixed profit rate of 3.025% per annum.

Trading activity indicators on the index was mixed m-o-m, as value traded during Nov-19 increased by 11.2% to reach QAR 5.3 Bn, while traded volumes declined by 12.5% m-o-m to reach 1.4 Bn shares. In terms of trading activity, Qatar International Islamic Bank topped the monthly value traded chart with QAR 1.23 Bn worth of shares traded, followed by Qatar National Bank and Qatar Islamic Bank recording QAR 1.15 Bn and QAR 304.8 Mn in monthly value traded. In terms of volumes traded, Qatar First Bank led all stocks with traded volumes of 179.8 Mn shares. Ezdan Holding and Aamal Co. followed with traded volumes of 153.5 Mn shares and 143.4 Mn shares respectively. The Banks & Financial Services sector was the most active in terms of value traded during Nov-19, accounting for 65.16% of the total value traded, followed by Industrials and Consumer Goods & Services sectors, as they accounted for 12.16% and 8.30% of the total value traded respectively. Islamic Holding Group was the top performing stock in the index for the month, as its share price surged by 14.2%. Qatar Oman Investment followed along with National Leasing Holding, as their stock prices moved up by 6.7% and 6.2% respectively. On the other hand, shares of Qatar General Co. for Medical Devices led the monthly losers chart losing 12.9% m-o-m. Qatar Industrial Manufacturing and Qatar Navigation followed with declines of 5.6% and 5.5% for the month.

QE Monthly Sector Performance



Monthly Value Traded (QAR Mn)



Source: Qatar Exchange, KAMCO Research

Bahrain Bourse

Monthly Indicators	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Bahrain All Share Index	1,337.26	1,391.42	1,412.66	1,413.32	1,433.92	1,433.52	1,471.04	1,547.68	1,533.09	1,516.53	1,523.27	1,526.95
Monthly % Change	0.6%	4.1%	1.5%	0.0%	1.5%	(0.0%)	2.6%	5.2%	(0.9%)	(1.1%)	0.4%	0.2%
Market Cap (BHD Mn)	7,948	8,265	8,061	8,062	8,168	8,176	8,400	8,837	8,751	8,661	8,695	8,708
P/E (X) - TTM	8.60	8.93	9.42	9.36	9.41	10.27	10.60	11.22	11.30	10.15	10.26	10.44
P/BV (X) - TTM	0.80	0.82	0.85	0.83	0.84	0.85	0.88	0.93	0.92	0.91	0.91	0.91
Dividend Yield (%)	5.69%	5.48%	4.79%	5.13%	5.06%	5.08%	4.93%	4.54%	4.58%	4.63%	4.60%	4.59%
Volume (Mn Shares)	194.6	140.7	98.3	100.3	145.0	66.1	123.1	105.9	55.9	68.6	77.4	82.4
Value (BHD Mn)	89.3	35.4	23.1	30.2	33.7	16.2	36.4	27.9	11.8	17.5	17.1	25.4
Trades	1,521	2,094	2,185	1,719	2,040	1,408	1,735	2,420	1,287	1,661	1,535	1,138

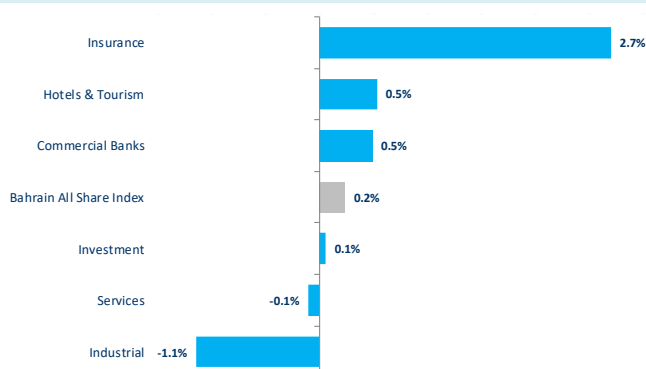
Source: Bahrain Bourse, KAMCO Research

The Bahrain All Share index was flat for the month of Nov-19 but remains one of the best performers in the region YTD (+14%). For Nov-19, the index was 0.2% and closed at 1526.95 points. Sectoral performance was mixed for the month and had both gainers and decliners. Insurance was the best performing index with gains of 2.7%, followed by Commercial Bank and Hotels & Tourism with gains of 0.5% each. The Insurance sector outperformance was driven by Bahrain National Holding Co. as the stock was up 14.8% m-o-m in Nov-19. AUB was up 1.0% m-o-m and was mainly responsible for the marginally positive performance of Commercial Banks. Industrials was the worst performing index, and down 1.1% m-o-m in Nov-19. Aluminum Bahrain drove Industrials down and the stock was down 1.2% m-o-m.

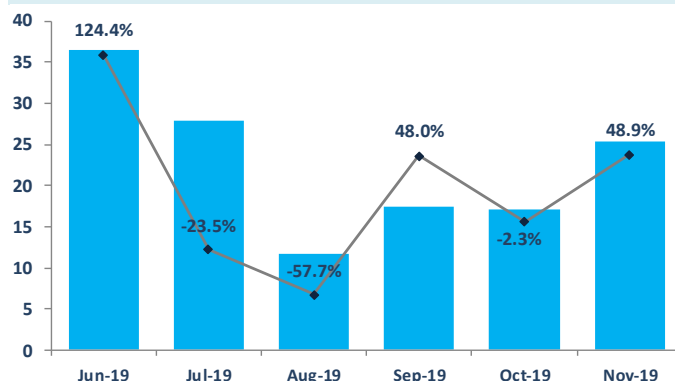
In earnings releases, Batelco reported revenues for 9M-19 of BHD 298.5 Mn, a decrease of 1% when compared to BHD 301.5 Mn of revenues for 9M-18. Consolidated revenues were impacted by the sale of Qualitynet in May 2019, whereby the company contributed an additional BHD 11.0 Mn in revenues during 9M-18. Revenues in the home market of Bahrain increased 6% y-o-y boosted by revenues from fixed broadband, data communications and mobile, which were up 12%, 13% and 5% y-o-y respectively. Net profits for 9M-19 of BHD 44.2 Mn was down 4% from BHD 46.0 Mn for 9M-18. GFH Group reported a 23.7% increase in income, which reached USD 254 Mn in 9M-19, compared with USD 205.3 Mn in 9M-18. Excluding the one-off recovery income and restructuring income in 9M-18, total income of the Group for 9M-19 grew by 72.2% compared to the comparative period. Net profit attributable to shareholders for 9M-19 was USD 73.6 Mn compared with USD 103.4 Mn in 9M-18, a decrease of 28.8% y-o-y. However, excluding one-off recovery income and restructuring income in 9M-18 of USD 57.8 Mn, net profit attributable shareholders grew by 61.4% in 9M-19. Bahrain Duty Free reported 9M-19 revenues of BHD 27.7 Mn a growth of 2.3% compared to BD 27.1 Mn in 9M-18. For 9M-19, the company achieved a net profit of BHD 6.3 Mn compared to BHD 6.7 Mn in 9M-18, representing a decrease of 5.6%, mainly due to decrease on investment income as mentioned. SICO's total comprehensive income grew by 20% y-o-y from BHD 3.4 Mn recorded in 9M-18 to BHD 4.1 Mn in 9M-19. Net operating income grew 11% to BHD 9.3 Mn in 9M-19 compared to BHD 8.3 Mn in 9M-18. SICO's consolidated net profit for 9M-19 increased 10% to BHD 3.6 Mn compared to the BHD 3.3 Mn recorded in 9M-18.

Trading activity was positive, as volumes increased by 6.3% m-o-m to reach 82.3 Mn shares. Value traded however improved by 48.9% m-o-m and reached BHD 25.4 Mn. The number of trades made in the exchange however declined to 1,138 trades, down 25.9% m-o-m from Oct-19. AUB was the most actively traded stock in Nov-19 with BHD 13.1 Mn worth of its shares traded on the exchange. GFH and Al Salam Bank followed with around BHD 6.5 Mn and BHD 1.05 Mn worth of shares traded. In terms of volumes traded, GFH topped the list as well, with 38.6 Mn shares traded on the exchange. AUB and Al Salam Bank followed with 18.6 Mn shares and 10.9 Mn shares respectively. Of the 8 stocks that closed in the green in Nov-19, Bahrain National Holding Co. topped the gainers list, as it witnessed a 14.8% m-o-m increase, followed by APM Terminal Bahrain with monthly gains of 8.6%. Nass Corporation was the main laggard, with a m-o-m decline of 11.5%, followed by Ithmar Bank and Bahrain Ship. Repairing & Engg. with monthly declines of 4.8% and 3.1% respectively.

BSE Monthly Sector Performance



Monthly Value Traded (BHD Mn)



Source: Bahrain Bourse, KAMCO Research

Muscat Securities Market

Monthly Indicators	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
MSM 30 Index	4,323.7	4,215.8	4,144.5	3,983.7	3,945.6	3,934.2	3,884.9	3,760.6	4,004.9	4,017.7	3,999.9	4,064.1
Monthly % Change	(2.0%)	(2.5%)	(1.7%)	(3.9%)	(1.0%)	(0.3%)	(1.3%)	(3.2%)	6.5%	0.3%	(0.4%)	1.61%
Market Cap (OMR Mn)	7,233	7,002	6,892	6,709	6,613	6,602	6,544	6,383	6,713	6,729	6,675	6,706
P/E (X) - TTM	9.25	8.91	8.96	8.82	8.82	8.85	8.70	7.67	8.21	8.22	8.26	8.32
P/BV (X) - TTM	0.83	0.79	0.76	0.72	0.71	0.71	0.71	0.69	0.74	0.74	0.74	0.75
Dividend Yield (%)	6.66%	6.96%	7.18%	6.61%	6.60%	6.59%	6.70%	7.66%	7.15%	7.13%	7.13%	7.05%
Volume (Mn Shares)	257.6	261.7	400.7	310.8	303.3	180.6	307.9	276.7	558.0	297.2	433.3	207.2
Value (OMR Mn)	42.2	53.6	51.8	45.3	41.9	27.4	52.9	37.3	164.3	40.9	53.4	32.4
Trades	8,442	8,380	9,847	9,547	12,704	8,473	8,365	9,982	8,464	11,066	10,774	9,901

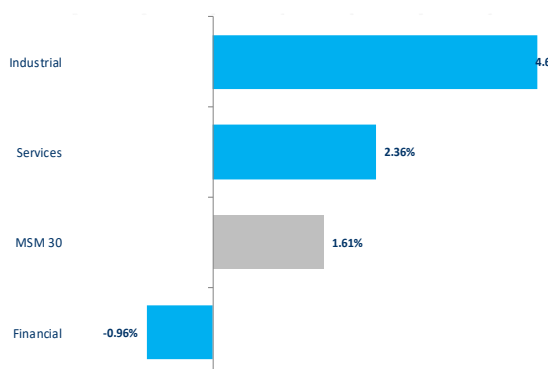
Source: Muscat Securities Market, KAMCO Research.

Oman's benchmark witnessed low-single digit gains during November-19 after declining marginally during the previous month. The MSM 30 benchmark once again breached the 4,000 mark and closed the month at 4,064.1 points recording the second-highest monthly gain in the GCC of 1.6% during November-19. Nevertheless, despite the monthly gains in November-19, the YTD-19 performance for the MSM 30 Index continues to be the lowest in the GCC with a decline of 6.0%. In terms of sector performance, the Industrial index witnessed healthy gains of 4.7% followed by the Services index with a gain of 2.4%, whereas the Financial index saw fall for the second consecutive declining by 1%. Meanwhile, with 14.6% decline, the Services index was the biggest decliner amongst the three indices in terms of YTD-19 performance followed by Industrial at -9.4% and the Financial index at -5.9%. The monthly stock performance chart for the regular market was topped by Raysut Cement which recorded a monthly gain of 33.9%. Oman Cement and Al Maha Ceramics followed with gains of 17.5% and 17.1%, respectively. On the decliners side, Oman Chlorine topped with a fall of 7.9% followed by Al Maha Petroleum and Ominvest with declines of 2.0% and 1.0%, respectively.

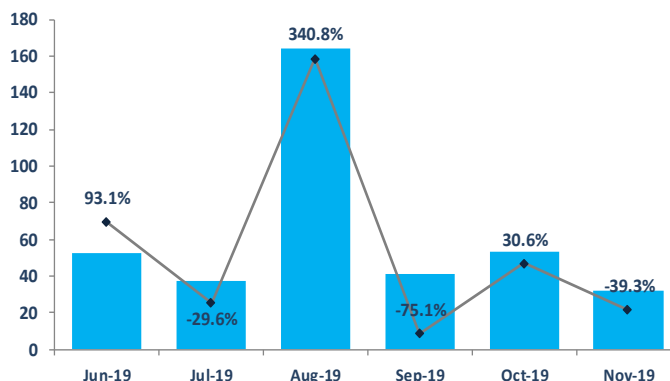
Trading activity on the exchange remained subdued as Oman was the only market after Saudi Arabia that recorded a m-o-m decline in trading. Total value traded on the exchange declined by 39.3% to reach a six month low level of OMR 32.4 Mn during November-19 as compared to OMR 53.4 Mn during October-19. Monthly volume traded also declined at an even higher pace of 52.2% to reach 207 Mn shares as compared 433 Mn shares during the previous month. Raysut Cement topped monthly volume and value traded charts with 7.0 Mn shares changing hands during the month valued at OMR 3.0 Mn. Bank Muscat was next on both the volume and value charts with 5.6 Mn traded shares valued at OMR 2.5 Mn. OmanTel was third on the monthly value chart with OMR 1.8 Mn worth of shares changing hands during the month. Parallel market stocks accounted for the bulk of the trading activity during the month with 61.2% of monthly value traded and 75.8% of volume. Also, value traded in the regular market stocks witnessed a steep m-o-m decline of 62.4% to reach OMR 11.0 Mn as compared to OMR 29.4 Mn during the previous month. In terms of type of investors, Omani's were net buyers during the month but their share declined from 88.3% in October-19 to 82.7 % of the buy trades during November-19.

On the economic front, the latest data released by NCSI has shown progress in terms of decline in Oman's budget deficit. According to the data, the Sultanate's budget deficit declined by 19.4% to OMR 1.5 Bn during the first nine months of the year as compared to OMR 1.9 Bn during 9M-18. Total revenue during the year increased by 2.5% to OMR 7.95 Bn whereas total expenditure declined by 1.8% during the period to OMR 9.5 Bn. Meanwhile, the Central Bank of Oman in its latest financial stability report has expressed concern regarding Oman's Banking sector's exposure to the Real Estate sector that stood at 30% of the lending portfolio. According to the report, mortgage financing to households stood at 15% last year, accounting for 50% of the real estate exposure. Nevertheless, the central bank said that currently there are no signs of stress in the real estate sector and new measures like the REIT legislation and a new proposal to allow foreigners to own lands in designated areas should support the sector.

MSM Monthly Sector Performance



Monthly Value Traded (OMR Mn)



Source: Muscat Securities Market, KAMCO Research

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KAMCO Investment Company - K.S.C. (Public)

Al-Shaheed Tower, Khalid Bin Al-Waleed Street- Sharq

P.O. BOX : 28873, Safat 13149, State of Kuwait

Tel: (+965) 1852626 Fax: (+965) 22492395

Email : Kamcoird@kamconline.com

Website : <http://www.kamconline.com>