

## GCC Real Estate Update

July-2019

### Report Highlights:

The report analyzes real estate fundamentals in the GCC, studies demand-supply drivers and examines trends in transactions, prices and rents that drive the outlook for real estate in the region

### In this report:

GCC RE Sector	2
UAE	3
Saudi Arabia	6
Kuwait	8
Qatar	10
Bahrain & Oman	11
GCC RE Listed Companies	12

### GCC real estate transactions in H1-19 up 9.7% y-o-y

Real estate sale transactions in the GCC (excluding Bahrain) rebounded in H1-19, as total value transacted improved by 9.7% to USD 45.9 Bn, as compared to USD 41.9 Bn in H1-18, according to KAMCO Research. The number of transactions also gained by a higher 18.9% over the same period to reach 281,168 transactions in H1-19. The improvement in the region's transactions was mainly driven by Saudi Arabia and Kuwait, as transacted value in Saudi Arabia gained by 22.1% y-o-y in H1-19, while transacted value in Kuwait moved up by 10.5% as compared to H1-18. Nevertheless, our estimates suggest that the higher transactions came at the cost of lower achieved prices, as the average value per transaction in the GCC declined by 7.8% to around USD 163,200 in H1-19 from around USD 177,000 per transaction in H1-18. On the lending side, aggregate credit to the real estate sector disbursed by GCC banks at the end of Q2-19 grew 3.0% q-o-q and 4.6% to reach USD 202.7 Bn.

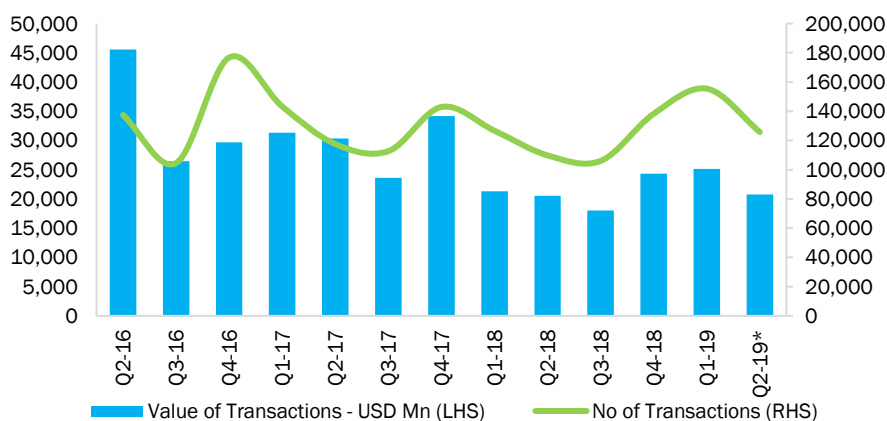
### Residential slide continues; Kuwait lone bright spot in office space market

Although we see some intermittent signs of residential ownership demand coming in at lower price levels, prices and rents are still witnessing downward pressure from the existing oversupply prevalent in the market, and upcoming supply. Government initiatives aimed at improving legislation for broadening home ownership beyond the luxury market should aid home occupier demand as well. Office space take-up however is skewed towards specific space requirements based on smart technologies and flexible fit-outs, while aggregate demand remains weak. Kuwait on the other hand is continuing to witness strong demand for premium office spaces, a trend which is expected to continue in the near term as no significant supply additions are expected. Retail mall owners in the GCC continue to look at Entertainment and F&B as the new drivers for retail space demand, while trying to combat lower demand from retailers who are more looking at expansion via ecommerce capabilities.

### Real Estate equities in Abu Dhabi & Kuwait best performers in H1-19

RE equity indices in Abu Dhabi and Kuwait were the region's best performers during H1-19. The announcement of foreign freehold ownership law and lower registration fees for freehold properties aided demand sentiment for the sector, and pushed real estate equities on the ADX higher. Boursa Kuwait's Premier Market outperformance on the back of EM index inclusions by FTSE, S&P, and its future inclusion into MSCI EM index pushed real estate major-Mabaneer up 24% YTD by Jun-19, driving Kuwait's RE index up 7.4% over the same period. Qatar's RE index was the main laggard as the index plunged by 30.5% YTD until Jun-19, reflecting the sector's oversupply concerns across segments. RE indices on the DFM and Tadawul remained rangebound at the end of H1-19, while Saudi Arabian REITs gained by 4.1% over the same period.

### GCC Real Estate Transactions Quarterly Trends - Q2-16 to Q2-19



Faisal Hasan, CFA

Head - Investment Research

+ (965) 2233 6907

[faisal.hasan@kamconline.com](mailto:faisal.hasan@kamconline.com)

Thomas Mathew

Assistant Vice President

+ (965) 2233 6741

[thomas.mathew@kamconline.com](mailto:thomas.mathew@kamconline.com)

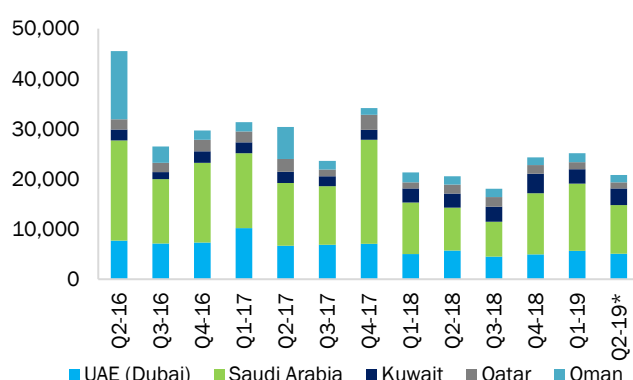
Source: KAMCO Research, Government Sources, \*for Qatar data only include Apr-19 and May-19

# GCC RE Round Up – Q2-19

## Sales Transactions

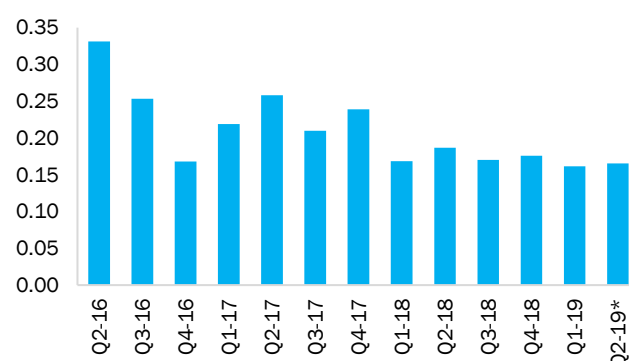
Saudi Arabia remains the largest contributor to real estate transactions in the GCC, contributing over 50% of the value transacted and 52% of the region's number of transactions in H1-19. GCC real estate markets also witnessed typical seasonality trends in Q2-19 during the summer season, as value transacted declined 17.3% q-o-q to reach USD 20.8 Bn, while number of transactions fell by 19.1% to 125,742 transactions.

**GCC RE Transactions Breakdown - USD Mn**



Sources: KAMCO Research, Government Sources

**Average value per transaction in the GCC - USD Mn**



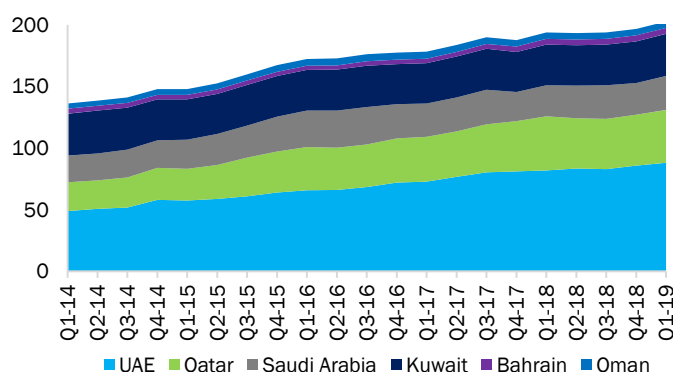
Sources: KAMCO Research, Government Sources

Off-plan sales in Dubai until H1-19 were also up y-o-y in terms of number of transactions (+6.7%) and value transacted (+18.6%), even as overall number of transactions in Dubai remained broadly stable. On a q-o-q basis, Kuwait was the best performing real estate market in the GCC, as value transacted increased by 16.9%, driven by a 39% increase of value transacted in apartment transactions, while volumes traded improved by 18.1% q-o-q.

## Real Estate Credit Lending

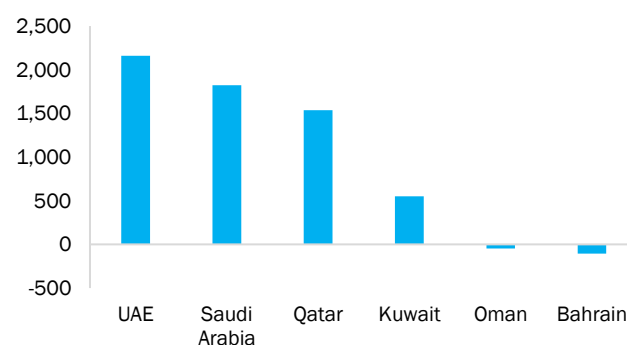
Aggregate credit to the real estate sector disbursed by GCC banks at the end of Q2-19 grew 3% q-o-q to reach USD 202.7 Bn. UAE banks were the largest contributors in Q2-19, as USD 2.16 Bn of net incremental credit was disbursed q-o-q, followed by Saudi Banks (USD 1.82 Bn).

**Credit disbursed by GCC banks to the real estate and construction sectors - USD Bn**



Sources: GCC Central Banks, KAMCO Research

**Q1-19 net credit disbursed to real and construction sectors in the GCC by banks - USD Mn**



Sources: GCC Central Banks, KAMCO Research

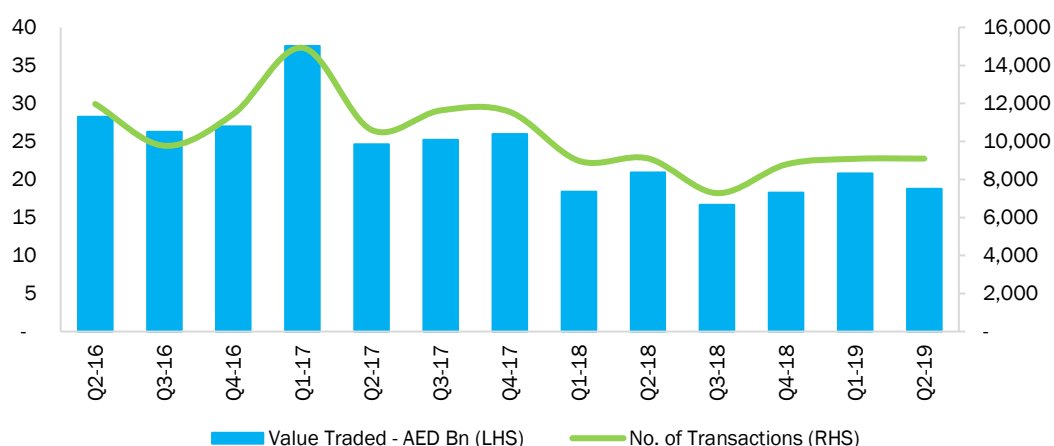
In terms of mortgage lending, value of quarterly mortgages disbursed in Dubai improved by 13.1% q-o-q to AED 36.1 Bn in Q2-19, while the number of mortgages receded by 7.6% over the period. In Saudi Arabia, as part of the Sakani program, the Ministry of Housing (MOH) disbursed 285,000 mortgage loans until end Jan-19.

## UAE RE Trends – Dubai & Abu Dhabi

### Sales Transactions

Data from Dubai Land Department (DLD) revealed that real estate sale transactions in H1-19 remained stable compared to H1-18, both in terms of value transacted and number of transactions. The number of transactions in H1-19 was marginally up by 0.5% y-o-y and reached 18,185 transactions from 18,088 transactions in H1-18. Value transacted inched up by 0.6% over the same period from AED 39.3 Bn in H1-18 to AED 39.6 Bn in H1-19.

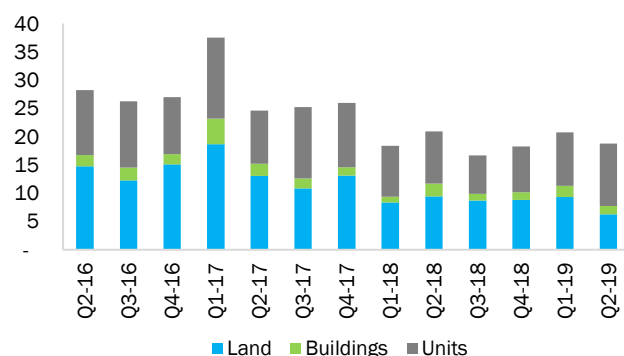
#### Dubai Real Estate Transactions Quarterly Trends – Q2-16 to Q2-19



Source: DLD, KAMCO Research

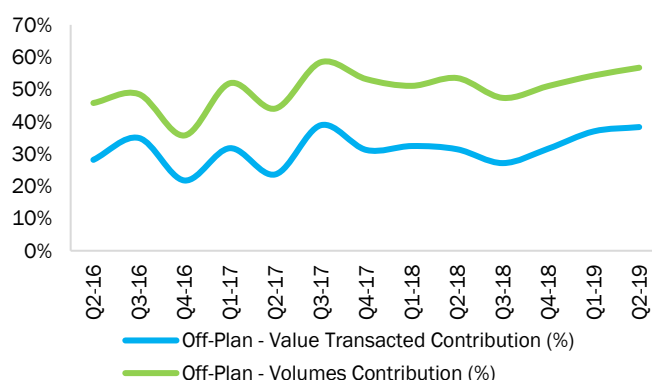
The stable trend was mainly driven by Unit transactions which were up by over 12.5% y-o-y, and reached AED 20.5 Bn from AED 18.2 Bn in H1-18, despite witnessing lower number of transactions. Building transactions also moved up by 4.3% y-o-y and reached around AED 3.4 Bn in H1-19 (H1-18: AED 3.3 Bn).

#### Dubai RE sales transactions breakup – AED Bn



Sources: DLD, KAMCO Research

#### Dubai RE off-plan sales contribution (%)



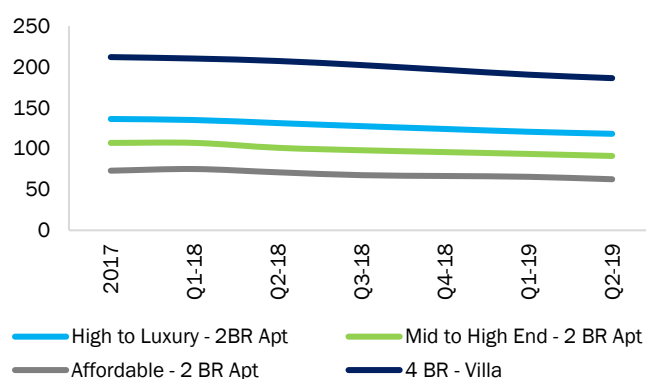
Sources: DLD, KAMCO Research

The contribution (%) of off-plan transactions overall improved y-o-y in H1-19. In terms of value transacted, around 37.6% of the total sales value transacted in H1-19 came from off-plan transactions at AED 14.88 Bn. Moreover, on a sequential basis, off-plan sales were up from AED 12.55 Bn in H1-18.

## Residential

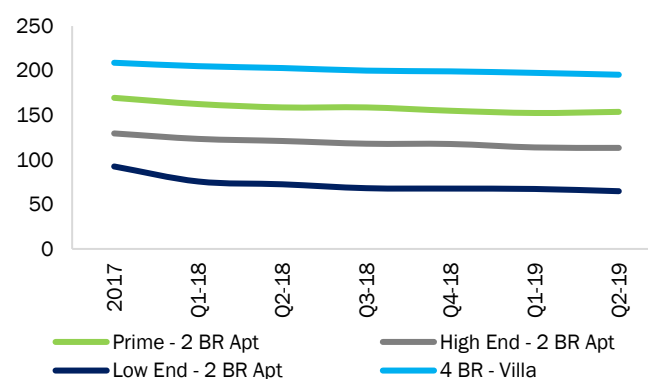
Residential rents in Dubai continued their slide downwards in 2019 across categories, from softer demand and pressure caused by upcoming supply, while the impact of new visa regulations and the Golden Card residency scheme are yet to be seen. Based on our analysis of rents published by Asteco, the highest declines q-o-q in Q2-19 was witnessed by the affordable segments, as affordable 2 BR apartment rents declined by 4.6% q-o-q to reach an average of AED 63,000/year. Downward pressure on rents was also witnessed across Mid-to-High end (-2.7% q-o-q), and High-to-Luxury end apartments (-2.1%). The villa segment in Dubai however remained stable, as 4-BR villa rents were broadly flat at an average of AED 195,000/year.

**Dubai Residential Rental Trends (AED '000/year)**



Sources: Asteco, KAMCO Research

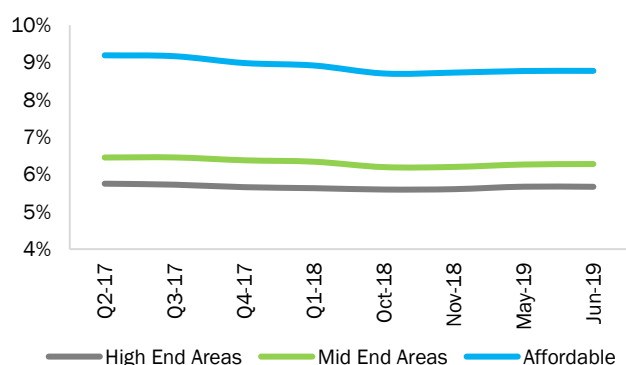
**Abu Dhabi Residential Rental Trends (AED '000/year)**



Sources: Asteco, KAMCO Research

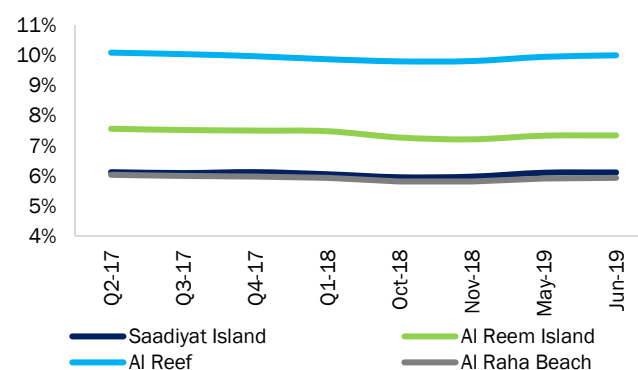
In Abu Dhabi's residential market, the affordable segment was most affected during Q2-19, while apartments at higher end locations were more stable, as per our analysis of data published by Asteco. Low End 2BR apartment rents declined by 3.7% q-o-q to reach around AED 64,800/year. The declines in High End-2 BR apartments were minimal at 0.4% q-o-q, while Prime-2 BR apartments witnessed higher rents q-o-q (+0.8%), as compared to Q1-18.

**Dubai Apartment Yields (%)**



Sources: Property Monitor, KAMCO Research

**Abu Dhabi Apartment Yields (%)**



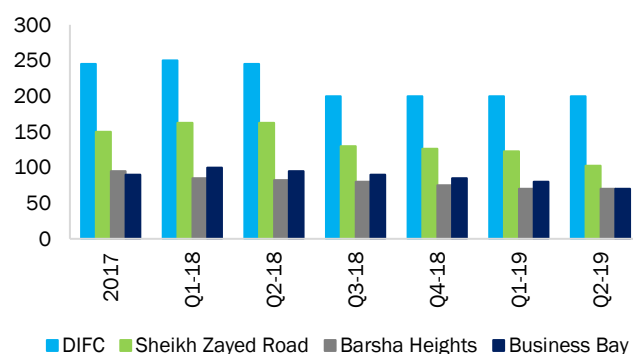
Sources: Property Monitor, KAMCO Research

Our analysis of yields published by Property Monitor from end 2018 to June-19 suggests that yields expanded through 2019, in both Dubai and Abu Dhabi, reflecting the soft residential market in the UAE. Affordable areas in Dubai have higher yields (Yield: 8.8%), as they include smaller 1BR apartments, where demand for renting remains relatively higher than High End (Yield: 5.7%) and Mid End areas (Yield: 6.3%). A similar trend was witnessed in Abu Dhabi, as yields expanded until June-19.

## Office

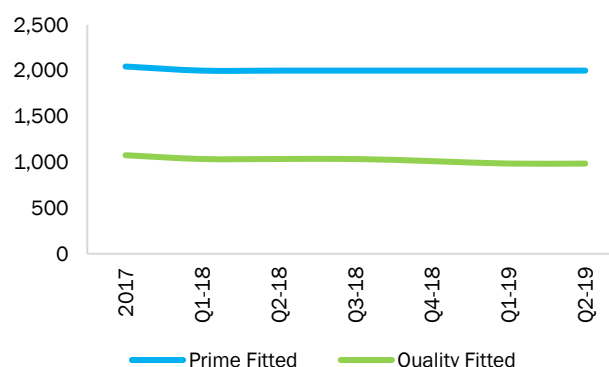
In Dubai's office market, in a quest to incentivize office demand, various pro-business initiatives such as the reduction of market fees from 5% to 2.5% imposed by Dubai Municipality, the One Free Zone Passport, and 100% foreign ownership were introduced. Nevertheless, rents remained under pressure q-o-q in Q2-19, especially in Sheikh Zayed Road (-16%) and Business Bay (-13%), as per data from Asteco. With supply coming in, the average vacancy rate in Dubai's office space increased q-o-q to 13% in Q2-19 (Q1-19: 12%) as per JLL.

**Dubai Office Rental Trends (AED/sq.ft./year)**



Sources: Asteco, KAMCO Research

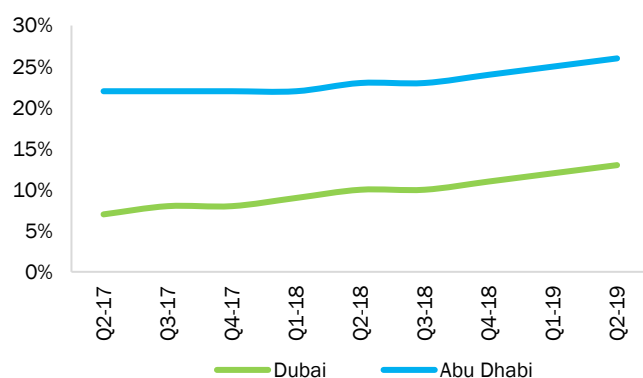
**Abu Dhabi Office Rental Trends (AED/sq.m./year)**



Sources: Asteco, KAMCO Research

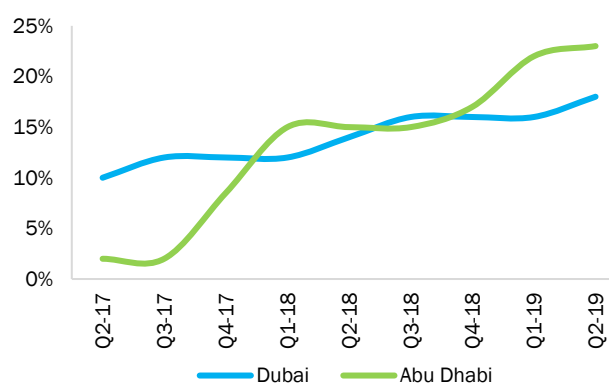
In Abu Dhabi, the office market continues to remain weak with vacancy rates of 26% as of Q2-19, as per JLL. Vacancy rates widened with office space deliveries, and JLL expects another 68,000 sq.m of leasable area in H2-19, which should further put pressure on vacancy rates and rents. Rents for Prime Fitted office spaces and Quality Fitted spaces remained stable q-o-q at AED 2,000/sq.m/annum and AED 985/sq.m/annum respectively.

**UAE Office Vacancy Rates (%)**



Sources: JLL, KAMCO Research

**UAE Retail Vacancy Rates (%)**



Sources: JLL, KAMCO Research

## Retail

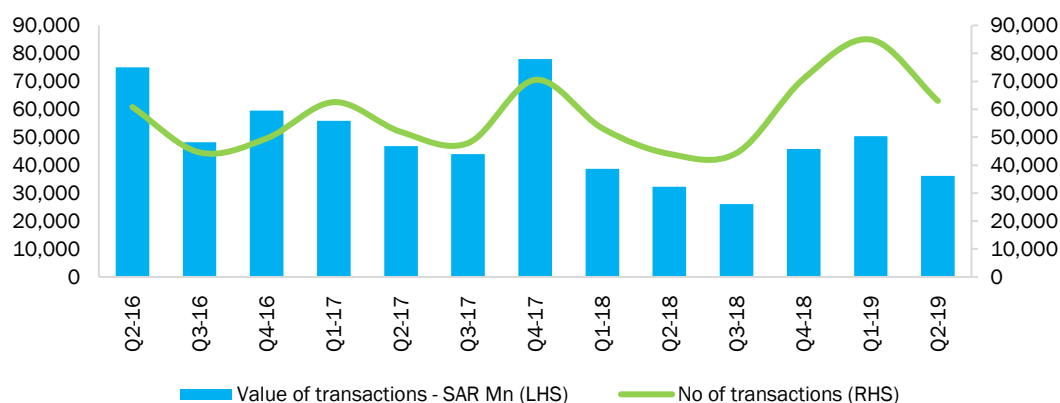
Oversupply concerns in the retail segment continue in the UAE with incoming supply, and as discretionary consumer spending becomes more selective. Tenant demand remains weak, as footfall have declined, combined with the rise of online retailing. As a result, vacancy rates in Dubai widened to 18% in Q2-19 from 16% in Q1-19, while retails rents for primary retail spaces declined 14% y-o-y, as per JLL. Vacancy rates in Abu Dhabi, as per JLL, moved up marginally q-o-q to 23% as of Q1-19, even as some mall operators moved to charge tenants favorable leases, negotiable and rent-free periods and higher capex contributions towards fit-outs of retail spaces.

# Saudi Arabia

## Sales Transactions

Real estate sale transactions recorded by the Ministry of Justice (MOJ) statistics show that total sale transactions in H1-19 improved on a y-o-y basis. Total number of transactions over H1-19 jumped by 52% y-o-y to reach 147,948 transactions from 97,237 transactions in H1-18. An increase was also seen in value terms, as value transacted increased by around 22% to SAR 86.5 Bn. On a q-o-q basis however as strong Q1-19 meant that total number of transactions declined by 26% in Q2-19, while value transacted fell by 28%, as compared to Q1-19.

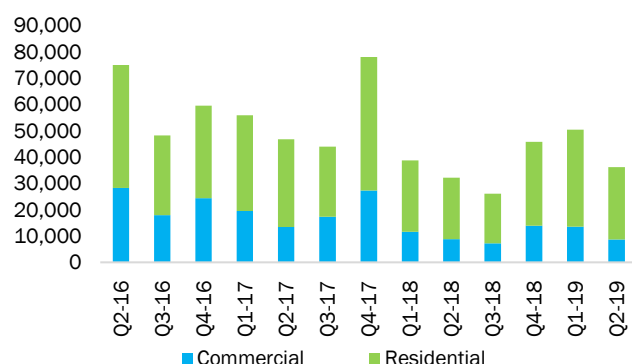
### Saudi Arabia Real Estate Transactions Quarterly Trends – Q2-16 to Q2-19



Source: MOJ, KAMCO Research

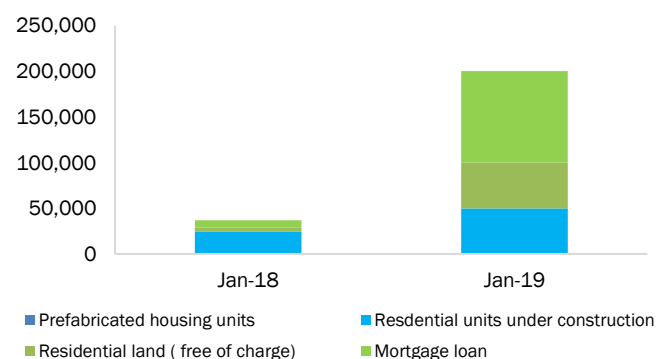
The improvement in sale transactions y-o-y in H1-19, was mostly attributed to higher residential transactions which constituted around 90% of the overall transaction volumes and 74% of the overall value transacted. Residential transaction volumes were up 55% y-o-y in H1-19 and reached 132,950 transactions, while value transacted went up by 27% y-o-y to reach SAR 64.3 Bn. Commercial transaction volumes improved as well, by 30% y-o-y, to reach 14,998 transactions, while value transacted moved up by 9% to SAR 22.3 Bn.

### RE Transactions by segment – SAR Mn



Sources: MOJ, KAMCO Research

### Ministry of Housing Sakani program – Jan'19 vs Jan'18



Sources: MOH, KAMCO Research

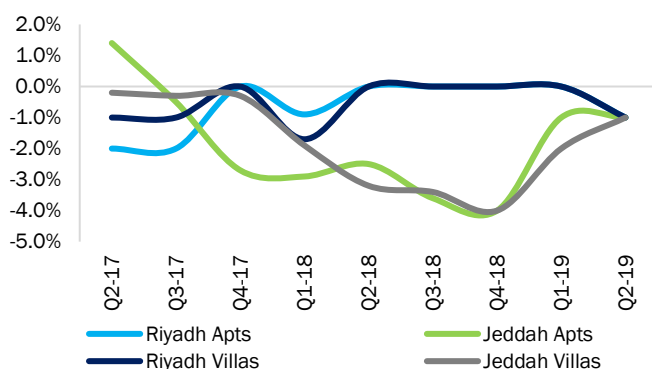
## Residential

As part of the Sakani program by the Ministry of Housing, there were 200,000 residential products which were allocated in Jan-19, as compared to 36,798 products in Jan-18. The residential products allocated from inception reached 782,697 until Jan-19, which included

285,000 mortgage loans, 264,670 residential units under construction and 207,296 residential lands.

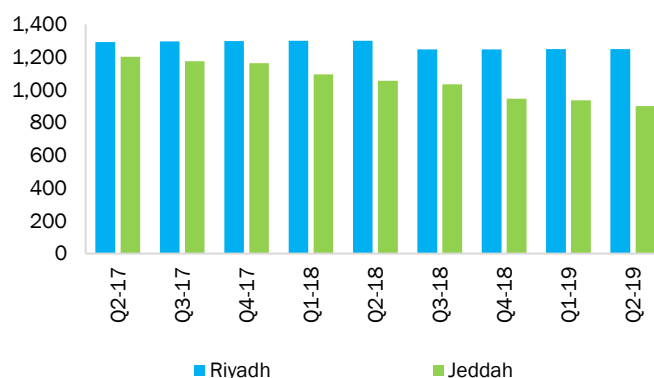
Residential rents in Riyadh declined by 1% q-o-q in Q2-19 across apartments and villas, despite government initiatives to increase home ownership. In Jeddah, rents for both apartments and villas declined by 1% q-o-q respectively as well, as per JLL, fueled by incoming and future supply.

#### Saudi Arabia Residential Rental Change (%)



Sources: JLL, KAMCO Research

#### Saudi Arabia Office Rental Trends (SAR/sq.m)

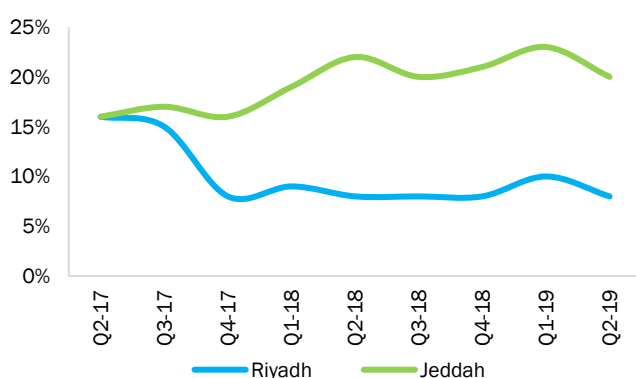


Sources: JLL, KAMCO Research

### Office

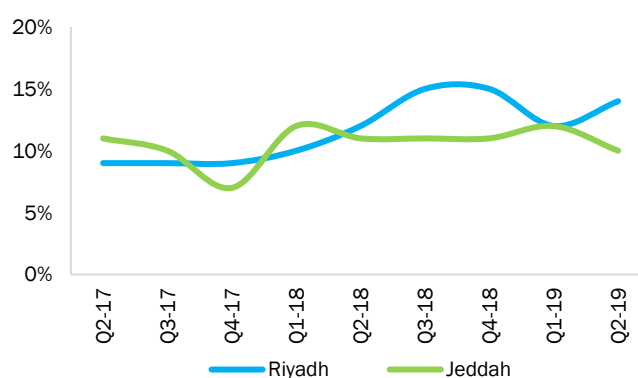
In the office market, average office space rents in Riyadh remained stable q-o-q at SAR 1,250/sq.m/annum, as the only major supply which came in was the Phase I of Riyadh Business Front. Vacancy rates in Riyadh also remained stable at 8%, as of Q2-19. As per JLL, office rents in Jeddah stood at around SAR 901/sq.m/annum, representing a decline of 3.8% q-o-q, while vacant office spaces amounted to 20% of total leasable space.

#### Saudi Arabia Office Vacancy Rates (%)



Sources: JLL, KAMCO Research

#### Saudi Arabia Retail Vacancy Rates (%)



Sources: JLL, KAMCO Research

### Retail

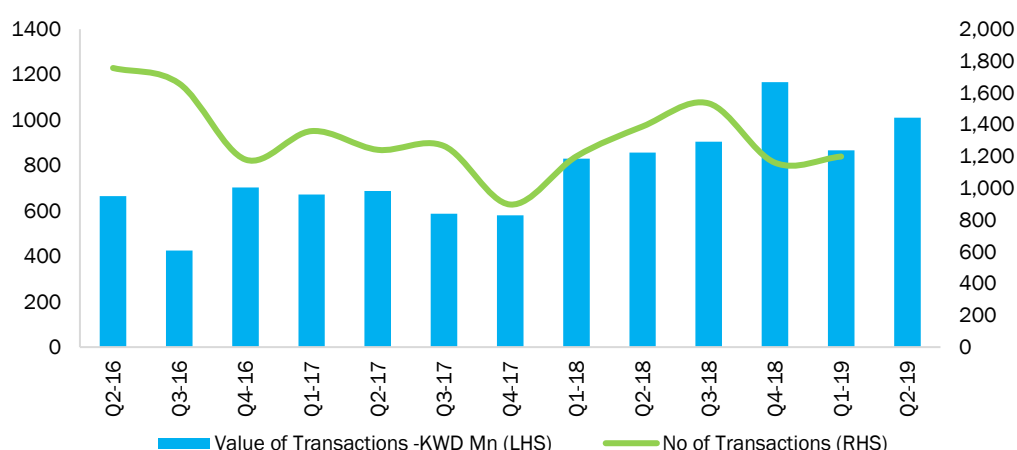
As per JLL, retail vacancy rates in Riyadh increased from 12% in Q1-19 to 14% in Q2-19, while vacant retail spaces in Jeddah declined from 12% in Q1-19 to 10% in Q2-19. The sequentially lower vacancies in Jeddah was due to the yearly leasing incentives measures adopted by retail space owners. With the advent of ecommerce, entertainment and F&B have become key drivers of demand for retail spaces.

# Kuwait

## Sales Transactions

Statistics from Kuwait's Ministry of Justice (MOJ) show that total real estate sale transactions increased in H1-19 on a y-o-y basis. Total number of transactions improved by 19% y-o-y to reach 3,539 transactions from 2,973 transactions in H1-18. Value transacted moved up by around 11% to KWD 1,877 Mn. On a q-o-q basis, total number of transactions was up by 18% in Q2-19, while value transacted improved by 17% as compared to Q1-19.

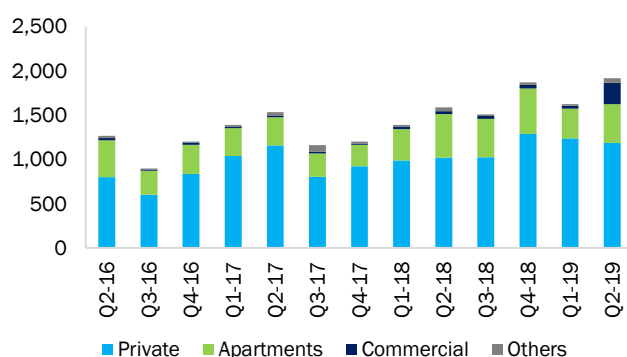
### Kuwait Real Estate Transactions Quarterly Trends – Q2-16 to Q2-19



Source: MOJ, KAMCO Research

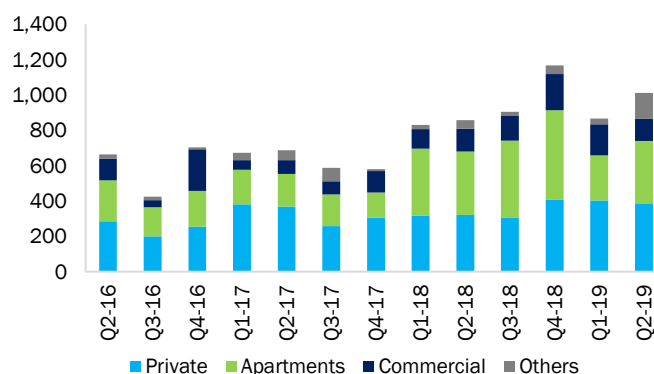
The improvement in sale transactions was mainly driven by Private residential and Commercial sale transactions. Value transacted in Private residential transactions moved up by 24% y-o-y in H1-19 to reach KWD 790 Mn, while number of transactions moved up by 21% y-o-y to 2,421 transactions. Commercial transactions, the other major contributor to real estate transactions in Kuwait, saw the number of transactions improve by 4.5 times y-o-y to 273 transactions, while value transacted moved up by 25% y-o-y to KWD 301 Mn.

### RE Transactions by segment – KWD Mn



Sources: MOJ, KAMCO Research

### RE Transactions by segment – Number of transactions



Sources: MOJ, KAMCO Research

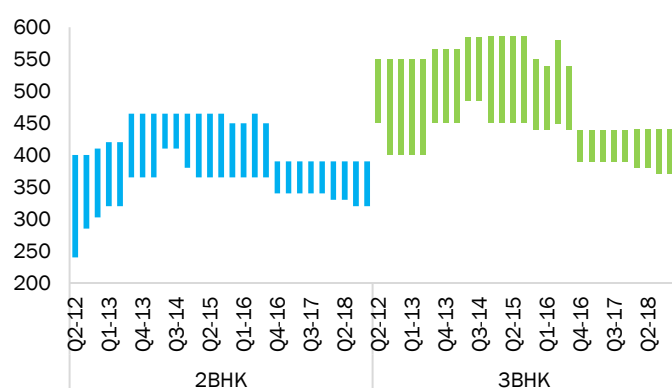
Apartment transactions however declined in H1-19, as the number of transactions declined by 8% y-o-y to 775, while value transacted fell by 18% y-o-y to KWD 607 Mn.



## Residential

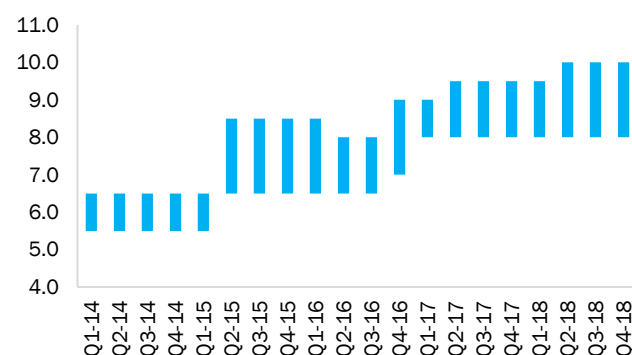
Apartments which constitute a significant portion of the rental market, saw stable rental trends in Q4-18. In the Capital and Hawalli governorates, apartment rents remained stable on a q-o-q basis, as the rental range for 2 BHK apartments remained between KWD 320–390 per month, as per KFH Local Real Estate Report: Q4-18. The report also stated that the range for larger 3 BHK apartments stayed stable q-o-q at KWD 370-440 per month. However, on a y-o-y basis, the lower end of the range for both 2 BHK and 3 BHK apartments showed marginal declines, which is an indication that rents for lower quality residences are still yet to be stabilized.

**Kuwait Apartment Rental Range (KWD/month)**



Sources: KFH Local RE Report, KAMCO Research

**Kuwait Office Rental Range (KWD/sq.m/month)**



Sources: KFH Local RE Report, KAMCO Research

## Office

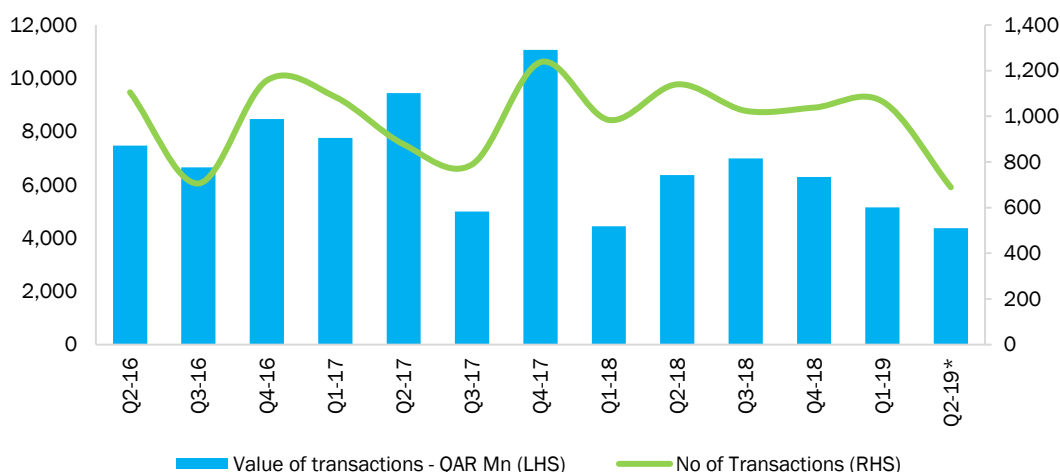
Prime office space rents in Kuwait remained stable on limited quality supply available for tenants, as the higher end of asking rents for the CBD area remained rangebound at KWD 10/sq.m/month. The gap between the lower-end and higher-end of the band also remained stable at KWD 2/sq.m/month, as landlords are able to command higher rents for quality office spaces.

# Qatar

## Sales Transactions

Data published by Ministry of Development Planning and Statistics (MDPS) showed that number of transactions in H1-19 reached (excluding Jun-19) was 1,754 transactions, while value transacted over the same period was QAR 9.52 Bn. Real estate transaction number in Q1-19 improved by 8.2% y-o-y, while in value terms, transacted value improved by 15.8% y-o-y.

### Qatar Real Estate Transactions Quarterly Trends – Q2-16 to Q2-19

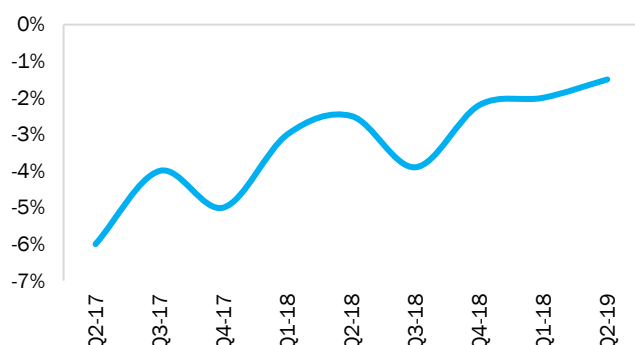


Source: MDPS, KAMCO Research, \* Q2-19 data only includes Apr-19 and May-19

## Residential

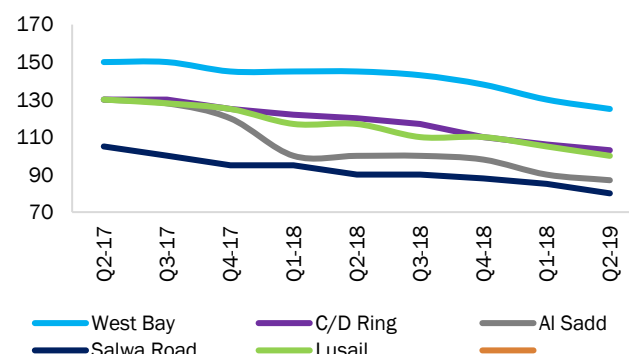
Residential rents continued to decline in Q2-19 as per ValuStrat, as asking rents were down 1.5% q-o-q. The fall in rentals is reportedly higher for villas in secondary locations, and apartments in areas such as Najma, Al Sadd, Old Airport and Al Wakrah. The softness in the residential market is reportedly pushing landlords in Pearl and Lusail to offer tenants rent free periods and a waiver of utility expenses.

### Qatar Residential Rental Change (%)



Sources: ValuStrat, KAMCO Research

### Qatar Office Rental Trends (QAR/sq.m/month)



Sources: ValuStrat, KAMCO Research

## Office

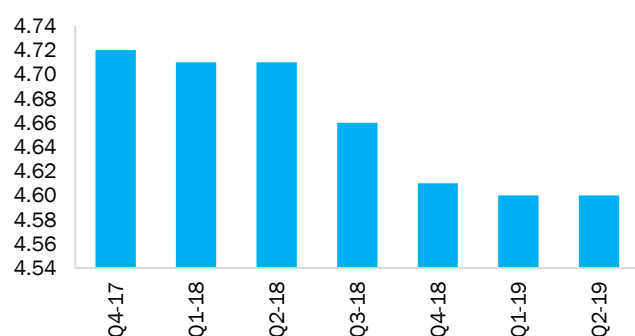
Office rents in Qatar receded by 4% q-o-q in Q2-19 as per ValuStat, as the addition of seven office buildings, amounting to a total of 200,000 sq.m put additional pressure on rents. Office rents in West Bay declined by 4%, as vacancy rates in Qatar remained high at around 35%.

## Bahrain

### Residential & Office

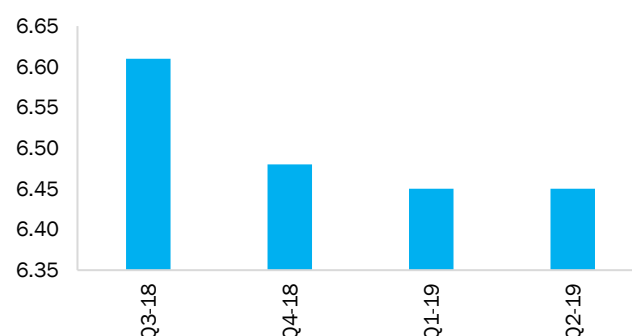
As per the Survey & Land Registration Bureau, the number of land transactions in H1-19 reached 11,159 transactions, while the value transacted was BHD 428 Mn. Average apartment rents in Bahrain declined by 0.2% from Q4-18 to reach BHD 4.60/sq.m/month in Q2-19, as per REMI Global, as the oversupply of apartments in Bahrain intensifies. Current vacancy rates for residential market is around 28% as per REMI Global, and the market is expecting significant under construction supply, which is likely to put severe pressure on rents.

**Bahrain Avg. Residential Rentals (BHD/sq.m/month)**



Sources: REMI Global, KAMCO Research

**Bahrain Office Rental Trends (BHD/sq.m/month)**



Sources: REMI Global, KAMCO Research

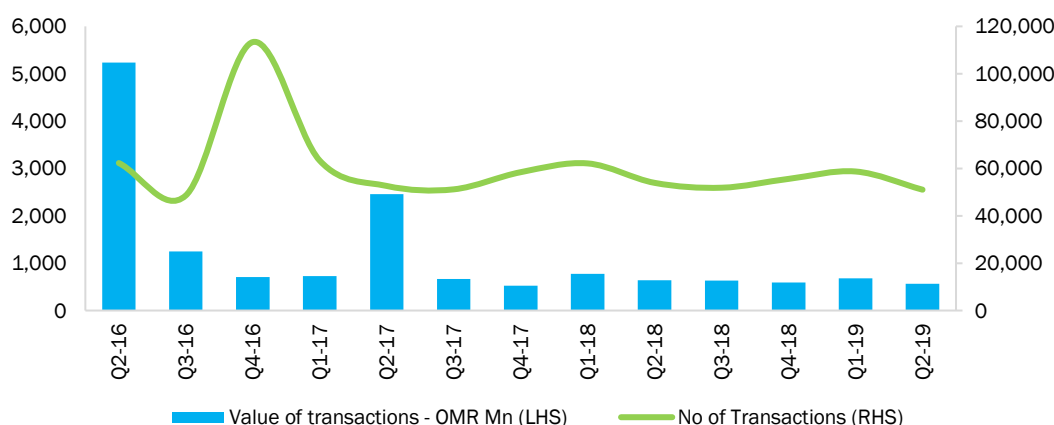
The office market in Bahrain has a vacancy rate of over 22% as well, as landlords continue to remain under pressure to find tenants to occupy their office spaces. This has resulted in lower rents which have reached BHD 6.45/sq.m/month, down 0.5% from Q4-18.

## Oman

### Sales Transactions

As per the data published by National Centre for Statistics & Information (NCSI), real estate sale transactions in Oman showed declining trends on a y-o-y basis in H1-19. The number of transactions registered declined by 5% y-o-y, from 116,039 transactions in H1-18 to 109,742 transactions in H1-19. In value terms, transacted value declined by 12% y-o-y to OMR 1.25 Bn in H1-19 from OMR 1.41 Bn in H1-18.

**Oman Real Estate Transactions Quarterly Trends – Q2-16 to Q2-19**

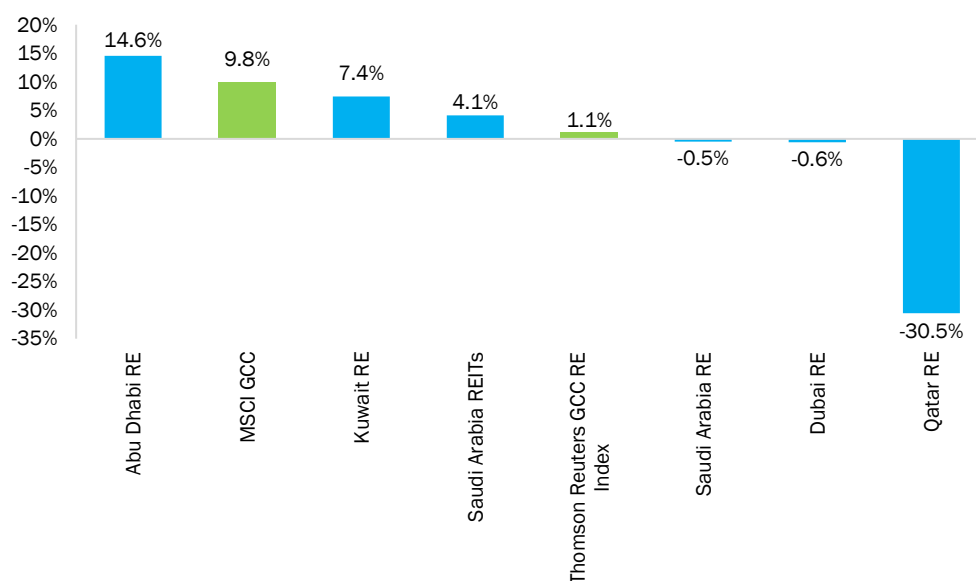


Source: MDPS, KAMCO Research

## GCC Real Estate Equities

Real estate equities in certain GCC countries and segments gained in H1-19. There were several catalysts for each market, however structural issues with demand-side fundamentals in region persist and reflects the muted performance of the Thomson Reuters GCC RE index, which gained by 1.1% as of H1-19.

### GCC Real Estate Equities Performance: H1-19 performance



Source: Bloomberg, KAMCO Research

Equity indices related to real estate in Abu Dhabi and Kuwait were the best performers during H1-19. The much-awaited freehold law which allows foreigners to own land and property within Abu Dhabi's investment areas, and lower registration fees for freehold properties, aided demand for the sector and also pushed up real estate equities on the ADX. Boursa Kuwait's Premier Market outperformance on the back of index inclusions by FTSE, S&P and the future inclusion into MSCI Emerging Market index pushed real estate heavyweight -Mabaneer up by 24% YTD by Jun-19. This was the main driver behind Kuwait's RE index gaining by 7.4% over the period. Qatar's Real Estate index was the main laggard and has plunged by 30.5% YTD until Jun-19, reflecting the sector's oversupply across segments. The larger real estate equity indices in the region – Dubai and Saudi Arabia remained rangebound by the end of H1-19, while Saudi Arabian REITs gained by 4.1% over the same period.

## GCC Real Estate Related Equities – H1-19 Performance

### UAE

Company Name	Ticker	Country of Exchange	Last Price (AED)	M.Cap (AED Mn)	M.Cap (USD Mn)	52-W High	52-W Low	H1-19 Performance (%)
Emaar Properties	EMAR.DU	UAE	4.470	32,004	8,714	5.38	3.85	11.7
Emaar Malls	EMAA.DU	UAE	2.020	26,289	7,158	2.17	1.43	19.6
Emaar Development	EMAARDEV.DU	UAE	4.040	16,160	4,400	5.28	3.26	-2.0
Aldar Properties	ALDR.AD	UAE	1.890	14,860	4,046	2.36	1.43	27.3
Damac Properties Dubai Co	DAMAC.DU	UAE	0.925	5,596	1,524	2.35	0.84	-38.7
Deyaar Development	DEYR.DU	UAE	0.311	1,797	489	0.48	0.29	-8.8
Union Properties	UPRO.DU	UAE	0.337	1,446	394	0.74	0.28	-16.2
Eshraq Investments	ESHR.AD	UAE	0.392	911	248	0.64	0.36	-14.8
Manazel Real Estate	MANZp.AD	UAE	0.350	910	248	0.48	0.30	-7.7
Ras Al Khaimah Properties	RPRO.AD	UAE	0.432	864	235	0.67	0.39	-12.7
Emirates REIT (CEIC)	REIT.DI	UAE	0.714	214	214	1.03	0.70	-15.3
Al Mazaya Holding Company	MAZA.DU	UAE	2.000	40	132	n.a	n.a	n.a
ENBD REIT CEIC	ENBDREIT.DI	UAE	0.520	131	131	0.81	0.49	-15.5
Al Khaleej Investment Company	KICO.AD	UAE	1.950	205	56	1.95	1.16	18.2
Awtad	AWTA.DU	UAE	115.000	173	47	n.a	n.a	n.a
Sharjah Group Company	SG.AD	UAE	0.860	68	18	1.30	0.86	-20.4

### Saudi Arabia

Company Name	Ticker	Country of Exchange	Last Price (SAR)	M.Cap (SAR Mn)	M.Cap (USD Mn)	52-W High	52-W Low	H1-19 Performance (%)
Jabal Omar Development Co	4250.SE	Saudi Arabia	28.200	26,209	6,989	42.35	25.00	-18.0
Makkah Construction and Development Co	4100.SE	Saudi Arabia	80.000	13,185	3,516	85.00	63.50	4.0
Dar Al Arkan	4300.SE	Saudi Arabia	11.800	12,744	3,399	12.40	8.24	30.8
Emaar The Economic City	4220.SE	Saudi Arabia	10.000	8,500	2,267	11.44	7.75	26.4
Taiba Investments Company	4090.SE	Saudi Arabia	28.300	4,541	1,211	31.70	26.30	-3.8
Knowledge Economic City Company	4310.SE	Saudi Arabia	9.790	3,322	886	11.90	8.30	7.6
Saudi Real Estate Company	4020.SE	Saudi Arabia	12.200	2,928	781	15.20	11.10	0.0
Arriyadh Development Company	4150.SE	Saudi Arabia	14.900	2,649	706	16.43	10.68	17.6
Jadwa REIT Saudi Fund	4342.SE	Saudi Arabia	9.300	1,469	392	9.95	8.01	11.4
Bonyan REIT Fund	4347.SE	Saudi Arabia	8.910	1,451	387	10.00	8.20	10.8
Riyad REIT	4330.SE	Saudi Arabia	8.080	1,387	370	8.98	7.47	6.6
AlAhli Fund of REITs Fund	4338.SE	Saudi Arabia	8.300	1,141	304	8.55	7.37	11.6
Al Rajhi REIT	4340.SE	Saudi Arabia	8.700	1,063	284	9.16	7.70	10.5
Al Andalus Property Co	4320.SE	Saudi Arabia	14.360	1,005	268	17.08	13.14	6.9
Derayah REIT Fund	4339.SE	Saudi Arabia	9.270	997	266	9.56	7.75	15.7
Swicorp Wabel REIT	4345.SE	Saudi Arabia	7.580	894	239	10.40	7.03	-8.5
Red Sea International Company	4230.SE	Saudi Arabia	14.040	842	225	18.70	12.32	-11.7
Musharaka REIT	4335.SE	Saudi Arabia	8.130	715	191	8.70	7.50	1.0
MEFIC Real Estate Income Fund	4346.SE	Saudi Arabia	8.880	651	174	10.56	7.41	9.0
Jadwa REIT Al Haramain Fund	4332.SE	Saudi Arabia	8.010	529	141	8.76	7.25	10.7
Mulkia Gulf Real Estate Reit Fund	4336.SE	Saudi Arabia	8.700	522	139	9.00	7.52	11.5
Taleem REIT Fund	4333.SE	Saudi Arabia	10.220	521	139	11.32	9.42	3.0
SEDCO Capital REIT Fund	4344.SE	Saudi Arabia	7.970	478	128	8.37	7.00	1.6
Al Maather REIT Fund	4334.SE	Saudi Arabia	7.680	471	126	8.50	7.10	9.2
Al Mashaar REIT	4337.SE	Saudi Arabia	7.590	434	116	7.94	6.85	10.2
Al Jazira Mawten REIT	4331.SE	Saudi Arabia	12.920	152	41	17.02	11.94	-7.0

### Qatar

Company Name	Ticker	Country of Exchange	Last Price (QAR)	M.Cap (QAR Mn)	M.Cap (USD Mn)	52-W High	52-W Low	H1-19 Performance (%)
Ezdan Holding Group	ERES.QA	Qatar	0.715	18,965	5,210	1.65	0.70	-44.9
Barwa Real Estate Company	BRES.QA	Qatar	3.400	13,230	3,634	4.13	3.23	-9.0
United Development Company	UDCD.QA	Qatar	1.380	4,886	1,342	1.69	1.29	0.4
Mazaya Qatar Real Estate Development	MRDS.QA	Qatar	0.760	880	242	0.93	0.65	3.2

## Kuwait

Company Name	Ticker	Country of Exchange	Last Price (KWD)	M.Cap (KWD Mn)	M.Cap (USD Mn)	52-W High	52-W Low	H1-19 Performance (%)
Mabane Company	MABK.KW	Kuwait	0.709	739	2,437	0.790	0.542	26.3
Salhia Real Estate Co	SREK.KW	Kuwait	0.337	173	570	0.350	0.313	8.5
Commercial Real Estate Co	TIJK.KW	Kuwait	0.093	166	547	0.098	0.073	6.6
Tamdeen Real Estate Co	TAMK.KW	Kuwait	0.375	162	534	0.400	0.266	9.8
National Real Estate Co	NREK.KW	Kuwait	0.076	114	374	0.109	0.068	-8.4
United Real Estate Company	UREK.KW	Kuwait	0.061	73	240	0.069	0.054	2.3
Kuwait Real Estate Company	KREK.KW	Kuwait	0.075	71	234	0.079	0.044	38.4
Al Argan International Real Estate Co	ARGK.KW	Kuwait	0.176	47	154	0.176	0.120	33.1
Al Mazaya Holding Company	MAZA.KW	Kuwait	0.058	40	132	0.091	0.055	-17.1
First Dubai for Real Estate Development Co	FIRST.KW	Kuwait	0.030	30	98	0.044	0.027	-21.0
Munshaat Real Estate Projects Co	MUNS.KW	Kuwait	0.086	28	91	0.120	0.075	-14.0
Injazzat Real Estate Development Company	INJA.KW	Kuwait	0.079	27	90	0.090	0.075	-0.4
Dar Al Thuraya Real Estate Co	THURY.KW	Kuwait	0.179	26	86	0.220	0.179	-18.6
Kuwait Business Town Real Estate Co	KBTK.KW	Kuwait	0.041	26	84	0.051	0.038	-5.2
Ajial Real Estate Entertainment Co	AREC.KW	Kuwait	0.134	25	82	0.159	0.124	-0.7
Aayan Real Estate Company	AYRE.KW	Kuwait	0.057	24	78	0.068	0.052	7.5
Sokouk Holding Co	SHCK.KW	Kuwait	0.034	20	66	0.052	0.030	-15.2
Inovest	INOV.KW	Kuwait	0.069	20	65	0.092	0.066	-13.7
Arkan Al Kuwait Real Estate Company	ARKK.KW	Kuwait	0.078	20	65	0.091	0.072	3.1
Dalqan Real Estate Company	DALQ.KW	Kuwait	0.350	19	64	0.350	0.350	0.0
Ream Real Estate Company	REAM.KW	Kuwait	0.171	18	59	1.415	0.092	-5.0
International Fin.acial Advisors	IFIN.KW	Kuwait	0.023	17	55	0.039	0.020	-18.1
Abyaar Real Estate Development Company	ABYR.KW	Kuwait	0.015	16	54	0.020	0.012	-3.3
Al-Enmaa Real Estate Company	ENMA.KW	Kuwait	0.036	16	54	0.048	0.030	10.4
Aqar Real Estate Investments Co	AQAR.KW	Kuwait	0.069	16	53	0.080	0.055	12.6
Al-Arabiya Real Estate Co	ARAB.KW	Kuwait	0.030	15	51	0.035	0.027	4.9
Tijara and Realestate Investment Company	TJJA.KW	Kuwait	0.041	15	50	0.057	0.036	-12.9
Mashaer Holding Co	MASH.KW	Kuwait	0.071	13	42	0.090	0.040	-15.2
Manazel Holding Co	MANK.KW	Kuwait	0.029	12	41	0.036	0.020	17.0
Al Massaleh Real Estate Co	MREC.KW	Kuwait	0.035	8	27	0.049	0.032	-4.6
Kuwait Remal Real Estate Co	REMAL.KW	Kuwait	0.027	8	27	0.050	0.019	-36.9
Taameer Real Estate Investment Co	AMAR.KW	Kuwait	0.029	7	23	0.046	0.021	4.3
Al Masaken International Real Estate	MASKN.KW	Kuwait	0.070	7	23	0.100	0.036	12.0
Investors Holding Group Company	INVK.KW	Kuwait	0.010	6	21	0.015	0.009	-17.2
Sanam Real Estate Company	SANK.KW	Kuwait	0.050	6	20	0.063	0.028	42.7
Amar Fin.ace and Leasing Company	AMARF.KW	Kuwait	0.028	6	18	0.049	0.025	-32.2
Kuwait Real Estate Holding Co	ALAQ.KW	Kuwait	0.029	6	18	0.035	0.020	16.0
Mena Real Estate Co	MENK.KW	Kuwait	0.034	5	15	0.050	0.023	-3.9
International Resorts Company	IRCK.KW	Kuwait	0.023	3	11	0.030	0.012	0.4
Real Estate Trade Centers Company	MARA.KW	Kuwait	0.023	3	10	0.037	0.020	5.0
Ajwan Gulf Real Estate Co	AJWN.KW	Kuwait	0.014	3	10	0.024	0.011	-21.4
Al Mudon International Real Estate Co	ALMK.KW	Kuwait	0.019	2	6	0.032	0.017	-32.6
Effect Real Estate Company	EFFECT.KW	Kuwait	0.020	2	5	0.026	0.009	119.8
Tamkeen Holding Co	TAMKE.KW	Kuwait	0.007	0	1	0.015	0.002	-34.3

## Bahrain

Company Name	Ticker	Country of Exchange	Last Price (QAR)	M.Cap (QAR Mn)	M.Cap (USD Mn)	52-W High	52-W Low	H1-19 Performance (%)
Seef Properties BSC	SEEF.BH	Bahrain	0.206	95	251	0.23	0.20	0.6
Eskan Bank Realty Income Trust	EBRIT.BH	Bahrain	n.a	18	48	0.10	0.09	-3.2

Source: Reuters, KAMCO Research

## Disclaimer & Important Disclosures

KAMCO is authorized and fully regulated by the Capital Markets Authority ("CMA, Kuwait") and partially regulated by the Central Bank of Kuwait ("CBK").

This document is provided for informational purposes only. Nothing contained in this document constitutes investment, an offer to invest, legal, tax or other advice or guidance and should be disregarded when considering or making investment decisions. In preparing this document, KAMCO did not take into account the investment objectives, financial situation and particular needs of any particular person. Accordingly, before acting on this document, investors should independently evaluate the investments and strategies referred to herein and make their own determination of whether it is appropriate in light of their own financial circumstances and objectives. The entire content of this document is subject to copyright with all rights reserved. This research and the information contained herein may not be reproduced, distributed or transmitted in Kuwait or in any other jurisdiction to any other person or incorporated in any way into another document or other material without our prior written consent.

### Analyst Certification

Each of the analysts identified in this report certifies, with respect to the sector, companies or securities that the individual analyses, that (1) the views expressed in this report reflect his or her personal views about all of the subject companies and securities and (2) no part of his or her compensation was, is or will be directly or indirectly dependent on the specific recommendations or views expressed in this report.

### KAMCO Ratings

KAMCO investment research is based on the analysis of regional and country economics, industries and company fundamentals. KAMCO company research reflects a long-term (12-month) target price for a company or stock. The ratings bands are:

- \* **Outperform:** Target Price represents expected returns  $\geq 10\%$  in the next 12 months
- \* **Neutral:** Target Price represents expected returns between  $-10\%$  and  $+10\%$  in the next 12 months
- \* **Underperform:** Target Price represents an expected return of  $<-10\%$  in the next 12 months

In certain circumstances, ratings may differ from those implied by a fair value target using the criteria above. KAMCO policy is to maintain up-to-date fair value targets on the companies under its coverage, reflecting any material changes to the analyst's outlook on a company. Share price volatility may cause a stock to move outside the rating range implied by KAMCO's fair value target. Analysts may not necessarily change their ratings if this happens, but are expected to disclose the rationale behind their view to KAMCO clients.

Any terms and conditions proposed by you which are in addition to or which conflict with this Disclaimer are expressly rejected by KAMCO and shall be of no force or effect. The information contained in this document is based on current trade, statistical and other public information we consider reliable. We do not represent or warrant that such information is fair, accurate or complete and it should not be relied upon as such. KAMCO has no obligation to update, modify or amend this document or to otherwise notify a recipient thereof in the event that any opinion, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. The publication is provided for informational uses only and is not intended for trading purposes. The information on publications does not give rise to any legally binding obligation and/or agreement, including without limitation any obligation to update such information. You shall be responsible for conducting your own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this or other such document. Moreover, the provision of certain data/information in the publication may be subject to the terms and conditions of other agreements to which KAMCO is a party. Nothing in this document should be construed as a solicitation or offer, or recommendation, to acquire or dispose of any investment or to engage in any other transaction, or to provide any investment advice or service. This document is directed at Professional Clients and not Retail Clients within the meaning of CMA rules. Any other persons in receipt of this document must not rely upon or otherwise act upon it. Entities and individuals into whose possession this document comes are required to inform themselves about, and observe such restrictions and should not rely upon or otherwise act upon this document where it is unlawful to make to such person such an offer or invitation or recommendation without compliance with any authorization, registration or other legal requirements.

KAMCO Investment Company (DIFC) Limited ("KAMCO DIFC") is regulated by the Dubai Financial Services Authority (DFSA). KAMCO DIFC may only undertake the financial services activities that fall within the scope of its existing DFSA licence. This document is intended for Professional Clients or Market Counterparties only as defined by the DFSA, and no other person should act upon it.

### Risk Warnings

Any prices, valuations or forecasts are indicative and are not intended to predict actual results, which may differ substantially from those reflected. The value of an investment may go up as well as down. The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including, without limitation, foreseeable or unforeseeable changes in interest rates, foreign exchange rates, default rates, prepayment rates, political or financial conditions, etc.).

Past performance is not indicative of future results. Any opinions, estimates, valuations or projections (target prices and ratings in particular) are inherently imprecise and a matter of judgment. They are statements of opinion and not of fact, based on current expectations, estimates and projections, and rely on beliefs and assumptions. Actual outcomes and returns may differ materially from what is expressed or forecasted. There are no guarantees of future performance. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. This document does not propose to identify or to suggest all of the risks (direct or indirect) which may be associated with the investments and strategies referred to herein.

### Conflict of Interest

KAMCO and its affiliates provide full investment banking services, and they and their directors, officers and employees, may take positions which conflict with the views expressed in this document. Salespeople, traders, and other professionals of KAMCO may provide oral or written market commentary or trading strategies to our clients and our proprietary trading desks that reflect opinions that are contrary to the opinions expressed in this document. Our asset management area, our proprietary trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this document. KAMCO may have or seek investment banking or other business relationships for which it will receive compensation from the companies that are the subject of this document. Facts and views presented in this document have not been reviewed by, and may not reflect information known to, professionals in other KAMCO business areas, including investment banking personnel. United Gulf Bank, Bahrain owns majority of KAMCO's shareholding and this ownership may create, or may create the appearance of, conflicts of interest.

### No Liability & Warranty

KAMCO makes neither implied nor expressed representations or warranties and, to the fullest extent permitted by applicable law, we hereby expressly disclaim any and all express, implied and statutory representations and warranties of any kind, including, without limitation, any warranty as to accuracy, timeliness, completeness, and fitness for a particular purpose and/or non-infringement. KAMCO will accept no liability in any event including (without limitation) your reliance on the information contained in this document, any negligence for any damages or loss of any kind, including (without limitation) direct, indirect, incidental, special or consequential damages, expenses or losses arising out of, or in connection with your use or inability to use this document, or in connection with any error, omission, defect, computer virus or system failure, or loss of any profit, goodwill or reputation, even if expressly advised of the possibility of such loss or damages, arising out of or in connection with your use of this document. We do not exclude our duties or liabilities under binding applicable law.



**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](mailto:Kamcoird@kamconline.com)

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