

GCC Markets Monthly Report

August-2020

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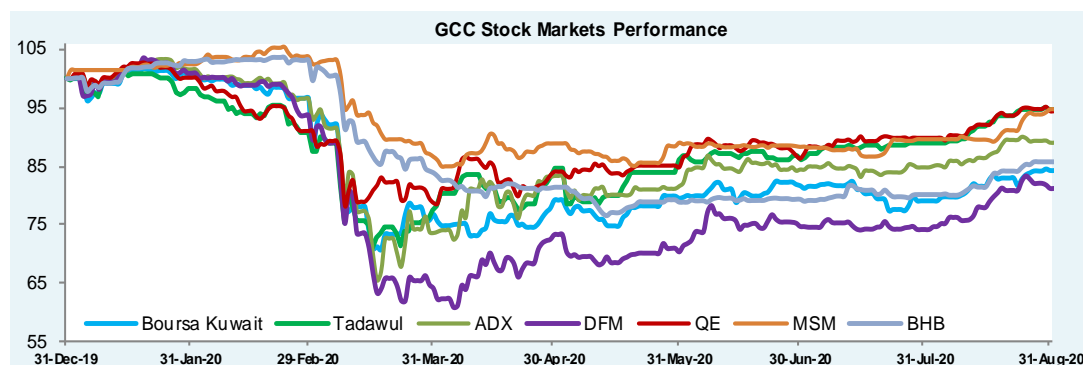
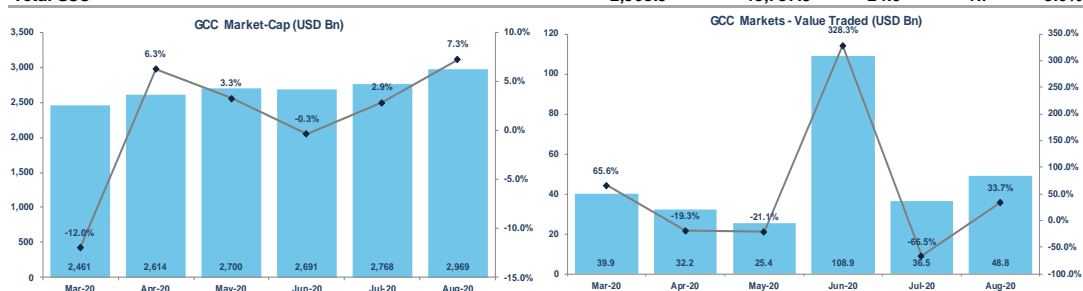
Benchmark gains continue despite Q2-2020 earnings setback...

GCC markets once again witnessed gains across all markets and most sectors during August-2020, resulting in an aggregate monthly gain of 6.2% for the S&P GCC Total return index. In terms of country performance, UAE benchmarks recorded the biggest gains during the month with DFMGI up by 9.5% followed by ADX index with a gain of 5%. Saudi Arabia's TASI gained 6.5% during the month backed by a broad-based recovery across sectors. With consecutive gains over the last five months the GCC aggregate index is down by 6.2% since the start of the year. Saudi Arabia and Oman were closest to see a full recovery from the Covid-19 led slowdown with declines of 5.3% for the respective country benchmark indices followed by Qatar at -5.6%. On the other hand, DFM and Kuwait continued to remain at the bottom of the YTD-2020 performance chart with double digit declines.

In terms of sector performance, the Consumer Durable & Apparels sector once again witnessed double digit gains. The index gained 20.0% during the month, followed by Capital Goods and Pharma & Biotech sector benchmarks, with double digit gains of 15.8% and 14.0%, respectively. The Real Estate and Banking indices were also up by 9.7% and 7.0%, respectively. In terms of YTD-2020 performance, the Food & Drugs Retailing sector remained the best performing sector in the GCC with a gain of more than 50%, followed by Pharma & Biotech and F&B indices with gains of 33.7% and 29.7%, respectively. Real Estate and Banks remained laggards with declines of 16.1% and 11.2%, respectively, since the start of the year.

The performance of other global benchmarks was also upbeat during the month with the MSCI World index gaining 6.5% during the month. The performance reflected similar mid-single digit gains in most of the leading markets globally, although gains in the Emerging Market index was moderate at 2.1%.

GCC Equity Markets	Index Closing	MTD Chg%	YTD Chg%	M-Cap (USD Bn)	Monthly Val Traded (USD Mn)	P/E (x) TTM	P/B (x) TTM	Div. Yield
Kuwait - Premier Market Ind	5,854.6	8.1%	(16.1%)	103.7	2,286.7	15.2	1.3	4.0%
Kuwait - Main Market Index	4,184.8	2.4%	(14.8%)					
Kuwait - All Share Index	5,294.3	6.6%	(15.7%)					
Saudi Arabia	7,940.7	6.5%	(5.3%)	2,393.6	40,084.8	29.0	1.9	3.3%
Abu Dhabi	4,519.3	5.0%	(11.0%)	190.0	1,664.3	16.5	1.3	5.4%
Dubai	2,245.3	9.5%	(18.8%)	84.6	1,945.5	8.5	0.8	4.3%
Qatar	9,845.2	5.1%	(5.6%)	156.6	2,686.5	16.0	1.5	4.1%
Bahrain	1,380.9	7.0%	(14.2%)	23.0	44.1	12.9	0.9	5.2%
Oman	3,771.9	5.7%	(5.3%)	17.0	75.4	11.2	0.8	6.5%
Total GCC				2,968.5	48,787.3	24.6	1.7	3.6%



Source: GCC Stock Exchanges, Kamco Invest Research

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Boursa Kuwait

Monthly Indicators	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Premier Market Index	6,174.8	6,211.1	6,519.4	6,976.0	7,033.5	6,730.2	5,198.7	5,356.3	5,424.3	5,607.1	5,415.3	5,854.6
Monthly % Change	(5.4%)	0.6%	5.0%	7.0%	0.8%	(4.3%)	(22.8%)	3.0%	1.3%	3.4%	(3.4%)	8.1%
Main Market Index	4,713.8	4,757.9	4,767.0	4,910.7	4,922.3	4,769.3	4,083.1	4,226.4	4,150.4	4,190.1	4,086.0	4,184.8
Monthly % Change	(1.6%)	0.9%	0.2%	3.0%	0.2%	(3.1%)	(14.4%)	3.5%	(1.8%)	1.0%	(2.5%)	2.4%
All Share Market Index	5,678.7	5,717.3	5,928.3	6,282.5	6,325.0	6,072.1	4,822.7	4,975.4	4,995.6	5,130.7	4,968.2	5,294.3
Monthly % Change	(4.4%)	0.7%	3.7%	6.0%	0.7%	(4.0%)	(20.6%)	3.2%	0.4%	2.7%	(3.2%)	6.6%
Thomson Reuters Kuwait TR	249.9	251.6	262.0	276.7	279.4	266.9	213.9	227.5	231.8	240.2	234.9	244.8
Monthly % Change	(5.0%)	0.6%	4.2%	5.6%	1.0%	(4.5%)	(19.8%)	6.4%	1.9%	3.6%	(2.2%)	4.2%
Market Cap (KWD Mn)	32,862	33,081	34,285	36,345	36,613	35,156	27,754	28,778	29,169	29,961	29,021	31,338
P/E (X) - TTM	15.50	15.60	16.10	16.80	16.90	16.20	12.80	13.30	14.27	14.60	14.20	15.20
P/BV (X) - TTM	1.38	1.39	1.44	1.49	1.50	1.44	1.14	1.18	1.14	1.21	1.17	1.26
Dividend Yield (%)	3.69%	3.68%	3.55%	3.35%	3.46%	3.06%	3.90%	4.56%	4.16%	3.51%	4.24%	4.02%
Volume (Mn Shares)	3,113.0	2,924.1	2,981.0	4,099.3	4,217.4	3,713.5	4,035.2	3,174.1	2,133.3	3,567.4	2,572.7	3,772.5
Value (KD Mn)	749.9	503.8	514.1	853.5	869.5	522.3	986.8	747.4	441.0	649.4	528.7	690.8
Trades ('000)	139.2	122.7	122.4	176.1	160.8	139.4	239.3	175.6	112.0	158.0	135.0	163.4

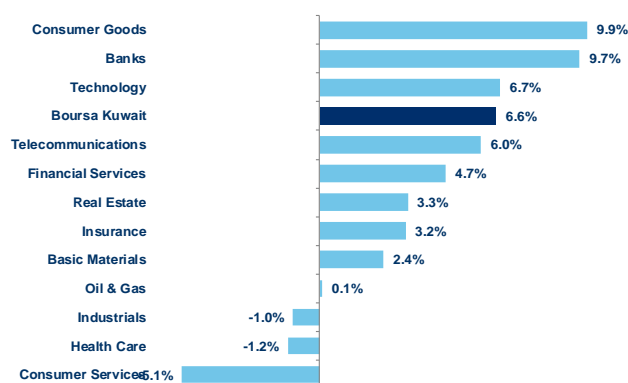
Source: Boursa Kuwait, Kamco Invest Research

After seeing the biggest monthly decline in the GCC during July-2020, Kuwait benchmarks bounced back during August-2020 and reflected the broader positive sentiment across the GCC markets. The gains were primarily centered around large-cap stocks, with the corresponding Premier Market Index gaining 8.1% during the month as 15 out of 19 constituents of the index saw monthly gains. Shares of banks witnessed strong gains ranging from high single digit to double digits in the case of Gulf Bank (+12.11%) and Burgan Bank (+10%). Gains in the Main 50 and Main Market Indices were much modest at 3.3% and 2.4%, respectively, resulting in a gain of 6.6% for the All Share index. In terms of YTD-2020 performance, the declines were broadly similar across the benchmarks. The YTD-2020 declines for the Premier Market index was 16.1% almost in line with the Main 50 Index with a decline of 16.2%, while the Main Market and All Share Indices declined by 14.8% and 15.7%, respectively.

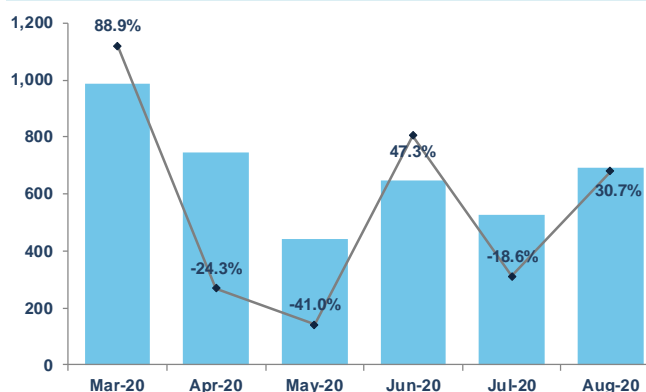
The monthly sector performance chart showed strong gains for large-cap stocks including Banks and Telecom that swayed the overall market performance, in addition to gain in sectors that remained resilient in the face of the lockdowns. Shares of all the Kuwaiti banks gained during the month, with the exception of CBK which closed flat. Similarly, in the Telecom sector, shares of all the constituents gained barring AAN Digital Services. The Consumer Goods index topped the monthly performance chart with a gain of 9.9% on the back of 12.1% gain in shares of Mezzan Holding. Banking sector index was next with a gain of 9.7% followed by Technology and Telecom indices with gains of 6.7% and 6.0%, respectively. On the decliners side, Consumer Services index topped with a fall of 6.1% led mainly by 9.5% drop in shares of Jazeera Airways and 10.5% slide in shares of Kuwait national Cinema. Healthcare and Industrials indices were next with declines of 1.2% and 1.0%, respectively. The Consumer Goods index also topped the performance since the start of the year with a gain of 24.8% followed by the Insurance gauge that was up 1.5%. The rest of the sectoral indices declined with Consumer Services seeing the biggest YTD-2020 drop of 33.2%, followed by Financial Services and Real Estate at 19.1% and 17.5%, respectively. The month also saw the listing of the first Utilities company in Kuwait, Shamal Az-Zour Al-Oula Power and Water Co.

Trading activity on the exchange witnessed strong gains during August-2020. Volume traded during the month was up by 46.6% to reach 3.8 Bn shares in August-2020 as compared to 2.6 Bn shares in July-2020. The aggregate value of shares changing hands during the month also gained by 30.7% to reach KWD 691 Mn as compared to KWD 528.7 Mn during the previous month. KFH topped the monthly value traded chart with shares worth KWD 113.1 Mn traded during the month followed by AUB-Bahrain and Shamal Az-Zour Al Oula Power and Water Co. with KWD 87.3 Mn and KWD 86.8 Mn in trades.

Boursa Kuwait Monthly Sector Performance



Monthly Value Traded (KWD Mn)



Source: Kuwait Stock Exchange, Kamco Invest Research

Saudi Arabia (Tadawul)

Monthly Indicators	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Tadawul All Share Index	8,091.8	7,744.1	7,859.1	8,389.2	8,246.6	7,628.3	6,505.4	7,112.9	7,213.0	7,224.1	7,459.2	7,940.7
Monthly % Change	0.9%	(4.3%)	1.5%	6.7%	(1.7%)	(7.5%)	(14.7%)	9.3%	1.4%	0.2%	3.3%	6.5%
Market Cap (SAR Bn)	1,881.0	1,790.7	1,812.9	8,992.0	8,748.9	8,424.9	7,562.0	8,005.1	8,327.3	8,232.3	8,346.9	8,976.5
P/E (X) - TTM	17.28	16.33	16.37	23.40	23.00	21.30	26.12	28.57	22.04	21.77	23.50	28.96
P/BV (X) - TTM	1.87	1.78	1.81	2.12	2.09	1.89	1.58	1.70	1.76	1.76	1.80	1.94
Dividend Yield (%)	3.74%	3.90%	3.86%	3.23%	3.29%	3.53%	4.07%	3.63%	3.45%	3.57%	3.45%	3.34%
Volume (Mn Shares)	2,536.0	2,456.2	2,225.4	4,306.1	3,708.6	2,890.3	5,238.3	4,730.5	3,574.3	8,297.2	5,662.9	6,698.6
Value (SAR Mn)	64,757.5	61,661.3	57,890.8	112,992.9	84,379.6	71,603.9	116,932.8	95,431.9	75,782.4	380,892.5	111,338.6	150,325.2
Trades ('000)	2,318	2,537	2,173	3,740	3,750	3,271	5,167	4,426	3,265	5,732	5,423	6,234

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

The Saudi stock exchange recorded the biggest monthly gain in four months during August-2020 led by consecutive gains during the first half of the month. The index was up consistently for eleven trading sessions since 26-July-2020 until 16-August-2020 and thereafter witnessed minimal downward pressure for the rest of the month. These gains pushed TASI to the highest level since the last week of February-2020 towards the end of the month to close little short of the 8,000 mark at 7,940.7 points with a monthly gain of 6.5%. These gains pushed the benchmark's YTD-2020 decline to the lowest in the GCC at 5.3%, in line with the performance of Oman's MSM 30 Index. The gains during August-2020 were broad-based reflecting positive performance for almost all the sectors on the exchange.

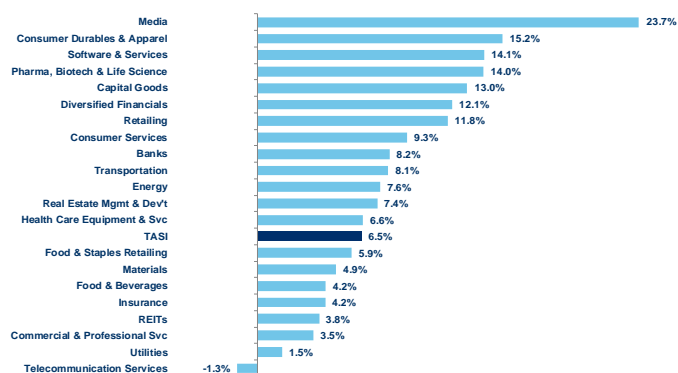
On the monthly sector performance chart, only the Telecom index showed a decline of 1.3% while the rest of the sectoral indices showed positive returns. The Media index topped the monthly performance chart with a gain of 23.7% followed by Consumer Durables & Apparel and Software & Services indices with gains of 15.2% and 14.1%, respectively. Large-cap sectors like Banks and Energy witnessed returns of 8.2% and 7.6%, respectively, whereas the Materials benchmark saw a relatively smaller gain of 4.9%.

The monthly share performance in August-2020 was heavily skewed towards gainers that included 186 stocks as compared to 11 decliners. Saudi Arabian Refineries Co. topped the monthly gainers chart with its shares more than doubling with the only catalyst according to us being a revival of domestic fuel demand as markets open. Alujain was next on the gainers chart with its shares up 66.8% followed by Saudi Fisheries and Tihama Advertising with gains of 65.5% and 51.3%, respectively. On the other hand, monthly decliners showed marginal low-single digit declines and included sector affected by the lockdowns including REITs and consumer services stocks.

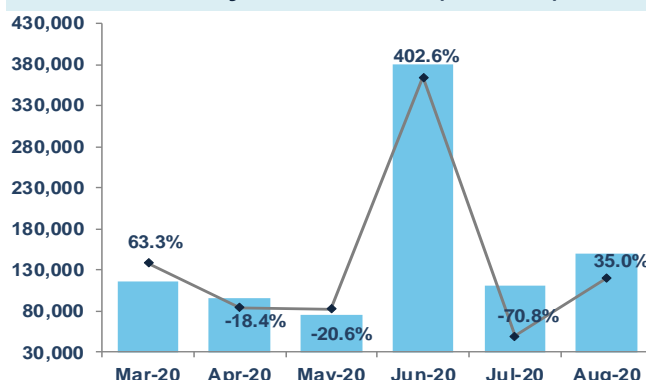
Trading activity remained above average during August-2020 as compared to historical levels. Total volume traded during the month increased by 18.3% to 6.7 Bn shares as compared to 5.7 Bn shares during July-2020. Value traded witnessed a stronger growth of 35% to reach SAR 150.3 Bn in August-2020 as compared to SAR 111.3 Bn during July-2020. Dar Al Arkan once again topped the monthly volume traded charts during August-2020 with 714.1 Mn shares followed by Alinma Bank and Saudi Aramco with 276.0 Mn and 224.8 Mn shares, respectively. On the monthly value traded chart, Saudi Aramco topped with shares worth SAR 7.7 Bn followed by Al Rajhi Bank and Dar Al Arkan valued at SAR 6.0 Bn and SAR 5.6 Bn, respectively.

On the regulatory front, Tadawul launched derivatives market towards the end of the month and introduced its first exchange-traded derivatives product called MT30 Index Futures, an index futures contract based on the MSCI Tadawul 30 Index (MT30). The exchange also launched a clearing house, The Securities Clearing Center Company (Muqassa), both as part of the Kingdom's Saudi Vision 2030 plan. This was also seen as an effort to attract foreign capital into the Saudi capital market. According to reports, the exchange also has plans to launch additional derivatives financial products like Single Stock Futures, Single Stock Options and Index Options by around the end of 2021 or the start of 2022.

Tadawul Monthly Sector Performance



Monthly Value Traded (SAR Mn)



Source: Tadawul, Kamco Invest Research

Abu Dhabi Securities Exchange

Monthly Indicators	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
ADX General Index	5,057.3	5,107.8	5,030.8	5,075.8	5,156.2	4,901.4	3,734.7	4,230.4	4,141.6	4,285.8	4,304.7	4,519.3
Monthly % Change	(2.1%)	1.0%	(1.5%)	0.9%	1.6%	(4.9%)	(23.8%)	13.3%	(2.1%)	3.5%	0.4%	5.0%
Market Cap (AED Bn)	525.0	525.9	519.2	529.1	559.9	535.3	431.8	489.2	485.2	506.2	657.0	698.0
P/E (X) - TTM	12.72	12.85	12.77	12.85	13.17	12.39	9.44	10.86	12.92	13.69	15.04	16.49
P/BV (X) - TTM	1.41	1.43	1.40	1.42	1.35	1.27	0.96	1.07	1.24	1.28	1.25	1.30
Dividend Yield (%)	4.97%	4.94%	5.00%	4.95%	4.81%	5.08%	6.55%	5.60%	6.14%	5.96%	5.65%	5.40%
Volume (Mn Shares)	956.2	842.7	874.0	1,578.7	657.7	886.1	1,705.4	1,240.7	863.1	1,128.2	1,165.4	2,008.5
Value (AED Mn)	3,394.0	2,663.3	3,436.5	10,907.2	2,455.8	2,983.3	4,623.7	3,167.0	2,424.5	3,829.4	2,574.9	6,113.0
Trades	34,016	30,702	29,132	25,376	23,279	28,487	52,789	48,960	33,979	41,789	29,854	46,775

Source: Abu Dhabi Securities Exchange, Kamco Invest Research

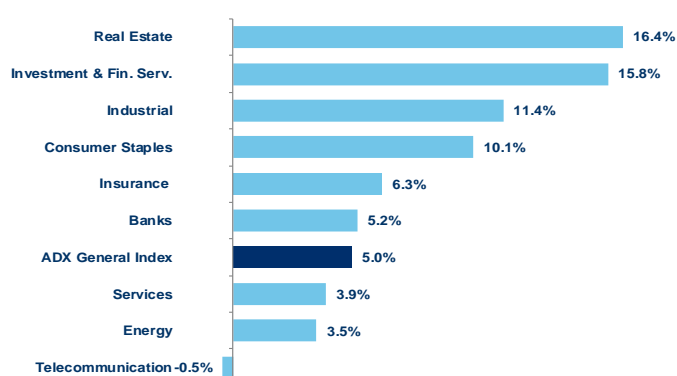
After closing broadly rangebound in Jul-2020, the ADX index gained by almost 5% m-o-m in Aug-2020. The index closed at 4519.32 points, as sectoral performance was mostly positive. The Real Estate sector gained the most, up 16.4% m-o-m, as Aldar jumped by 17.3% in Aug-2020. Investment & Financial Services performed well with gains of 15.8% m-o-m, as International Holding Company (+17.8%) and Eshraq Investments (+13.8%) led the sector. Industrials (+11.4%) and Consumer Staples (+10.1%) were the other sectors that clocked double digit gains, while Banks witnessed gains of 5.2% m-o-m. Telecom was the only sector that closed in the red marginally with declines of 0.5% m-o-m.

The Energy index was up 3.5% m-o-m, as Abu Dhabi National Energy (TAQA) was up 10.5% m-o-m, while ADNOC Distribution gained by 1.9% m-o-m. ADNOC Distribution's H1 2020 revenue decreased by 22.6% to AED 7.96 Bn compared to H1-2019 (AED 10.27 Bn), mainly due to the impact of COVID19 on their Q2-2020 fuel volumes and non-fuel revenues as well as due to lower selling prices. H1-2020 net profit was AED 910 Mn, a decline of 22.4% compared to H1-2019, mainly due to lower volumes, one-off costs, as well as due to the presence of inventory gains / one-off gains in H1-2019. However, adjusting for inventory losses/gains and one-offs, the company reported higher earnings despite the business impact of COVID-19.

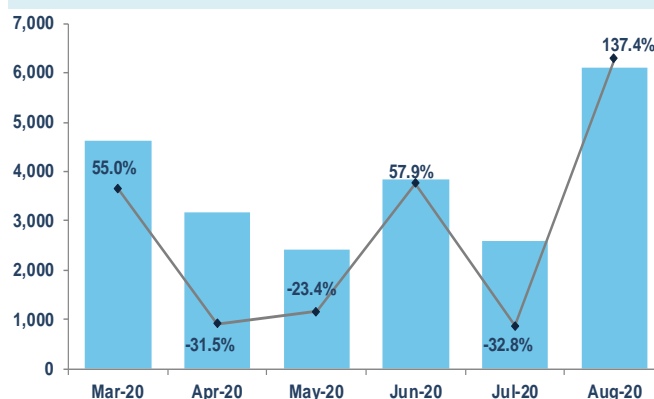
In earnings releases, Dana Gas revenues for H1-2020 stood at AED 664 Mn as compared to AED 887 Mn in H1-2019, down 25% y-o-y. The decrease is largely due to lower realized prices during the period, which had a USD 42 Mn impact, and, to a lesser extent, lower production in Egypt as a result of natural field declines. Realised prices in H1-2020 averaged USD 30/bbl for condensate and USD 28/boe for LPG compared to USD 51/bbl and USD 33/boe respectively in H1-2019. On an adjusted basis, the Company recorded a net loss of AED 69 Mn, as a result of a USD 37 Mn impairment charge related to oil and gas assets in Egypt due to low oil prices, and decreased value of its financial assets. Rak Bank reported a net profit of AED 306.6 Mn in H1-2020, down by 44.7% y-o-y compared to H1-2019. Total income came in at AED 1.9 Bn down by 4.5% y-o-y compared to H1 2019. Net Interest Income and Income from Islamic products net of distribution to depositors for H1-2020 was down by AED 16.9 Mn compared to H1-2019. Non-interest income was down by AED 72.9 Mn to AED 541.3 Mn, mainly due to the decrease of AED 65.2 Mn in Fees and Commissions and AED 22.9 Mn Forex & Derivative income compared to H1-2019.

Arkan Building Materials topped the monthly gainers chart, with a gain of 51.4% m-o-m followed by National Marine Dredging and Ooredoo with gains of 31.6% and 28.8% respectively. On the decliners side, the worst performing companies were Invest Bank and Gulf Medical Projects with declines of 11.1% and 9.6%, respectively. Trading activity on the exchange was significantly m-o-m in Aug-2020, as volumes traded was up by 72.3% to 2.01 Bn shares. Value traded jumped by 137.4% m-o-m to reach AED 6.1 Bn during Aug-2020. In terms of most actively traded stocks, Aldar led all stocks in terms of value traded, with AED 2.03 Bn worth of shares traded during Aug-2020. FAB and IHC followed as AED 1.28 Bn and AED 1.22 Bn worth of shares were traded respectively. Aldar led the most active stocks list in terms of volumes traded, as 687 Mn shares were traded. Abu Dhabi National Energy and Aldar Properties followed with 251 Mn and 183 Mn shares traded during Aug-2020.

ADX Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Abu Dhabi Securities Exchange, Kamco Invest Research

Dubai Financial Market

Monthly Indicators	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
DFM General Index	2,781.1	2,746.9	2,678.7	2,764.9	2,790.4	2,590.0	1,771.3	2,026.6	1,945.1	2,065.3	2,050.8	2,245.3
Monthly % Change	0.8%	(1.2%)	(2.5%)	3.2%	0.9%	(7.2%)	(31.6%)	14.4%	(4.0%)	6.2%	(0.7%)	9.5%
Market Cap (AED Bn)	361.2	359.0	351.0	359.9	381.1	363.4	266.2	288.3	280.8	290.3	289.6	310.6
P/E (X) - TTM	7.26	6.82	6.57	6.76	6.93	6.59	4.34	5.02	7.73	6.20	7.06	8.49
P/BV (X) - TTM	0.93	0.93	0.90	0.93	0.92	0.83	0.54	0.62	0.70	0.74	0.73	0.79
Dividend Yield (%)	4.40%	4.49%	4.43%	4.31%	4.25%	4.81%	7.24%	7.24%	4.93%	4.54%	4.67%	4.30%
Volume (Mn Shares)	3,166.0	4,462.3	3,249.9	3,162.9	2,912.1	2,746.3	6,070.5	6,993.8	4,055.8	7,530.7	5,347.4	6,749.9
Value (AED Mn)	5,270.5	4,423.8	4,865.5	4,173.8	3,968.5	3,887.3	6,367.5	5,819.3	4,822.8	6,199.1	4,538.3	7,146.0
Trades	51,127	62,712	60,225	47,868	48,434	49,137	95,806	111,040	73,062	96,126	75,977	96,664

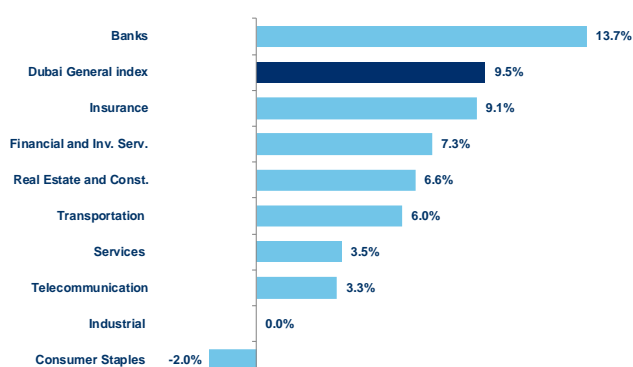
Source: Dubai Financial Market, Kamco Invest Research

The DFM index was the best performing GCC index in Aug-2020, with gains of 9.5% m-o-m, while YTD, the index was down at -18.8%. The index closed at 2245.29 points, and sectoral performance barring Consumer Staples & Discretionary was positive. The financials pack came in with strong performances for the month, as Banks (+13.7%), Insurance (+9.1%) and Investment & Financial Services (7.3%) led all other sectors. Emirates NBD was the standout performer in the Banking index with gains of 22.2% m-o-m, while DIB was the other major bank with gains of 8.8% m-o-m. For Investment & Financial Services, Shuaa Capital (+13.8%), Al Salam Group (+12.9%) and DFM (+7.03%) were the major gainers. Real Estate & Construction names also moved up by 6.6% m-o-m, as the Emaar group of companies did well in Aug-2020, with Emaar (+12.1%), Emaar Development (+9.2%) and Emaar Malls (+4.5%) witnessing share price increases. The Transportation index went up by 6.04% m-o-m, with gains for Aramex gaining by almost 11%, while Air Arabia (+0.9%) ending Aug-2020 marginally up. Air Arabia registered a net loss of AED 169 Mn for H1-2020, heavily impacted by COVID-19 and the subsequent cancellation of scheduled flight operations. Revenues for H1-2020 came in at AED 1.021 Bn, a drop of 53% compared to AED 2.173 Bn H1-2019. Total passengers came travelled amounted to 2.48 Mn from all its four hubs in H1-2020, a drop of 57% y-o-y.

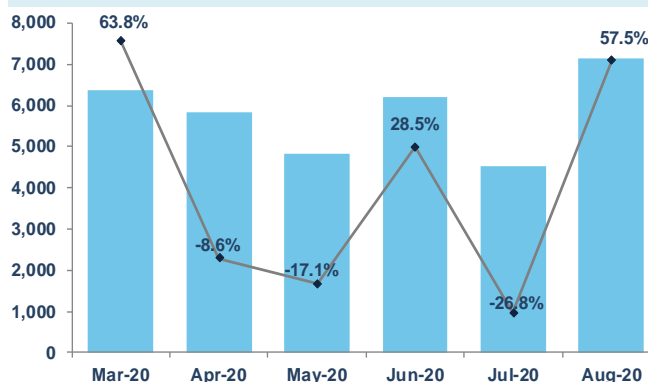
In earnings releases, DAMAC Properties announced H1-2020 total revenues of AED 2.4 Bn vs AED 1.9 Bn in H1-2019. Net loss for H1-2020 was AED 387 Mn, as compared to a net profit of AED 82 Mn in H1-2019. The outbreak of Covid-19 and subsequent lockdowns and travel restrictions adversely impacted performance and profitability, which included the impact of resultant provisions. Separately transportation name Aramex reported H1-2020 a marginal increase of revenues by 1% y-o-y to AED 2,528 Mn, compared to AED 2,512 Mn in H1-2019. Aramex's Net Profit in H1-2020 however fell by 30% y-o-y to AED 162 Mn, compared to AED 231 million in H1 2019. DXB Entertainment reported an improvement in their adjusted EBITDA loss y-o-y as the adjusted EBITDA loss was 26% lower y-o-y at AED 60 Mn, despite Covid-19 related closure from 15 Mar 2020, and lower number of visits. H1-2020 revenue was AED 106 Mn, 58% lower y-o-y compared to AED 252 Mn in H1-2019, impacted by the temporary closure. Shuaa announced H1-2020 net profit of AED 5 Mn and an EBITDA of AED 125 Mn, while excluding unrealized m-t-m losses on portfolio investments, H1-2020 net profit came in at AED 164 Mn and EBITDA at AED 284 Mn.

In terms of trading activity, the DFM witnessed higher trends on major indicators, as volumes traded increased by 26.2% m-o-m to reach 6.75 Bn shares. In terms of value traded, total value of shares increased by 57.5% m-o-m to reach AED 7.1 Bn. In terms of monthly gainers, Dubai Islamic Insurance led all stocks as its stock price moved up by 25.9% in Aug-2020. Emirates NBD and Dar Al Takaful followed, as their stock prices moved up by 22.2% and 20.3% respectively. On the other hand, shares of Arabtec declined the most as its share price declined by 47.3% m-o-m. Ektitab Holding Co and Amlak Finance followed with declines of 7.0% and 5.0% respectively for the month. Emirates NBD was the most actively traded stock on the exchange as AED 2.35 Bn worth of stock was traded. Emaar Properties and Union Properties followed with value traded of AED 899.6 Mn and AED 890.5 Mn, respectively. In terms of volumes, Union Properties led all stocks as 2.75 Bn shares were traded. Arabtec and Deyaar Development followed as 538.9 Mn and 515.7 Mn shares were traded.

DFM Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Dubai Financial Market, Kamco Invest Research

Qatar Exchange

Monthly Indicators	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
QE 20 Index	10,367.1	10,189.0	10,147.9	10,425.5	10,442.0	9,490.1	8,207.2	8,764.1	8,844.7	8,998.6	9,368.2	9,845.2
Monthly % Change	1.3%	(1.7%)	(0.4%)	2.7%	0.2%	(9.1%)	(13.5%)	6.8%	0.9%	1.7%	4.1%	5.1%
Market Cap (QAR Bn)	574.8	563.4	562.2	582.7	579.5	526.0	460.5	493.8	500.9	520.0	547.7	570.0
P/E (X) - TTM	14.05	13.77	13.74	14.18	14.05	13.12	11.51	12.90	14.15	14.18	15.27	16.02
P/BV (X) - TTM	1.29	1.39	1.39	1.44	1.39	1.25	1.10	1.17	1.39	1.39	1.41	1.48
Dividend Yield (%)	4.02%	4.15%	4.16%	4.02%	4.03%	4.14%	4.67%	4.36%	4.46%	4.45%	4.27%	4.06%
Volume (Mn Shares)	2,343.5	1,614.2	1,412.0	1,507.5	1,730.4	1,557.9	3,061.7	3,859.6	3,502.3	5,169.5	6,677.6	5,759.6
Value (QAR Mn)	6,021.3	4,711.0	5,238.8	4,822.4	4,669.1	4,527.9	8,227.3	6,371.5	6,117.9	8,619.8	10,948.0	9,781.4
Trades	147,557	111,539	116,733	122,888	101,454	120,366	202,954	195,215	162,304	197,921	203,617	201,934

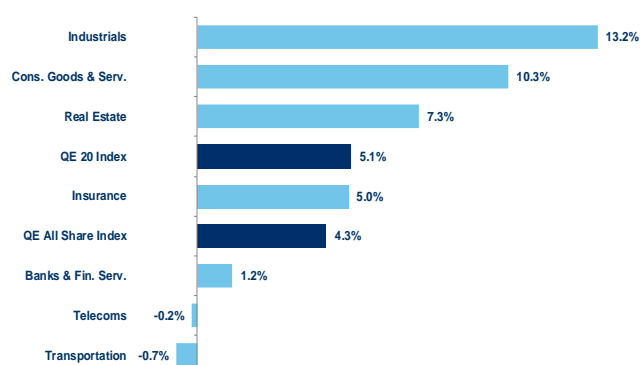
Source: Qatar Exchange, Kamco Invest Research

Qatar's QE-20 index continued its positive performance from Jul-2020 (+4.1% m-o-m) and gained by 5.1% m-o-m in Aug-2020, with the index closing at 9845.17 points. The Qatar All Share index which maps the broader market, also gained by 4.3%, as most sectors closed in the green. The Industrials index was the best performing index, as it jumped by 13.2% m-o-m, with Industries Qatar (+26.1%), Aamal Holding (+20.9%) and QAMCO (+16.6%), all witnessing significant double digit increases for the month. The Consumer Goods & Services index also moved up by 10.3% m-o-m, with Salam International (+41.8%) and Qatar Fuel (14.3%) ending the month as the sector's biggest gainers. The Real Estate index was also up by 7.3% m-o-m, driven mainly by gains from Mazaya Qatar (+37.8%) and Barwa Real Estate (+7.8%). Telecoms (-0.2%) and Transportation (-0.7%) were the only indices to close marginally in the red in Aug-20. As per FTSE's semi-annual Sept-2020, Ezdan Holding will be migrated from mid-cap to large-cap in the index. Qatar National Cement, Islamic Holding and Mannai Group will be added to micro-cap, while Qatar Islamic Insurance will be deleted from the micro-cap index.

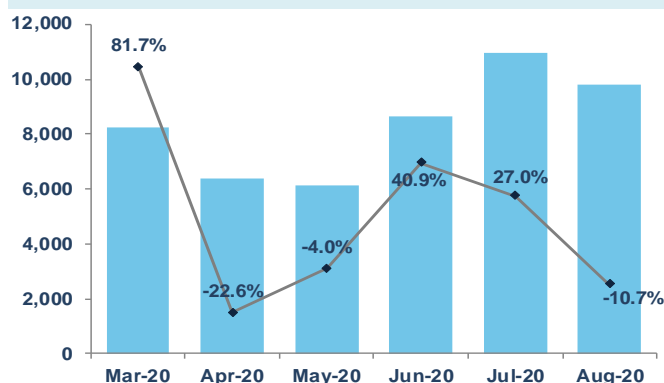
In terms of H1-2020 earnings, QSE listed companies disclosed financial results that shows a net profit of QAR 15.8 Bn as compared to QAR 19.6 Bn for H1-2019, representing a decrease of 19.68%. GISS Group's revenue for H1-2020 grew by 6% y-o-y, to reach QAR 1.6 Bn, driven by growth across all the business segments, with the exception of drilling segment. For H1-2020, the Group posted a net profit QAR 54 Mn, an increase of 84% compared to H1-2019. Industries Qatar announced the proposed purchase of Qatar Petroleum's 25% stake in Qatar Fertiliser Company ("QAFCO"), and for a proposed purchase consideration of USD 1.0 Bn. As part of the transaction, QAFCO has entered into a new GSPA with Qatar Petroleum with effect from 1st August 2020 until 31st December 2035, covering the gas requirements of QAFCO trains 1-6 and Qatar Melamine Company ("QMC"). In addition, and as part of the same transaction, IQ's Board of Directors also approved QAFCO's acquisition of Qatar Petroleum's 40% stake in QMC, effective 1st July 2020. Separately, Industries Qatar announced that S&P and Moody's Investors Service have both recently affirmed IQ's credit ratings. S&P affirmed IQ's credit rating at 'A+' with a stable outlook. Moody's affirmed IQ's long-term rating at A1 with a stable outlook.

Trading activity was down during Aug-2020 as value traded decreased by 10.7% m-o-m, to reach QAR 9.78 Bn as compared to QAR 10.95 Bn during Jul-2020, while volumes traded decreased by 29.2% to reach 5.76 Bn shares in Aug-2020, as against 6.67 Bn shares in the month prior. In terms of trading activity, QNB topped the monthly value traded chart with QAR 817 Mn worth of shares traded, followed by Qatar Aluminum Manufacturing and Qatar German Co for Medical Devices recording QAR 498 Mn and QAR 488 Mn in monthly value traded. In terms of traded volumes, Investment Holding Group led all companies with 740 Mn shares being traded during Aug-2020. Salam International Investment and QAMCO followed with 714.3 Mn and 527 Mn shares traded during the month. Salam International Investment was the top performing stock in the index for the month as its share price was up by 41.8% m-o-m. Mazaya Qatar and Industries Qatar followed with gains of 37.8% and 26.1% respectively m-o-m. On the other hand, shares of Qatar Investors Group witnessed the most declines, losing 3.2% m-o-m. Qatar Gas Transport & GISS followed with declines of 2.7% each for the month.

QE Monthly Sector Performance



Monthly Value Traded (QAR Mn)



Source: Qatar Exchange, Kamco Invest Research

Bahrain Bourse

Monthly Indicators	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Bahrain All Share Index	1,516.53	1,523.27	1,526.95	1,610.18	1,657.63	1,660.48	1,350.62	1,310.73	1,269.63	1,277.61	1,290.57	1,380.89
Monthly % Change	(1.1%)	0.4%	0.2%	5.5%	2.9%	0.2%	(18.7%)	(3.0%)	(3.1%)	0.6%	1.0%	7.0%
Market Cap (BHD Mn)	8,661	8,695	8,708	9,175	9,679	9,710	7,777	8,268	8,047	8,095	8,134	8,690
P/E (X) - TTM	10.15	10.26	10.44	11.09	11.38	12.50	10.18	9.78	9.04	9.25	9.77	12.86
P/BV (X) - TTM	0.91	0.91	0.91	0.95	0.97	0.95	0.75	0.72	0.76	0.78	0.79	0.86
Dividend Yield (%)	4.63%	4.60%	4.59%	4.37%	4.24%	4.61%	5.01%	4.95%	5.55%	5.51%	5.46%	5.18%
Volume (Mn Shares)	68.6	77.4	82.4	88.8	58.9	70.8	104.6	146.2	59.9	90.0	109.5	96.2
Value (BHD Mn)	17.5	17.1	25.4	24.9	18.7	16.9	23.2	21.2	24.5	12.6	12.3	16.6
Trades	1,661	1,535	1,138	1,538	1,446	1,378	1,767	926	665	1,158	1,075	1,293

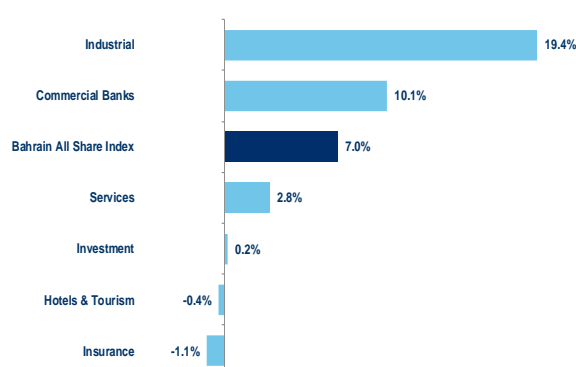
Source: Bahrain Bourse, Kamco Invest Research

The Bahrain Bourse gained by 7.0% m-o-m in Aug-2020 after improving marginally by 1% m-o-m in Jul-2020. The index closed at 1380.89 points, but sectoral performance was mixed. Index performance was supported by their two main indices, with Industrials as the best performing index with gains of 19.4% m-o-m, followed by Commercial Banks that moved up by 10.1% m-o-m. Insurance and Hotels & Tourism indices were the receding sectors, albeit marginally, with declines of 1.1% and 0.4% m-o-m. In prominent H1-2020 earnings, GFH reported total Income for H1-2020 of USD 146.53 Mn versus USD 163.55 Mn for H1-2019, a decrease of 10.4% y-o-y. Net profit attributable to shareholders was USD 15.05 Mn for H1-2020 compared with USD 49.13 Mn in H1-2019, a decrease of 69.4% y-o-y, mainly ascribed to the impact of COVID-19 and slower markets, which impacted the investment banking, commercial banking, real estate and treasury business lines.

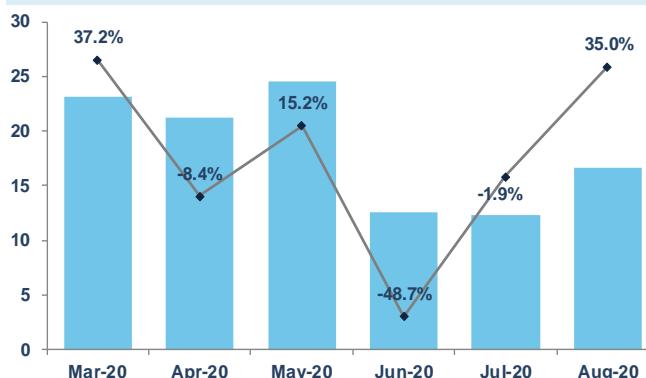
In other prominent earnings releases, AUB reported a net profit of USD 293.4 Mn for H1-2020, down 22.3% y-o-y from USD 377.5 Mn in H1-2019, mainly from the impact of Covid-19 and lower oil prices. Net interest income (NII) was lower by 17% y-o-y and reached USD 406.7 Mn in H1-2020 as compared to USD 490.2 Mn in H1-2019. The drop in NII and Fees & Commission income resulted in a drop in Operating Income to USD 575.6 Mn during H1-2020 as compared to USD 630.1 Mn in H1-2019. The cost to income ratio stood at 27.4% in H1-2020, as compared to 26.5% in H1-2019. Investcorp released results for H2-FY2020 and for the FY2020 which were impacted by the COVID-19 crisis resulting in a net loss of USD 165 Mn for the fiscal year ended 30 June 2020 from a net profit of USD 131 Mn for the year ended 30 June 2019. The FY 2020 recommendation for distribution of preferred and ordinary dividends is US\$ 22 million, with the proposed ordinary dividend being USD 0.10/share versus USD 0.30/share for FY2019. Arab Banking Corp's total operating income came in at USD 240 Mn for H1-2020, 45% lower compared to USD 437 Mn reported for H1-2019. On an underlying basis, total operating income was at USD 389 Mn for H1-2020, approximately 90% of USD 434 Mn for H1-2019. Net interest income was USD 252 Mn in H1-2020, 10% lower as against USD 279 Mn reported for H1-2019, after absorbing the impact of declining interest rates and FX depreciation. Consolidated net loss attributable to the shareholders of the parent, for the H1-2020 was USD 67 Mn, compared to a net profit of USD 112 Mn reported for H1-2019.

Trading activity however was mixed, as volumes declined by 12.2% m-o-m to reach 96.2 Mn shares. Value traded improved by 35% m-o-m and reached BHD 16.6 Mn. The number of trades made in the exchange increased to 1293 trades, up 20.3% m-o-m from Jul-2020. AUB was the most actively traded stock in Aug-2020 with BHD 10.23 Mn worth of its shares traded on the exchange. GFH and Alba followed with BHD 8.03 Mn and BHD 3.60 Mn worth of shares traded. In terms of volumes traded, GFH was the most active stock as 50.6 Mn shares were traded, followed by AUB and Alba with 14.8 Mn and 10.5 Mn shares respectively. In terms of monthly gainers Alba saw its share price jump by 20.1% m-o-m, followed by AUB and APM Terminals Bahrain with gains of 17.4% and 8.1% respectively. Bahrain Commercial Facilities was the main laggard, as it witnessed a m-o-m decline of 16.7% m-o-m, followed by Bahrain Cinema and Ithmaar Holding with monthly declines of 10.0% and 9.3% respectively.

BSE Monthly Sector Performance



Monthly Value Traded (BHD Mn)



Source: Bahrain Bourse, Kamco Invest Research

Muscat Securities Market

Monthly Indicators	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
MSM 30 Index	4,017.7	3,999.9	4,064.1	3,981.2	4,079.3	4,130.9	3,448.3	3,539.5	3,544.6	3,516.0	3,568.1	3,771.9
Monthly % Change	0.3%	(0.4%)	1.6%	(2.0%)	2.5%	1.3%	(16.5%)	2.6%	0.1%	(0.8%)	1.5%	5.7%
Market Cap (OMR Mn)	6,729	6,675	6,706	6,591	6,722	6,744	5,798	5,877	5,920	5,882	6,232	6,548
P/E (X) - TTM	8.22	8.26	8.32	8.13	8.47	8.66	7.13	7.59	9.16	10.04	10.35	11.20
P/BV (X) - TTM	0.74	0.74	0.75	0.73	0.75	0.73	0.60	0.62	0.76	0.76	0.77	0.76
Dividend Yield (%)	7.13%	7.13%	7.05%	7.21%	6.80%	6.79%	8.01%	7.78%	6.81%	6.83%	6.72%	6.52%
Volume (Mn Shares)	297.2	433.3	207.2	332.3	231.2	278.6	298.5	169.7	101.4	180.9	190.8	202.5
Value (OMR Mn)	40.9	53.4	32.4	62.0	40.8	52.9	71.6	25.0	16.9	25.2	30.1	29.0
Trades	11,066	10,774	9,901	10,490	11,293	12,494	10,507	9,945	5,880	8,136	8,205	7,278

Source: Muscat Securities Market, Kamco Invest Research.

The Omani stock market witnessed gains for the second consecutive month in August-2020 highlighting improving sentiments across the market. The MSM 30 index gained 5.7% during the month and closed at a six-month high level of 3,771.9 points. These monthly gains lowered the benchmark's YTD-2020 decline to 5.3% by the end of August-2020, the lowest in the GCC in line with Saudi Arabia's benchmark performance. Gains came mainly on the back of the Financial index that surged by 7.4% during the month further supported by 2.6% gains for the Services index and 1.35% gains for the Industrial index. In terms of YTD-2020 performance, the Financial index recorded the smallest decline of 3.5% followed by Industrial Index at -4.9% whereas the Services sector decline by -16.7%.

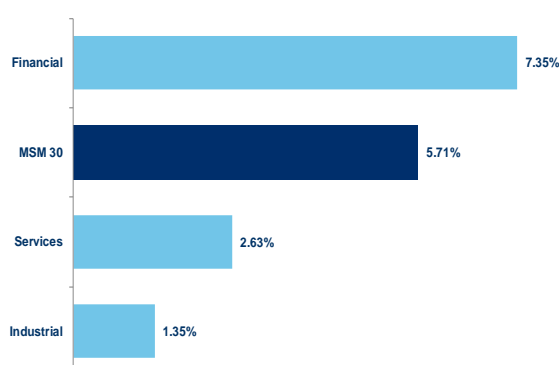
The monthly market breadth favored gainers that included 46 companies as compared to 12 decliners. The monthly stock performance chart was topped by Oman and Emirates Inv. Holding with its shares gaining 26.3% followed by Oman Education & Training Inv. Co. and Al Hassan Engineering with gains of 23.7% and 23.1%, respectively. Shares of Al Hassan Engineering gained after the company announced a contract award for the Qarn Alam Cogeneration Power Project valued at OMR 7.7 Mn. On the decliners side, ACWA Power Barka topped with a decline of 19.8% followed by Dhofar Cattlefeed and Arabia Falcon Insurance with declines of 17.5% and 9.8%, respectively.

Trading activity on the exchange remained elevated for the third consecutive month with higher volumes and a marginal decline in value traded. Volume traded during the month increased by 6.1% m-o-m to reach 202.5 Mn in August-2020 as compared to 190.8 Mn during July-2020. Oman Arab Bank topped the monthly volume traded chart with 34.5 Mn traded shares during the month followed by Gulf Investment Services Holding and Oman and Emirates Inv. Holding with 22.5 Mn and 14.3 Mn shares, respectively. Shares of Oman Arab Bank, which recently started the merger process with Al Izz Islamic Bank, started trading from July after being transferred to the parallel market.

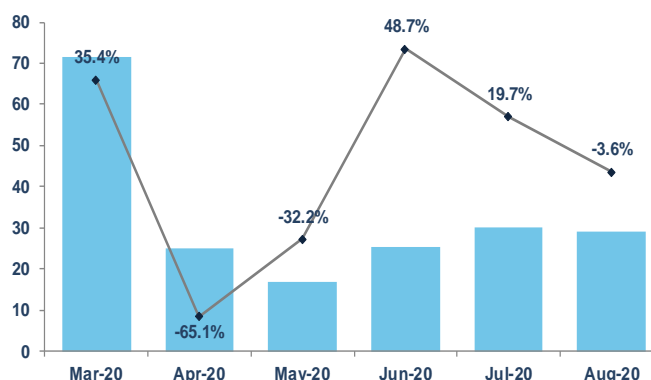
Monthly value traded declined marginally by 3.6% to reach OMR 29.0 Mn in August-2020 as compared to OMR 30.1 Mn in July-2020. Oman Arab Bank also topped the monthly value traded chart with trades worth OMR 7.3 Mn followed by Bank Muscat and OmanTel with trades worth OMR 3.9 Mn and OMR 1.7 Mn, respectively. Parallel market stocks once again accounted for the bulk of the trades during the month with a share of 72.1% whereas regular market stocks accounted for 27.8% of value traded during the month.

In terms of sector split, the Financial sector accounted for 72.3% of monthly value traded or OMR 21.0 Mn followed by Services sector at 16.4% or OMR 4.8 Mn. In terms of investor participation, the share of Omanis in the total value of buy trades during the month saw a steep decline from 79.1% during July-2020 to 61.0% in August-2020. Omanis share in the total value of sell trades increased from 62.2% in July-2020 to 83.6% in August-2020. On the other hand, the share of non-Arab foreign investors in the total value of buy trades increased during the month, accounting for 20.7% of the value of buy trades but declined for sell trades at 12.0% of the value.

MSM Monthly Sector Performance



Monthly Value Traded (OMR Mn)



Source: Muscat Securities Market, Kamco Invest Research

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