

GCC Markets Monthly Report

January-2021

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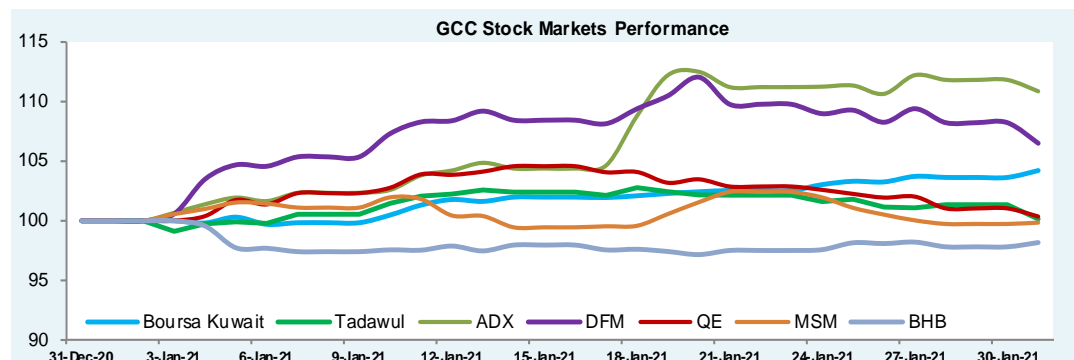
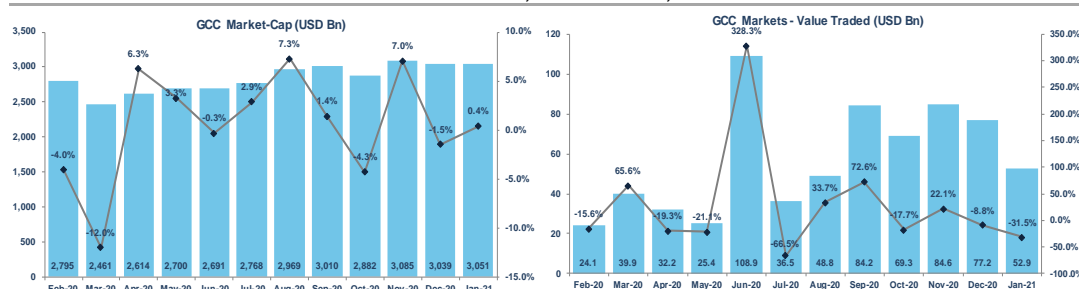
GCC markets up for the third straight month led by UAE and Kuwait...

After a strong start to the year that saw major indices reaching record high levels, global markets closed January-2021 in the red with a decline of 1.1%. The retail vs. hedge fund trading tussle during the last week of the month concerning specific stocks in the US grabbed broader investor attention and resulted in increased volatility in markets. This led to the worst weekly decline in the MSCI World Index since October-2020. In addition, markets remained jittery on rising cases in the EU coupled with the reported shortage of vaccines in the region that led to delays in administering the vaccine in several countries. There were reports that the vaccine shortages could result in EU banning vaccine exports from the bloc if the pharmaceutical companies fail to meet delivery targets with the group.

GCC markets remained upbeat during the month with the MSCI GCC index gaining 1.8% after key markets in the region witnessed gains. Bahrain and Oman were the only exchanges that were trailing with declines of 1.8% and 0.2%, respectively, whereas the rest of the markets reported gains. Abu Dhabi followed by Dubai were the best performing markets in the region with gains of 10.9% and 6.5% mainly led by gain in telecom stocks in the UAE. Shares of Etisalat and Du gained 16.9% and 15.5%, respectively, after getting approval to raise foreign ownership limit from 20% to 49%. Shares of FAB also gained almost 15% after the lender reported better than expected earnings for FY-2020.

In terms of sector performance, the gain in UAE telcos was reflected in the 7.7% gain in the GCC Telecom index. The Consumer Durable and Apparel index topped the month with a higher gain of 10.8% as the sector continues to remain resilient led by higher topline. On the other hand, the Hotels, Restaurants & Leisure index reported the biggest monthly decline as a result of the renewed fears related to the pandemic.

GCC Equity Markets	Index Closing	MTD Chg%	M-Cap (USD Bn)	Monthly Val Traded (USD M n)	P/E (x) TTM	P/B (x) TTM	Div. Yield
Kuwait - Premier Market Ind	6,307.9	4.2%	113.8	2,798.0	33.6	1.5	3.5%
Kuwait - Main 50 Index	4,878.3	5.2%					
Kuwait - Main Market Index	4,741.4	4.2%					
Kuwait - All Share Index	5,780.0	4.2%					
Saudi Arabia	8,702.6	0.1%	2,413.2	42,533.7	34.7	2.1	2.4%
Abu Dhabi	5,593.5	10.9%	221.7	2,710.2	22.0	1.5	4.4%
Dubai	2,654.1	6.5%	96.4	1,956.7	13.0	0.9	3.7%
Qatar	10,473.5	0.4%	167.1	2,796.5	18.1	1.5	3.8%
Bahrain	1,462.6	(1.8%)	22.3	44.1	14.2	1.0	4.6%
Oman	3,653.2	(0.2%)	16.4	70.0	13.2	0.7	6.9%
Total GCC			3,050.9	52,909.3	29.9	1.9	2.8%



Source: GCC Stock Exchanges, Kamco Invest Research

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Boursa Kuwait

Monthly Indicators	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
Premier Market Index	6,730.2	5,198.7	5,356.3	5,424.3	5,607.1	5,415.3	5,854.6	6,020.8	6,004.0	6,008.6	6,051.1	6,307.9
Monthly % Change	(4.3%)	(22.8%)	3.0%	1.3%	3.4%	(3.4%)	8.1%	2.8%	(0.3%)	0.1%	0.7%	4.2%
Main 50 Index	4,890.2	3,998.3	4,187.3	4,035.4	4,184.4	4,047.6	4,182.2	4,319.6	4,384.4	4,445.7	4,636.4	4,878.3
Monthly % Change	(3.8%)	(18.2%)	4.7%	(3.6%)	3.7%	(3.3%)	3.3%	3.3%	1.5%	1.4%	4.3%	5.2%
Main Market Index	4,769.3	4,083.1	4,226.4	4,150.4	4,190.1	4,086.0	4,184.8	4,303.5	4,331.9	4,373.2	4,552.4	4,741.4
Monthly % Change	(3.1%)	(14.4%)	3.5%	(1.8%)	1.0%	(2.5%)	2.4%	2.8%	0.7%	1.0%	4.1%	4.2%
All Share Market Index	6,072.1	4,822.7	4,975.4	4,995.6	5,130.7	4,968.2	5,294.3	5,445.2	5,443.0	5,459.5	5,546.0	5,780.0
Monthly % Change	(4.0%)	(20.6%)	3.2%	0.4%	2.7%	(3.2%)	6.6%	2.9%	(0.0%)	0.3%	1.6%	4.2%
Market Cap (KWD Mn)	35,156	27,754	28,778	29,169	29,961	29,021	31,338	32,467	32,386	32,475	32,999	34,395
P/E (X) - TTM	16.20	12.80	13.30	14.27	14.60	14.20	15.20	27.51	27.40	36.18	35.43	33.60
P/BV (X) - TTM	1.44	1.14	1.18	1.14	1.21	1.17	1.26	1.41	1.41	1.34	1.37	1.48
Dividend Yield (%)	3.06%	3.90%	4.56%	4.16%	3.51%	4.24%	4.02%	3.56%	3.57%	3.58%	3.55%	3.54%
Volume (Mn Shares)	3,713.5	4,035.2	3,174.1	2,133.3	3,567.4	2,572.7	3,772.5	8,286.7	6,225.1	5,521.6	4,877.7	6,051.4
Value (KD Mn)	522.3	986.8	747.4	441.0	649.4	528.7	690.8	1,076.2	1,145.5	2,174.2	922.3	845.3
Trades ('000)	139.4	239.3	175.6	112.0	158.0	135.0	163.4	277.6	258.7	288.3	211.4	216.4

Source: Boursa Kuwait, Kamco Invest Research

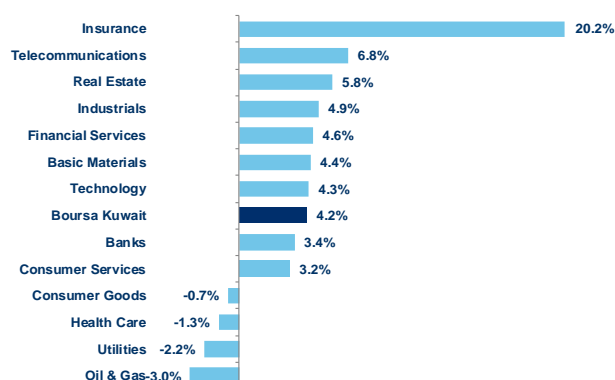
Boursa Kuwait witnessed a broad-based gains during January-2021 with gains across the four benchmark indices during the month. The Main 50 index continued to outperform with a gain of 5.2% followed by 4.2% gains for the Premier Market index. The All Share Index also clocked a gain of 4.2% for the month. Gains came despite the year starting on a weak note with declines that continued from the last week of 2020. However, the market direction changed from the second week onwards with consistent gains that continued till the end of January-2021.

In terms of monthly sector performance, the Insurance index topped with a gain of 20.2% with monthly gains recorded by six out of seven stocks in the sector. The Telecom index was next with a gain of 6.8% followed by Real Estate and Industrial Indices with monthly gains of 5.8% and 4.9%, respectively. All stocks in the telecom sector recorded gains during the month with STC Kuwait reporting double digit gain of 12.1%. During the month, Zain increased its stake in Zain Bahrain from 55.4% to 65.0%. In the Real Estate sector, the bulk of the stocks reported gains and merely four stocks in the sector reported a decline during the month. Large cap stocks in the sector, including Mabanee, Salhia and NRE reported healthy gains during the month that supported the overall sector index. Meanwhile, the performance of the Industrial index was buoyed by 11.4% gain in shares of Agility. On the other hand, the Oil & Gas Index reported the biggest decline during the month at 3.0% followed by Utilities and Health Care indices with declines of 2.2% and 1.3%, respectively. Shares of Kuwaiti banks also surged during the month with gains across the 10 Kuwaiti banks that resulted in a 3.4% gain in the Banking index. During the month, the Central Bank of Kuwait announced that Kuwaiti banks would be allowed to distribute dividends based on their 2020 results.

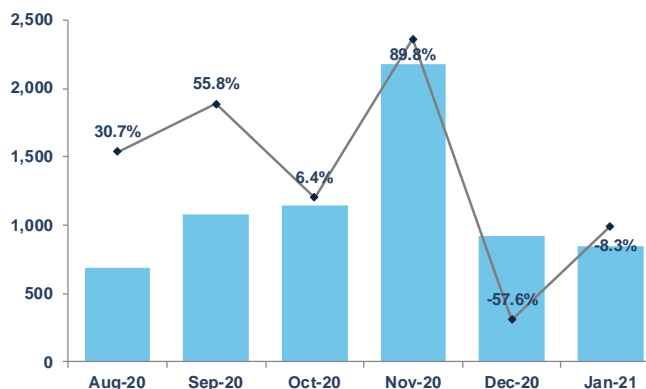
The monthly stock performance chart was topped by Kuwait Reinsurance followed by Al Deera Holding and IFA HR with shares of all the three companies more than doubling in January-2021. During the month, shareholders of Al Deera Holding approved to extinguish accumulated losses of KWD 16.2 Mn via a capital reduction and also approved a capital increase of KWD 5.6 Mn. On the decliner's chart, Amwal International Investment topped with a decline of 19.9% followed by United Projects and Al Rai Media with declines of 14.8% and 12.7%, respectively.

Trading activity on the exchange showed decline in terms of value of shares traded that reached KWD 0.85 Bn in January-2021 as compared to KWD 0.92 Bn during December-2020. Monthly volume, on the other hand increased to 6.1 Bn shares in January-2021 vs. 4.9 Bn shares in December-2020. KFH topped the monthly value traded chart with KWD 97.6 Mn worth of shares traded during the month followed by NBK and AUB-Bahrain at KWD 95.7 Mn and KWD 62.7 Mn, respectively.

Boursa Kuwait Monthly Sector Performance



Monthly Value Traded (KWD Mn)



Source: Kuwait Stock Exchange, Kamco Invest Research

Saudi Arabia (Tadawul)

Monthly Indicators	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
Tadawul All Share Index	7,628.3	6,505.4	7,112.9	7,213.0	7,224.1	7,459.2	7,940.7	8,299.1	7,907.7	8,747.1	8,689.5	8,702.6
Monthly % Change	(7.5%)	(14.7%)	9.3%	1.4%	0.2%	3.3%	6.5%	4.5%	(4.7%)	10.6%	(0.7%)	0.1%
Market Cap (SAR Bn)	8,424.9	7,562.0	8,005.1	8,327.3	8,232.3	8,346.9	8,976.5	9,100.8	8,634.7	9,301.3	9,101.6	9,050.1
P/E (X) - TTM	21.30	26.12	28.57	22.04	21.77	23.50	28.96	30.21	28.33	33.05	34.85	34.72
P/BV (X) - TTM	1.89	1.58	1.70	1.76	1.76	1.80	1.94	2.02	1.91	2.09	2.08	2.08
Dividend Yield (%)	3.53%	4.07%	3.63%	3.45%	3.57%	3.45%	3.34%	2.40%	2.50%	2.37%	2.44%	2.42%
Volume (Mn Shares)	2,890.3	5,238.3	4,730.5	3,574.3	8,297.2	5,662.9	6,698.6	11,187.8	9,344.2	9,389.6	8,377.3	4,748.3
Value (SAR Mn)	71,603.9	116,932.8	95,431.9	75,782.4	380,892.5	111,338.6	150,325.2	267,453.0	221,299.0	258,644.2	252,691.6	159,509.1
Trades ('000)	3,271	5,167	4,426	3,265	5,732	5,423	6,234	9,856	9,188	10,375	9,963	6,685

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

Saudi Arabia's TASI witnessed marginal gains during January-2021 after gains during the first half of the month were almost completely offset by declines during the second half. The benchmark closed at 8,702.6 points resulting in a monthly gain of 0.1%. The sector performance chart remained mixed during the month and was almost equally split between gainers and losers. The Software & Services index reported the biggest monthly gain of 7.2% following gain in shares of Al Moammar Information System and Arab Sea Information System. The Consumer Durable & Apparel index was next with a gain of 5.5% followed by Telecom and Utilities indices with gains of 4.4% and 2.5%, respectively. In terms of sectoral decliners, the Consumer Services index topped with a fall of 4.5% followed by Food & Beverage and Pharma & Biotech indices with declines of 3.6% and 3.1%, respectively. Large-cap sectors like Banking and Energy reported marginal declines during the month at -0.4% and -1.2%, respectively, whereas the Materials index was up by 1.7%.

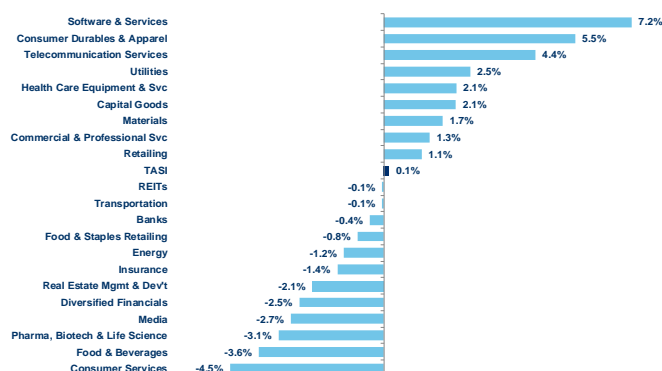
Trading activity witnessed a steep decline during the month. Monthly volume of shares traded declined by 43.3% m-o-m in January-2021 to reach 4.7 Bn shares as compared to 8.4 Bn shares during the previous month. Value of shares traded during the monthly also dropped by more than a third to reach SAR 159.5 Bn during January-2021 as compared to SAR 252.7 Bn during December-2020.

The monthly gainers chart was topped by Sadr Logistics that witnessed a gain of 52.1% after it announced plans of capital increase via rights issue during the month. Baazeem Trading was next on the gainers chart with a gain of 47.2% followed by Al-Omran Industrial with its share up 27.5%. United Cooperative Assurance and Arabian Cement also featured in the top 5 with gains of 25.4% and 22.1%, respectively. In terms of monthly decliners in the Main Market, shares of Solidarity Saudi Takaful topped with a decline of 12.1% followed by Allied Cooperative Insurance and Saudi Paper Manufacturing with declines of 11.9% and 10.8%, respectively.

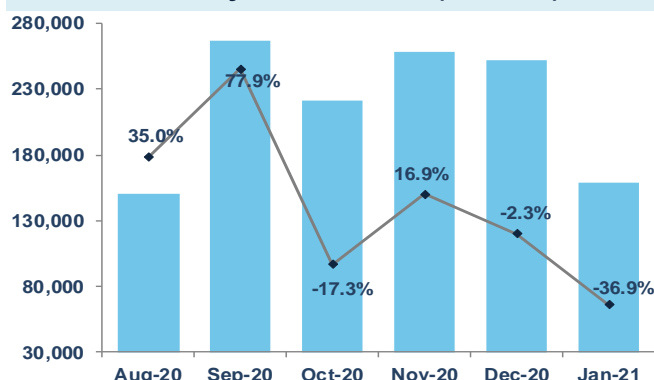
There were significant developments in the Kingdom on market regulations following last month's announcement related to IPO line-up for 2021. According to a Reuters report, SABIC is said to have hired NCB for the IPO of its Specialty Chemicals Unit. Meanwhile, a Bloomberg report said that Tadawul exchange is currently reviewing cross-listing of companies listed on other GCC exchanges. In addition, the clearing house that began operations last year is expected to include both equities and fixed income assets by 2H-2021.

On the economic front, the Saudi Crown Prince launched a new 5-year plan (2021-2025) for the country's sovereign wealth fund that would be instrumental in achieving the targets of the Vision 2030 strategy. The new accelerated strategy is called as the Vision Realization Program (VRP2) includes plans by the PIF to invest at least USD 40 Bn in the local economy, double PIF asset to USD 1.07 Trillion, contribute USD 320 Bn to non-oil GDP and create 1.8 Mn jobs by 2025. The Program aims to launch new sectors with an aim at improving the quality of life, driving environmental and economic sustainability and generating employment.

Tadawul Monthly Sector Performance



Monthly Value Traded (SAR Mn)



Source: Tadawul, Kamco Invest Research

Abu Dhabi Securities Exchange

Monthly Indicators	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
ADX General Index	4,901.4	3,734.7	4,230.4	4,141.6	4,285.8	4,304.7	4,519.3	4,518.1	4,660.0	4,964.9	5,045.3	5,593.5
Monthly % Change	(4.9%)	(23.8%)	13.3%	(2.1%)	3.5%	0.4%	5.0%	(0.0%)	3.1%	6.5%	1.6%	10.9%
Market Cap (AED Bn)	535.3	431.8	489.2	485.2	506.2	657.0	698.0	691.6	710.3	744.8	749.8	814.1
P/E (X) - TTM	12.39	9.44	10.86	12.92	13.69	15.04	16.49	16.39	17.52	19.21	20.60	22.04
P/BV (X) - TTM	1.27	0.96	1.07	1.24	1.28	1.25	1.30	1.30	1.31	1.40	1.42	1.54
Dividend Yield (%)	5.08%	6.55%	5.60%	6.14%	5.96%	5.65%	5.40%	5.44%	5.25%	4.92%	4.85%	4.37%
Volume (Mn Shares)	886.1	1,705.4	1,240.7	863.1	1,128.2	1,165.4	2,008.5	3,423.0	2,320.4	2,822.5	2,104.0	2,184.2
Value (AED Mn)	2,983.3	4,623.7	3,167.0	2,424.5	3,829.4	2,574.9	6,113.0	11,830.7	9,719.4	13,066.9	8,255.1	9,954.9
Trades	28,487	52,789	48,960	33,979	41,789	29,854	46,775	40,026	38,777	68,924	48,563	62,461

Source: Abu Dhabi Securities Exchange, Kamco Invest Research

The ADX index started 2021 with the best monthly performance in the GCC during January-2021. The index reached a 15-year high level of 5,676.15 points by mid-month but receded slightly during the second half to close at 5,593.5 points, registering a monthly gain of 10.9%. Gains were broad-based during the month with only the Insurance and Services indices closing in the red with low-single digit declines of 1.7% and 3.3%, respectively. The decline in the Insurance index came after the 29.5% gain in shares of Abu Dhabi National Takaful were more than offset by decline in eight stocks in the sector while the remaining seven stocks ending flat during the month. In the Services sector, shares of National Corp. for Tourism and Hotels and Abu Dhabi Aviation Co. gained 10.5% and 2.5%, respectively, but these gains were more than offset by decline in shares of Abu Dhabi National Hotels (ADNH) and National Marine Dredging to the tune of -12.1% and -1.8%, respectively. During the month, ADNH signed a share transfer contract relating to the sale of shares in High Spirits.

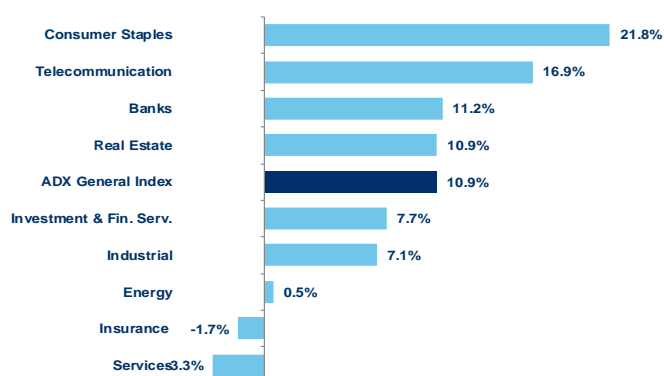
On the other hand, the Consumer Staples index topped monthly performance with a gain of 21.8% with three out of five stocks in the sector reporting gains. Within the sector, shares of Agthia group went up 24.7% and reached a two year high. The company was on an acquisition spree and had recently announced the completion of acquisition of majority stake in Al Foah from Senaat to create one of the biggest Food & Beverage companies in the region. During January-2021, the company acquired Kuwait's Al Faysal Industrial Group (Al Faisal Bakery and Sweets) and also announced the acquisition of majority stake in Jordan's Nabil Food. The Telecom index was next with a gain of 16.9% followed by Banks and Real Estate indices with monthly gains of 11.2% and 10.9%, respectively. Gains in the Telecom index were led by the 16.9% gain in shares of Etisalat after the company announced to increase foreign ownership limit to 49%.

In the Banking sector, shares of five out of twelve banks reported gains while three reported declines. Shares of FAB gained 14.6% after the bank reported better-than-expected profits of AED 10.6 Bn in 2020 as compared to AED 12.5 Bn in 2019. The bank also announced the acquisition of 100% of the Egyptian unit of Lebanon's Bank Audi making it one of the largest foreign banks in Egypt. The aforementioned gains were partially offset by decline in shares of United Arab Bank and Commercial Bank International by 4.95% and 4.93%, respectively, while shares of NBQ declined by 2.5%.

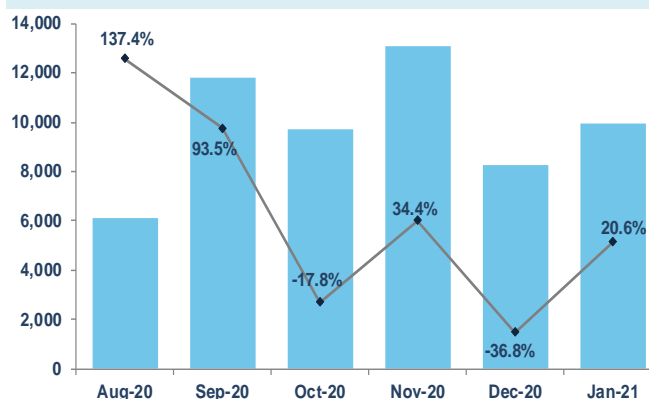
Gains recorded in the Real Estate index were mainly led by 10.5% gain in shares of sector giant Aldar Properties further supported by a 19.0% gain in shares of RAK Properties. During the month, Aldar Properties announced that the company would develop capital projects worth AED 45 Bn in partnership with the Abu Dhabi government. The decision was approved by the Abu Dhabi Executive Council.

Trading activity on the exchange remained upbeat during the month. Volume traded on the exchange gained 3.8% to reach 2.2 Bn shares as compared to 2.1 Bn shares during December-2020. Value traded witnessed a higher growth of 20.6% to reach AED 10.0 Bn in January-2021 as compared to AED 8.3 Bn in December-2020. Aldar Properties topped the monthly value traded chart with AED 2.3 Bn in traded shares followed by FAB and IHC at AED 2.3 Bn and AED 1.6 Bn, respectively.

ADX Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Abu Dhabi Securities Exchange, Kamco Invest Research

Dubai Financial Market

Monthly Indicators	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
DFM General Index	2,590.0	1,771.3	2,026.6	1,945.1	2,065.3	2,050.8	2,245.3	2,273.5	2,187.9	2,419.6	2,492.0	2,654.1
Monthly % Change	(7.2%)	(31.6%)	14.4%	(4.0%)	6.2%	(0.7%)	9.5%	1.3%	(3.8%)	10.6%	3.0%	6.5%
Market Cap (AED Bn)	363.4	266.2	288.3	280.8	290.3	289.6	310.6	314.4	306.5	333.9	337.2	354.2
P/E (X) - TTM	6.59	4.34	5.02	7.73	6.20	7.06	8.49	8.57	9.03	11.31	11.62	13.04
P/BV (X) - TTM	0.83	0.54	0.62	0.70	0.74	0.73	0.79	0.80	0.77	0.85	0.87	0.92
Dividend Yield (%)	4.81%	7.24%	7.24%	4.93%	4.54%	4.67%	4.30%	4.26%	4.44%	4.02%	3.90%	3.66%
Volume (Mn Shares)	2,746.3	6,070.5	6,993.8	4,055.8	7,530.7	5,347.4	6,749.9	8,646.0	3,963.6	4,652.0	5,400.1	5,554.2
Value (AED Mn)	3,887.3	6,367.5	5,819.3	4,822.8	6,199.1	4,538.3	7,146.0	7,598.4	3,226.4	5,878.2	5,629.5	7,187.1
Trades	49,137	95,806	111,040	73,062	96,126	75,977	96,664	115,004	58,014	79,788	78,293	88,808

Source: Dubai Financial Market, Kamco Invest Research

The DFM General Index reported the second-best performance in the GCC during January-2021. The index gained for the third consecutive month to close at 2,654.1 points, registering a monthly gain of 6.5%. The index reached a 12-month high on 20-January-2021 but receded subsequently for the rest of the month after witnessing a surge in Covid-19 cases. The rising case count and a reported shortage in vaccinations also affected performance of Dubai along with other markets towards the end of the month. During the last week of the month, Dubai suspended non-essential surgeries in hospitals for a month and put in places curbs on restaurants after cases rose to their highest levels during the month.

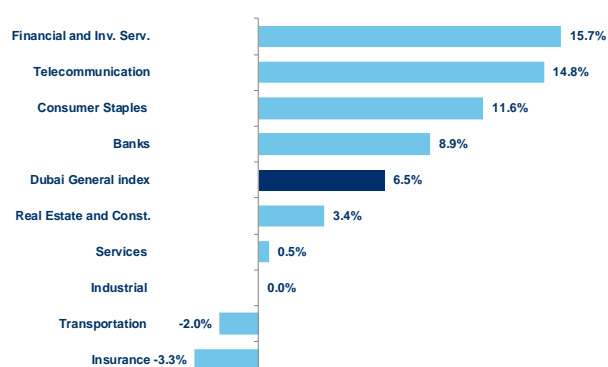
Dubai's monthly sector performance chart showed gains for the bulk of the sectors. The Financial & Investment Services index topped with a gain of 15.7% following 31.2% gain in shares of DFM and 11.7% gain in shares of Dubai Investments. Six out of ten stocks in the index reported gains during the month while the remaining four ended flat. The Telecom index was next with a gain of 14.8% followed by Consumer Staples and Banking indices with gains of 11.6% and 8.9%, respectively. Gains in Telecom index was led by 14.8% gain in shares of Du after the telco announced to increase foreign ownership limit in the company to 49% from 20%. In the Consumer Staples sector, shares of Emirates Refreshments, which changed its name to Emirates Reem Investment Co., witnessed consistent gains during the month resulting in a gain of 247.3% in January-2021. There were reports of block deals that led to the spike in share prices. The company recently announced an increase in its share capital to AED 0.6 Bn and has plans to invest in a range of activities that include real estate, healthcare and farming.

In the Banking sector, gains came mainly on the back of 12.6% surge in shares of Emirates NBD followed by 7.4% gain in shares of Dubai Islamic Bank. These gains were partially offset by a decline in shares of Emirates Islamic Bank by 5%. Shares of Emirates NBD gained after the bank reported better than expected FY-2020 results. The bank's total income surged 4.0% during the year to reach AED 23.2 Bn but higher impairments of AED 7.9 Bn resulted in a 52% decline in full year net profits that reached AED 6.97 Bn vs. AED 14.5 Bn in 2019. On the other hand, shares of Emirates Islamic Bank declined after the Islamic lender reported a FY-2020 net loss of AED 482 Mn vs. a profit of AED 1.1 Bn during FY-2019. The loss came after operating income dropped by 21.8% during FY-2020 in addition to higher impairments of AED 1.4 Bn during the year as compared to AED 439.2 Bn during FY-2019.

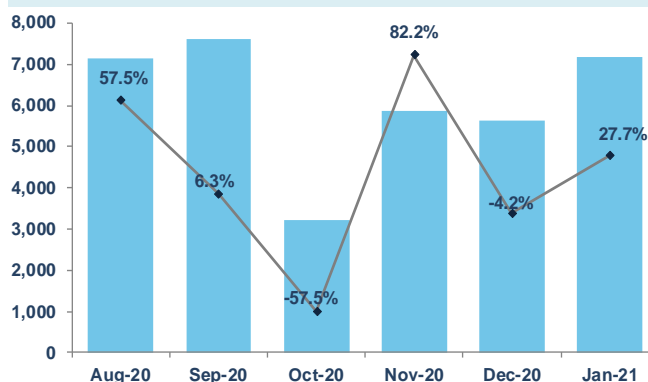
Meanwhile, Insurance and Transportation were the only indices that declined during the month to the tune of 3.3% and 2.0%, respectively. Out of the nine Insurance stocks in the sector, five reported declines during the month while one stock reported gains. Shares of Salama, which gained 171% post the pandemic last year, declined by 4.9% during January-2021.

Trading activity witnessed significant growth during the month to reach the highest in four months. Total monthly value traded increased by 27.7% to reach AED 7.2 Bn in January-2021 vs. AED 5.6 Bn during December-2020. Monthly volume also increased, albeit marginally by 2.9%, to reach 5.6 Bn shares. Emaar Properties topped the monthly value traded chart with AED 1.5 Bn worth of traded shares followed by Dubai Islamic Bank and DFM at AED 1.1 Bn and AED 825.7 Mn, respectively.

DFM Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Dubai Financial Market, Kamco Invest Research

Qatar Exchange

Monthly Indicators	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
QE 20 Index	9,490.1	8,207.2	8,764.1	8,844.7	8,998.6	9,368.2	9,845.2	9,990.4	9,691.0	10,262.1	10,436.0	10,473.5
Monthly % Change	(9.1%)	(13.5%)	6.8%	0.9%	1.7%	4.1%	5.1%	1.5%	(3.0%)	5.9%	1.7%	0.4%
Market Cap (QAR Bn)	526.0	460.5	493.8	500.9	520.0	547.7	570.0	588.6	565.1	590.5	602.2	608.4
P/E (X) - TTM	13.12	11.51	12.90	14.15	14.18	15.27	16.02	16.15	16.46	17.44	17.75	18.12
P/BV (X) - TTM	1.25	1.10	1.17	1.39	1.39	1.41	1.48	1.50	1.42	1.50	1.52	1.51
Dividend Yield (%)	4.14%	4.67%	4.36%	4.46%	4.45%	4.27%	4.06%	3.94%	4.07%	3.84%	3.78%	3.76%
Volume (Mn Shares)	1,557.9	3,061.7	3,859.6	3,502.3	5,169.5	6,677.6	5,759.6	8,124.1	5,649.9	5,420.2	4,643.7	3,969.7
Value (QAR Mn)	4,527.9	8,227.3	6,371.5	6,117.9	8,619.8	10,948.0	9,781.4	14,265.8	10,305.3	11,493.5	10,455.5	10,181.8
Trades	120,366	202,954	195,215	162,304	197,921	203,617	201,934	251,351	196,883	237,916	215,144	201,594

Source: Qatar Exchange, Kamco Invest Research

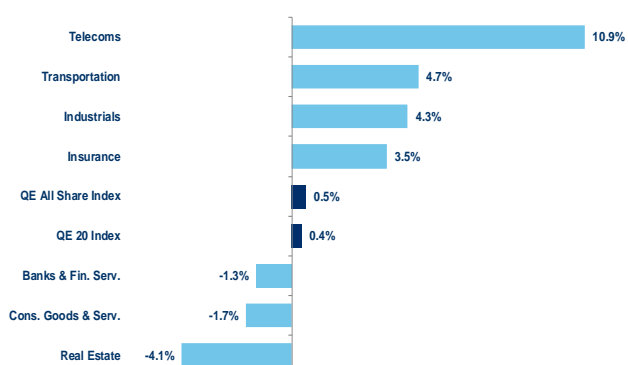
In line with most of the GCC markets, Qatar Exchange also reported consistent gains during January-2021 that pushed the QE20 benchmark to a 4-year high level of 10,913.8 points by mid-month. However, consistent marginal declines during the second half of the month lowered the index to close with a marginal monthly gain of 0.4% at 10,473.5 points. The sector performance chart showed Telecom index with the highest monthly return of 10.9% following double digit gains in both the constituents, Ooredoo and Vodafone Qatar. The Transportation sector was next with a gain of 4.7% followed by Industrials and Insurance indices with gains of 4.3% and 3.5%, respectively. All the three constituents of the Transportation sector witnessed gains during the month with shares of Qatar Navigation up by 6.9% followed by Qatar Gas Transport with a gain of 3.7%. The gains came after the country announced restoration of ties in the gulf during the month that led to the opening of airspace, land and sea borders with its neighbors.

On the decliners side, the Real Estate sector topped with a decline of 4.1% followed by Consumer Goods and Services and the Banking and Financial Services index with declines of 1.7% and 1.3%, respectively. All the four constituents of the Real Estate sector dropped during the month with United Development Co. and Ezdan Holding reporting mid-single digit declines. In the Consumer Goods & Services sector, the 44.2% gain in shares of Qatar German Co. for Medical Devices and the 0.6% gain in shares of Zad Holding were more than offset by decline in shares of the rest of the companies in the sector. Shares of Qatar Fuel, the biggest company in the sector by market-cap, dropped by 2.3% after it reported a 42% decline in net profits that reached QAR 707.4 Mn in FY-2020 as compared to QAR 1.22 Bn during FY-2019. The profit decline was mainly led by a 41% drop in revenues that reached QAR 13.2 Bn in FY-2020 as compared to QAR 22.4 Bn in FY-2019.

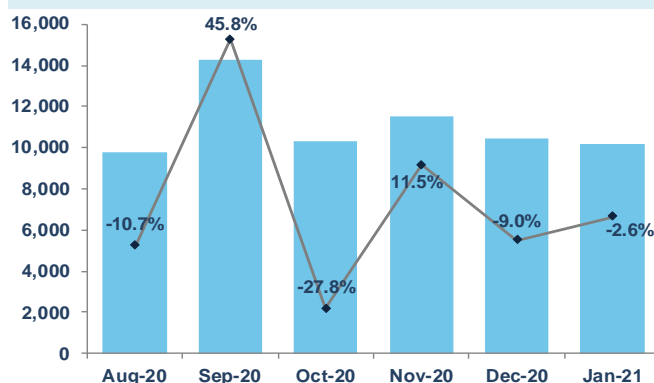
In the Qatari Banking sector, shares of five out of nine banks reported a decline during January-2021. Prominent gainers included Al Khalij Commercial Bank that gained 8.8% followed by 4.7% gain in shares of Ahli Bank. Shares of QNB witnessed marginal gain of 0.4% during the month. On the other hand, shares of Masraf Al Rayan dropped 4.1% followed by 3.7% decline in shares of Doha Bank. During the month, Masraf Al Rayan and Al Khalij Commercial Bank entered into a share swap deal worth QAR 8.2 Bn to create the second largest bank in Qatar. As per the deal, Masraf Al Rayan would issue 0.50 of its shares for every Al Khalij share, representing a 21.4% premium over the latter's closing price as of 5-January-2021. Masraf Al Rayan also reported FY-2020 results with flat net income of QAR 2.2 Bn during the year despite a 3.3% decline in total income.

Trading activity on the exchange declined during the month. Total volume of shares traded during the month declined by 14.5% to reach 4.0 Bn shares as compared to 4.6 Bn shares in the previous month. In terms of value traded, the decline was much smaller at 2.6% reaching QAR 10.2 Bn in January-2021 as compared to QAR 10.5 Bn in December-2020. Investment Holding Group topped the monthly volume chart with 529.8 Mn traded shares followed by Mazaya Real Estate Dev. And Salam International Investment at 306.8 Mn shares and 288.2 Mn traded shares, respectively. On the monthly value traded chart, QNB topped with shares worth QAR 1.4 Bn traded during the month followed by Qatar German and Masraf Al Rayan with value traded at QAR 579.7 Mn and QAR 477.8 Mn, respectively.

QE Monthly Sector Performance



Monthly Value Traded (QAR Mn)



Source: Qatar Exchange, Kamco Invest Research

Bahrain Bourse

Monthly Indicators	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
Bahrain All Share Index	1,660.48	1,350.62	1,310.73	1,269.63	1,277.61	1,290.57	1,380.89	1,434.49	1,427.18	1,477.51	1,489.78	1,462.61
Monthly % Change	0.2%	(18.7%)	(3.0%)	(3.1%)	0.6%	1.0%	7.0%	3.9%	(0.5%)	3.5%	0.8%	(1.8%)
Market Cap (BHD Mn)	9,710	7,777	8,268	8,047	8,095	8,134	8,690	9,029	8,983	9,295	9,379	8,390
P/E (X) - TTM	12.50	10.18	9.78	9.04	9.25	9.77	12.86	13.34	13.86	14.35	14.47	14.20
P/BV (X) - TTM	0.95	0.75	0.72	0.76	0.78	0.79	0.86	0.89	0.91	0.98	0.99	0.97
Dividend Yield (%)	4.61%	5.01%	4.95%	5.55%	5.51%	5.46%	5.18%	4.69%	4.71%	4.55%	4.51%	4.59%
Volume (Mn Shares)	70.8	104.6	146.2	59.9	90.0	109.5	96.2	151.2	107.2	83.9	79.4	122.7
Value (BHD Mn)	16.9	23.2	21.2	24.5	12.6	12.3	16.6	21.6	20.0	21.6	14.0	16.6
Trades	1,378	1,767	926	665	1,158	1,075	1,293	2,267	1,372	2,267	1,336	1,339

Source: Bahrain Bourse, Kamco Invest Research

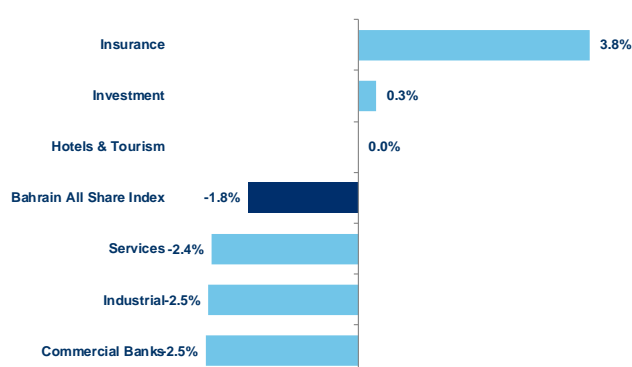
After reporting gains for the previous two months, the Bahrain Bourse closed January-2021 with the biggest monthly decline in the GCC. The Bahrain All Share index closed at 1,462.61 points with a decline of 1.8%, the highest in eight months, after seeing consistent marginal declines since the start of the year. The sector performance chart showed large-cap sectors in the red that dragged the index down despite positive performance reported by Insurance and Investment indices at 3.8% and 0.3%, respectively. The Commercial Banks and Industrial indices witnessed the biggest declines during the month at 2.5% for the two benchmarks, closely followed by the Services index with a decline of 2.4%.

Trading activity on the Bourse improved significantly during the month. Total volume of shares traded during the month increased by more than 50% to reach 122.7 Mn shares as compared to 79.4 Mn shares during December-2020. On the other hand, the value of shares traded during January-2021 increased by 18.9% to reach BHD 16.6 Mn as compared to BHD 14.0 Mn during December-2020. GFH Financial Group topped the monthly volume chart with 57.4 Mn shares traded during the month. Zain Bahrain was next with 36.9 Mn traded shares followed by AUB and Batelco with 9.9 Mn and 3.6 Mn traded shares, respectively. GFH also topped the monthly value traded chart for January-2021 with BHD 10.1 Mn worth of shares changing hands during the month. AUB was next on the value traded chart with BHD 7.2 Mn worth of trades followed by Zain Bahrain and Batelco at BHD 4.2 Mn and BHD 1.95 Mn, respectively.

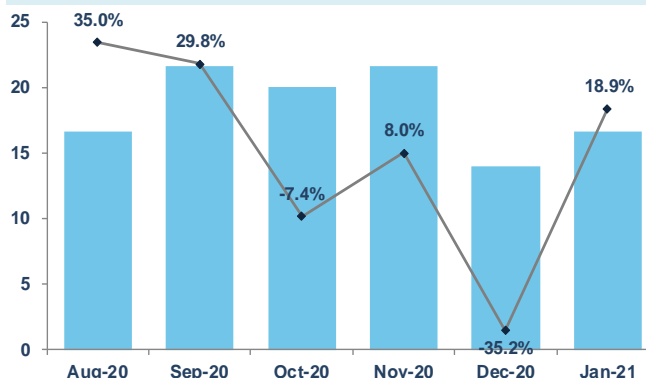
The monthly performance chart for January-2021 was topped by Khaleeji Commercial Bank with a gain of 5.7%, although trades in the stock remained thin during the month. GFH Financial Group closely followed with a monthly gain of 5.6% followed by Esterad Investment and Inovent with gains of 3.3% and 1.9%, respectively. During the month, GFH Financial Group expanded its presence in the retail sector by acquiring 80% stake in Hidd mall. According to TradeArabia, the mall had an occupancy rate of 100% with Lulu Hypermarkets being its main tenant in the property. On the monthly decliners side, APM Terminals Bahrain topped with its shares sliding 16.7% after the CEO of the company resigned during the last week of the month. Bahrain Islamic Bank was next on the decliners chart with a decline of 9.0% during January-2021 followed by Bahrain Commercial Facilities and Zain Bahrain with declines of 6.9% and 5.0%, respectively. According to Bloomberg, Kuwait's Zain increased its stake in Zain Bahrain from 55.4% to 65% by purchasing 35.335 million shares of the company at a share price of BHD 0.115 per share.

On the economic front, Bahrain raised USD 2.0 Bn in a three-tranche bond sale during the month bringing total outstanding debt by the country to nearly USD 39.8 Bn or 118% of GDP, according to a Reuters report. According to the report, Bahrain's fiscal deficit is estimated to have doubled to USD 4.4 Bn in 2020 resulting in a deficit to GDP ratio of 14.0% as compared to a deficit of 5% of GDP in 2019. Deficit in 2021 is expected to reach USD 3.4 Bn followed by 3.0 Bn in 2022, according to the bond prospectus that cited a draft budget. The country, in its draft national budget for 2021 and 2022, also announced plans to spend more than BHD 1.3 Bn on 64 major projects over the next two years.

BSE Monthly Sector Performance



Monthly Value Traded (BHD Mn)



Source: Bahrain Bourse, Kamco Invest Research

Muscat Securities Market

Monthly Indicators	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
MSM 30 Index	4,130.9	3,448.3	3,539.5	3,544.6	3,516.0	3,568.1	3,771.9	3,614.6	3,557.8	3,643.5	3,658.8	3,653.2
Monthly % Change	1.3%	(16.5%)	2.6%	0.1%	(0.8%)	1.5%	5.7%	(4.2%)	(1.6%)	2.4%	0.4%	(0.2%)
Market Cap (OMR Mn)	6,744	5,798	5,877	5,920	5,882	6,232	6,548	6,256	6,181	6,347	6,431	6,307
P/E (X) - TTM	8.66	7.13	7.59	9.16	10.04	10.35	11.20	10.74	10.43	10.96	11.01	13.18
P/BV (X) - TTM	0.73	0.60	0.62	0.76	0.76	0.77	0.76	0.73	0.71	0.70	0.70	0.70
Dividend Yield (%)	6.79%	8.01%	7.78%	6.81%	6.83%	6.72%	6.52%	6.77%	6.96%	6.93%	6.90%	6.86%
Volume (Mn Shares)	278.6	298.5	169.7	101.4	180.9	190.8	202.5	108.6	191.6	125.7	202.0	178.5
Value (OMR Mn)	52.9	71.6	25.0	16.9	25.2	30.1	29.0	16.9	29.9	29.2	33.2	27.0
Trades	12,494	10,507	9,945	5,880	8,136	8,205	7,278	7,014	7,098	6,040	9,835	2,394

Source: Muscat Securities Market, Kamco Invest Research.

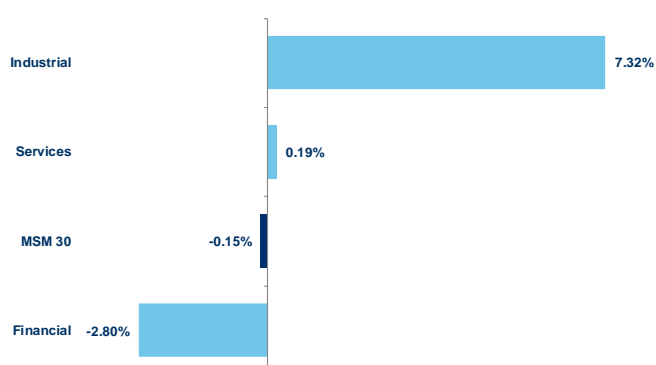
After witnessing gains for two consecutive months, the Omani stock market witnessed declines during January-2021, albeit marginally. The MSM 30 index reached 3,653.2 points by the end of the month, recording a decline of 0.2% after consistent declines during the last week of trading wiped off gains made since the beginning of the month. The monthly sector performance chart was mixed with healthy gains for the Industrial index at 7.3% that was more than offset by 2.8% decline for the Financial index. The Services index, on the other hand, reported marginal gains of 0.2%.

Trading activity on the exchange declined during January-2021 from the high base of December-2020. Monthly volume of shares traded declined by 11.4% to reach 179.1 Mn during January-2021 as compared to 202.0 Mn shares traded during December-2020. Value traded also declined at a higher rate of 18.1% to reach a four-month low level of OMR 27.2 Mn during January-2021 as compared to OMR 33.2 Mn during December-2020. The monthly volume traded chart was topped by Galfar Engineering with 41.4 Mn traded shares during the month followed by Madina Takaful and Jazeera Steel Products with 23.0 Mn and 11.3 Mn traded shares, respectively. In terms of monthly value traded, Bank Muscat remained at the top with OMR 4.4 Mn worth of shares changing hands during the month followed by Ooredoo Oman and Jazeera Steel Products with OMR 3.3 Mn and OMR 2.1 Mn in traded shares, respectively. The share of Omanis in total value of buy trades stood at 72.3% and in terms of value of sell trades, their share stood at 75.3% in January-2021.

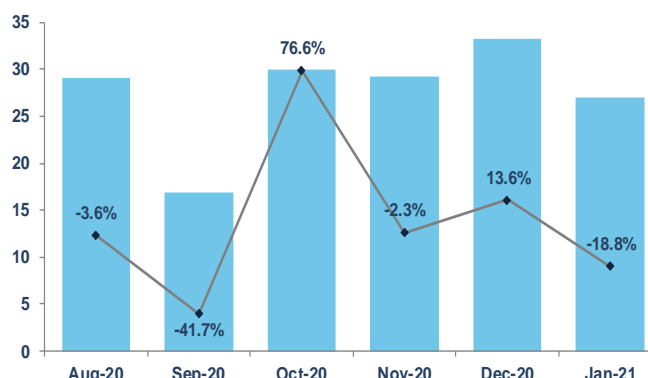
The monthly gainers chart was topped by Al Hassan Engineering with a gain of 71.4%. Shares of the company surged after it reported higher than expected profits of OMR 52,000 for FY-2020 as compared to a profit of OMR 1.2 Mn in FY-2019. Contract and Other Income for the year stood at OMR 22.2 Mn vs. OMR 38.7 Mn in FY-2019. Jazeera Steel Products was next with a gain of 56.9% led by higher net profits of OMR 3.1 Mn reported by the company for FY-2020 as compared to OMR 0.31 Mn during FY-2019. The higher profits came despite a fall in topline from OMR 104 Mn in 2019 to OMR 88.5 Mn in 2020. Oman Refreshment and Galfar Engineering were next on the monthly gainers chart with gains of 25.0% and 24.4%, respectively. Shares of Oman Refreshment gained after the company reported higher y-o-y net profits and revenues for FY-2020, whereas Galfar Engineering shares gained despite reporting a bigger loss of OMR 21.8 Mn in FY-2020 vs. a loss of OMR 6.3 Mn in FY-2019.

On the monthly decliner's chart, Oman Arab Bank topped with a decline of 21.1%. The decline came after the company reported a 56% y-o-y drop in FY-2020 net profits that reached OMR 14.2 Mn vs. OMR 32.6 Mn in FY-2019 despite higher operating income and loans and advances during FY-2020. The company also terminated the employment of its CFO during the month. Sharqiyah Desalination and Al Kamel Power were next on the monthly decliner's chart with declines of 17.3% and 17.0%, respectively. The decline came after Sharqiyah Desalination reported a y-o-y decline in FY-2020 net profits and revenues, whereas Al Kamel Power reported an 11% decline in revenues that reached OMR 6.5 Mn resulting in a loss during the year of OMR 5.0 Mn vs. profits of OMR 3.6 Mn in FY-2019.

MSM Monthly Sector Performance



Monthly Value Traded (OMR Mn)



Source: Muscat Securities Market, Kamco Invest Research

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