

GCC Markets Monthly Report

July-2021

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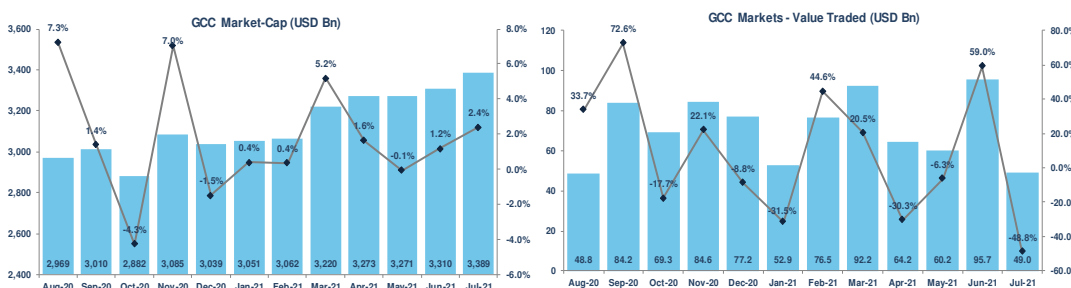
GCC markets show marginal gains as global EM decline curtails gains...

Equity markets in the GCC were up for the ninth consecutive month during July-2021, although the gains were marginal as compared to the previous months. Monthly performance was mixed but skewed toward gainers. Dubai's benchmark reported the biggest decline during the month at -1.6% followed by MSX Index that declined by 0.8%. Prominent gainers, on the other hand, were few including Abu Dhabi and Kuwait with returns of 7.1% and 3.0%, respectively, while Saudi Arabia and Qatari benchmarks showed only marginal gains. As a result, the MSCI GCC index reported flattish performance with a gain of 1.0%. YTD-21 gains at the end of July-2021 stood at 23.7%, one of the best globally, and was backed by the rally in Abu Dhabi's which was the best performing globally with a YTD-21 return of 45.0%. Qatar and Bahrain were the only benchmark with single digit YTD-21 gains, while the rest of GCC indices showed double digit performance.

The sector performance chart also reflected the overall mixed trend during the month with an almost equal split between gainers and losers. The Capital Goods index topped monthly performance chart with a gain of 10.2% followed by Pharma & Biotech and Utilities indices with gains of 4.7% and 4.2%, respectively. On the decliner's side, the rally in the F&B index took a break resulting in a decline of 3.1% followed by Food & Drug Retailing and Consumer Durable & Apparel index with declines of 2.9% and 1.9%, respectively. Large-cap sectors like Banks and Energy showed flattish returns while Materials reported a gain of 3.2%.

In terms of global equity market performance, Emerging Markets witnessed declines during the month, especially in Asia, while Europe and North American Markets showed gains. The 5.4% decline in China and 1.7% decline in Russia pushed EM index in the red with a decline of 7.0% during July-2021, also dragging YTD-21 performance in the red with a decline of 1.0%.

GCC Equity Markets	Index Closing	MTD Chg%	YTD 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	7,164.6	3.3%	18.4%	128.8	2,488.7	38.2	1.7	1.9%
Kuwait - Main 50 Index	5,737.6	3.6%	23.8%					
Kuwait - Main Market Index	5,437.4	2.3%	19.4%					
Kuwait - All Share Index	6,581.0	3.0%	18.7%					
Saudi Arabia	11,012.7	0.3%	26.7%	2,583.4	38,624.0	34.8	2.4	2.1%
Abu Dhabi	7,318.2	7.1%	45.0%	360.1	5,847.1	22.4	1.9	3.0%
Dubai	2,765.7	(1.6%)	11.0%	101.2	645.0	20.6	1.0	2.9%
Qatar	10,753.3	0.2%	3.0%	170.7	1,187.2	17.9	1.6	2.7%
Bahrain	1,597.0	0.6%	7.2%	26.6	27.9	13.3	0.8	3.5%
Oman	4,030.4	(0.8%)	10.2%	18.2	137.7	12.6	0.8	3.8%
Total GCC				3,388.9	48,957.5	30.4	2.1	2.3%



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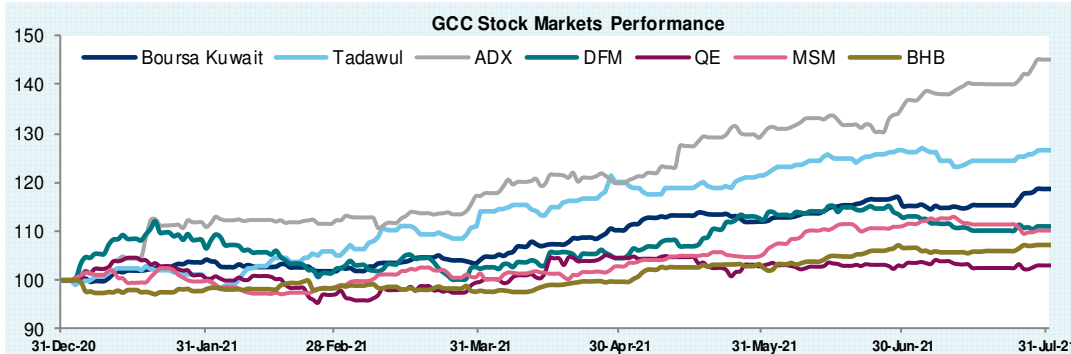
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Source: GCC Stock Exchanges, Kamco Invest Research

Boursa Kuwait

Monthly Indicators	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
Premier Market Index	5,854.6	6,020.8	6,004.0	6,008.6	6,051.1	6,307.9	6,157.5	6,324.4	6,623.2	6,740.0	6,936.1	7,164.6
Monthly % Change	8.1%	2.8%	(0.3%)	0.1%	0.7%	4.2%	(2.4%)	2.7%	4.7%	1.8%	2.9%	3.3%
Main 50 Index	4,182.2	4,319.6	4,384.4	4,445.7	4,636.4	4,878.3	4,820.8	4,874.5	5,303.4	5,408.5	5,540.8	5,737.6
Monthly % Change	3.3%	3.3%	1.5%	1.4%	4.3%	5.2%	(1.2%)	1.1%	8.8%	2.0%	2.4%	3.6%
Main Market Index	4,184.8	4,303.5	4,331.9	4,373.2	4,552.4	4,741.4	4,650.5	4,687.2	5,127.5	5,182.2	5,316.9	5,437.4
Monthly % Change	2.4%	2.8%	0.7%	1.0%	4.1%	4.2%	(1.9%)	0.8%	9.4%	1.1%	2.6%	2.3%
All Share Market Index	5,294.3	5,445.2	5,443.0	5,459.5	5,546.0	5,780.0	5,649.2	5,775.9	6,113.6	6,210.9	6,386.8	6,581.0
Monthly % Change	6.6%	2.9%	(0.0%)	0.3%	1.6%	4.2%	(2.3%)	2.2%	5.8%	1.6%	2.8%	3.0%
Market Cap (KWD Mn)	31,338	32,467	32,386	32,475	32,999	34,395	33,542	34,320	36,096	36,734	37,734	38,904
P/E (X) - TTM	15.20	27.51	27.40	36.18	35.43	33.60	32.90	45.72	47.37	39.45	37.10	38.20
P/BV (X) - TTM	1.26	1.41	1.41	1.34	1.37	1.48	1.44	1.41	1.54	1.59	1.62	1.67
Dividend Yield (%)	4.02%	3.56%	3.57%	3.58%	3.55%	3.54%	3.63%	2.97%	2.49%	2.26%	1.87%	1.86%
Volume (Mn Shares)	3,772.5	8,286.7	6,225.1	5,521.6	4,877.7	6,051.4	6,047.3	4,723.3	7,531.6	9,116.3	8,274.3	4,348.4
Value (KD Mn)	690.8	1,076.2	1,145.5	2,174.2	922.3	845.3	835.0	907.6	1,083.1	1,377.2	1,421.9	751.9
Trades ('000)	163.4	277.6	258.7	288.3	211.4	216.4	206.9	210.1	262.3	302.4	296.1	178.7

Source: Boursa Kuwait, Kamco Invest Research

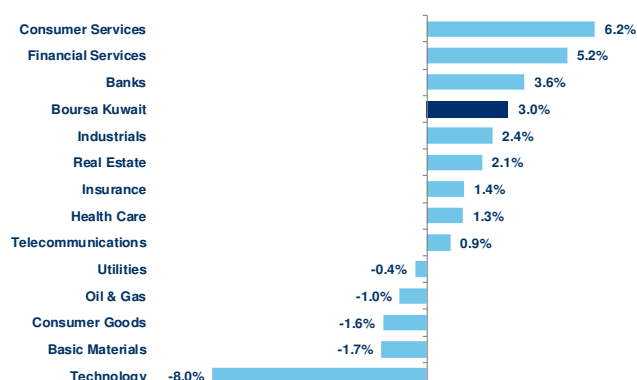
Kuwaiti equity market was up for the fifth consecutive month during July-2021 with almost similar performance across market segments. The Main 50 Index was once again the top monthly performer in July-2021 with a gain of 3.6% followed by 3.3% gain for the Premier Market Index and the Main Market index with a gain of 2.3%. The net impact was a gain of 3.0% for the All Share Market Index. Monthly gains during July-2021 further strengthened the Boursa's YTD-21 gains making it the third-best performing market in the GCC since the start of the year with a return of 18.7%.

The monthly sector performance chart favored gainers and was topped by the Consumer Services index with a gain of 6.2% followed by Financial Services and Banks indices with returns of 5.2% and 3.6%, respectively. On the decliners side, the Technology index witnessed the biggest decline of 8.0% during the month led by an equivalent decline in its sole constituent, Automated Systems Co., followed by marginal declines for Basic Materials and Consumer Goods at -1.7% and -1.6%, respectively. In terms of monthly stock performance, Al Eid Food Co. topped the chart with a gain of 28.8% followed by Kuwait Reinsurance and Boursa Kuwait Securities with gains of 27.0% and 22.0%, respectively. On the decliner's side, MRC topped with a fall of 29.7% followed by Gulf Franchising and Al Bareeq Holding with declines of 15.9% and 15.4%, respectively.

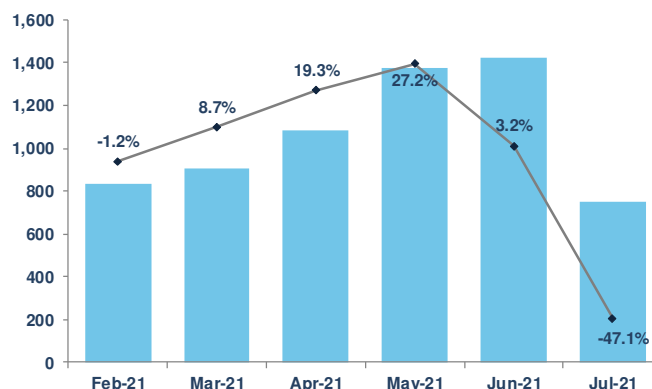
Trading activity witnessed a steep m-o-m decline during July-2021 mainly led by the week long Eid holidays. Total volume of shares traded during the month declined by 47.4% to 4.3 Bn shares as compared to 8.3 Bn shares traded during June-2021. Monthly value traded witnessed a similar decline of 47.1% to reach KWD 751.9 Mn in July-2021 as compared to KWD 1.42 Bn in June-2021. KFH topped the monthly value traded chart with KWD 65.5 Mn worth of shares changing hands during the month followed by AUB-Bahrain and A'ayan Leasing & Investment with value traded KWD 63.2 Mn and KWD 55.0 Mn, respectively.

On the economic front, S&P downgraded Kuwait's sovereign rating by one notch for the second time in two years to A+ from AA- and kept the country's outlook at Negative. The rating agency highlighted the lack of funding strategy to finance fiscal deficits as one of the key reasons for the downgrade as the parliament failed to approve the debt law. S&P expects Kuwait's fiscal deficit to average at 17% of GDP between 2021-2024. Following the sovereign rating action, the agency also lowered the corporate rating on Gulf Bank to BBB+ from A- with a Stable outlook and revised its outlook on NBK and Burgan Bank to Negative from Stable. That said, the agency said that operating environment in Kuwait's banking sector remains stable and the sector has substantial buffers with credit provisions of more than 100% of bad loans. On the Real Estate sector, the agency added that it expects residential real estate prices to decline further and commercial real estate prices to come under pressure.

Boursa Kuwait Monthly Sector Performance



Monthly Value Traded (KWD Mn)



Source: Kuwait Stock Exchange, Kamco Invest Research

Saudi Arabia (Tadawul)

Monthly Indicators	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
Tadawul All Share Index	7,940.7	8,299.1	7,907.7	8,747.1	8,689.5	8,702.6	9,145.0	9,907.8	10,419.0	10,551.2	10,984.2	11,012.7
<i>Monthly % Change</i>	6.5%	4.5%	(4.7%)	10.6%	(0.7%)	0.1%	5.1%	8.3%	5.2%	1.3%	4.1%	0.3%
Market Cap (SAR Bn)	8,976.5	9,100.8	8,634.7	9,301.3	9,101.6	9,050.1	9,116.3	9,629.8	9,732.5	9,654.8	9,720.8	9,688.0
P/E (X) - TTM	28.96	30.21	28.33	33.05	34.85	34.72	35.70	37.61	31.43	34.57	36.24	34.81
P/BV (X) - TTM	1.94	2.02	1.91	2.09	2.08	2.08	2.17	2.32	2.33	2.33	2.43	2.43
Dividend Yield (%)	3.34%	2.40%	2.50%	2.37%	2.44%	2.42%	2.31%	2.44%	2.35%	2.01%	1.91%	2.13%
Volume (Mn Shares)	6,698.6	11,187.8	9,344.2	9,389.6	8,377.3	4,748.3	6,903.5	10,405.2	6,508.1	5,501.2	8,648.3	4,166.8
Value (SAR Mn)	150,325.2	267,453.0	221,299.0	258,644.2	252,691.6	159,509.1	245,753.2	293,293.8	186,448.8	158,174.2	294,552.7	144,846.7
Trades ('000)	6,234	9,856	9,188	10,375	9,963	6,685	9,412	11,537	7,280	6,437	10,783	5,799

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

Saudi Stock Exchange reported its seventh consecutive month of gains during July-2021 amid mixed sentiments towards emerging markets and local sector performance during the month. Nevertheless, the index managed to breach the critical 11,000 points mark to close the month at 11,012.7 points. The benchmark started the month on a weak note with consistent declines but a reversal since 12-July-2021 saw the index gaining for nine consecutive trading sessions to fully recover from the decline. The YTD-21 performance was only slightly affected due to the marginal monthly gains and stood at 26.7% at the end of the month, the second-highest in the GCC and still one of the best globally.

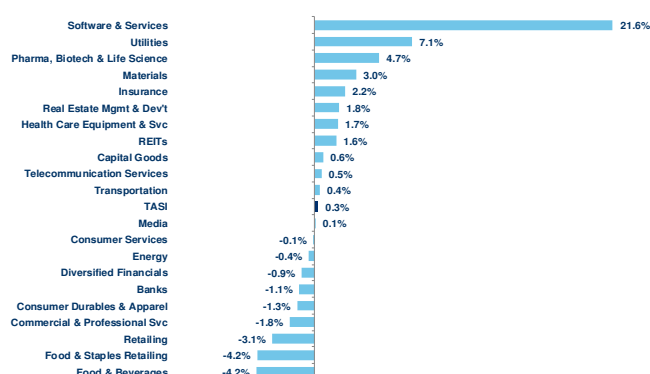
The monthly sector performance chart was equally split between gainers and losers. The Software & Services index once again topped the monthly performance chart with a gain of 21.6% mainly led by 20.9% gain in shares of Al Moammar Information Systems and 22.9% gains for Arab Sea Information Systems. Shares of Al Moammar Information Systems gained after the company was selected as one of the partners for Saudi Arabia's USD 18 Bn data centre strategy along with two other local firms. The company also announced a number of other new contracts that included a SAR 74.5 Mn contract with Imam Muhammad Bin Saud University. The gains came despite the company reporting a steep 57.3% y-o-y decline in net profits during Q2-2021. Meanwhile, shares of Arab Sea Information Systems gained after the company received approval from the Ministry of Commerce to establish Arab Sea Financial Company, a company specialized in e-payments.

The Utilities index was next on the gainers chart with a gain of 7.1% followed by Pharma and Materials indices with gains of 4.7% and 3.0%. All three constituent stocks in the Utilities index showed healthy monthly gains during July-2021. On the decliner's side, Food & Beverage and Food & Staples Retailing indices topped, each declining by 4.2% led by a broad-based decline in constituent stocks, followed by Retailing and Commercial & Professional Services indices with declines of 3.1% and 1.8%, respectively. Large-cap sectors like Banks and Energy also declined by 1.1% and 0.4%, respectively, whereas Materials Sector witnessed gains of 3.0%.

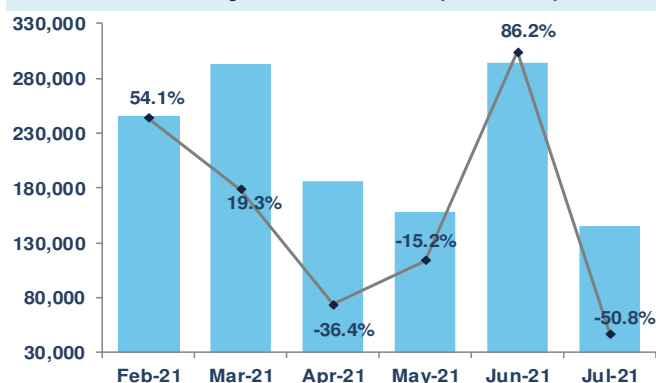
Trading activity on the exchange witnessed a steep m-o-m decline, once again due to the Eid Holidays. Monthly volume of shares traded witnessed a m-o-m decline of 51.8% in July-2021 to reach 4.2 Bn shares. Monthly value of shares traded declined by 50.8% to reach SAR 144.8 Mn in July-2021 as compared to SAR 294.6 Mn during June-2021. The monthly volume traded chart was topped by Dar Alarkan Real Estate with 227.3 Mn shares traded followed by Saudi Kayan and Alinma Bank at 188.1 Mn shares and 149.9 Mn shares, respectively. On the monthly value traded chart, Al Rajhi Bank topped with SAR 4.5 Bn worth of trades followed by Arab Sea Information and Saudi Kayan with trades at SAR 3.7 Bn and SAR 3.6 Bn, respectively.

There were several news on the M&A front in Saudi Arabia. During the month, food producer Savola signed a deal to buy Bayara Holding for USD 260 Mn. The latter, which is a manufacturer and distributor of snacks and cooking ingredients, has businesses in UAE and Saudi Arabia. In another news, Al Hammadi Co. signed an agreement to purchase GIC's 35% stake in Sudair Pharmaceutical Industries.

Tadawul Monthly Sector Performance



Monthly Value Traded (SAR Mn)



Source: Tadawul, Kamco Invest Research

Abu Dhabi Securities Exchange

Monthly Indicators	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
ADX General Index	4,519.3	4,518.1	4,660.0	4,964.9	5,045.3	5,593.5	5,663.6	5,912.6	6,046.8	6,558.7	6,835.4	7,318.2
Monthly % Change	5.0%	(0.0%)	3.1%	6.5%	1.6%	10.9%	1.3%	4.4%	2.3%	8.5%	4.2%	7.1%
Market Cap (AED Bn)	698.0	691.6	710.3	744.8	749.8	814.1	820.4	868.0	904.1	947.4	1,004.6	1,322.7
P/E (X) - TTM	16.49	16.39	17.52	19.21	20.60	22.04	22.70	22.91	22.92	22.26	23.21	22.40
P/BV (X) - TTM	1.30	1.30	1.31	1.40	1.42	1.54	1.55	1.61	1.71	1.87	1.95	1.91
Dividend Yield (%)	5.40%	5.44%	5.25%	4.92%	4.85%	4.37%	4.32%	4.57%	4.29%	3.97%	3.57%	2.95%
Volume (Mn Shares)	2,008.5	3,423.0	2,320.4	2,822.5	2,104.0	2,184.2	3,265.8	4,346.2	3,091.4	5,149.4	4,475.0	3,451.5
Value (AED Mn)	6,113.0	11,830.7	9,719.4	13,066.9	8,255.1	9,954.9	17,759.7	23,891.8	23,392.3	35,006.1	31,142.2	21,476.8
Trades	46,775	40,026	38,777	68,924	48,563	62,461	59,231	62,765	45,663	73,749	90,180	87,601

Source: Abu Dhabi Securities Exchange, Kamco Invest Research

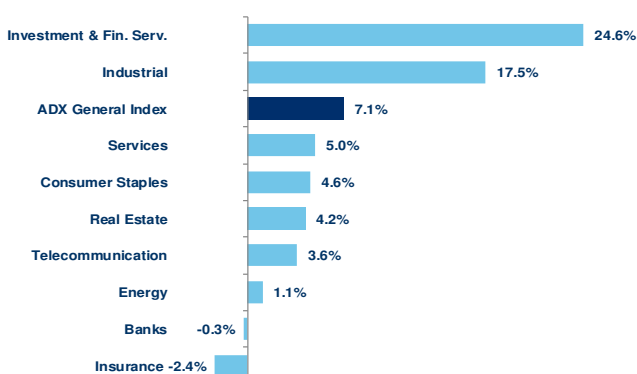
The performance of the Abu Dhabi Exchange continued to remain upbeat during July-2021 recording gains for the tenth consecutive month. The index gained 7.1% during the month, the biggest monthly gain in the GCC to close at 7,318.2 points, a new record high for the benchmark. Performance during the month reflected double digit gains for the Investment & Financial Services and Industrial indices recording monthly returns of 24.6% and 17.5%, respectively. Whereas Insurance and the Banks were the only two sectors that reported declines during July-2021. Gains during July-2021 further added to the exchange's performance since the start of the year. The ADX index was the best performing market in the GCC as well as globally with a year-to-date gain of 45.0%. The Investment & Financial Services once again showed the biggest returns of 225.0% during the first seven months of the year followed by the Industrial and Consumer Staples indices with gains of 65.6% and 41.5%, respectively. The Banking sector also maintained a healthy year-to-date gain of 23.1% whereas the Insurance sector was the only gauge that reported a year-to-date decline of -8.5%.

Ras Al Khaimah Cement topped the monthly gainers chart with its shares up 73.3% followed by Alpha Dhabi Holding and Abu Dhabi Ship Building Co with gains of 71.6% and 56.3%, respectively. Shares of Alpha Dhabi witnessed gains after the company posted multi-fold increase in its quarterly net profits. The Company's Q2-2021 increased to AED 1.6 Bn as compared to AED 27.7 Mn during Q2-2020. An increase in revenues from AED 1.0 Bn in Q2-2020 to AED 4.5 Bn in Q2-2021 led to the increase in net profits for the company. On the decliner's side, National Bank of Umm Al Qaiwain topped with a fall of 11.1% followed by National Takaful Co. and Union Insurance Co. with declines of 10.8% and 10.0%, respectively. The decline in shares of National Bank of Umm al Qaiwain came after the bank reported flattish results for Q2-2021. The bank's net profit reached AED 55.0 Mn in Q2-2021 vs. AED 54.4 Mn in Q2-2020. Net interest income for the bank witnessed a steep decline from AED 92.3 Mn in Q2-2020 to AED 69.7 Mn in Q2-2021. This decline was partially offset by lower loan loss provisions that stood at AED 2.0 Mn in Q2-2021 as compared to AED 17.0 Mn in Q2-2020. The monthly market breadth strongly favored gainers that included 27 stocks as compared to 17 decliners.

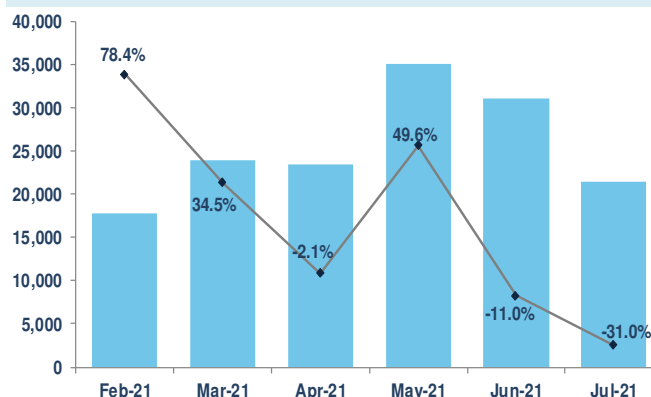
Trading activity in the exchange was down during the month. Total volume of shares traded during the month reached 667.3 Mn shares as compared to 3.45 Bn shares traded during July-2021. Monthly value traded was also down during the month falling 31% to AED 21.5 Bn in July-2021 as compared to AED 31.1 Bn in June-2021. Aldar Properties Co. topped in terms of monthly volumes with 1.2 Bn traded shares followed by First Abu Dhabi Bank and RAK Properties with 276.6 Mn shares and 251.0 Mn traded shares, respectively. In terms of value traded, International Holdings Co. topped the table with AED 5.5 Bn worth of shares changing hands during the month followed by Aldar Properties Co. and First Abu Dhabi Bank at AED 4.6 Bn and AED 4.5 Bn, respectively.

In terms of market news, Al Yah Satellite Communications (Yahsat), a unit of Mubadala Investment Company, announced its listing on the ADX with a market cap of AED 6.83 Bn. The company's shares rose 1.8% on the first day and saw 107 Mn of its shares change hands in the market.

ADX Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Abu Dhabi Securities Exchange, Kamco Invest Research

Dubai Financial Market

Monthly Indicators	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
DFM General Index	2,245.3	2,273.5	2,187.9	2,419.6	2,492.0	2,654.1	2,551.5	2,550.2	2,605.4	2,797.5	2,810.6	2,765.7
Monthly % Change	9.5%	1.3%	(3.8%)	10.6%	3.0%	6.5%	(3.9%)	(0.1%)	2.2%	7.4%	0.5%	(1.6%)
Market Cap (AED Bn)	310.6	314.4	306.5	333.9	337.2	354.2	345.6	348.8	356.5	377.9	380.2	371.5
P/E (X) - TTM	8.49	8.57	9.03	11.31	11.62	13.04	20.87	20.89	20.51	21.00	21.35	20.56
P/BV (X) - TTM	0.79	0.80	0.77	0.85	0.87	0.92	0.89	0.89	0.91	0.98	0.98	0.95
Dividend Yield (%)	4.30%	4.26%	4.44%	4.02%	3.90%	3.66%	3.81%	3.23%	3.24%	2.90%	2.85%	2.87%
Volume (Mn Shares)	6,749.9	8,646.0	3,963.6	4,652.0	5,400.1	5,554.2	2,686.5	2,810.0	2,182.7	3,672.2	2,921.6	1,839.7
Value (AED Mn)	7,146.0	7,598.4	3,226.4	5,878.2	5,629.5	7,187.1	3,921.9	4,203.7	3,151.4	5,186.5	4,653.8	2,369.3
Trades	96,664	115,004	58,014	79,788	78,293	88,808	53,263	58,082	41,873	67,557	56,042	33,916

Source: Dubai Financial Market, Kamco Invest Research

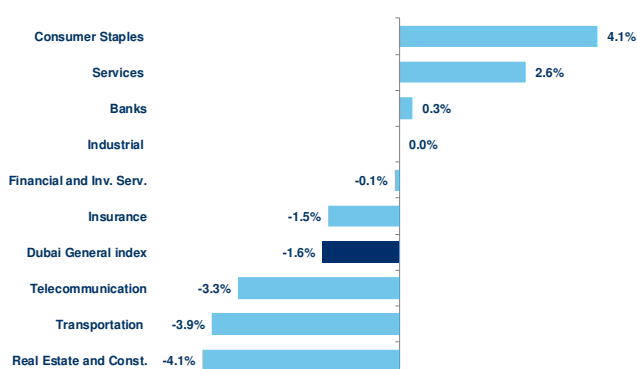
The DFM index witnessed a fall for the first time in four months during July-2021 to close at 2,765.7 points, recording a fall of 1.6%. The decline during July-2021 did not derail much of the benchmark's overall performance since the start of the year, which stood at 11.0%, maintaining its position as fourth-best index performer in the GCC. The sector performance chart showed gainers and losers almost equally split during the month. The Consumer Staples index witnessed the highest monthly returns of 4.1% followed by Services and Banks indices with gains of 2.6% and 0.3%, respectively. On the decliner's side, the Real Estate index reported the biggest monthly fall of 4.1% followed by Transportation and Telecom indices with declines of 3.9% and 3.3%, respectively. The Financial and Investment Services index topped in terms of YTD-21 returns that stood at 17.5% followed by the Telecom and Services indices with gains of 15.7% and 15.1%, respectively. The Banks gauge also reported year-to-date gains of 15.1%. On the decliner's side, the Transportation index reported the biggest fall in YTD-21 at 9.2% followed by Consumer Staples index which declined by 6.0%.

Emirates Refreshment Co topped the monthly stock performance table during the month recording a 62.5% increase in its share price. Shuaa Capital and United Foods Co. followed with 27.1% and 14.3% increase in shares respectively. Shares of Shuaa Capital surged after the investment firm announced that it is in talks to set up three special purpose acquisition company (SPAC). On the other hand, Al Mazaya Holding Company recorded the largest decline in the exchange seeing a 33.7% fall in share price during the month, followed by Ithmaar Holding and Mashreq Bank which saw 19% and 10.1% fall in share prices respectively. Shares of Mashreq Bank declined after the bank's net profits halved to AED 42.3 Mn in Q2-2021.

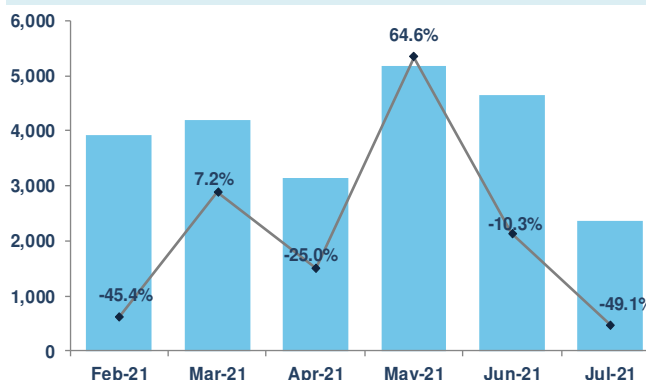
Trading activity on the exchange declined as compared to previous month. Total volume of shares traded declined by 37.0% to reach 1.8 Bn shares in July-2021 as compared to 2.9 Bn shares during June-2021. Total value traded on the exchange declined by 49.1% to reach AED 2.4 Bn in July-2021 as compared to AED 4.7 Bn during the previous month. Shuaa Capital topped the monthly volume chart with 233.8 Mn shares traded on the exchange followed by Union Properties and Ithmaar Holding at 225.8 Mn shares and 173.8 Mn shares, respectively. On the monthly value traded chart, Emaar Properties topped the list second month running with AED 556.3 Mn worth of shares changing hands during the month, followed by Emirates NBD and Dubai Islamic Bank at AED 224.2 Mn and AED 214.2 Mn, respectively.

In terms of market news, Emaar Properties announced that the proposed merger between Emaar Malls and Emaar Properties is expected to be concluded by the end of 2021. The merger plans between the two real estate companies include the reconstitution of the existing business of Emaar Malls into a wholly owned subsidiary of Emaar Properties while Emaar Properties will continue to be listed in the Dubai Financial Market. Moreover, in other market news Dubai based Foundation Holdings Co. acquired a 51% stake of Saudi Primary Health Chain Shifa Al Munaza according to Bloomberg. It is noteworthy that this is the second investment of the Foundation in the Saudi market for medical care and the company stated that it has plans to list the foundation within the next two years.

DFM Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Dubai Financial Market, Kamco Invest Research

Qatar Exchange

Monthly Indicators	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
QE 20 Index	9,845.2	9,990.4	9,691.0	10,262.1	10,436.0	10,473.5	10,146.0	10,401.5	10,911.4	10,748.3	10,730.7	10,753.3
Monthly % Change	5.1%	1.5%	(3.0%)	5.9%	1.7%	0.4%	(3.1%)	2.5%	4.9%	(1.5%)	(0.2%)	0.2%
Market Cap (QAR Bn)	570.0	588.6	565.1	590.5	602.2	608.4	588.1	605.8	630.9	624.4	622.4	621.6
P/E (X) - TTM	16.02	16.15	16.46	17.44	17.75	18.12	18.66	19.35	18.50	18.21	18.14	17.86
P/BV (X) - TTM	1.48	1.50	1.42	1.50	1.52	1.51	1.45	1.48	1.64	1.61	1.61	1.58
Dividend Yield (%)	4.06%	3.94%	4.07%	3.84%	3.78%	3.76%	3.66%	2.84%	2.70%	2.73%	2.73%	2.73%
Volume (Mn Shares)	5,759.6	8,124.1	5,649.9	5,420.2	4,643.7	3,969.7	3,184.5	5,849.8	6,740.5	3,680.1	3,453.9	1,636.1
Value (QAR Mn)	9,781.4	14,265.8	10,305.3	11,493.5	10,455.5	10,181.8	7,830.4	11,150.9	12,710.8	8,465.4	8,669.1	4,322.3
Trades	201,934	251,351	196,883	237,916	215,144	201,594	180,142	247,202	229,563	177,424	199,697	112,706

Source: Qatar Exchange, Kamco Invest Research

After two consecutive months of declines, the Qatar Stock Exchange witnessed marginal gains during July-2021. The QE 20 index closed the month at 10,753.3 points witnessing a gain of 0.2%, in-line with the performance of the Qatar All Share Index that reported a similar monthly gain to close at 3,416.93 points. The sector performance chart for July-2021 showed gains for Transportation and Insurance indices at 1.4% and 1.3%, respectively, and marginal gains of 0.5% for the Banks & Financial Services index. These gains were more than offset by declines mainly reported by Telecom Index at 2.7% followed by a marginal decline for the Industrials and Real Estate indices at -0.2%.

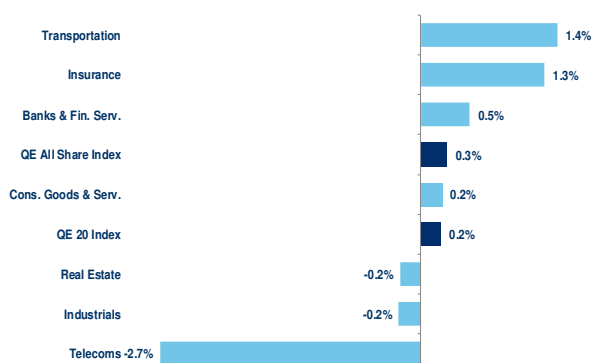
The decline in the Telecom index came after both the constituent companies reported a decline in their share prices. Shares of Ooredoo decline by 2.8% while Vodafone Qatar declined by 2.4%. The decline shares of Ooredoo Qatar reflected losses reported in 1H-2021 at QAR 956.2 Mn mainly led by impairments of QAR 2.34 Bn mainly related to the telco's operation in Myanmar. Meanwhile, Vodafone Qatar's Q2-2021 net profits more than doubled to QAR 68.1 Mn as compared to QAR 33.2 Mn in Q2-2020.

Banks topped the monthly sector performance with three banks in the top five performers. Qatar Islamic Insurance topped the chart with a gain of 7.5% followed by Al Ahli Bank with a gain of 5.8%. Shares of the Al Ahli Bank gained after the bank reported 5.8% increase in net profits during Q2-2021 that was mainly led by a 37.1% y-o-y increase in net interest income during the quarter. However, a higher loan loss provision of QAR 153.2 Mn during Q2-2021 as compared to QAR 87.0 Mn in Q2-2020 partially offset the overall improved performance. Doha Bank and Commercial Bank were next on the gainers chart with gains of 4.5% and 4.4%, respectively. Doha Bank also reported improved performance during Q2-2021. The bank's net interest income increased by 16.0% y-o-y to QAR 607.7 Mn which pushed the bottom-line up by 32.6% to QAR 234.2 Mn. Loan Loss Provisions was also up during the quarter at QAR 301.3 Mn as compared to QAR 230.5 Mn in Q2-2020, partially offsetting net profits during Q2-2021.

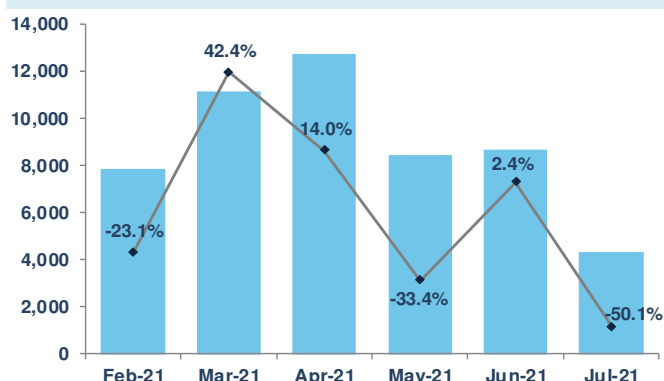
On the decliners side, Aljjarah Holding Co. and Salam International Investment reported the biggest monthly decline of 9.8% and 9.6% followed by Qatar Oman Investment Co and Widam Food Co with declines of 9.5% and 8.3%, respectively. Shares of Aljjarah Holding declined after the company reported losses during Q2-2021 at QAR 7.1 Mn vs. profits of QAR 12.0 Mn in Q2-2020.

Trading activity during the month declined after witnessing gains during the previous months. Monthly value of shares traded halved to QAR 4.3 Bn in July-2021 as compared to QAR 8.7 Bn during the previous month. Monthly volume of shares traded also declined and more than halved to 1.6 Bn shares in July-2021 as compared to 3.4 Bn in June-2021. QNB topped the monthly value traded chart with QAR 618.6 Mn worth of shares traded during the month followed by Industries Qatar QSC and Salam International Investment at QAR 268.35 Mn and QAR 258.15 Mn, respectively. On the monthly volume chart, Salam International topped with a volume of 275.0 Mn shares followed by Investment Holding Group and Mazaya Real Estate Development at 191.6 Mn shares and 149.2 Mn shares, respectively.

QE Monthly Sector Performance



Monthly Value Traded (QAR Mn)



Source: Qatar Exchange, Kamco Invest Research

Bahrain Bourse

Monthly Indicators	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
Bahrain All Share Index	1,380.89	1,434.49	1,427.18	1,477.51	1,489.78	1,462.61	1,466.43	1,458.03	1,484.85	1,527.62	1,587.97	1,597.00
Monthly % Change	7.0%	3.9%	(0.5%)	3.5%	0.8%	(1.8%)	0.3%	(0.6%)	1.8%	2.9%	4.0%	0.6%
Market Cap (BHD Mn)	8,690	9,029	8,983	9,295	9,379	8,390	9,227	9,230	9,398	9,664	9,985	10,038
P/E (X) - TTM	12.86	13.34	13.86	14.35	14.47	14.20	30.93	37.30	38.12	26.23	27.26	13.30
P/BV (X) - TTM	0.86	0.89	0.91	0.98	0.99	0.97	0.95	0.95	0.98	1.02	1.06	0.82
Dividend Yield (%)	5.18%	4.69%	4.71%	4.55%	4.51%	4.59%	4.58%	4.14%	2.36%	2.18%	2.10%	3.46%
Volume (Mn Shares)	96.2	151.2	107.2	83.9	79.4	122.7	87.7	81.4	39.2	51.0	178.7	41.5
Value (BHD Mn)	16.6	21.6	20.0	21.6	14.0	16.6	17.8	23.8	8.8	11.5	22.1	10.5
Trades	1,293	2,267	1,372	2,267	1,336	1,339	1,702	1,254	918	1,171	1,184	920

Source: Bahrain Bourse, Kamco Invest Research

The Bahrain Bourse continued to report gains for the fourth consecutive month, albeit marginal, during July-2021. The Bahrain All Share Index closed 16-month high level but little short of the psychological mark of 1,600 points at 1,597.0 points with a gain of 0.6% during July-2021. Performance during the month was skewed towards the second half of the month which saw consistent gains that more than offset the decline seen during the first half. The Bahrain Bourse also announced new sector classification, deviating away from its historical way of arranging sectors that was in place since 1987. The new classification is more inclined towards global comparison and is based on the GICS classification.

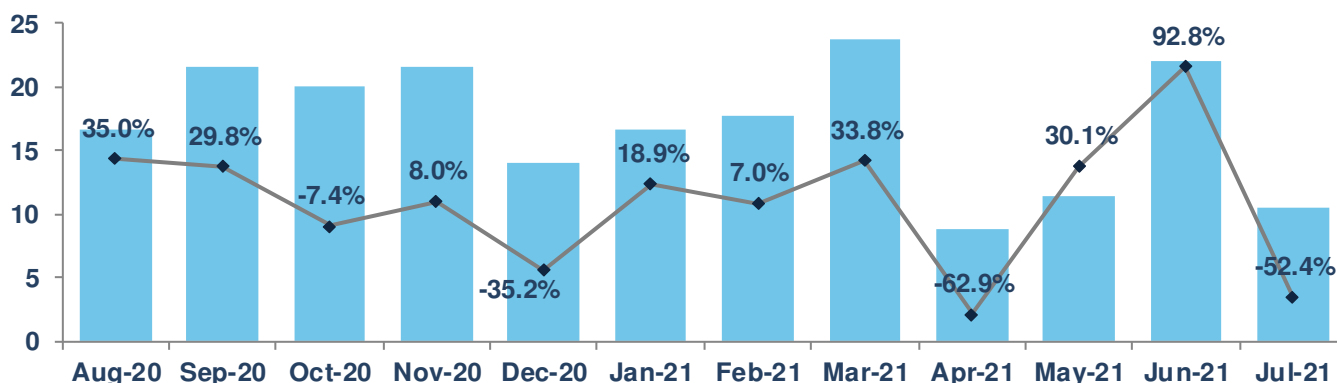
Prominent gainers during the month included Zain Bahrain with its shares up 7.9% backed by strong quarterly results, followed by Seef Properties and Bahrain Kuwait Insurance, with gains of 7.4% and 7.2%, respectively. Shares of Seef Properties gained after the company entered into a 5-year property management agreement with Diyar Al Muharraq for providing services for the Souq Al Baraha Project. On the decliner's side, shares of Ithmaar Holding topped with a decline of 27.1% followed by Bahrain Islamic Bank and Nass Corp. with declines of 8.0% and 2.3%, respectively.

On earnings news, Batelco announced healthy growth in revenues and net profits during Q2-2021. The telco's revenues increased by 6.7% to BHD 98.4 Mn during Q2-2021 as compared to BHD 92.2 Mn during Q2-2020. Net profits also increased from BHD 17.3 Mn in Q2-2020 to BHD 17.8 Mn in Q2-2021. The increase in revenues came mainly on the back of y-o-y increase in fixed broadband, adjacent services and wholesale revenues by 18%, 16% and 5%, respectively. The company's subscriber base increased marginally from 3.7 Mn at the end of June last year to 3.8 Mn as of 30-June-2021. The telco also declared an interim dividend of 13.5 fils per share for 1H-2021.

Zain Bahrain also reported healthy growth in profits during Q2-2021. The telco reported a net profit of BHD 1.25 Mn in Q2-2021, an increase of 61% y-o-y from BHD 0.78 Mn in Q2-2020. The increase was led by an 8.5% increase in revenues during the quarter that reached BHD 16.2 Mn as compared to BHD 15.0 Mn during Q2-2020. During the quarter, the company continued to invest in improving its product and service innovation, operational efficiency and customer experience and expanded its 5G network to newly developed housing areas of Bahrain with investing in accelerated data growth across its mobile and fixed networks.

Among banks, Bank of Bahrain and Kuwait reported Q2-2021 results. The bank reported a 14% y-o-y increase in net profits that reached BHD 13.8 Mn in Q2-2021 as compared to BHD 12.1 Mn in Q2-2020. The increase was backed by a steep y-o-y decline in provisions during the quarter that reached BHD 0.7 Mn as compared to BHD 4.3 Mn during Q2-2020. The bank had reported a provision reversal during Q1-2021 at BHD 0.3 Mn and BHD 1.1 Mn during Q4-2020, based on data from Reuters Eikon. Net interest income reported by the bank increased from BHD 19.8 Mn in Q2-2020 to BHD 20.4 Mn during Q2-2021. In terms of balance sheet, the bank reported a decline in net loans from BHD 1.6 Bn at the end of Q2-2020 to BHD 1.5 Bn at the end of Q2-2021.

Monthly Value Traded (BHD Mn)



Source: Bahrain Bourse, Kamco Invest Research

Muscat Securities Market

Monthly Indicators	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21
MSM 30 Index	3,771.9	3,614.6	3,557.8	3,643.5	3,658.8	3,653.2	3,612.4	3,708.7	3,761.0	3,852.6	4,063.4	4,030.4
Monthly % Change	5.7%	(4.2%)	(1.6%)	2.4%	0.4%	(0.2%)	(1.1%)	2.7%	1.4%	2.4%	5.5%	(0.8%)
Market Cap (OMR Mn)	6,548	6,256	6,181	6,347	6,431	6,307	6,229	6,415	6,416	6,497	7,020	7,011
P/E (X) - TTM	11.20	10.74	10.43	10.96	11.01	13.18	11.26	12.13	11.32	11.47	14.27	12.56
P/BV (X) - TTM	0.76	0.73	0.71	0.70	0.70	0.70	0.66	0.68	0.69	0.72	0.82	0.81
Dividend Yield (%)	6.52%	6.77%	6.96%	6.93%	6.90%	6.86%	7.55%	5.71%	4.81%	4.70%	3.85%	3.83%
Volume (Mn Shares)	202.5	108.6	191.6	125.7	202.0	178.5	253.3	654.3	430.9	315.3	667.3	342.1
Value (OMR Mn)	29.0	16.9	29.9	29.2	33.2	27.0	35.0	82.6	68.1	50.3	90.7	53.0
Trades	7,278	7,014	7,098	6,040	9,835	2,394	9,412	12,723	18,290	15,411	23,517	13,576

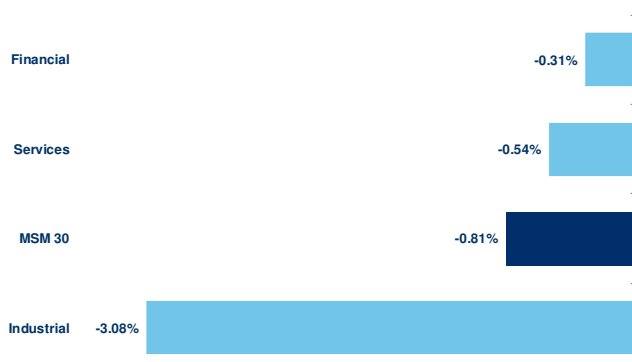
Source: Muscat Securities Market, Kamco Invest Research.

After four consecutive months of gains, the Omani stock market witnessed marginal declines during July-2021. The index closed the month at 4,029.4 points with a decline of 0.8% led by a broad-based decline seen in all the three sectoral indices on the exchange. The MSX 30 benchmark witnessed declines especially during the second half of the month after seeing consistent gains during the first half, retreating from a 17-month high of 4,132.33 points. The industrial index witnessed the biggest monthly decline among sectors at 3.1% followed by Services and Financial indices with declines of 0.5% and 0.3%, respectively. Nevertheless, despite the decline the the YTD-21 performance for the Industrial index remained the highest at 36% followed by Financial and Services with returns of 14.1% and 7.7%, respectively, since the start of the year. The MSX 30 Index reached a slightly lower YTD-21 gain of 10.1%.

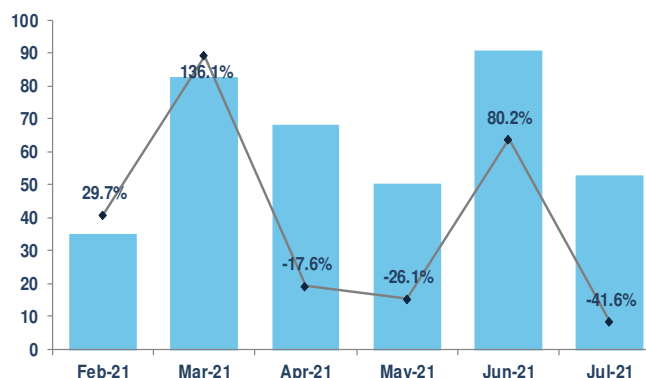
Trading activity witnessed a steep monthly decline during July-2021 mainly led by the Eid holidays. Total volume of shares traded during the month declined by 48.7% to 342.1 Mn as compared to a 37 months high level recorded during June-2021 at 667.3 Mn shares. Monthly value traded also witnessed a similar decline of 41.6% to reach OMR 53.0 Mn as compared to OMR 90.7 Mn during June-2021. Bank Nizwa once again topped the monthly volumes with 42.7 Mn traded shares followed by Oman Investment and Finance and Global Investment Holding with 31.3 Mn shares and 30.7 Mn traded shares, respectively. In terms of value traded, Bank Muscat once again topped with OMR 11.1 Mn worth of shares changing hands during the month followed by Bank Nizwa and Oman Investment and Finance at OMR 4.3 Mn and OMR 3.9 Mn, respectively. The share of Omanis in the monthly trading activity recovered from last month's decline. Omanis accounted for 87.9% of the total value of buy trades during July-2021 as compared to 64.5% in June-2021. In terms of value of sell trades, Omani's share declined from 83.4% in June-2021 to 81.7% in July-2021, indicating they were net buyers during the month.

The monthly gainers chart was topped by Al Hassan Engineering with its shares doubling despite the company reporting losses during 1H-2021 at OMR 1.4 Mn as compared to a profit of 99,000 during 1H-2020. The decline was mainly led by a fall in Contract Income that reached OMR 5.5 Mn in 1H-2021 as compared to OMR 13.7 Mn in 1H-2020. Al Madina Investment Holding was next with a gain of 71% (after adjusting for share split) that came after the company posted lower loss of OMR 0.15 Mn during FY-Q1-2022 as compared to a loss of OMR 0.2 Mn in FY-Q1-2021. Salalah Mills was next with a gain of 13.0% followed by Oman Investment & Finance and Al Maha Ceramics with gains of 12.2% and 12.0%, respectively. On the decliner's side, National Aluminium Products topped with a decline of 28.1% led by a bigger loss reported by the company for 1H-2021 at OMR 1 Mn as compared to a loss of OMR 0.89 Mn during 1H-2020. Revenues declined marginally from OMR 15.4 Mn in 1H-2020 to OMR 15.3 Mn in 1H-2021. Shares of Gulf International Chemicals was next with a decline of 20% led by a decline in 1H-2021 net profits followed by Voltamp Energy and Oman Cables Industries with declines of 15.0% and 11.5%, respectively. Shares of Voltamp Energy declined after the company reported losses during 1H-2021 at OMR 0.36 Mn as compared to a profit of OMR 0.1 Mn in 1H-2020. The profit decline came after the company reported a steep y-o-y decline in revenues during 1H-2021.

MSM Monthly Sector Performance



Monthly Value Traded (OMR Mn)



Source: Muscat Securities Market, Kamco Invest Research

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