

GCC Markets Monthly Report

May-2023

In this Report...

Kuwait	2
Saudi Arabia	3
Abu Dhabi	4
Dubai	5
Qatar	6
Bahrain	7
Oman	8

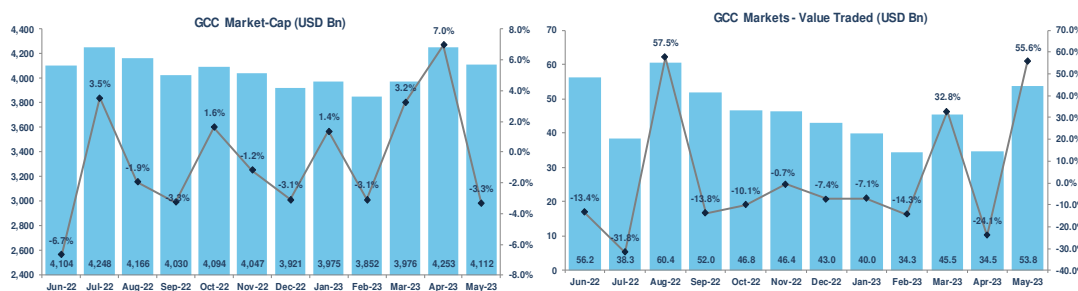
Decline in large-cap sectors pull GCC into the red...

After two consecutive months of gains, the aggregate GCC index declined during May-2023 mainly led by decline in large cap sectors like Materials, Banks, Energy and Telecom. The MSCI GCC index dropped by 4.1% during the month reflecting declines in most markets in the region. Kuwait's All Share Market Index reported the biggest decline during the month registering a fall of 4.8% followed by Abu Dhabi and Saudi Arabia with declines of 3.9% and 2.6%, respectively. On the other hand, Dubai and Bahrain recorded gains of 0.9% and 3.1%, respectively, partially offsetting the overall GCC decline. The monthly decline once again pulled the MSCI GCC index in the red in terms of YTD-2023 returns that stood at -2.4%.

The sector performance chart for the month showed declines in large-cap sectors like Materials (-3.7%) Banks (-3.3%), Energy (-3.1%) and Telecom (-3.4%) that were partially offset by gains in Pharma & Biotech (+48.6%) and Insurance (+5.8%) sectors. However, in terms of YTD-2023 performance, most of the sectors were in the green while Banks and Capital Goods were the only underperformers with declines of 4.1% and 7.1%, respectively.

Global equity markets mostly showed a downward trend during the month with the MSCI World index registering a decline of 1.2%. The UK and European markets were some of the biggest decliners during the month while US showed a mixed trend with the S&P 500 Index and the Nasdaq Composite showing gains while the DJIA dropped by 3.5%. On the other hand, the global emerging market index showed a decline of 1.9% after the decline in China (-3.6%) was partially offset by gains in most other emerging markets in Asia with Taiwan seeing the biggest gain of 6.4% followed Korea with a gain of 3.0%. India's Sensex also showed a gain of 2.1% during the month.

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 Index	7,494.7	(5.3%)	(7.7%)	133.2	3,115.3	13.1	0.8	3.0%
Kuwait - Main 50 Index	5,365.8	(4.9%)	(6.2%)					
Kuwait - Main Market Index	5,440.8	(3.0%)	(2.8%)					
Kuwait - All Share Index	6,796.8	(4.8%)	(6.8%)					
Saudi Arabia	11,014.1	(2.6%)	5.1%	2,822.4	36,264.9	17.2	2.1	3.0%
Abu Dhabi	9,406.6	(3.9%)	(7.9%)	714.5	7,104.7	28.8	2.5	1.9%
Dubai	3,576.6	0.9%	7.2%	168.2	2,632.8	8.7	1.2	5.0%
Qatar	10,154.8	(0.3%)	(4.9%)	166.0	4,424.1	12.1	1.4	4.9%
Bahrain	1,963.5	3.1%	3.6%	85.3	78.8	6.8	0.7	8.8%
Oman	4,626.4	(1.9%)	(4.8%)	22.1	139.3	15.1	1.1	4.5%
Total GCC				4,111.6	53,760.0	16.9	2.0	3.1%



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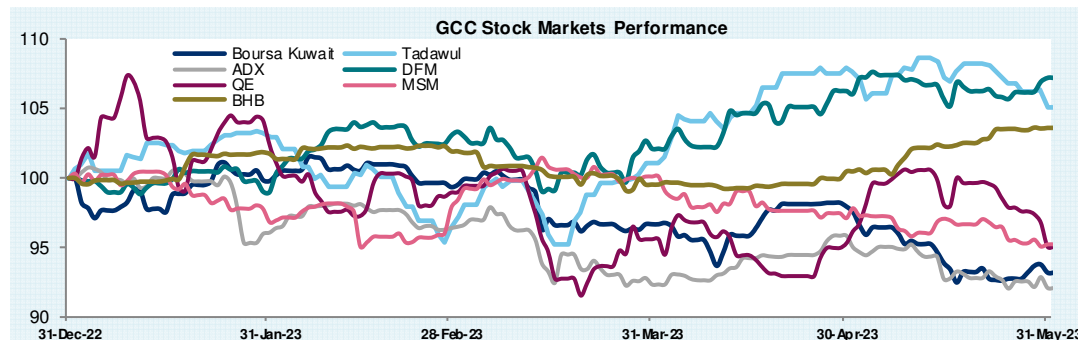
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Source: GCC Stock Exchanges, Kamco Invest Research

Boursa Kuwait

Monthly Indicators	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Premier Market Index	8,243.2	8,603.0	8,594.6	7,949.9	8,190.9	8,491.9	8,115.7	8,085.4	8,069.8	7,821.7	7,912.5	7,494.7
Monthly % Change	(5.0%)	4.4%	(0.1%)	(7.5%)	3.0%	3.7%	(4.4%)	(0.4%)	(0.2%)	(3.1%)	1.2%	(5.3%)
Main 50 Index	5,893.8	6,192.0	6,143.7	5,511.4	5,648.8	5,829.7	5,719.0	5,725.5	5,703.1	5,593.1	5,644.1	5,365.8
Monthly % Change	(7.5%)	5.1%	(0.8%)	(10.3%)	2.5%	3.2%	(1.9%)	0.1%	(0.4%)	(1.9%)	0.9%	(4.9%)
Main Market Index	5,680.7	5,875.3	5,868.5	5,338.4	5,489.6	5,681.3	5,596.8	5,623.4	5,548.7	5,500.8	5,606.4	5,440.8
Monthly % Change	(6.4%)	3.4%	(0.1%)	(9.0%)	2.8%	3.5%	(1.5%)	0.5%	(1.3%)	(0.9%)	1.9%	(3.0%)
All Share Market Index	7,408.6	7,716.9	7,709.1	7,105.7	7,318.4	7,584.6	7,292.1	7,277.3	7,244.4	7,050.8	7,142.5	6,796.8
Monthly % Change	(5.3%)	4.2%	(0.1%)	(7.8%)	3.0%	3.6%	(3.9%)	(0.2%)	(0.5%)	(2.7%)	1.3%	(4.8%)
Market Cap (KWD Mn)	44,035	45,855	45,803	45,489	46,882	48,663	46,745	46,706	46,423	45,130	43,989	40,228
P/E (X) - TTM	17.01	17.23	17.46	16.20	16.34	20.39	19.66	17.99	17.94	16.72	14.10	13.10
P/BV (X) - TTM	1.68	1.71	1.75	1.63	1.66	1.74	1.67	1.67	1.66	1.09	0.80	0.79
Dividend Yield (%)	3.09%	2.97%	2.83%	2.94%	2.86%	2.71%	2.83%	3.45%	3.46%	3.59%	2.76%	2.97%
Volume (Mn Shares)	4,583.2	3,445.4	6,213.0	3,618.7	3,771.0	4,763.3	2,926.4	3,668.5	2,297.8	2,553.4	2,131.3	2,986.1
Value (KD Mn)	1,305.7	1,140.7	1,244.4	920.0	1,291.8	1,176.1	764.5	1,052.2	699.7	889.3	643.9	941.2
Trades ('000)	275.9	188.9	270.7	209.7	237.6	232.6	159.1	211.6	153.1	181,272.0	151,297.0	209,339.0

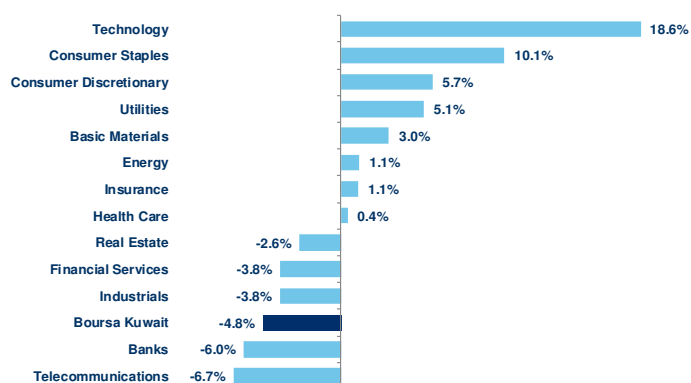
Source: Boursa Kuwait, Kamco Invest Research

Kuwaiti benchmarks receded during May-2023 after seeing gains during the previous month. It is pertinent to note that the headline All Share Market Index and the Premier Market index have declined in five out of the last six months since December-2022. In terms of market segments, the Premier Market Index witnessed the biggest monthly decline of 5.3% during May-2023 as performance of constituent stocks in the index showed a downward skew. The Main 50 Index and the All-Share Market Index reported a monthly decline of 4.9% and 4.8% followed by the Main Market index that receded 3.0% during May-2023. The declines affected YTD-2023 performance for the market with the All- Share Index showing the second-biggest decline in the GCC at -6.8%. The Premier Market index declined by 7.7%, whereas the Main 50 Index receded 6.2% vs. 2.8% drop for the Main Market Index.

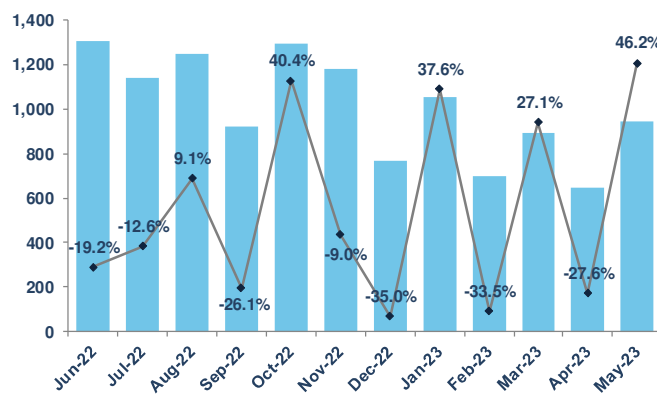
The sector performance chart was mixed during the month. The gainer's side was topped by the Technology and the Consumer Staples indices with double-digit gains of 18.6% and 10.1%, respectively, followed by Consumer Discretionary index with a gain of 5.7%. The gains in the Technology index was led by an equivalent gain in the sole constituent stock in the index, Automated Systems Co. In the Consumer Staples sector, shares of Mezzan Holding posted a monthly gain of 8.0% supported by strong Q1-2023 earnings. The company announced a net profit of KWD 4.3 Mn for Q1-2023 compared to KWD 2.9 Mn in Q1-2022 supported by 9.4% y-o-y growth in revenues. Meanwhile, large-cap indices like Banking and Telecom witnessed steep declines during the month despite posting strong earnings for Q1-2023. The Banking sector index was down by 6.0% during the month after shares of all the Kuwaiti banks declined. In the earning releases, KFH posted a net profit of KWD 162.1 Mn in Q1-2023 compared to a profit of KWD 70.0 Mn in Q1-2022. The Telecom index declined by 6.7% reflecting decline in 4 out of 5 constituent stocks in the index with Ooredoo leading the decline with a drop of 7.7%.

In terms of monthly stock performance, Hayat Communications Co. topped with a gain of 45.1% followed by Kuwait Foundry Co. and Senergy Holding Co. with gains of 33.1% and 28.5%, respectively. On the decliner's side, Equipment Holding Co. topped with a decline of 30.4% followed by Dar Al Thuraya Real Estate Co. and National Investment Co. with declines of 28.3% and 23.4%, respectively. In terms of trading activity, aggregate volumes traded increased by 40.1% to reach 3.0 Bn traded shares during May-2023. Monthly value traded showed a stronger growth of 46.2% to reach KWD 941.2 Mn in May-2023. On the monthly value traded chart, KFH topped with KWD 215.3 Mn traded shares followed by Boubyan Bank and NBK at KWD 107.5 Mn and KWD 97.8 Mn worth of traded shares, respectively.

Boursa Kuwait Monthly Sector Performance



Monthly Value Traded (KWD Mn)



Source: Kuwait Stock Exchange, Kamco Invest Research

Saudi Arabia (Tadawul)

Monthly Indicators	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Tadawul All Share Index	11,523.3	12,199.1	12,283.3	11,405.3	11,667.8	10,896.9	10,478.5	10,792.9	10,102.7	10,590.1	11,307.8	11,014.1
Monthly % Change	(10.8%)	5.9%	0.7%	(7.1%)	2.3%	(6.6%)	(3.8%)	3.0%	(6.4%)	4.8%	6.8%	(2.6%)
Market Cap (SAR Bn)	11,430.4	11,824.0	11,421.2	10,832.9	10,731.1	10,216.8	9,867.1	10,148.5	9,721.6	9,985.1	11,033.4	10,584.4
P/E (X) - TTM	20.52	21.23	20.27	18.84	18.63	16.89	16.24	17.26	16.14	16.55	17.73	17.24
P/BV (X) - TTM	2.43	2.56	2.57	2.38	2.39	2.20	2.11	2.22	2.08	2.18	2.25	2.14
Dividend Yield (%)	2.44%	2.43%	2.43%	2.48%	2.47%	2.64%	2.73%	2.68%	2.88%	3.12%	2.93%	3.01%
Volume (Mn Shares)	3,843.4	2,772.6	4,012.5	2,746.2	3,156.1	2,621.9	3,673.4	3,299.2	2,930.4	3,760.8	3,099.6	4,676.5
Value (SAR Mn)	142,842.8	96,025.2	158,693.1	108,613.8	116,297.7	103,896.0	82,813	89,620	73,814	106,090	88,907	136,000
Trades ('000)	7,918	5,378	8,294	6,598	6,782	6,585	6,628	6,771	5,809	7,514	5,856	8,977

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

Saudi Arabia's headline equity index TASI reported monthly decline during May-2023 reflecting recent earnings announcements that affected investor sentiments coupled with broader economic woes regarding the U.S. debt ceiling deal. The benchmark TASI peaked at a closing high of 11,392.78 points at the end of the first week of the month but mostly trended downward during the rest of the month to close with a decline of 2.6% at 11,014.1 points. Despite the decline, Saudi Arabia ranks second in the GCC in terms of YTD-2023 performance with a gain of 5.1%.

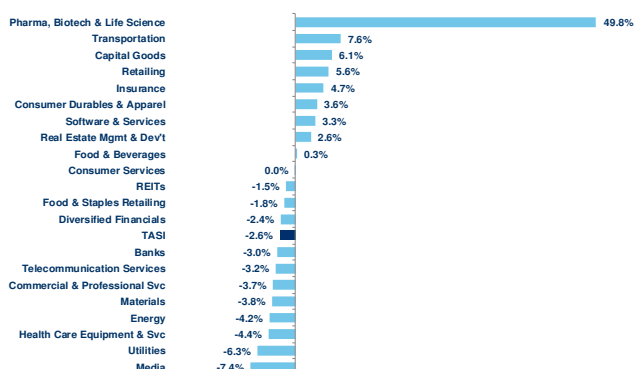
The monthly sector performance chart favored decliners during May-2023. The Media sector witnessed the steepest decline of 7.4% followed by the Utilities and Health Care Equipment & Svc indices with declines of 6.3% and 4.4%, respectively. The gainers side was led by the Pharma, Biotech & Life Science index with a double-digit gain of 49.8% followed by Transportation and Capital Goods with gains of 7.6% and 6.1%, respectively. The gains in the Pharma, Biotech & Life Science index was led by the equivalent gain in the sole stock in the index, Saudi Pharmaceutical Industries and Medical Appliances Corporation. Meanwhile, large-cap sectors like Energy and Bank reported monthly declines of 4.2% and 3.0%, respectively. In the Telecom sector, all the constituent stocks declined with ZAIN KSA leading with a decline of 8.4%. Shares of Aramco was also in the red with a decline 4.5% during May-2023.

The monthly gainer's chart was topped by Saudi German Health with a gain of 50.6% followed by Saudi Pharmaceutical Industries and Medical Appliances Corp. and Al Sagr Cooperative Insurance Co. with gains of 49.8% and 33.8%, respectively. On the decliner's side, Tihama Advertising and Public Relations Co. topped with a decline of 20.6% followed by Saudi Arabian Amiantit Co. and Saudi Electricity Co. with declines of 12.5% and 12.2%, respectively.

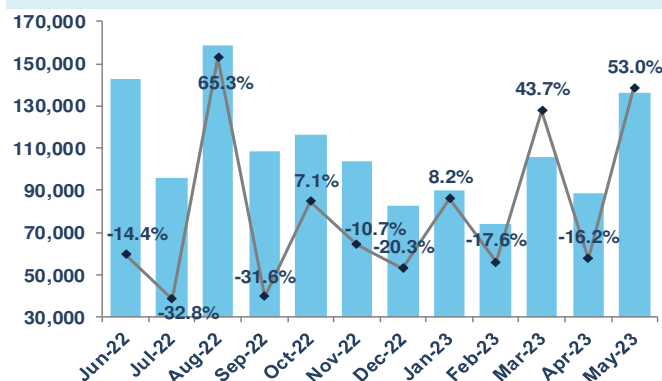
Trading activity on the exchange witnessed strong monthly gains during May-2023. Monthly volume of shares traded witnessed a m-o-m increase of 50.9% in May-2023 to reach 4.7 Bn shares. Monthly value of shares traded increased at a much bigger pace of 53.0% to reach SAR 136.0 Bn. Americana Restaurants topped the monthly volume chart with 421.2 Mn shares followed by Aramco and Zain KSA with 164.7 Mn shares and 162.2 Mn shares traded, respectively. On the monthly value traded chart, Al Rajhi Bank topped with SAR 6.6 Bn worth of shares traded during the month followed by STC and Aramco with trades worth SAR 6.1 Bn and SAR 5.4 Bn during the month, respectively.

In terms of primary market IPOs, The First Milling Company of Saudi Arabia, also known as First Mills, is intending to list a 30% share on the Tadawul. A market capitalization of between SAR 3.05 Bn and SAR 3.3 Bn is implied by the company's sale of 16.65 Mn shares at a price range between SAR 55 and SAR 60 (USD 14.66) per share. The IPO is anticipated to be this year's second-largest in Saudi Arabia after Jamjoom Pharmaceutical which was also priced during the second half of May-2023 at the top end of the range. Similarly, the other companies which issued prospectus to list on Tadawul are Almawarid Manpower Company, Morabaha Marina Financing and Olam Agri Holdings. Olam Group is expecting to launch the dual IPO of Olam Agri Holdings with a primary listing in Singapore before a potential concurrent listing in Saudi Arabia during the year.

Tadawul Monthly Sector Performance



Monthly Value Traded (SAR Mn)



Source: Tadawul, Kamco Invest Research

Abu Dhabi Securities Exchange

Monthly Indicators	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
ADX General Index	9,374.7	9,663.5	9,874.5	9,750.82	10,412.25	10,552.37	10,211.09	9,811.56	9,844.81	9,430.25	9,789.17	9,406.57
Monthly % Change	(6.8%)	3.1%	2.2%	(1.3%)	6.8%	1.3%	(3.2%)	(3.9%)	0.3%	(4.2%)	3.8%	(3.9%)
Market Cap (AED Bn)	1,936.2	1,964.9	2,039.5	2,158.1	2,379.1	2,615.3	2,580.3	2,493.5	2,448.9	2,685.9	2,678.3	2,624.4
P/E (X) - TTM	20.61	20.13	19.73	19.52	19.31	18.88	18.22	26.63	23.01	22.32	29.93	28.77
P/BV (X) - TTM	2.59	2.69	2.81	2.77	2.99	3.00	2.90	2.80	3.33	2.45	2.65	2.54
Dividend Yield (%)	2.06%	1.99%	1.95%	2.04%	1.99%	1.97%	2.01%	2.09%	2.08%	1.86%	1.82%	1.90%
Volume (Mn Shares)	3,990.8	2,765.1	4,544.9	17,449.4	4,780.1	6,865.8	5,680.1	3,990.1	3,934.7	4,062.4	3,269.2	5,621.0
Value (AED Mn)	28,126.2	20,590.9	26,583.2	53,360.8	24,906.3	35,546.9	53,204.2	29,876.6	27,889.6	35,303.9	18,004.7	26,096.4
Trades	182,585	132,900	190,645	250,271	229,906	337,251	242,687	255,722	221,695	245,883	178,525	281,925

Source: Abu Dhabi Securities Exchange, Kamco Invest Research

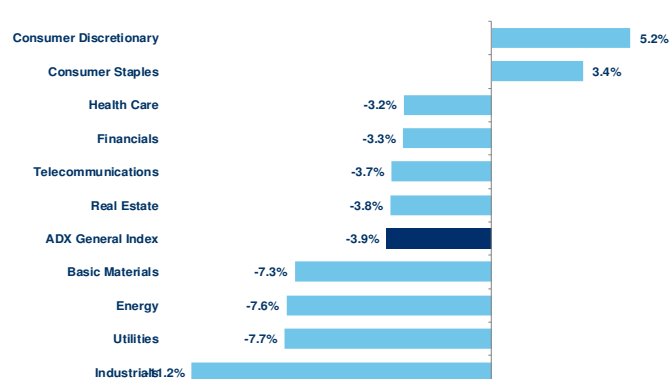
The FTSE ADX index dropped by 3.9% during May-2023 after witnessing a growth of 3.8% during April-2023 underlining the second highest decline since July-2022. In terms of sectoral indices, eight out of the ten sectors recorded declines during the month while the remaining two recorded gains. On the decliners' side, the Industrial index led the way with 11.2% index drop followed by the Utilities index which recorded a 7.7% drop to close the month at 11,893.4 points as the sectors only constituent company, Abu Dhabi National Energy Co, witnessed an equivalent share price decline of 7.7% during the month. The Energy index followed with the third highest drop of 7.6% as all the three constituent companies witnessed share price declines during the month led by Adnoc Drilling's 15.4% share price slide during the month. Trading activity in the ADX exchange witnessed gains during the month supported by the IPO of Adnoc Logistics & Services which is estimated to have raised around USD 770 Mn for 15% of company's shares offered in the IPO.

In terms of monthly stock performance, Bank of Sharjah topped the monthly gainers chart for May-2023 with a gain of 32.2% followed by Abu Dhabi National Takaful and National Corp for Tourism & Hotels which recorded gains of 15.5% and 14.9%, respectively. Bank of Sharjah has recently announced that it is boosting its capital by USD 218 Mn to USD 820 Mn to enhance its position and foster future growth. The bank's investment arm, Sharjah Asset Management, will be the primary beneficiary of the capital raise. On the decliner's side, Ras Al-Khaimah Co for White Cement lead the way registering 23.6% fall in its share price during May-2023 followed by Ras Al Khaimah Poultry & Feeding Company and Hayah Insurance which saw share price declines of 20.8 % and 18.2%, respectively.

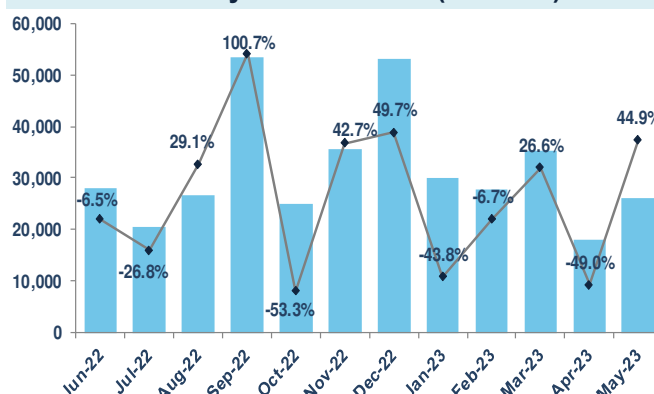
Trading activity increased m-o-m during May-2023. Total volume of shares traded reached 5.6 Bn shares in May-2023 vs. 3.3 Bn shares traded during April-2023. Monthly value traded witnessed a slightly lower growth of 44.9% to reach AED 26.1 Bn in May-2023. Eshraq Investments overtook Multiply Group at the top of the most active stocks table during the month with 1.1 Bn traded shares followed by Multiply Group and Dana Gas which traded 565.7 Mn shares and 333.3 Mn shares, respectively. In terms of value traded, IHC topped the table for the fourth month in a row with AED 5.9 Bn worth of shares changing hands during the month followed by Abu Dhabi Islamic Bank and Alpha Dhabi Holding Company at AED 2.9 Bn and AED 1.9 Bn, respectively.

In economic news, the Emirates real GDP growth during 2023 is expected to expand at the slower rate of 3% as compared to the 7.6% pace it achieved in 2022, according to a report by GlobalData. The UAE's subdued GDP growth was attributed to a decline in oil output due to the OPEC+ agreed production cutbacks and a deceleration of the Emirates non-oil economy induced by higher interest rates among other reasons. On a positive note, the Abu Dhabi economy has been recognized as the fastest growing economy in the Middle East with 9.3% GDP growth in 2022 according to the Statistics Centre – Abu Dhabi (SCAD). The Emirates' robust economic growth reflected the success of its diversification strategy. Moreover, Abu Dhabi's AED 10 Bn industrial strategy program launched in the middle of last year has played a major role in strengthening the Emirates economic output during 2022.

ADX Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Abu Dhabi Securities Exchange, Kamco Invest Research

Dubai Financial Market

Monthly Indicators	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
DFM General Index	3,223.3	3,338.0	3,443.1	3,339.2	3,331.8	3,324.0	3,336.1	3,303.3	3,437.8	3,406.7	3,544.8	3,578.2
Monthly % Change	(3.7%)	3.6%	3.2%	(3.0%)	(0.2%)	(0.2%)	0.4%	(1.0%)	4.1%	(0.9%)	4.1%	0.9%
Market Cap (AED Bn)	529.8	562.2	565.2	570.9	558.9	578.3	577.7	573.7	592.3	591.9	609.2	617.8
P/E (X) - TTM	10.88	10.77	10.59	10.26	9.72	9.34	9.40	9.08	9.21	9.73	8.95	8.70
P/BV (X) - TTM	1.10	1.14	1.17	1.13	1.11	1.09	1.09	1.08	1.16	1.16	1.20	1.19
Dividend Yield (%)	2.81%	2.70%	2.62%	2.77%	3.09%	3.10%	3.29%	1.67%	3.13%	3.87%	4.85%	4.96%
Volume (Mn Shares)	2,311.4	1,402.5	3,506.4	2,866.1	2,877.9	4,442.8	3,217.0	2,445.4	3,034.9	2,743.3	3,138.5	5,698.2
Value (AED Mn)	6,333.2	3,615.1	7,372.4	8,189.9	6,152.4	7,971.9	6,261.9	4,924.0	7,337.6	6,768.7	6,038.7	9,670.7
Trades	108,991	84,736	131,994	125,441	130,054	153,188	112,773	116,591	132,486	141,613	116,737	165,049

Source: Dubai Financial Market, Kamco Invest Research

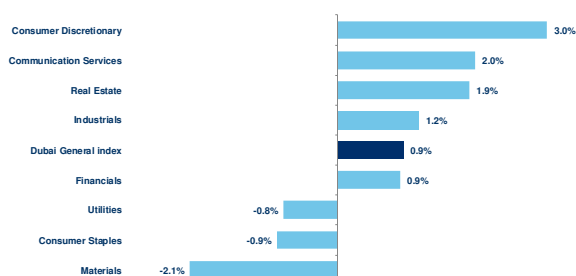
The DFM General Index recorded its second consecutive monthly gain in May-2023 recording a 0.9% growth to close the month at 3,576.63 points as the second best performing market in the GCC during the month. The monthly index performance was induced by increases in five out of the eight sectoral indices including Financials, Real Estate, and Industrials sectors. The Consumer Discretionary Index recorded the biggest monthly gain of 3% to close the month at 1,003.8 points mainly driven by TAALEEM Holdings 5.3% share price gain during May-2023. The Communications Services Index followed with a 2% gain during the month due to Emirates Integrated Telecom's (du) 2.2% share price increase during the month. The 0.8% decline of the Utilities index which has large market cap constituent companies such as DEWAA and Empower – Emirates Central Cooling Systems Corporation affected the growth of the DFM General Index during May-2023. Moreover, the Materials index which has only one constituent company (National Cement Co.) recorded a 2.1% fall during May-2023 to close the month at 96.8 points.

According to Bloomberg data, Gulf Navigation Holding led the monthly gainers table with an 84.5% increase in share price followed by Ajman Bank and Arabian Scandinavian Insurance Company with gains of 31.7% and 30.2%, respectively. Gulf Navigation Holding has recently sold a petrochemical tanker and announced to use the proceeds of the sale to settle its debt and improve liquidity. Moreover, Gulf Navigation Holding has reported it is not going to distribute dividends for the fiscal year 2022. Meanwhile, the gain in shares of Ajman Bank came on the back of its USD 13.3 Mn net profits during the first quarter of this year. The bank has also disclosed that its total assets reached USD 6.2 Bn during Q1-2023. On the decliner's side, Amlak Finance topped the table recording a share price decline of 12.3 during May-2023 followed by Aramex and Dubai Investment Company with share price declines of 10.7% and 10.2%, respectively. Aramex's Q1-2023 net profits declined 49% y-o-y to AED 24 Mn due to several factors including currency devaluation in some markets and growth in interest expense associated with the purchase of cross border e-commerce platform MyUS.

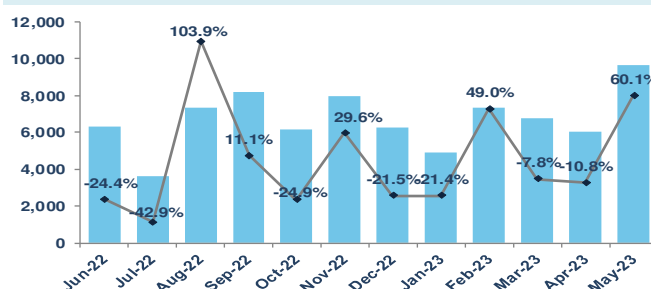
In terms of monthly trading activity, total volume traded increased by 81.6% to reach 5.7 Bn shares in May-2023 as compared to 3.1 Bn shares during April-2023. Total value traded of shares traded during the month also witnessed double-digit growth recording 60.1% increase to reach AED 9.7 Bn in May-2023 as compared to AED 6.0 Bn during April-2023. Deyaar Development topped the monthly volumes traded chart recording 1.3 Bn shares which changed hands during the month followed by Union Properties and Ajman Bank which saw 1.0 Bn and 651.4 Mn of their shares change hands during the month, respectively. On the monthly value traded chart, Emaar Properties topped the list with AED 1.7 Bn worth of shares changing hands during the month, followed by Ajman Bank and Gulf Navigation Holding which saw AED 1.26 Bn and AED 1.25 Bn values of their shares traded, respectively.

In economic news, a report from S&P Ratings showed that Dubai government's debt burden is expected to fall this year. The debt owed to the Dubai government is forecasted to decline by 78% of GDP in 2020 to 51% of GDP (USD 66 Bn) by the end of 2023. One of the main reasons for the Emirates debt recovery, according to S&P, is its emergence as a safe investment haven after the end of the global pandemic. Moreover, Dubai has also benefited from the Russia-Ukraine conflict as its Real Estate sector reaped the influx of Russian property buyers which propelled Dubai's property sales to a record.

DFM Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Dubai Financial Market, Kamco Invest Research

Qatar Exchange

Monthly Indicators	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
QE 20 Index	12,191.3	13,370.0	13,425.6	12,695.3	12,414.4	11,926.0	10,681.1	10,932.3	10,571.0	10,212.6	10,181.2	10,154.8
Monthly % Change	(5.6%)	9.7%	0.4%	(5.4%)	(2.2%)	(3.9%)	(10.4%)	2.4%	(3.3%)	(3.4%)	(0.3%)	(0.3%)

Market Cap (QAR Bn)	684.0	734.9	748.2	705.3	694.7	669.5	608.2	619.9	610.5	592.5	590.4	604.3
P/E (X) - TTM	15.10	15.93	15.52	14.28	13.84	13.30	11.91	12.09	11.97	11.67	12.06	12.12
P/BV (X) - TTM	1.75	1.89	1.88	1.73	1.65	1.57	1.41	1.44	1.38	1.33	1.32	1.39
Dividend Yield (%)	3.57%	3.26%	3.24%	3.52%	3.67%	3.82%	4.27%	4.17%	4.44%	4.73%	4.86%	4.87%
Volume (Mn Shares)	4,036.7	2,599.2	5,150.6	3,186.1	3,640.5	2,542.3	1,867.7	3,025.7	2,614.8	3,097.9	2,454.2	6,489.8
Value (QAR Mn)	15,387.7	8,041.6	16,248.3	11,364.0	10,470.5	10,279.1	7,238.8	10,814.8	9,095.6	9,032.4	6,653.4	16,107.6
Trades	395,328	275,290	418,189	348,452	337,405	342,259	256,477	371,666	294,398	306,016	252,398	493,965

Source: Qatar Exchange, Kamco Invest Research

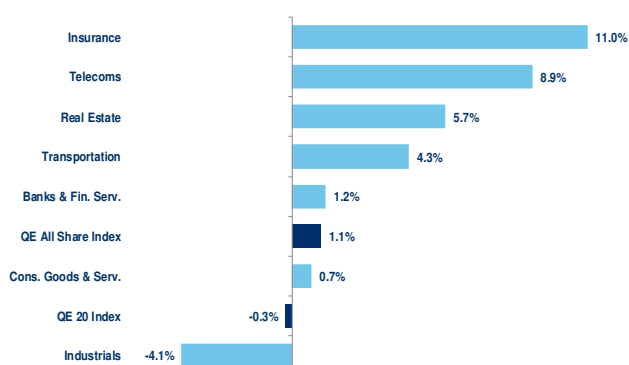
The declining streak in Qatar Stock Exchange continued during May-2023 with the QE General Index registering a decline for the fourth consecutive month. The large-cap index dropped marginally by 0.3% during the month mainly after a steep decline of 1.8% seen on the last trading day of the month. However, the decline was mainly focused on large-cap stocks as seen from the 1.1% monthly gain registered in the QE All Share Index. This difference was also reflected in the YTD-2023 performance of the two indices with the QE General index seeing a bigger decline of 4.9% whereas the QE All Share index registered a marginal drop of 0.5%. The sector performance chart for the month also showed contrasting performance with all sectors in the green and merely the Industrials index in the red with a decline of 4.1%. The Insurance sector recorded the biggest monthly gain of 11.0% during May-2023 followed by Telecoms and Real Estate with gains of 8.9% and 5.7%. The Telecom index was also the top performers in terms of YTD-2023 gains at 21.0% followed by Transportation and Insurance indices with gains of 7.9% and 3.7%. On the other hand, the Banks & Financial Services index was the biggest decliner with a decline of 4.6% followed by Consumer Goods & Services and Real Estate indices with declines of 2.0% and 0.9%, respectively.

The monthly stock performance chart was topped with Qatar German for Medical Devices with a gain of 110.3% followed by the Dlala Brokerage and Widam Food with gains of 72.8% and 52.0%, respectively. On the decliners side, Gulf International Services topped with a decline of 8.1% followed by Industries Qatar and QLM Life & Medical Insurance with declines of 7.5% and 7.4%, respectively. In Q1-2023 earnings releases, total net profits decreased by 10.04% y-o-y to reach QAR 12.5 Bn during Q1-2023 as compared to QAR 13.9 Bn during Q1-2022. Profits growth for companies in the Industrial and Consumer & Services sector declined by 44.2% and 17.5%, whereas the Banks & Financial sector and Insurance sector posted growth of 1.5% and 79.0%, respectively.

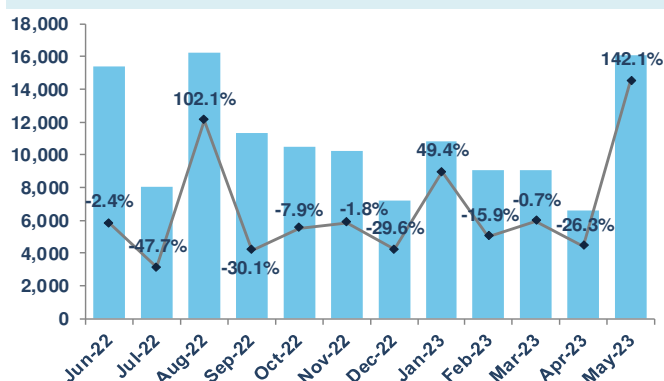
Trading activity witnessed significant growth during May-2023. Monthly volume traded almost tripled to reach 6.5 Bn shares in May-2023 as compared to 2.5 Bn shares in April-2023. On the other hand, monthly value traded also showed strong gains of 142.1% to reach QAR 16.1 Bn vs. QAR 6.7 Bn during the previous month. In terms of monthly volume, Mazaya Real Estate Development topped with 756.2 Mn shares traded during the month followed by Salam International and Dukhan Bank with 596.9 Mn and 476.9 Mn shares traded, respectively. On the monthly value chart, Dukhan Bank topped with QAR 1.75 Bn worth of trades during the month followed by QNB and the Masraf Al Rayan at QAR 1.66 Bn and QAR 991.6 Mn, respectively. In terms of sector contribution, the Banks and Financial Services sector led trading value during May- 2023, accounting for 43.3% of the total traded value, followed by Industrials sector at 22.1% and the Consumer Goods & Services Sector at 15.8%.

In the Economic news, according to the minister of finance, Qatar has recorded a surplus of QAR 19 Bn (USD 5.2 Bn) in Q1-2023. The government intends to use this surplus to pay the public debt and support the reserves of the Qatar Central Bank. Non-oil sector grew by 6.7%, while the oil sector grew by 1.5% during the Q1-2023.

QE Monthly Sector Performance



Monthly Value Traded (QAR Mn)



Source: Qatar Exchange, Kamco Invest Research

Bahrain Bourse

Monthly Indicators	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Bahrain All Share Index	1,839.63	1,905.52	1,918.01	1,881.99	1,864.65	1,864.91	1,895.27	1,928.24	1,931.83	1,886.61	1,904.39	1,963.51
Monthly % Change	(4.2%)	3.6%	0.7%	(1.9%)	(0.92%)	0.01%	1.63%	1.74%	0.19%	(2.34%)	0.94%	3.10%
Market Cap (BHD Mn)	12,075	12,471	12,534	12,322	25,088	32,712	32,639	32,835	33,355	32,589	32,399	32,172
P/E (X) - TTM	6.99	7.22	6.56	6.44	4.81	5.08	5.18	8.10	6.09	6.03	6.05	6.77
P/BV (X) - TTM	0.86	0.89	0.89	0.88	0.66	0.66	0.67	1.12	0.63	0.61	0.62	0.75
Dividend Yield (%)	6.09%	5.88%	5.53%	5.64%	5.69%	5.69%	5.60%	5.50%	5.49%	6.53%	9.09%	8.82%
Volume (Mn Shares)	43.5	35.3	40.8	30.2	47.2	29.7	25.5	34.7	59.8	152.7	58.7	79.2
Value (BHD Mn)	13.2	9.0	17.4	10.1	13.3	11.1	6.3	14.7	23.1	27.7	12.0	29.7
Trades	1,476	1,067	1,385	1,187	1,015	1,112	873	1,146	1,788	1,698	1,773	2,087

Source: Bahrain Bourse, Kamco Invest Research

The Bahrain Bourse All Share Index recorded the biggest gain in the GCC during May-2023. The index was up for the second consecutive month with a growth of 3.1% during May-2023 to close the month at 1,963.51 points underlining its fourth monthly growth in the first five months of the year. In terms of sectoral performance, four out of the seven indices recorded gains during the month. The Communications Services index registered a 10.6% gain during May-2023 to close the month at 2,576.8 points after Batelco's shares gained 11.5% during the month. Batelco has recently signed partnerships with Bahrain's Ministry of Telecommunications and Bahrain's Public Transport Company to provide a new channel for recharging Go cards, enabling its Prepaid and Lucky customers to top-up their cards via SMS messages. The Materials index, which only has one constituent company (Aluminum Bahrain), followed with a gain of 6.7% during May-2023. The gain in shares of Alba came after the company has recently been strengthening its ties with Egypt's Aluminum sector. The Financials Index was the third biggest gainer among the indices registering 1.9% gain during May-2023 to close the month at 6,970.1 points mainly due to the performance of companies such as Esterad Investment Company and Al Salam Bank Bahrain which posted monthly share price gains of 16.8% and 9.1%, respectively.

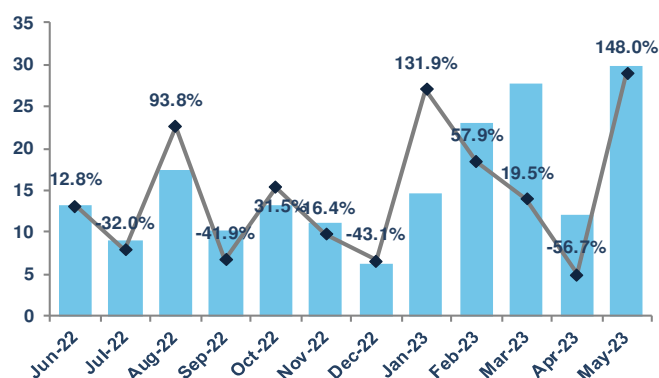
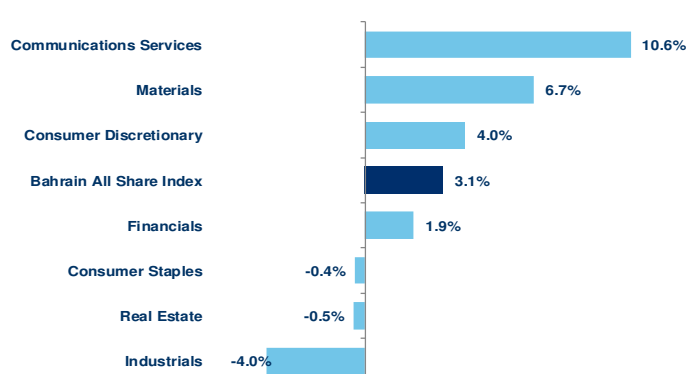
In terms of share price performance, according to Bloomberg data, Nass Corp topped the list of gainers with 38.9% share price gain during the month followed by Esterad Investments and Bahrain Telecommunications Company with gains of 16.8% and 11.5%, respectively. Esterad Investments reported Q1-2023 net profits of BHD 0.36 Mn (USD 0.96 Mn) up 45% due to growth on its trading portfolio. On the decliners side, APM Terminals Bahrain topped the list recording 11% share price decline during the month followed by Arab Banking Corp and Bahrain Flour Mills with share price declines of 7.7% and 6.4%, respectively.

Trading activity on the exchange increased during May-2023 recovering from a decline during April-2023. Total volume traded on the exchange rose 35.1% to 79.2 Mn as compared to 58.7 Mn in April-2023. Moreover, total value traded on the exchange witnessed a surge of 148.0% to reach BHD 29.7 Mn in May-2023 as compared to BHD 12.0 Mn during April-2023. Al Salam Bank-Bahrain topped the monthly volumes chart with 31.2 Mn traded shares followed by Aluminum Bahrain and GFH Financial Group at 14.2 Mn and 9.6 Mn shares, respectively. On the monthly value traded chart, Aluminum Bahrain topped this list with BHD 15.1 Mn worth of shares changing hands during the month followed by Al Salam Bank Bahrain and Kuwait Finance House - Bahrain which witnessed BHD 4.3 Mn and BHD 3.5 Mn values of their monthly shares traded, respectively.

In market news, Fitch Ratings affirmed Beyon's (Batelco) long-term issuer default rating (IDR) at 'B+' with stable outlook, reflecting Bahrain's sovereign rating which currently stands at (B+/Stable) due to the over three-quarters of the company being owned by the Bahraini government. Moreover, in terms of the general Bahrain economy a recent business confidence survey has shown that most investors are optimistic about the Kingdoms economy. Around 94% of Business Confidence Environment Survey takers have responded positively, expressing stability in Bahrain's investment climate during Q1-2023.

Bahrain Bourse Monthly Sector Performance

Monthly Value Traded (BHD Mn)



Source: Bahrain Bourse, Kamco Invest Research

Muscat Securities Market

Monthly Indicators	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
MSM 30 Index	4,122.6	4,532.1	4,585.3	4,528.3	4,366.0	4,613.7	4,857.4	4,703.4	4,753.3	4,863.1	4,718.1	4,626.4
Monthly % Change	0.2%	9.9%	1.2%	(1.2%)	(3.6%)	5.7%	5.3%	(3.2%)	1.1%	2.3%	(3.0%)	(1.9%)
Market Cap (OMR Mn)	7,390	7,975	8,134	8,090	7,896	8,159	8,439	8,245	8,404	8,673	8,689	8,497
P/E (X) - TTM	11.85	12.49	13.16	13.12	11.12	12.93	13.85	11.27	12.75	11.27	12.91	15.07
P/BV (X) - TTM	0.85	0.93	0.93	0.92	0.88	0.97	1.03	0.74	0.75	0.76	1.10	1.09
Dividend Yield (%)	5.00%	4.55%	4.49%	4.52%	4.57%	4.03%	3.59%	3.63%	3.59%	3.86%	4.44%	4.51%
Volume (Mn Shares)	254.0	219.9	314.3	184.7	174.1	276.2	339.4	246.1	162.4	317.8	375.2	235.9
Value (OMR Mn)	51.0	53.0	77.7	44.4	43.3	53.3	76.2	39.7	42.5	91.9	114.5	53.6
Trades	9,157	8,253	14,858	8,573	7,129	9,523	11,966	8,418	5,901	29,212	10,836	13,782

Source: Muscat Securities Market, Kamco Invest Research.

The MSX 30 index witnessed a monthly decline of 1.9% during May-2023 to close the month at 4,626.4 points recording its second consecutive monthly fall. In terms of sector performance, all the three sector indices recorded declines during May-2023. The Industrial Sector Index, which recorded the biggest monthly growth of 3.7% during April-2023, recorded the biggest monthly fall of 4.9% during May-2023 closing the month at 5,989.9 points. The decline was primarily driven by a small number of top decliners including Al Hassan Engineering Company which witnessed a share price drop of 22.2% during May-2023 and Al Anwar Ceramic Tiles Company which recorded a 21.2% fall in share prices. Similarly, the Services Sector Index registered a 2.6% drop to close the month at 1,701.6 points while the Financial Index witnessed the smallest decline of 0.6% to close the month at 7,558.74 points. The fall in share prices in certain energy companies such as Sohar Power (-15%) and Voltamp Energy (-14.5%) has mainly contributed to the decline in Services Index during the month.

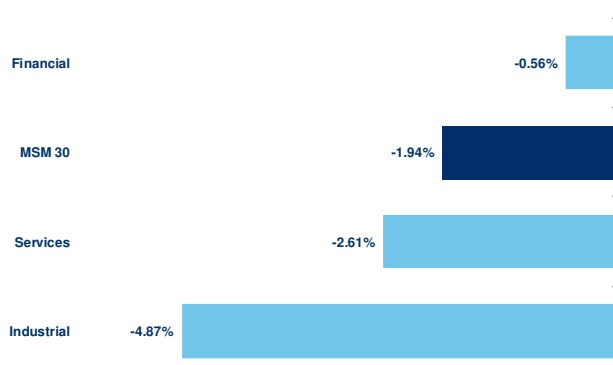
In terms of company performance, Al Madina Investment Holding Company topped the gainers list with a share price gain of 100% followed by Dhofar Cattle Feed and Muscat Gases Co with 20% and 13.2% monthly share gains, respectively. On the decliner's side, Al Batinah Hotels Co topped the monthly losers list with a share price drop of 77.1% followed by Barka Water and Power and Oman Fisheries Company which recorded 74.5% and 23.1% share price declines during the month, respectively.

Trading activity on the exchange decreased during May-2023 after witnessing growth for the previous two consecutive months. Total volume of shares traded in the exchange fell 37.1% to 235.9 Mn shares as compared to 375.2 Mn in April-2023. Similarly, total value traded in the exchange declined by 53.1% to OMR 53.6 Mn against OMR 114.5 Mn in April-2023. Oman Telecommunications Company topped the monthly value traded chart with trades at OMR 9.6 Mn followed by Bank Muscat and National Bank of Oman with total value traded at OMR 9.0 Mn and OMR 2.7 Mn, respectively. In terms of monthly volume traded, Bank Muscat topped the table with 33.6 Mn shares followed by Al Anwar Investment and Phoenix Power Company with volumes at 29.3 Mn shares and 10.7 Mn shares, respectively.

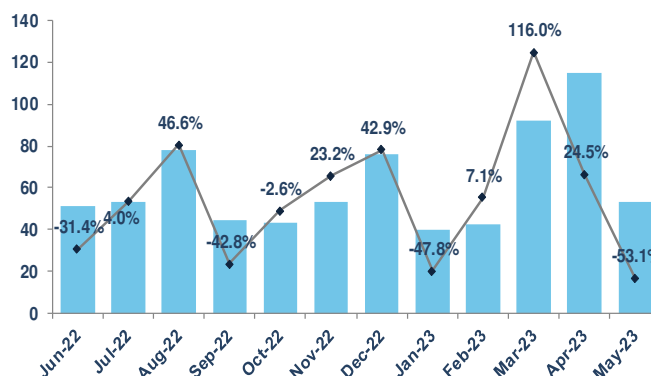
Meanwhile, during the month, news related to M&As in Oman featured in headlines. In the banking sector, Sohar International Bank and HSBC Oman have started the process of merging after signing a binding agreement to undertake the necessary steps towards a merger by incorporation. The pending deal entails that after completing all the process, all the assets and liabilities of HSBC Oman will be transferred to Sohar International Bank and HSBC Oman will then be dissolved. In the investment sector, Dhofar International Development and Investment has approved its merger with Oman Investment and Finance company by way of share swap ratio.

In terms of economic news, the Sultanate recently established the Oman Future Fund with capital of OMR 2 Bn (USD 5.2 Bn) to enhance and encourage economic activity. The Fund will also accelerate and finance public-private feasible partnerships to achieve diversification targets set for the Oman Vision 2040.

MSM Monthly Sector Performance



Monthly Value Traded (OMR Mn)



Source: Muscat Securities Market, Kamco Invest Research

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