

GCC Markets Monthly Report

October-2020

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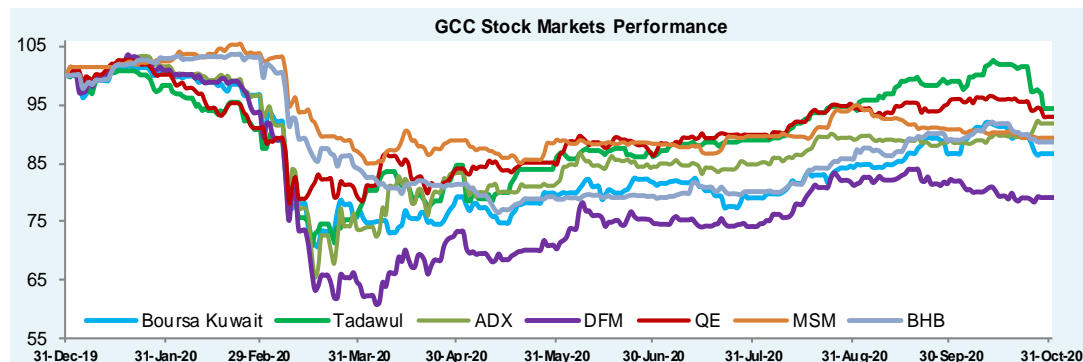
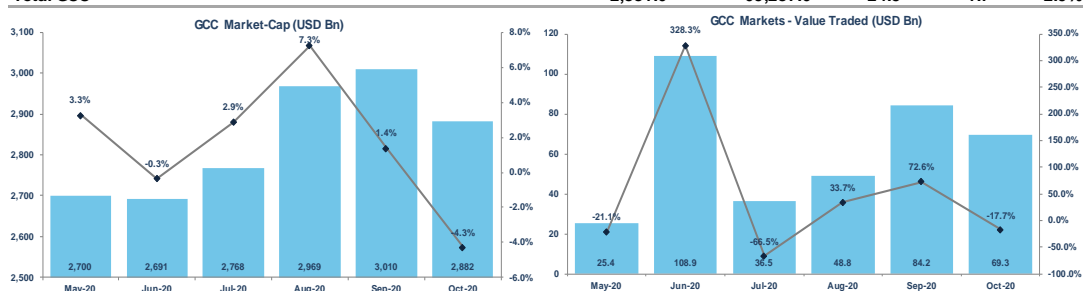
GCC index posts first drop in seven months as virus growth catches-up...

GCC equity market declined for the first time in seven months as the number of Covid-19 cases once again surged globally leading to lockdowns in several cities in the absence of a successful vaccine. The MSCI GCC Index closed at a 10-week low level by the end of October-2020 to report a monthly decline of 2.1%. Abu Dhabi was the only market in the region that showed a noticeable gain of 3.1% during the month. In addition, the sentiments of GCC investors, who had defied growth in Covid-19 numbers during the previous months, was also affected by the initial cues from the Q3-2020 earnings. Trading trends during the month clearly showed a second half weakness as companies started reporting Q3-2020 numbers. In terms of YTD-2020 returns, the decline during October-2020 once again pushed all the GCC equity markets back in the red with DFM showing the biggest drop of 20.9% while TASI showed the smallest decline of 5.7%.

The sector performance chart also showed a broad-based decline, as only defensive sectors showed gains during the month while the rest of the sectoral indices were in the red. The GCC Utilities index showed the biggest monthly gain of 4.6% followed by Food & Drug Retailing and Telecom indices with monthly returns of 1.2% and 0.2%, respectively. On the other hand, declines were topped by Consumer Durables index that posted a decline of 16.4% followed by Pharma & Biotech and Hotel and Restaurants indices with declines of 10.6% and 8.7%, respectively.

On the global front, the MSCI World Index posted a decline of 3.1% during the month and, as a consequence, was back in the red in terms of YTD-2020 performance with a decline of 2.8%. Almost all the key global indices closed the month with a decline with European Markets posting the biggest decline of 5.3%.

GCC Equity Markets	Index Closing	MTD Chg%	YTD Chg%	M-Cap (USD Bn)	Monthly Val Traded (USD Mn)	P/E (x) TTM	P/B (x) TTM	Div. Yield
Kuwait - Premier Market Ind	6,004.0	(0.3%)	(13.9%)	107.2	3,791.7	27.4	1.4	3.6%
Kuwait - Main Market Index	4,331.9	0.7%	(11.8%)					
Kuwait - All Share Index	5,443.0	(0.0%)	(13.4%)					
Saudi Arabia	7,907.7	(4.7%)	(5.7%)	2,302.5	59,010.3	28.3	1.9	2.5%
Abu Dhabi	4,660.0	3.1%	(8.2%)	193.4	2,646.1	17.5	1.3	5.3%
Dubai	2,187.9	(3.8%)	(20.9%)	83.5	878.4	9.0	0.8	4.4%
Qatar	9,691.0	(3.0%)	(7.0%)	155.2	2,830.4	16.5	1.4	4.1%
Bahrain	1,427.2	(0.5%)	(11.4%)	23.8	53.0	13.9	0.9	4.7%
Oman	3,557.8	(1.6%)	(10.6%)	16.1	77.7	10.4	0.7	7.0%
Total GCC				2,881.6	69,287.6	24.5	1.7	2.9%



Source: GCC Stock Exchanges, Kamco Invest Research

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Boursa Kuwait

Monthly Indicators	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
Premier Market Index	6,519.4	6,976.0	7,033.5	6,730.2	5,198.7	5,356.3	5,424.3	5,607.1	5,415.3	5,854.6	6,020.8	6,004.0
Monthly % Change	5.0%	7.0%	0.8%	(4.3%)	(22.8%)	3.0%	1.3%	3.4%	(3.4%)	8.1%	2.8%	(0.3%)
Main Market Index	4,767.0	4,910.7	4,922.3	4,769.3	4,083.1	4,226.4	4,150.4	4,190.1	4,086.0	4,184.8	4,303.5	4,331.9
Monthly % Change	0.2%	3.0%	0.2%	(3.1%)	(14.4%)	3.5%	(1.8%)	1.0%	(2.5%)	2.4%	2.8%	0.7%
All Share Market Index	5,928.3	6,282.5	6,325.0	6,072.1	4,822.7	4,975.4	4,995.6	5,130.7	4,968.2	5,294.3	5,445.2	5,443.0
Monthly % Change	3.7%	6.0%	0.7%	(4.0%)	(20.6%)	3.2%	0.4%	2.7%	(3.2%)	6.6%	2.9%	(0.0%)
Thomson Reuters Kuwait TR	262.0	276.7	279.4	266.9	213.9	227.5	231.8	240.2	234.9	244.8	252.3	253.2
Monthly % Change	4.2%	5.6%	1.0%	(4.5%)	(19.8%)	6.4%	1.9%	3.6%	(2.2%)	4.2%	3.1%	0.4%
Market Cap (KWD Mn)	34,285	36,345	36,613	35,156	27,754	28,778	29,169	29,961	29,021	31,338	32,467	32,386
P/E (X) - TTM	16.10	16.80	16.90	16.20	12.80	13.30	14.27	14.60	14.20	15.20	27.51	27.40
P/BV (X) - TTM	1.44	1.49	1.50	1.44	1.14	1.18	1.14	1.21	1.17	1.26	1.41	1.41
Dividend Yield (%)	3.55%	3.35%	3.46%	3.06%	3.90%	4.56%	4.16%	3.51%	4.24%	4.02%	3.56%	3.57%
Volume (Mn Shares)	2,981.0	4,099.3	4,217.4	3,713.5	4,035.2	3,174.1	2,133.3	3,567.4	2,572.7	3,772.5	8,286.7	6,225.1
Value (KD Mn)	514.1	853.5	869.5	522.3	986.8	747.4	441.0	649.4	528.7	690.8	1,076.2	1,145.5
Trades ('000)	122.4	176.1	160.8	139.4	239.3	175.6	112.0	158.0	135.0	163.4	277.6	258.7

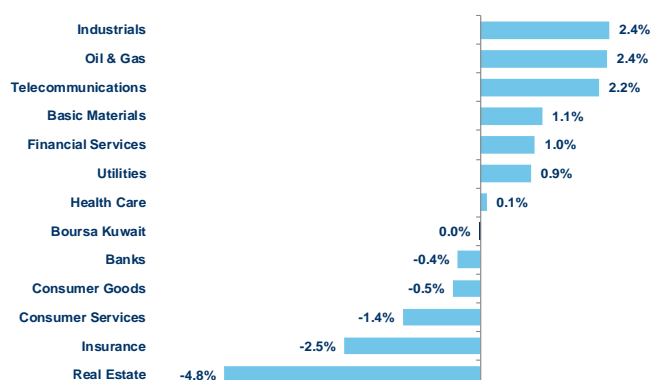
Source: Boursa Kuwait, Kamco Invest Research

Kuwaiti equity market was flattish during the month as gains at the start of the month was almost completed wiped-off during the second half of the month. Also, the performance of indices were mixed with positive performance once again focused on liquid stocks in the Main market, whereas Premier market stocks showed marginal declines. The Main 50 Index showed gains of 1.5% during the month that led to a 0.7% gains for the Main Market index. On the other hand, the Premier Market index declined by 0.3%, resulting in flat monthly performance for the All Share Market Index. Stocks performance in the Premier Market index was swayed by decline in heavy weight stocks within the index although the bulk of the stocks in the index were in the green. In terms of YTD-2020 performance, the Main Market index showed the smallest decline of 11.8% followed by the Main 50 Index at -12.1% whereas the Premier Market index decline stood at 13.9%.

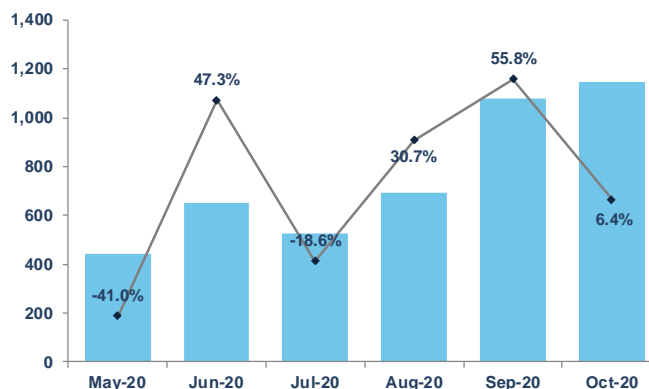
Trading activity during the month showed higher trading in large-cap stocks and as a result the monthly volume and value traded showed diverging trends. Volume traded during the month declined by a quarter to reach 6.2 Bn traded shares as compared to 8.3 Bn shares traded during September-2020. The aggregate value of shares changing hands during the month increased by 6.5% to reach the highest since January-2017 at KWD 1.15 Bn as compared to KWD 1.1 Bn during the previous month. KFH once again topped the monthly value traded chart with shares worth KWD 211.5 Mn traded during the month followed by NBK and AUB-Bahrain with KWD 191.4 Mn and KWD 88.9 Mn in trades, respectively.

The sector performance chart for the month showed mixed trends and was almost equally split between gainers and losers. The Industrial and Oil & Gas indices topped the monthly performance chart with similar gains of 2.4% for the two sectors followed by Telecom and Basic Materials indices with gains of 2.2% and 1.1%, respectively. The performance of Industrial index was supported by gain in large-cap stocks in the index including Kuwait Cement (+15.5%), Humansoft (+12.2%) and Agility (+1.4%). In the Oil & Gas index, all the share showed gains during the month barring Burgan Drilling that showed a decline of 9.4%. On the decliners side, the Real Estate index witnessed the biggest monthly decline of 4.8% followed by Insurance and Consumer Services indices with declines of 2.5% and 1.4%, respectively. In the Real Estate sector, the bulk of the stocks were in the green, but the 11.2% decline in shares of Mabanee in addition to decline in shares of other large cap stocks in the sector dragged down the overall sector performance. Shares of Mabanee showed consistent declines after the company warned against the negative impact of rent waivers on its 3Q results. The banking index also showed marginal declines during the month mainly due to a 2.9% drop in shares of NBK and 4.4% decline in shares of Warba Bank whereas the rest of the sector showed gains. Shares of NBK declined after the bank reported a 38% y-o-y drop in Q3-2020 net profits.

Boursa Kuwait Monthly Sector Performance



Monthly Value Traded (KWD Mn)



Source: Kuwait Stock Exchange, Kamco Invest Research

Saudi Arabia (Tadawul)

Monthly Indicators	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
Tadawul All Share Index	7,859.1	8,389.2	8,246.6	7,628.3	6,505.4	7,112.9	7,213.0	7,224.1	7,459.2	7,940.7	8,299.1	7,907.7
Monthly % Change	1.5%	6.7%	(1.7%)	(7.5%)	(14.7%)	9.3%	1.4%	0.2%	3.3%	6.5%	4.5%	(4.7%)
Market Cap (SAR Bn)	1,812.9	8,992.0	8,748.9	8,424.9	7,562.0	8,005.1	8,327.3	8,232.3	8,346.9	8,976.5	9,100.8	8,634.7
P/E (X) - TTM	16.37	23.40	23.00	21.30	26.12	28.57	22.04	21.77	23.50	28.96	30.21	28.33
P/BV (X) - TTM	1.81	2.12	2.09	1.89	1.58	1.70	1.76	1.76	1.80	1.94	2.02	1.91
Dividend Yield (%)	3.86%	3.23%	3.29%	3.53%	4.07%	3.63%	3.45%	3.57%	3.45%	3.34%	2.40%	2.50%
Volume (Mn Shares)	2,225.4	4,306.1	3,708.6	2,890.3	5,238.3	4,730.5	3,574.3	8,297.2	5,662.9	6,698.6	11,187.8	9,344.2
Value (SAR Mn)	57,890.8	112,992.9	84,379.6	71,603.9	116,932.8	95,431.9	75,782.4	380,892.5	111,338.6	150,325.2	267,453.0	221,299.0
Trades ('000)	2,173	3,740	3,750	3,271	5,167	4,426	3,265	5,732	5,423	6,234	9,856	9,188

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

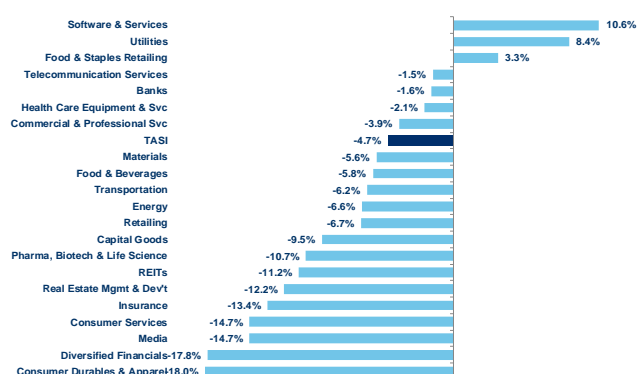
The rally in Saudi Stock Exchange came to a halt during October-2020 after the TASI dropped for the first time in seven months. The index went below the 8,000 mark on the last day of the trading to reach a two month low level of 7,907.7 points, resulting in a monthly decline of 4.7%. The decline was broad-based and was reflected in the overall market with merely three sectors showing gains while the rest of the market declined. The decline also dashed hopes of a full recovery from last years level to report a decline of 5.7% for YTD-2020, the smallest decline in the GCC. The index remained elevated for the bulk of the month reaching a YTD-2020 gain 2.53% by mid-month. However, the 7% decline during the last week of the month wiped-off all the gains. The declines came after the rise in Covid-19 cases resulted in a wave of lockdowns across Europe and several other cities across the globe. This also resulted in decline in oil prices that dropped 14% from the peak of the month led by threats to the recovery in demand for oil. On the other hand, the Kingdom's efforts to boost private sector activity was reflected in September-2020 PMI that showed growth for the first time since February-2020. During the month, the government also lowered the VAT rate on real estate transactions to 5% from 15%.

The monthly sector performance chart showed gains for the small cap Software & Services sector at 10.6% followed by Utilities and Food & Staples Retailing indices with gains of 8.4% and 3.3%, respectively. The rest of the sectors declined during the month with the Consumer Durables & Apparels index showing the biggest drop of 18.0% due to double digit declines in four out of six constituents in the index. The Diversified Financials Index was next with a decline of 17.8% followed by Media and Consumer Services indices both declining by 14.7%. Large-cap sectors like Capital Goods and Energy showed high single digit declines during the month whereas Banks and Telecom fell by 1.6% and 1.5%, respectively.

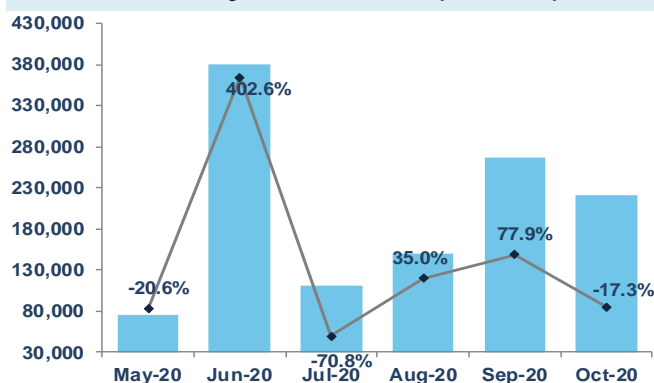
The monthly share performance in October-2020 was heavily skewed towards decliners that included 177 stocks as compared to 20 gainers. Anaam International Holding Group topped the monthly gainers chart with a gain of 71.3% led by talks of rights issue by the company. Arab Sea Information was next with a gain of 12.9% followed by Saudi Cable and United Electronics with gains of 12.6% and 10.2%, respectively. Shares of United Electronics gained after the company's Q3-2020 net profits almost doubled to SAR 53.4 Mn following an 18.4% increase in quarterly revenues. On the decliners side, Tabuk Agricultural Development (TADCO) and Buruj Cooperative insurance reported declines of 30.6% each during the month followed by Medgulf and Lazurde with declines of 28.8% and 28.6%, respectively. Shares of TADCO declined after no progress was made on the sale of the company's stake in Horizon Food Co. to SADAFCO.

Trading activity during the month declined after showing strong gains during the September-2020. Total volume of shares traded declined by 19.7% to reach 9.3 Bn shares in October-2020 as compared to 11.2 Bn shares during the previous month. Value traded also declined at a similar pace to reach SAR 221.3 Bn as compared to SAR 267.5 Bn during September-2020. Dar Al Arkan Real Estate topped the monthly volume and value traded charts with 790.6 Mn traded shares valued at SAR 7.1 Bn. Saudi Fisheries was next on the value chart with SAR 6.8 Bn worth of shares followed by Saudi Cable and Amana Coop Insurance with SAR 6.3 Bn and SAR 6.2 Bn worth of shares changing hands during the month.

Tadawul Monthly Sector Performance



Monthly Value Traded (SAR Mn)



Source: Tadawul, Kamco Invest Research

Abu Dhabi Securities Exchange

Monthly Indicators	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
ADX General Index	5,030.8	5,075.8	5,156.2	4,901.4	3,734.7	4,230.4	4,141.6	4,285.8	4,304.7	4,519.3	4,518.1	4,660.0
Monthly % Change	(1.5%)	0.9%	1.6%	(4.9%)	(23.8%)	13.3%	(2.1%)	3.5%	0.4%	5.0%	(0.0%)	3.1%
Market Cap (AED Bn)	519.2	529.1	559.9	535.3	431.8	489.2	485.2	506.2	657.0	698.0	691.6	710.3
P/E (X) - TTM	12.77	12.85	13.17	12.39	9.44	10.86	12.92	13.69	15.04	16.49	16.39	17.52
P/BV (X) - TTM	1.40	1.42	1.35	1.27	0.96	1.07	1.24	1.28	1.25	1.30	1.30	1.31
Dividend Yield (%)	5.00%	4.95%	4.81%	5.08%	6.55%	5.60%	6.14%	5.96%	5.65%	5.40%	5.44%	5.25%
Volume (Mn Shares)	874.0	1,578.7	657.7	886.1	1,705.4	1,240.7	863.1	1,128.2	1,165.4	2,008.5	3,423.0	2,320.4
Value (AED Mn)	3,436.5	10,907.2	2,455.8	2,983.3	4,623.7	3,167.0	2,424.5	3,829.4	2,574.9	6,113.0	11,830.7	9,719.4
Trades	29,132	25,376	23,279	28,487	52,789	48,960	33,979	41,789	29,854	46,775	40,026	38,777

Source: Abu Dhabi Securities Exchange, Kamco Invest Research

Abu Dhabi Exchange was the only market in the GCC that reported positive performance during October-2020 as a majority of the sectors posted gains during the month. The ADSMI index was up 3.1% during the month to close at 4,660.04 points with gains coming primarily during the last few trading sessions, although the trend during the month was mixed and was largely positive. The monthly gain during October-2020 lowered YTD-2020 decline for the Abu Dhabi Exchange to 8.2%, the third lowest in the GCC. However, despite the gains, trading activity on the exchange declined during the month. Monthly volume of shares traded declined by a third to 2.3 Bn shares while monthly value traded declined by 17.8% to reach AED 9.7 Bn.

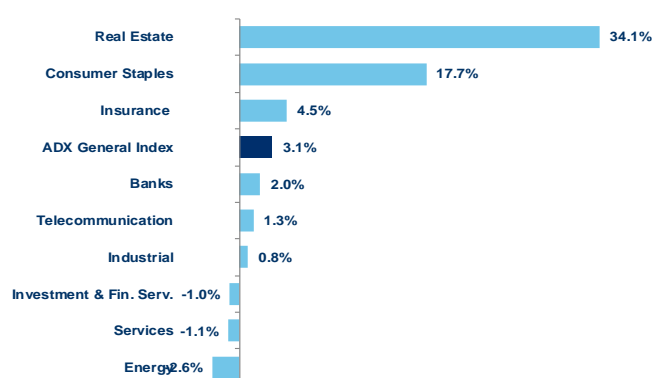
In terms of sector performance, the Real Estate sector topped the monthly performance chart with a gain of 34.1% that reflected Aldar Properties' 36.3% gain during the month. Shares of the property developer surged 29% in two consecutive trading sessions after it signed a deal with state-owned ADQ worth USD 8.2 Bn. The surge in the company's shares propelled it to overtake Emaar Properties as the biggest listed developer on the Abu Dhabi Exchange with a market capitalization of AED 21.5 Bn. The Company's CFO stated that he expects to win further government contracts and that the current pipeline of projects would be completed within five years. The Consumer Staples index was next with a gain of 17.7% followed by Insurance and Banking indices with relatively smaller gains of 4.5% and 2.0%, respectively. Gains for the Consumer Staples index solely reflected 21.5% gain in shares of Agthia Group that surged after state-owned Senaat offered to increase stake in the food producer from 51% to 59.2% in exchange for its stake in Al Foah Co., the country's leading date trader.

The performance of banking stocks was broadly positive with shares of Commercial Bank International gaining 7.7% while FAB gained 2.0%. Shares of FAB surged after the lender transferred its ownership of legacy FGB banking license to government held ADQ Holding that aims to establish a fully digitalized bank in the UAE. In exchange FAB would get a 10% ownership of the proposed bank in addition to a preferential access to an additional 10% shares at the time of the IPO. The bank also reported its Q3-2020 results which showed a 19% y-o-y decline in Q3-2020 net profits led by a double digit decline in net interest income and higher impairment charges during the quarter.

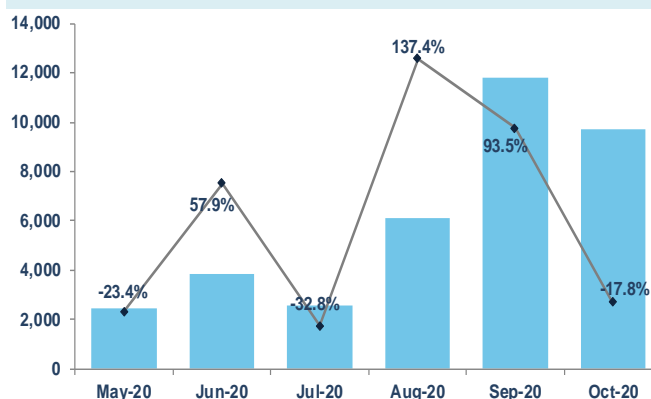
On the decliner's side, the Energy index topped with a decline of 2.6% after a gain of 4.4% in shares of Abu Dhabi National Energy (Taqa) was more than offset by 4.8% decline in shares of ADNOC Distribution and 4.2% decline in shares of Dana Gas. During the month, Dana Gas entered into a binding agreement with IPR Wastani Petroleum Ltd. for the sale of its onshore Egypt producing business for around USD 236 Mn including contingent payments. The Services and Investment and Financial Services indices also declined during the month by 1.1% and 1.0%, respectively.

Aldar Properties also topped the monthly share performance chart for October-2020 followed by Agthia Group and Methaq Takaful with gains of 21.4% and 20.3%, respectively. On the decliner's side, Emirates Driving topped with a decline of 9.6% followed by Abu Dhabi Shipbuilding and Shuaa Capital with declines of 9.0% and 7.4%, respectively.

ADX Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Abu Dhabi Securities Exchange, Kamco Invest Research

Dubai Financial Market

Monthly Indicators	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
DFM General Index	2,678.7	2,764.9	2,790.4	2,590.0	1,771.3	2,026.6	1,945.1	2,065.3	2,050.8	2,245.3	2,273.5	2,187.9
Monthly % Change	(2.5%)	3.2%	0.9%	(7.2%)	(31.6%)	14.4%	(4.0%)	6.2%	(0.7%)	9.5%	1.3%	(3.8%)
Market Cap (AED Bn)	351.0	359.9	381.1	363.4	266.2	288.3	280.8	290.3	289.6	310.6	314.4	306.5
P/E (X) - TTM	6.57	6.76	6.93	6.59	4.34	5.02	7.73	6.20	7.06	8.49	8.57	9.03
P/BV (X) - TTM	0.90	0.93	0.92	0.83	0.54	0.62	0.70	0.74	0.73	0.79	0.80	0.77
Dividend Yield (%)	4.43%	4.31%	4.25%	4.81%	7.24%	7.24%	4.93%	4.54%	4.67%	4.30%	4.26%	4.44%
Volume (Mn Shares)	3,249.9	3,162.9	2,912.1	2,746.3	6,070.5	6,993.8	4,055.8	7,530.7	5,347.4	6,749.9	8,646.0	3,963.6
Value (AED Mn)	4,865.5	4,173.8	3,968.5	3,887.3	6,367.5	5,819.3	4,822.8	6,199.1	4,538.3	7,146.0	7,598.4	3,226.4
Trades	60,225	47,868	48,434	49,137	95,806	111,040	73,062	96,126	75,977	96,664	115,004	58,014

Source: Dubai Financial Market, Kamco Invest Research

After two consecutive months of gains, the DFM General Index declined during October-2020 by 3.8% to close the month at 2,187.9 points. The decline pushed YTD-2020 performance for the exchange further deep in the red at 20.9%, the biggest decline in the GCC. The decline reflected fall in most of the sectoral indices on the exchange during the month. Telecom and Services were the only indices that recorded gains during the month at 5.3% and 4.6%, respectively. The Telecom sector gains reflected 5.3% gain in shares of Du partially offset by 10.1% decline in shares of Aan Digital. Shares of Du surged after the telco's net profits more than doubled y-o-y to AED 824 Mn during Q3-2020. Profits during the quarter benefitted from the sale of stake in Khazna Data Centres. In the Services sector, gains came mainly on the back of 9.9% gain in shares of Tabreed that was partially offset by 1.9% decline in shares of Amanat Holdings. During the month, Amanat Holdings terminated a sale and purchase agreement with SW Holdings Ltd. For the sale of its entire stake in Middlesex Associates.

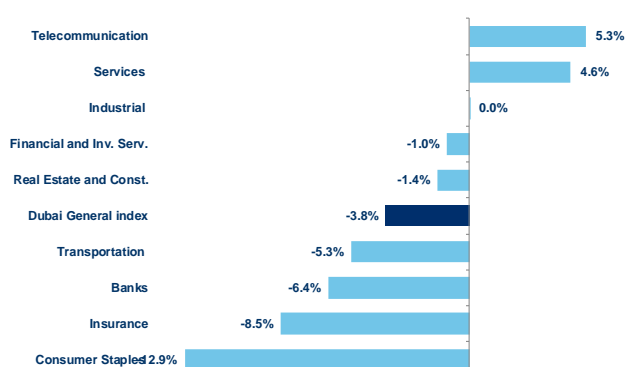
On the decliner's side, The Consumer Staples index topped with a decline of 12.9% following 14.2% decline in shares of DXB Entertainments that was partially offset by 5.6% gain in shares of Dubai Refreshments and 9.3% gain in shares of Emirates Refreshments. The Insurance index was next on the decliner's chart with a decline of 8.5% followed by Banking and Transportation indices with declines of 6.4% and 5.3%, respectively. The Insurance index decline was mainly led by 14.3% drop in shares of Salama and 14.6% decline in shares of Dubai Islamic Insurance. In the Banking sector, Mashreq Bank was the only noticeable gainer with its shares up 8.4% while the rest of the UAE banks declined. Shares of ENBD dropped 10.8% after the bank reported 55% y-o-y decline in net profits for 9M-2020.

The monthly market breadth favoured decliners that included 26 companies as compared to 10 gainers. The monthly gainers chart was topped by Damac Properties with its share gaining 18.3% despite reporting losses during Q3-2020 followed by Emirates Refreshments and International Financial Advisors with gains of 9.3% and 9.1%, respectively. On the monthly decliners chart, Ithmaar Holding topped with a decline of 31.0% followed by Amlak Finance and Dubai Islamic Insurance with declines of 15.1% and 14.6%, respectively.

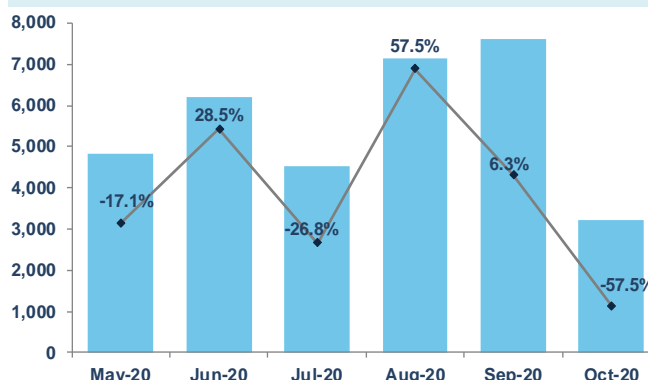
The monthly trading activity declined during October-2020, in line with most of the other GCC markets. Monthly volume of shares traded declined by 54.2% to 4.0 Bn shares as compared to 8.6 Bn shares during September-2020. Monthly value traded also declined at a similar pace to reach AED 3.2 Bn during October-2020 as compared AED 7.6 Bn during September-2020.

On the economic front, the UAE's non-oil private sector reported growth during September with the PMI increasing to the highest level in 11 months at 51.0 as compared to 49.4 during August-2020. According to the PMI report, new orders grew during the month as companies offered larger discounts and activity picked up due to an increase in consumer demand amid softer coronavirus-related restrictions. However, despite higher output and new business, job cuts continued for the ninth consecutive month.

DFM Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Dubai Financial Market, Kamco Invest Research

Qatar Exchange

Monthly Indicators	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
QE 20 Index	10,147.9	10,425.5	10,442.0	9,490.1	8,207.2	8,764.1	8,844.7	8,998.6	9,368.2	9,845.2	9,990.4	9,691.0
Monthly % Change	(0.4%)	2.7%	0.2%	(9.1%)	(13.5%)	6.8%	0.9%	1.7%	4.1%	5.1%	1.5%	(3.0%)
Market Cap (QAR Bn)	562.2	582.7	579.5	526.0	460.5	493.8	500.9	520.0	547.7	570.0	588.6	565.1
P/E (X) - TTM	13.74	14.18	14.05	13.12	11.51	12.90	14.15	14.18	15.27	16.02	16.15	16.46
P/BV (X) - TTM	1.39	1.44	1.39	1.25	1.10	1.17	1.39	1.39	1.41	1.48	1.50	1.42
Dividend Yield (%)	4.16%	4.02%	4.03%	4.14%	4.67%	4.36%	4.46%	4.45%	4.27%	4.06%	3.94%	4.07%
Volume (Mn Shares)	1,412.0	1,507.5	1,730.4	1,557.9	3,061.7	3,859.6	3,502.3	5,169.5	6,677.6	5,759.6	8,124.1	5,649.9
Value (QAR Mn)	5,238.8	4,822.4	4,669.1	4,527.9	8,227.3	6,371.5	6,117.9	8,619.8	10,948.0	9,781.4	14,265.8	10,305.3
Trades	116,733	122,888	101,454	120,366	202,954	195,215	162,304	197,921	203,617	201,934	251,351	196,883

Source: Qatar Exchange, Kamco Invest Research

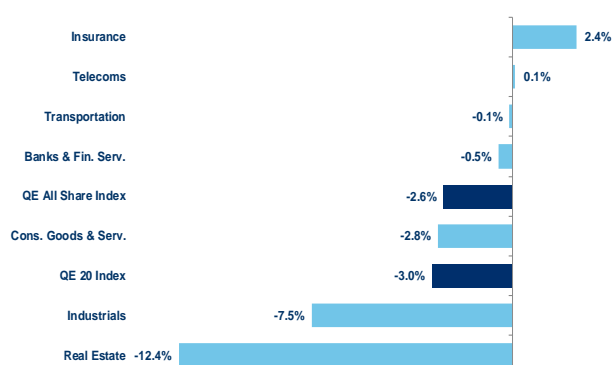
Qatar Stock Exchange also declined for the first time in seven months, in line with most of the GCC countries. The QE-20 index briefly touched the 10,000 mark at the start of the month and maintained that level until mid-month. Consistent declines during the second half of the month pushed down the index to 9,691.02 points by the end of the month, resulting in a m-o-m decline of 3.0%. The decline was broad-based across stocks that evident from the 2.6% decline in the Qatar All Share Index. The decline pulled down YTD-2020 declines to a steeper 7.0% by the end of October-2020 for the QE-20 Index while the decline in Qatar All Share Index was much smaller at 3.1%.

The sector performance chart also showed the broad-based decline with only the Insurance sector showing gains during the month at 2.4% while Telecoms index was almost flat with a marginal gain of 0.1%. The Insurance sector benefitted from the overall growth in profits led by the Covid-19 pandemic with a decline in claims. During the month, Doha Insurance was the only company that reported a decline in its share price by 3.7% despite reporting higher profits during 9M-2020, while the remaining four constituents of the Insurance index showed gains. In the Telecom sector, a 0.9% decline in shares of Ooredoo was completely offset by 3.0% gain in shares of Vodafone Qatar. Ooredoo's Q3-2020 results showed a y-o-y decline in consolidated revenues by 2% during the quarter and an equivalent decline in EBITDA. On the other hand, Vodafone Qatar reported a 9.9% y-o-y increase in quarterly revenues during Q3-2020 and a 51% y-o-y increase in Q3-2020 net profits led by higher demand for the company's fixed broadband and a larger postpaid subscriber base.

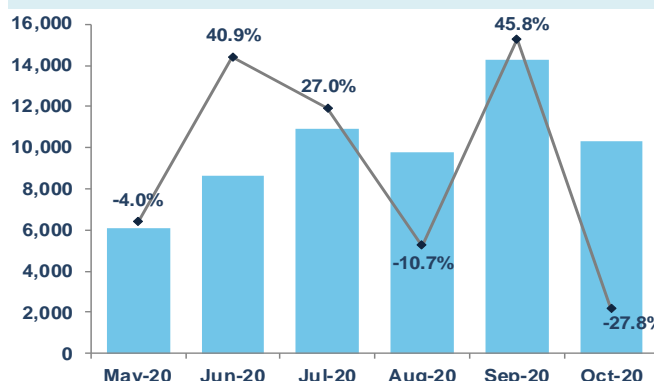
On the other hand, the Real Estate sector topped the decliners chart with a fall of 12.4% followed by Industrials and Consumer Goods & Services indices with declines of 7.5% and 3.0%, respectively. All four stocks in the Real Estate sector reported declines during the month. Shares of United Development Co. declined by 20.3% during the month after the company reported a steep decline in net profits that reached QAR 96.0 Mn during 9M-2020 as compared to QAR 318.9 Mn during 9M-2019. Ezdan Holding also reported a steep decline in net profits that reached QAR 208.6 Mn during 9M-2020 as compared to QAR 509.2 Mn during 9M-19. In the Industrial sector, shares of only Qatar National Cement showed marginal monthly gains of 0.4% while the rest of the stocks declined. In the Consumer Goods & Services index, gain in shares of Medicare Group (+13.2%), Am Meera Consumer Goods (+1.5%) and Zad Holding (+1.4%) was more than offset by decline in the rest of the stocks in the sector.

Trading activity on the exchange declined during the month with fall in both volume and value traded. Monthly volume of shares traded declined by 30.5% to reach 5.6 Bn shares in October-2020 as compared to 8.1 Bn shares during September-2020. Value traded during the month also declined by 27.8% to reach QAR 10.3 Bn as compared to QAR 14.3 Bn during September-2020. Investor Holding Group topped the monthly volume chart with 972.6 Mn shares traded during the month followed by Salam International Investment and Ezdan Holding with 601.7 Mn and 537.5 Mn shares, respectively. On the monthly value traded chart, Ezdan Holding topped with QAR 1.1 Bn worth of shares changing hands during the month followed by QNB and Qatar First Bank with QAR 754.8 Mn and QAR 612.3 Mn worth of trades, respectively.

QE Monthly Sector Performance



Monthly Value Traded (QAR Mn)



Source: Qatar Exchange, Kamco Invest Research

Bahrain Bourse

Monthly Indicators	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
Bahrain All Share Index	1,526.95	1,610.18	1,657.63	1,660.48	1,350.62	1,310.73	1,269.63	1,277.61	1,290.57	1,380.89	1,434.49	1,427.18
Monthly % Change	0.2%	5.5%	2.9%	0.2%	(18.7%)	(3.0%)	(3.1%)	0.6%	1.0%	7.0%	3.9%	(0.5%)
Market Cap (BHD Mn)	8,708	9,175	9,679	9,710	7,777	8,268	8,047	8,095	8,134	8,690	9,029	8,983
P/E (X) - TTM	10.44	11.09	11.38	12.50	10.18	9.78	9.04	9.25	9.77	12.86	13.34	13.86
P/BV (X) - TTM	0.91	0.95	0.97	0.95	0.75	0.72	0.76	0.78	0.79	0.86	0.89	0.91
Dividend Yield (%)	4.59%	4.37%	4.24%	4.61%	5.01%	4.95%	5.55%	5.51%	5.46%	5.18%	4.69%	4.71%
Volume (Mn Shares)	82.4	88.8	58.9	70.8	104.6	146.2	59.9	90.0	109.5	96.2	151.2	107.2
Value (BHD Mn)	25.4	24.9	18.7	16.9	23.2	21.2	24.5	12.6	12.3	16.6	21.6	20.0
Trades	1,138	1,538	1,446	1,378	1,767	926	665	1,158	1,075	1,293	2,267	1,372

Source: Bahrain Bourse, Kamco Invest Research

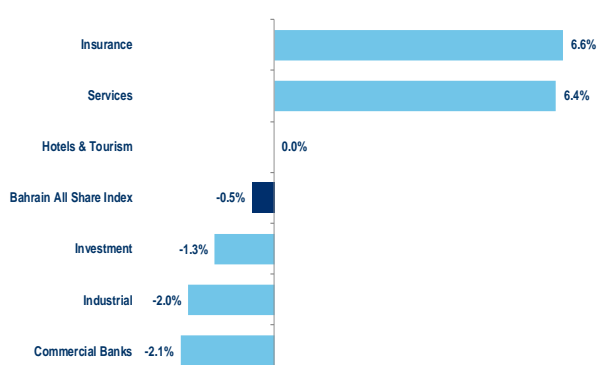
After recording gains for four consecutive months, Bahrain Bourse was back in the red to close at 1,427.18 points with a marginal m-o-m decline of 0.5%. The index reached a peak monthly performance of a gain of 3.33% to reach 1,482.24 points by mid-month, but consistent daily declines during the second half of the month pulled down the index to report monthly a decline. As a result, the YTD-2020 decline for the index reached 11.4% by the end of October-2020. The flattish performance for the benchmark came mainly after gain in the Insurance and Services indices were completely offset by decline in the rest of the market. Trading activity remained mixed during the month with higher trades in cheaper stocks. The monthly volume chart was topped by GFH Financial Group with 49.2 Mn shares followed by AUB and Ithmaar Holding with 15.5 Mn and 11.7 Mn shares, respectively. On the monthly value traded chart, AUB topped with shares worth BHD 12.3 Mn followed by GFH Financial Group and Batelco with BHD 7.5 Mn and BHD 5.0 Mn worth of traded shares, respectively.

The Insurance Index gained 6.6% during the month while the Services index gained 6.4%. The Services index was buoyed by gain in shares of Batelco that was up 10.9% further supported by gain in shares of Bahrain Cinema and Trafco with the shares of 12.5% and 7.53%, respectively. These gains were partially offset by a 23.3% decline in shares of Nass Corp. and 5.3% decline in shares of Bahrain Duty Free Complex. Shares of Seef Properties also declined by 1.2% during the month. Shares of Batelco gained after the telco reported 41% increase in net profits during Q3-2020 despite a 1.0% decline in revenues during the quarter. The increase in net profits was due to additional charges related to voluntary employment retirement program during Q3-2019 that was not reported in Q3-2020.

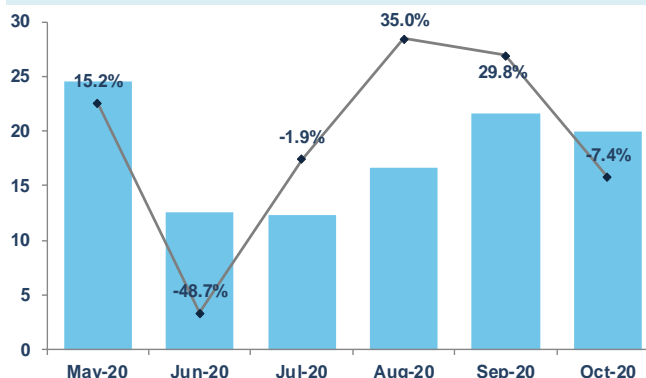
On the decliners side, the Commercial Banks index declined by 2.1% followed by Industrial and Investment indices with declines of 2.0% and 1.3%, respectively. In the banking sector, shares of four out of five banks declined during the month with BBK reporting the biggest decline of 5.0% followed by Al Salam Bank Bahrain and National Bank of Bahrain (NBB) with declines of 4.0% and 1.9%, respectively. Shares of BBK declined after the bank reported a 29.7% decline in profits during 9M-2020 that was due to a 28% decline in net interest income during the period, along with a decline in non-interest income. However, provisions were significantly lower during 9M-2020 at BHD 6.8 Mn as compared to BHD 19.6 Mn during 9M-2019. NBB also reported a 23% decline in 9M-2020 net profits but unlike BBK, the decline in profits of NBB was led by higher operating expenses that almost doubled during 9M-2020 as well as higher provisions of BHD 14.2 Mn as compared to BHD 6.3 Mn during 9M-2019. Net interest income for the bank reported strong y-o-y growth of 22.6% whereas non-interest income showed marginal growth.

The decline in Industrial index was solely due to a 2.0% decline in shares of Aluminum Bahrain that reported losses of BHD 11.6 Mn during Q3-2020 as compared to profits of BHD 11.0 Mn during Q3-2019. The losses during the quarter were mainly due to lower revenues as well as negative forex impact. Meanwhile, in the Investment sector, only Khaleeji Commercial Bank reported a gain of 2.6% while the rest of the stocks in the sector showed a decline.

BSE Monthly Sector Performance



Monthly Value Traded (BHD Mn)



Source: Bahrain Bourse, Kamco Invest Research

Muscat Securities Market

Monthly Indicators	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
MSM 30 Index	4,064.1	3,981.2	4,079.3	4,130.9	3,448.3	3,539.5	3,544.6	3,516.0	3,568.1	3,771.9	3,614.6	3,557.8
Monthly % Change	1.6%	(2.0%)	2.5%	1.3%	(16.5%)	2.6%	0.1%	(0.8%)	1.5%	5.7%	(4.2%)	(1.6%)
Market Cap (OMR Mn)	6,706	6,591	6,722	6,744	5,798	5,877	5,920	5,882	6,232	6,548	6,256	6,181
P/E (X) - TTM	8.32	8.13	8.47	8.66	7.13	7.59	9.16	10.04	10.35	11.20	10.74	10.43
P/BV (X) - TTM	0.75	0.73	0.75	0.73	0.60	0.62	0.76	0.76	0.77	0.76	0.73	0.71
Dividend Yield (%)	7.05%	7.21%	6.80%	6.79%	8.01%	7.78%	6.81%	6.83%	6.72%	6.52%	6.77%	6.96%
Volume (Mn Shares)	207.2	332.3	231.2	278.6	298.5	169.7	101.4	180.9	190.8	202.5	108.6	191.6
Value (OMR Mn)	32.4	62.0	40.8	52.9	71.6	25.0	16.9	25.2	30.1	29.0	16.9	29.9
Trades	9,901	10,490	11,293	12,494	10,507	9,945	5,880	8,136	8,205	7,278	7,014	7,098

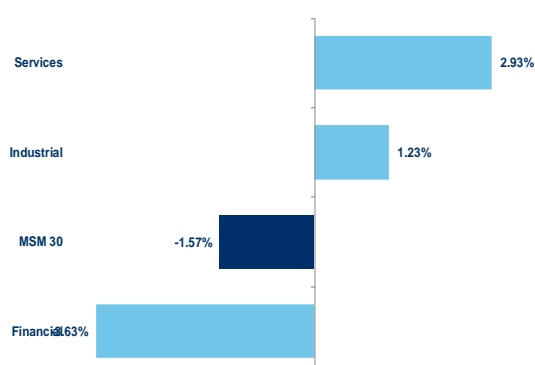
Source: Muscat Securities Market, Kamco Invest Research.

The Omani stock market declined for the second consecutive month during October-2020, in line with most of the other equity markets in the GCC. The MSM 30 index reached 3,557.77 points by the end of the month, recording a decline of 1.6%, following a general downward trend throughout the month. The decline came after the 2.93% m-o-m gain in the Services index and 1.23% gain in the Industrial index were more than offset by a decline of 3.63% in the Financials Index during the month. The decline in the Financial index resulted from a broad-based decline in the sector with none of the stocks showing gains during the month whereas stock performance in the Industrial and Services sectors were mixed. In terms of YTD-2020 performance, the MSM 30 index now shows a decline of 10.6%. The Services index has witnessed the steepest decline since the start of the year at 15.1% whereas the Financials and Industrials indices reported a decline of 11.5% and 4.9%, respectively.

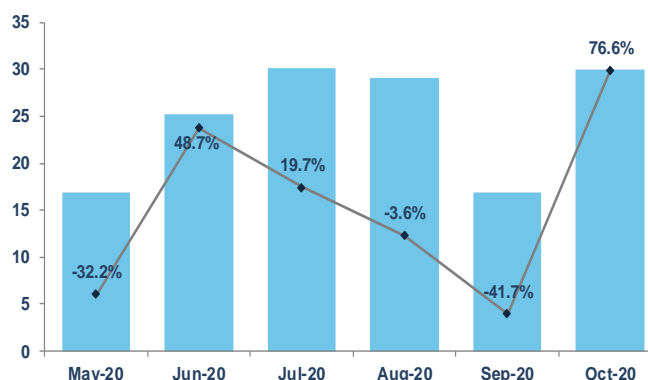
The monthly market breadth was slightly skewed towards declines that included 37 stocks as compared to 20 gainers. In the monthly gainers chart, Al Anwar Ceramic Tiles Co. topped with a return of 26.8% after the company reported an 80% increase in net profits during 9M-2020 led by 20% increase in topline. Al Jazeera Services was next on the gainers chart with a gain of 21.1% followed by Oman Qatar Insurance and Shell Oman Marketing with gains of 11.8% and 11.1%, respectively. Both Al Jazeera Services and Oman Qatar Insurance posted a y-o-y increase in topline during 9M-2020. On the monthly decliner's chart, Al Hassan Engineering topped with a decline of 53.3% after the company posted a net loss of OMR 0.4 Mn during 9M-2020 as compared to a profit of OMR 1.0 Mn during 9M-2019. The losses came as a result of a 38.9% y-o-y decline in revenues. Gulf Investment Services also reported a similar decline in its stock price (-53.0%) due to losses of OMR 2.2 Mn in 9M-2020. Shares of United Finance and Dhofar Cattle Feed also declined by 33.9% and 18.3% during October-2020, respectively, with the latter posting losses in its 9M-2020 results. During the month, Tajeer Finance decided that it would not pursue its strategic alliance talks with United Finance.

Trading activity on the exchange witnessed healthy gains during the month. Volume traded during the month increased by 76.0% m-o-m to reach 191.6 Mn in October-2020 as compared to 108.5 Mn during September-2020. Monthly value traded also increased at a similar pace of 76.6% to reach OMR 29.9 Mn as compared to OMR 16.9 Mn during September-2020. Gulf Investment Services topped the monthly volume traded chart with 31.6 Mn traded shares followed by Al Anwar Ceramic Tiles and Bank Muscat with monthly volumes of 16.5 Mn and 8.6 Mn, respectively. In term of monthly value traded, Al Anwar Ceramic Tiles topped with OMR 3.2 Mn worth of shares changing hands during the month followed by Bank Muscat and Ooredoo Oman with monthly value traded at OMR 3.1 Mn and OMR 1.9 Mn, respectively. In terms of investor participation, the share of Omanis in the total monthly value of buy trades witnessed a steep decline from 72.3% during September-2020 to 57.1% during October-2020. Their share in the total value of sell trades also declined to 51.4% in October-2020 as compared to 74.7% during the previous month.

MSM Monthly Sector Performance



Monthly Value Traded (OMR Mn)



Source: Muscat Securities Market, Kamco Invest Research

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