

GCC Market Performance

- **Bahrain (BAX)** – Bahrain’s BAX closed 0.7% higher in January. In February, we expect Bahrain’s market to follow the trend in oil prices.
- **Kuwait (KSE)** – Kuwait’s KSE increased 4.4% in January. We estimate Kuwaiti market to stay stable or slightly rise in February owing to increasing demand for oil on account of declining Covid-19 new variant threat.
- **Oman (MSM)** – Oman’s MSM fell 0.3% in January. We anticipate the Oman’s bourses to stay stable in February, because in spite of declining Omicron cases there is negative sentiment in the market.
- **Qatar (DSM)** – Qatar’s DSM increased 7.5% in January. We anticipate Qatar’s market to be volatile in February.
- **Saudi Arabia (TASI)** – Saudi Arabia’s TASI gained 8.8% in January. The market is expected to rise in February as COVID-19 new variant threats have subsided in the kingdom.
- **UAE (DFM and ADX)** – The UAE’s ADX increased 2.5% and DFM increased 0.2% in January. We expect market in February to remain stable as Omicron cases have declined and there is less possibility of imposing new lockdown restriction, which will positively impact the business condition.

Index	Level	Performance		P/E	Dividend Yield
		MTD	YTD		
Bahrain (BAX)	1,809.82	0.70	0.70	10.15	3.45
Kuwait (KSE)	7,350.37	4.36	4.36	21.06	2.11
Oman (MSM)	4,116.00	(0.33)	(0.33)	11.01	3.86
Qatar (DSM)	12,498.20	7.50	7.50	17.66	2.38
Saudi Arabia (TASI)	12,271.84	8.78	8.78	27.94	2.13
UAE (ADX)	8,704.26	2.54	2.54	23.32	2.64
UAE (DFM)	3,203.08	0.22	0.22	16.57	2.41

Source: Bloomberg

Macroeconomic Snapshot

- **Bahrain** – The International Monetary Fund (IMF) estimates Bahrain’s real Gross Domestic Product (GDP) to increase by 3.1% this year, and inflation is projected to rise by 3.0%. According to the Information & e-Government Authority, the inflation rate in Bahrain fell 0.4% YoY in December 2021 after rising 0.7% YoY in November 2021.
- **Kuwait** – As per IMF’s projections Kuwait’s economy is expected to increase by 4.3% this year, and inflation is projected to rise by 3.0%. According to the latest data released by Central Statistical Bureau (CSB), annual inflation increased by 3.89% YoY in November 2021.
- **Oman** – As per IMF estimates, Oman’s economy is projected to grow 2.9% this year, and inflation is estimated to rise by 2.7%. As per the National Centre for Statistics and Information (NCSI), Oman’s inflation increased by 3.8% in December 2021 from the 3.6% increase recorded in the last month.
- **Qatar** – As per IMF estimates, Qatar’s real GDP growth is expected to grow by 4.0% this year, and inflation is expected to increase by 3.2%. According to Qatar Statistics Authority, Qatar’s consumer price index increased 6.5% YoY in December 2021.
- **Saudi Arabia** – The IMF in its latest projection stated that Saudi Arabia’s Gross Domestic Product (GDP) is expected to grow by 4.8% in 2022, compared to an estimated 2.9% increment last year, and Inflation is expected to increase by 2.2% this year. Saudi Arabia’s inflation increased to 1.2% in December 2021, according to the latest data released by GASTAT.
- **UAE** – As per estimates released by the IMF, the real GDP growth rate for UAE is expected to increase 3.0% this year, and inflation is projected to rise by 2.2%. In December, UAE’s inflation increased 2.50% YoY in December 2021 as compared to 2.58% rise in November 2021.

Country	Real GDP Growth*	Inflation*	Interbank Rate (3M)	REPO Rate
Bahrain	3.1	3.0	1.54	2.25
Kuwait	4.3	3.0	1.50	0.875
Oman	2.9	2.7	2.12	0.50
Qatar	4.0	3.2	1.15	1.00
Saudi Arabia	4.8**	2.2	0.94	1.00
UAE	3.0	2.2	0.40	0.65

Source: IMF World Economic Outlook Update (October 2021), Central Bank, Bloomberg

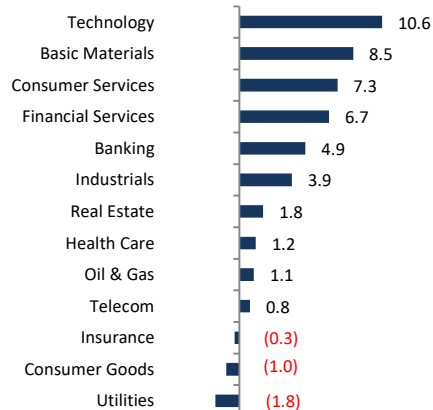
** January 2022 Outlook

Kuwait –Sector Returns and Value Traded

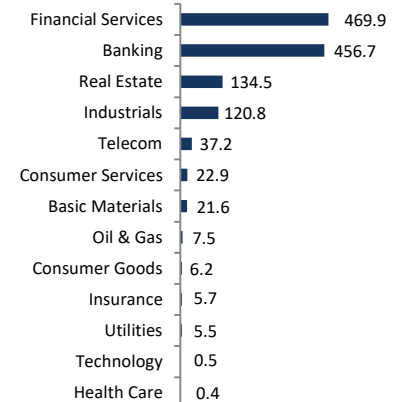
- **Technology:** The sector closed at 756.6 points, up 10.6% from the previous month. Automated Systems Company (up 10.6%) being the only company in the sector. Total volume and value traded stood at 5.0MM and KWD 483,390 respectively.
- **Utilities:** The sector closed 1.8% lower at 589.5 points during the month. Shamal Az-Zour Al-Oula Power and Water Company K.S.C.P (down 1.8%) being the only listed stock ended in red. Total volume and value traded stood at 24.5MM and KWD 5.5MM, respectively.

Source: KSE

Sector Returns (%)



Value Traded (KWD MM)



Commodity Tracker

- Gold ended the month at \$1,797.2/troy oz., was down 1.8% MoM in January 2022. Gold prices are anticipated to fall in February as Federal Reserve is expected to raise interest rates in March to fight inflation.
- Brent crude closed at \$91.2 per barrel in January 2022, representing a positive return of 17.3% MoM. Oil prices are projected to rise in February 2022 amid declining COVID-19 new variant threat.
- Silver ended the month at \$22.5/troy oz., registering a negative return of 3.6% MoM. Silver prices are projected to decline in February due to growth in US Treasury yield and US dollar against a basket of other currencies.

Commodity	Close	MTD (%)	YTD (%)
Gold (USD/troy oz.)	1,797.2	(1.8)	(1.8)
Brent Crude (USD/bbl)	91.2	17.3	17.3
Silver (USD/troy oz.)	22.5	(3.6)	(3.6)

Source: Bloomberg

Stock Watch (Kuwait)

Educational Holding Group (up 404.5%) was the top gainer, while Credit Rating & Collection (down 20.9%) was the top loser in January 2022.

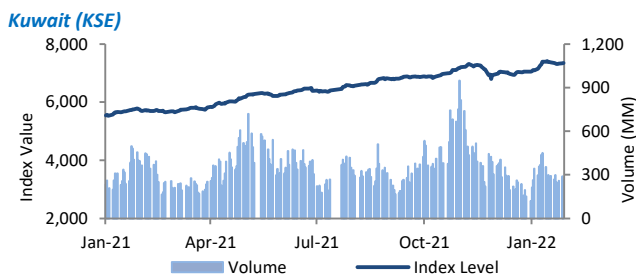
Name	M Cap (KWD MM)	Last (KWD Fils)	MTD (%)	YTD (%)	Shares Traded (MM)	P/E	P/B
TOP GAINERS							
EDU	68.33	3,254.00	404.50	404.50	0.13	10.57	3.17
AGHC	73.26	444.00	52.58	52.58	41.61	839.32	2.59
FIRSTDUBAI	78.69	107.00	38.42	38.42	54.73	104.50	1.06
ACICO	60.75	184.00	32.37	32.37	71.49	7.04	0.82
ALSAFAT	44.91	167.00	30.47	30.47	159.64	5.92	1.92
TOP LOSERS							
TAHSSILAT	5.25	31.80	(20.90)	(20.90)	4.74	NA	1.11
PAPCO	2.86	54.70	(19.79)	(19.79)	0.05	NA	0.50
ARGAN	24.75	97.00	(17.09)	(17.09)	0.76	NA	0.32
ALAQARIA	8.52	45.30	(14.20)	(14.20)	0.64	8.38	0.73
WETHAQ	4.96	45.00	(11.59)	(11.59)	1.51	22.24	0.41

Source: Bloomberg, CapIQ. NA – Not available, NM – Not meaningful

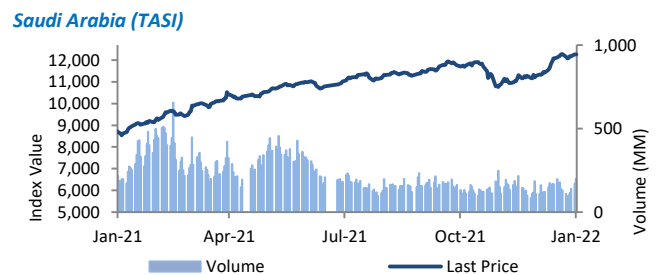
Stock Watch (Saudi Arabia)

Saudi Tadawul Group Holding Co. (up 28.8%) rose the most, while Sadr Logistics Co. (down 21.3%) declined the most.

Name	M Cap (SAR MM)	Last (SAR Fils)	MTD (%)	YTD (%)	Shares Traded (MM)	P/E	P/B
TOP GAINERS							
TADAWUL GROUP	19,440.00	162.00	28.78	28.78	33.39	30.82	6.50
SASCO	2,340.00	39.00	27.04	27.04	34.53	51.30	2.88
RIBL	102,000.00	34.00	25.46	25.46	51.49	19.29	2.21
ALINMA	59,900.00	29.95	25.00	25.00	237.81	24.11	1.99
NAMA CHEMICALS	947.86	40.30	24.96	24.96	13.35	NM	2.94
TOP LOSERS							
SADR	1,410.50	80.60	(21.29)	(21.29)	39.31	322.62	38.52
ACIG	587.82	20.20	(14.14)	(14.14)	8.39	NM	5.17
AMANA INSURANCE	404.30	31.10	(9.59)	(9.59)	7.33	NM	47.11
SEDCO CAPITAL REIT	1,285.45	10.94	(8.83)	(8.83)	8.70	NM	2.51
ALSAGR INSURANCE	652.80	16.32	(8.42)	(8.42)	15.70	NM	2.88



Source: Bloomberg



Monthly market updates

- Kuwait's All Share Index closed 4.4% higher at 7,350.4 points in January 2022. Total volume traded increased 4.7% MoM to 6.1BLN, number of deals rose 2.6% MoM to 230,024, and total value traded was up 10.1% MoM to KWD 1,289.3MM. Growth in the market was mainly driven by the banking and financial sectors.
- In its latest projection, the IMF said the US GDP is estimated to increase 5.6% in 2021 and reiterated its forecasts for 2022 and 2023 to 4.0% and 2.6%, respectively.
- In its latest projection, the IMF said Euro area's GDP is estimated to grow 5.2% in 2021 and reiterated its forecasts for 2022 and 2023 to 3.9% and 2.5%, respectively.
- In Asia, China's economy is projected to register GDP growth of 4.8% in 2022 and 5.2% in 2023, according to the latest World Economic Outlook by IMF.
- Japan expected to see its GDP growth rate 3.3% in 2022 and 1.8% in 2023, the IMF reported in its latest data.

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