

Market Performance

Kuwait's All Share Index closed 2.6% higher at 8,358.46 points in April 2022. Total volume traded decreased 20.7% MoM to 4.5BLN, number of deals declined 8.6% MoM to 250,031, and total value traded was down 13.8% MoM to KWD 1,344.5MM. Growth in the market was mainly driven by the industrials and telecom sectors.

As per the World Economic Outlook published by IMF, real GDP growth of the US was 5.7% in FY21, and it is expected to be 3.7% and 2.3% in FY22 and FY23, respectively. As per the advance estimate released by the Bureau of Economic Analysis, real GDP grew at an annualized rate of 1.4% YoY in Q1 2022 compared to 6.9% YoY in Q4 2021. Real PCE rose 0.2% MoM in March 2022, after the 0.1% MoM revised increase in February 2022. Personal income rose 0.5% MoM in March 2022 vis-à-vis the 0.7% MoM revised increment in February 2022. It was primarily led by higher compensation of employees (private and government wages and salaries) as well as proprietors' income, personal income receipts on assets, and government social benefits. The current account deficit increased to USD 109.8BLN in March 2022 from the revised deficit of USD 89.8BLN in February 2022. Total exports went up USD 241.7BLN in March 2022, an increase of USD 12.9BLN from February 2022. On the other hand, total imports stood at USD 351.5BLN in March 2022, an increase of USD 32.9BLN from February 2022.

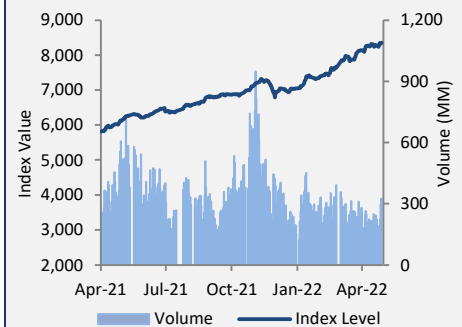
As per the World Economic Outlook published by IMF, real GDP growth of the euro area was 5.3% in FY21, and it is expected to be 2.8% and 2.3% in FY22 and FY23, respectively. As per Eurostat, the euro area's annual inflation rate was expected to be 7.5% in April 2022, up from 7.4% in March 2022 (revised). The euro area international trade deficit was EUR 7.6BLN in February 2022. Exports of goods increased 17.0% YoY and imports rose 38.8% YoY. On the other hand, the EU recorded a EUR 15.8BLN international trade deficit during the same period. As per the latest data released by the Office for National Statistics, the annual inflation rate (consumer price inflation – CPI) in the UK climbed 7.0% YoY in March 2022 from 6.2% YoY in February 2022. As per the World Economic Outlook published by IMF, real GDP growth of the UK was 7.4% in FY21, and it is expected to be 3.7% and 1.2% in FY22 and FY23, respectively.

According to the World Economic Outlook published by IMF, real GDP growth of China was 8.1% in FY21, and it is expected to be 4.4% and 5.1% in FY22 and FY23, respectively. Based on the latest data released by the National Bureau of Statistics, China's CPI rose to 1.5% YoY in March 2022 from 0.9% in February 2022, marking a three-month high. On a monthly basis, consumer prices were unexpectedly flat in March 2022 as compared with the consensus of 0.1% decline and 0.6% increase in February 2022. As per the World Economic Outlook published by IMF, real GDP growth of Japan was 1.6% in FY21, and it is expected to be 2.4% and 2.3% in FY22 and FY23, respectively. According to the Statistics Bureau of Japan, CPI rose 1.2% YoY in March 2022, following the 0.9% YoY rise in February 2022, marking the seventh straight month of increase and being the highest rise since October 2018.

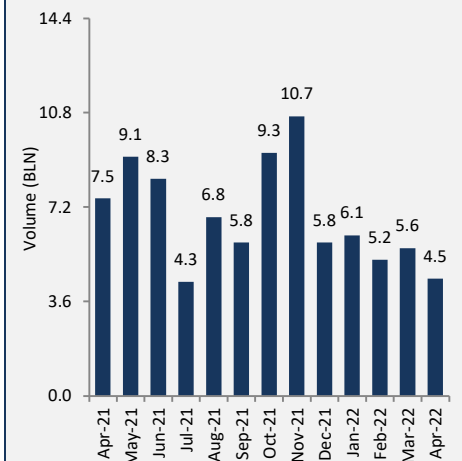
Kuwait Market Summary	April, 2022	March, 2022	Change (%)
Open	8,156.52	7,679.00	6.2
High	8,387.01	8,151.41	2.9
Low	8,067.27	7,657.37	5.4
Close	8,358.46	8,146.69	2.6
Volume traded (MM)	4,465.10	5,630.87	(20.7)
Value Traded (KWD MM)	1,344.46	1,558.98	(13.8)
No. of deals	250,031	273,539	(8.6)
No. of advances	53	75	(29.3)
No. of declines	91	70	30.0
No. of unchanged	15	20	(25.0)

Kuwait Index Performance

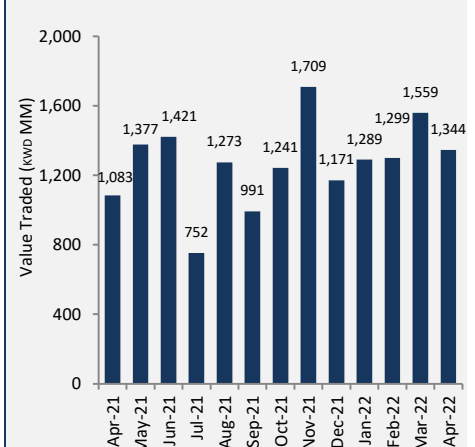
Benchmark Index and Volume Traded



Monthly Volume Traded (BLN)



Monthly Value Traded (KWD MM)



Top Gainers and Losers

The market breadth was largely negative; 53 stocks firmed up and 91 declined, while 15 remained unchanged.

Top Five Gainers									
	Close (KWD Fils)	MTD (%)	YTD (%)	Market Capitalization (KWD MM)	Volume (MM)	EPS (KWD Fils)	BVPS (KWD Fils)	P/E (x)	P/B (x)
Heavy Engineering Industries And Ship Building Co.	847.00	44.29	66.40	152.66	37.46	0.03	2.62	23.94	2.22
Ras Al Khaimah Co. For White Cement Construction Materials	168.00	40.00	33.33	84.03	2.22	0.17	7.54	28.72	1.27
National Mobile Telecommunications Co.	1059.00	32.38	69.71	530.73	7.04	0.02	0.96	19.81	1.02
Dar Al Thuraya Real Estate Co.	131.00	24.76	24.76	19.19	1.51	0.27	8.69	35.38	1.14
Tijara & Realestate Investment Co.	78.50	21.89	28.48	29.05	2.08	0.20	9.29	15.51	0.73

Top Five Losers									
	Close (KWD Fils)	MTD (%)	YTD (%)	Market Capitalization (KWD MM)	Volume (MM)	EPS (KWD Fils)	BVPS (KWD Fils)	P/E (x)	P/B (x)
Kuwait Telecommunications Co.	831.00	(42.89)	(2.81)	829.95	27.93	0.02	4.65	20.21	3.86
Salbookh Trading Co.	26.00	(30.48)	(40.09)	2.64	26.61	NA	26.63	NA	0.69
Sultan Center Food Products Co.	170.00	(24.44)	(19.05)	47.99	19.25	0.01	3.69	1.30	0.63
Kuwait Syrian Holding Co	37.40	(23.52)	(12.62)	6.59	10.54	0.16	10.77	6.04	0.40
Taameer Real Estate Investment Co.	27.90	(23.14)	(32.45)	6.68	11.15	NA	15.80	NA	0.44

Top Five by Volume									
	Close (KWD Fils)	MTD (%)	YTD (%)	Market Capitalization (KWD MM)	Volume (MM)	EPS (KWD Fils)	BVPS (KWD Fils)	P/E (x)	P/B (x)
GFH Financial Group (B.S.C)	105.00	0.96	5.21	379.69	590.15	0.13	11.91	13.33	1.25
Ahli United Bank (B.S.C)	315.00	(5.12)	13.31	3511.60	394.49	0.06	8.13	20.16	2.56
First Investment Company	94.50	15.24	12.23	42.14	272.19	NA	9.24	NA	0.87
Kuwait Finance House	985.00	(8.03)	18.39	9069.69	181.28	0.04	5.51	35.34	5.43
National Industries Group (Holding)	315.00	12.10	11.31	637.55	174.67	0.02	3.91	6.32	1.23

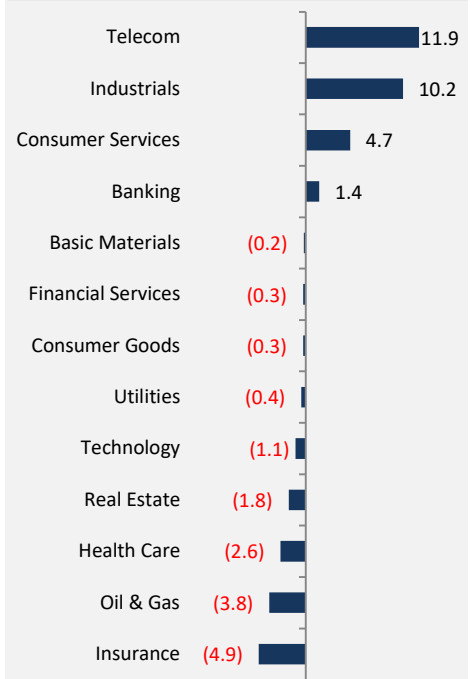
Source: Bloomberg; **NM** – Not Meaningful; **NA** – Not Available

Performance by Sector

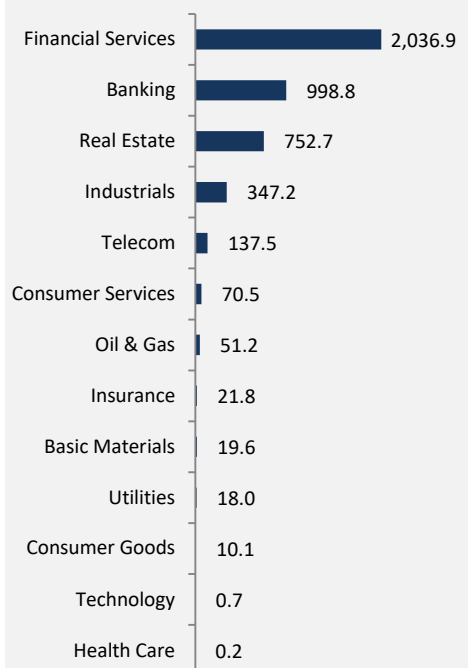
- Banks:** The sector closed 1.4% higher at 1,958.1 points during the month. Gulf Bank (up 6.2%) rose the most, followed by Al Ahli Bank of Kuwait (up 6.0%), while Kuwait Finance House (down 8.0%) was the top loser. Total turnover stood at KWD 528.7MM. The volume traded and number of deals stood at 998.8MM shares and 63,145, respectively.
- Basic Materials:** The sector closed 0.2% lower at 1,159.5 points during the month. Qurain Petrochemical Industries Co. (down 2.3%) while Boubyan Petrochemical Co. (up 7.1%) was the top gainer. The number of shares traded, and total turnover stood at 19.6MM and KWD 13.2MM, respectively, while total transactions stood at 2,971.
- Consumer Goods:** The sector ended 0.3% lower at 709.9 points during the month. Livestock Transport & Trading Co. (down 4.2%) declined the most, while Mezzan Holding Co rose (up 0.5%). Total volume, turnover, and deals made stood at 10.1MM shares, KWD 5.6MM, and 1,049 respectively.
- Consumer Services:** The sector closed 4.7% higher at 1,615.3 points during the month. Among stocks, Jazeera Airways Co. (up 14.2%) increased the most, followed by Al Eid Food Co. (up 8.2%), while Sultan Center Food Products Co. (down 24.4%) was the top loser. Total volume, turnover, and transactions stood at 70.5MM shares, KWD 24.5MM, and 7,797, respectively.
- Financial Services:** The sector closed 0.3% lower at 1,656.5 points during the month. Kuwait Syrian Holding Co (down 23.5%) was the top loser, followed by Ekttitab Holding Co. (down 20.7%), while National International Holding Co. (up 17.0%) was the top gainer. Total volume, turnover, and deals made stood at 2.0BLN shares, KWD 320.7MM and 68,046, respectively.
- Healthcare:** The sector ended 2.6% lower at 482.0 points. Advanced Technology Company (down 7.7%) was the top loser. There were 18 deals; quantity and value traded stood at 0.2MM and KWD 0.1MM, respectively.
- Utilities:** The sector closed 0.4% lower at 584.2 points during the month. Shamal Az-Zour Al-Oula Power and Water Company K.S.C.P (down 0.4%) only listed stock ended in red. The sector recorded 1,399 transactions. Total volume and value traded stood at 18.0MM and KWD 4.0MM, respectively.

Market Composition

Monthly Sector Index Returns (%)



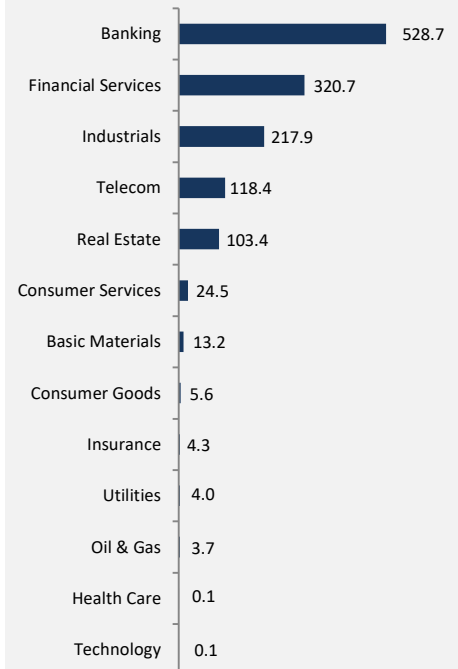
Monthly Volume Traded (Million)



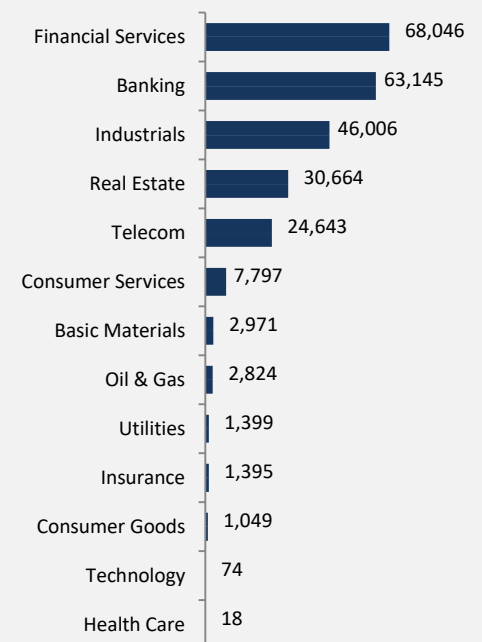
- Industrials:** The sector closed 10.2% higher at 1,427.6 points during the month. Heavy Engineering Industries And Ship Building Co. (up 44.3%) was the top gainer, followed by Ras Al Khaimah Co. For White Cement Construction Materials (up 40.0%), while Salbookh Trading Co. (down 30.5%) was the top loser. Total volume, turnover, and deals made stood at 347.2MM shares, KWD 217.9MM and 46,0006, respectively.
- Insurance:** The sector closed 4.9% lower at 1,541.3 points during the month. Kuwait Reinsurance Company (down 22.4%) was the top loser, followed by Kuwait Insurance Company (down 7.5%), while Wethaq Takaful Insurance Company (up 0.3%) was the top gainer. Total volume, turnover, and deals made stood at 21.8MM shares, KWD 4.3MM and 1,395, respectively.
- Oil & Gas:** The sector closed 3.8% lower at 1,249.2 points. Independent Petroleum Group (down 15.9%) was the top loser, followed by Gulf Petroleum Investment (down 4.0%). Total volume, turnover, and number of transactions stood at 51.2MM shares, KWD 3.7MM, and 2,824, respectively.
- Real Estate:** The sector ended 1.8% lower at 1,370.5 points during the month. Taameer Real Estate Investment Co. (down 23.1%) was the top loser, followed by Ajwan Gulf Real Estate Co. (down 18.8%), while Dar Al Thuraya Real Estate Co. (up 24.8%) was the top gainer. Total volume, turnover, and deals made stood at 752.7MM shares, KWD 103.4MM and 30,664, respectively.
- Technology:** The sector closed at 669.3 points, down 1.1% from the previous month. Automated Systems Company (down 1.1%) being the only company in the sector. The sector recorded 74 transactions during the month. Total volume and value traded stood at 0.7MM and KWD 67,427 respectively.
- Telecom:** The sector closed 11.9% higher at 1,412.8 points. National Mobile Telecommunications Co. (up 32.4%) was the top gainer, followed by Mobile Telecommunications Co. (up 8.4%), while Kuwait Telecommunications Co. (down 42.9%) was the top loser. Total turnover of KWD 137.5MM was generated by 118.4MM shares traded through 24,643 transactions.

Market Composition

Monthly Value Traded (KWD MM)



Number of Deals

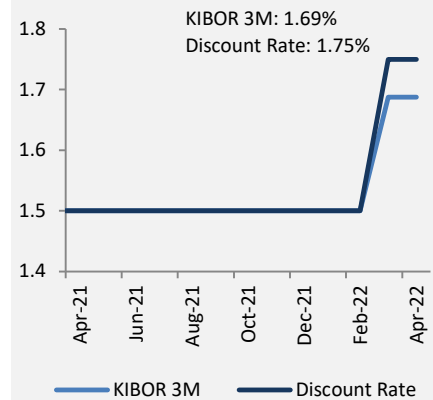


Kuwait – Economy and Industry News

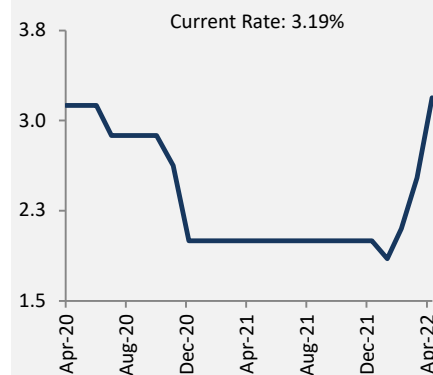
- CBK reported that broad money supply (M2) increased to KWD 40.1BLN in February 2022 from KWD 39.7BLN in January 2022.
- Kuwait's crude oil exports to Japan climbed 12.0% YoY to 6.28MM bpd in March 2022. Kuwait, Japan's fourth biggest oil provider, supplied 7.1% of its total crude imports, as per the Japanese Natural Resources and Energy Report.
- As per the World Economic Outlook published by IMF, real GDP growth of Kuwait was 1.3% in FY21, and it is expected to be 8.2% and 2.6% in FY22 and FY23, respectively.
- The Secretary General of Kuwait Insurance Federation said the federation intends to increase GDP contribution; currently it is under 2%.
- Kuwait's merchandise exports rose to USD 71.4BLN in FY21 from USD 40.1BLN in FY20, ranking 47th globally and 4th in the GCC region in total merchandise exports, according to the World Trade Organization.
- The global credit rating agency S&P affirmed Kuwait's long- and short-term foreign and local currency sovereign credit rating at "A+/A-1" along with a negative outlook. The negative outlook was due to risks over the next 12–24 months relating to the government's ability to overcome the institutional roadblocks preventing it from implementing a future financing strategy.
- Egypt and Kuwait signed a grant agreement worth KWD 750,000 (USD 2.5MM) to contribute to the preparation of technical, economic, and environmental feasibility studies for a railway connection project between Egypt and Sudan. The initiative aims to enhance economic relations with the countries in the African continent within the framework of the 2063 Development Agenda.
- In January 2022, Kuwait's cash reserve with IMF was KWD 236.5MM, i.e. at the same level as November 2022 and December 2022. Kuwait's cash reserve deposits with the IMF increased 7.9% in January 2022 compared to January 2021 by KWD 17.3MM.

Monetary Indicators

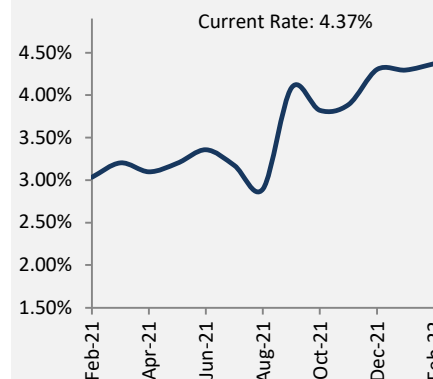
Interest Rate (%)



Deposit Rate (%)



Inflation Rate



Source: Bloomberg

Note: Kuwait Inflation data available till Feb. 2022.

Kuwait Corporate Developments

- GFH Financial Group will begin the cross-listing of its shares on the Abu Dhabi Securities Exchange (ADX) in May 2022. The group's shareholders have also given the green light for cross listing the entity's shares on the Saudi exchange (Tadawul). GFH is already listed and trading on Bahrain Bourse, Boursa Kuwait, and Dubai Financial Market (DFM).
- The UK-based Roebuck Asset Management, a subsidiary of GFH Financial Group, has sold a Tesco Distribution Centre for USD 135.0MM. The asset spans over 540,000 square feet and was established by Tesco in 2010. It has access to 400 supermarkets and convenience stores across the Southwest of England and South Wales. With GFH's support, Roebuck targets new acquisitions of around USD 500.0MM in 2022.
- National Cleaning Co. KSCP has bagged an agreement in the form of renewal and increment of credit facilities for KWD 19.0MM.
- Kuwait Real Estate Co. has ensured a credit facility for KWD 33.0MM from one local bank to repay facilities in another.
- An agreement to merge has been signed between Boubyan Petrochemical Co. KSCP and Educational Holding Group, where Boubyan Petrochemical Co. KSCP will be the surviving company after the merger. It is noteworthy that Boubyan Petrochemical Co. KSCP holds 82.7% of Educational Holding Group equity as of date.
- Kuwait and Gulf Link Transport Unit have secured a credit facility amounting to KWD 26.4MM with a Kuwait local bank.
- E- Portal Holding company was acquired by Kuwait Telecommunications Co. (STC), where Kamco Invest oversaw the transaction and helped STC implement its inorganic growth strategy.
- Kuwait Oil Company has already awarded 23 contracts worth KWD 112.3MM in Q1 2022 and issued other 28 oil tenders. US oilfield services company Schlumberger was given the most significant contract, worth KWD 41.0MM, whereas another notable contract is awarded to UK's Marriott P Drilling, worth KWD 24.0MM.
- Petroleum Industries Company has documented the agreement to transfer complete ownership of its fertilizer factories worth USD 18.0MM to the company Naseer Mohammed Al Baddah and his partner.

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