

GCC Markets Performance

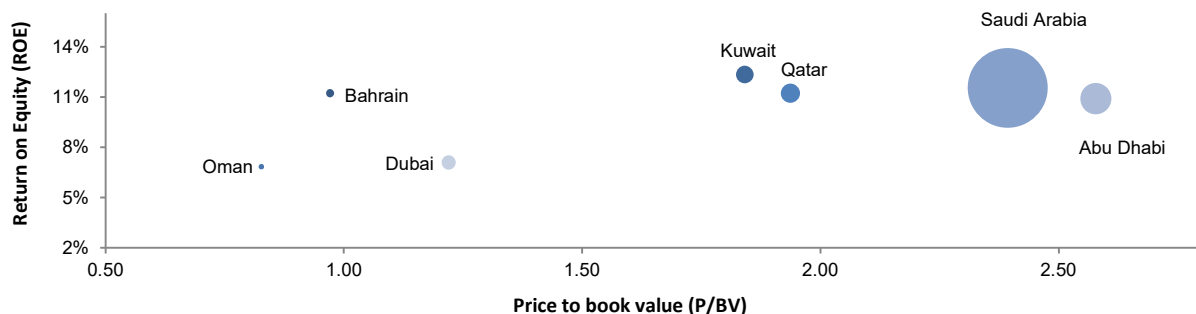
Index	Close	Change MTD (%)	Change YTD (%)	P/E	Dividend Yield (%)
Bahrain (BAX)	2,073.5	5.60	15.37	8.75	4.68
Kuwait (KWSEAS)	8,146.7	6.67	15.67	21.10	1.73
Oman (MSM)	4,205.2	3.69	1.83	12.07	4.38
Qatar (DSM)	13,533.2	4.51	16.41	17.40	3.34
Saudi Arabia (TASI)	13,090.4	3.97	16.03	21.08	2.56
UAE (ADX)	9,948.8	6.75	17.20	25.00	1.93
UAE (DFM)	3,526.6	5.13	10.35	16.87	2.64

All of the seven GCC indices ended in positive territory, during the month of March. UAE's DFM index (up 6.8%) was the top gainers, followed by Kuwait's KWSEAS (up 6.7%).

- Bahrain's BAX closed 5.6% higher at 2,073.5 points. Among sectors, Materials (up 17.6%) was the top gainer. Among stocks, Aluminium Bahrain B.S.C (up 17.6%) increased the most, followed by Gulf Hotel Group (up 7.4%), while National Bank of Bahrain (down 7.7%) was the top decliner. In April, we expect Bahrain's market to follow the trend in oil prices.
- Kuwait's All Share Index closed 6.7% higher at 8,146.7 points. Among sectors, Banking (up 9.9%) rose the most. On the contrary, Healthcare (down 39.1%) decreased the most. Kuwait Hotels Company (up 52.2%) was the top gainer, followed by Alsafat Investment Company (up 35.1%), while Al-Maidan Clinic For Oral Health Services Co. (down 50.4%) was the top decliner. We estimate the Kuwaiti market to rise in April due to increasing demand for oil on account of acute declining global supply due to geopolitical tensions.
- Oman's MSM was up 3.7% at 4,205.2 points. Among sectors, Financials (up 5.0%) was the top gainer. Among stocks, CONSTRUCTION M. (up 45.0%) increased the most, followed by Voltamp Energy (up 37.7%), while Sharqiyah Desalin. (down 20.9%) was the top decliner. We anticipate Oman's bourses to stay stable in April because, despite declining Omicron cases, the market has negative sentiment.
- Qatar's DSM increased 4.5% to close at 13,533.2 points. Among sectors, Industrials (up 9.3%) increased the most, while Telecoms (down 4.0%) declined the most. Among stocks, Inma Holding (up 22.1%) was the top performer, followed by Qatari Investors Group (up 16.1%), while Qatar First Bank (QFC) (down 18.0%) decreased the most. We anticipate Qatar's market to be volatile in April.
- Saudi Arabia's TASI increased 4.0% to close at 13,090.4 points. Among sectors, Materials (up 10.2%) increased the most, while Consumer Services (down 5.0%) declined the most. Among stocks, ACWA Power Co. (up 33.8%) rose the most, followed by Almasane Alkobra Mining Co. (up 33.3%), while Al-Baha Investment and Development Co. (down 26.7%) declined the most. The market is expected to rise in April as global supply of oil is expected to decline resulting in increased oil prices.
- The ADX ended 6.8% higher at 9,948.8 points. Among sectors, Basic Materials (up 28.8%) was the top gainer, followed by Real Estate (up 17.3%). Among stocks, Fujairah Cement Industries (up 68.0%) rose the most, followed by GHITHA HOLDING P.J.S.C. (up 49.1%), while Fujairah Cement Industries (down 23.7%) decreased the most. The DFM ended 5.1% higher at 3,526.6 points. Among sectors, Real Estate & Const (up 15.9%) was the top gainer, followed by Real Estate & Const (up 5.8%). Among stocks, Emirates NBD PJSC (up 7.9%) rose the most, followed by Mashreq Bank PSC (up 3.9%), while Almalak Finance PJSC (down 29.7%) decreased the most. In April, we expect the UAE markets to slightly increase on account of increasing oil prices.

Valuation

Size of the bubble represents Market Capitalization



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 climbed 3.2% YoY in February 2022, after rising 3.1% YoY in January 2022.
- **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 4.37% YoY in February 2022.
- **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 jumped 4.02% in February 2022, following the 4.35% rise in January 2022.
- **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 3.99% YoY in February 2022.
- **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 1.6% in February 2022, 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.

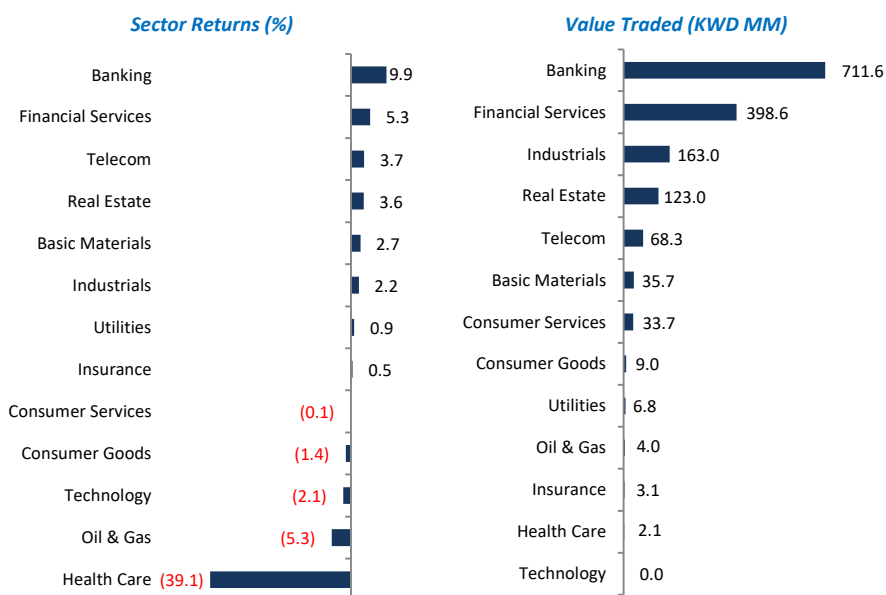
Country	Real GDP Growth	Inflation	Interbank Rate (3M)	REPO Rate
Bahrain	3.1	3.0	1.73	2.50
Kuwait	4.3	3.0	1.59	1.13
Oman	2.9	2.7	2.02	0.50
Qatar	4.0	3.2	1.15	1.25
Saudi Arabia	4.8*	2.2	1.98	1.25
UAE	3.0	2.2	0.85	0.90

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

*January 2022 Outlook

Kuwait –Sector Returns and Value Traded

- **Telecom:** The sector closed 9.9% higher at 1,930.2 points during the month. Boubyan Bank (up 14.1%) rose the most, followed by Kuwait Finance House (up 13.5%), while Commercial Bank Of Kuwait (down 4.6%) was the top loser. Total turnover stood at KWD 711.6MM; while the volume traded stood at 1.4BLN shares.
- **Technology:** The sector ended 39.1% lower at 495.0 points. Gulf Franchising Holding Co. (down 50.4%) was the top loser, followed by Advanced Technology Company (down 1.4%) was the top loser. Quantity and value traded stood at 1.8MM and KWD 2.1MM, respectively.



Source: KSE

Commodity Tracker

- Gold ended the month at \$1,937.8/roy oz., was up 1.5% MoM in March 2022. In April, gold prices are estimated to decline as Federal Reserve is expected to raise interest rates to combat acute inflation and other geo-political tensions.
- Brent crude closed at \$107.9 per barrel in March 2022, representing a positive return of 6.9% MoM. Oil prices are projected to rise in April 2022 amid declining global supply due to Russia-Ukraine crisis.
- Silver ended the month at \$24.8/roy oz., registering a positive return of 1.4% MoM. Silver prices are projected to decline in April due to US Treasury yield and US dollar growth against a basket of other currencies.

Commodity	Close	MTD (%)	YTD (%)
Gold (USD/roy oz.)	1,937.4	1.5%	5.9%
Brent Crude (USD/bbl)	107.9	6.9%	38.7%
Silver (USD/roy oz.)	24.8	1.4%	6.4%

Source: Bloomberg

Stock Watch (Kuwait)

Kuwait Hotels Company (up 52.2%) was the top gainer, while Al-Maidan Clinic For Oral Health Services Co. (down 50.4%) was the top loser in March 2022.

Name	M Cap (KWD MM)	Last (KWD Fils)	MTD (%)	YTD (%)	Shares Traded (MM)	P/E	P/B
TOP GAINERS							
KHOT	6.94	123.00	52.23	75.71	0.49	11.64	1.54
ALSAFAT	67.24	250.00	35.14	95.31	85.43	46.82	2.90
TAMINV	170.20	498.00	26.72	31.40	2.09	32.79	0.53
NINV	354.25	444.00	23.68	102.74	98.09	14.49	1.62
NCCI	12.42	138.00	16.95	15.00	43.29	NA	1.74
TOP LOSERS							
MIDAN	153.75	615.00	(50.40)	(50.40)	1.72	1.72	1.72
JIYAD	8.60	46.80	(42.01)	(42.01)	122.71	122.71	122.71
GFC	3.49	87.40	(31.18)	(8.86)	0.46	0.46	0.46
AGHC	54.94	333.00	(18.58)	14.43	23.21	23.21	23.21
KFIC	23.50	76.10	(17.73)	(12.33)	9.21	9.21	9.21

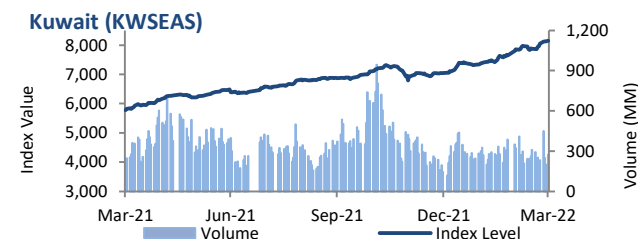
Source: Bloomberg, CapIQ. NA – Not available, NM – Not meaningful

Stock Watch (Saudi Arabia)

ACWA Power Co. (up 33.8%) rose the most, while Al-Baha Investment and Development Co. (down 26.7%) declined the most.

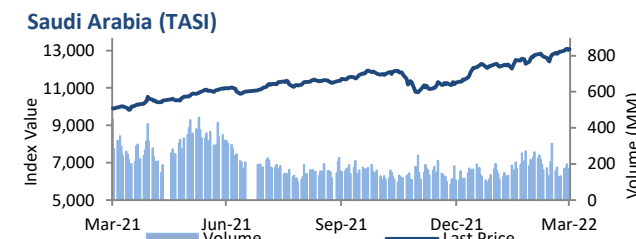
Name	M Cap (SAR MM)	Last (SAR Fils)	MTD (%)	YTD (%)	Shares Traded (MM)	P/E	P/B
TOP GAINERS							
ACWA POWER	97,821.05	133.80	33.80	59.29	51.11	215.24	11.61
AMAK	5,544.00	84.00	33.33	33.33	19.46	NA	NA
CITY CEMENT	3,885.00	27.75	30.53	23.11	27.92	17.94	2.13
SIECO	871.34	403.40	27.74	36.78	3.70	NM	41.45
MAADEN	164,899.21	134.00	25.47	70.7	52.58	44.45	4.93
TOP LOSERS							
ALBAHA	566.08	19.06	(26.69)	(24.63)	22.47	NM	5.38
AMIANITIT	449.96	45.45	(19.98)	(21.42)	3.95	NM	61.34
ENAYA	390.00	26.00	(18.75)	(16.40)	10.69	NM	5.13
NCLE	2,175.80	50.60	(17.99)	(15.67)	5.15	57.13	3.58
TAPRCO	5,450.00	135.60	(15.46)	2.59	4.12	NM	20.24

Kuwait (KWEAS)



Source: Bloomberg

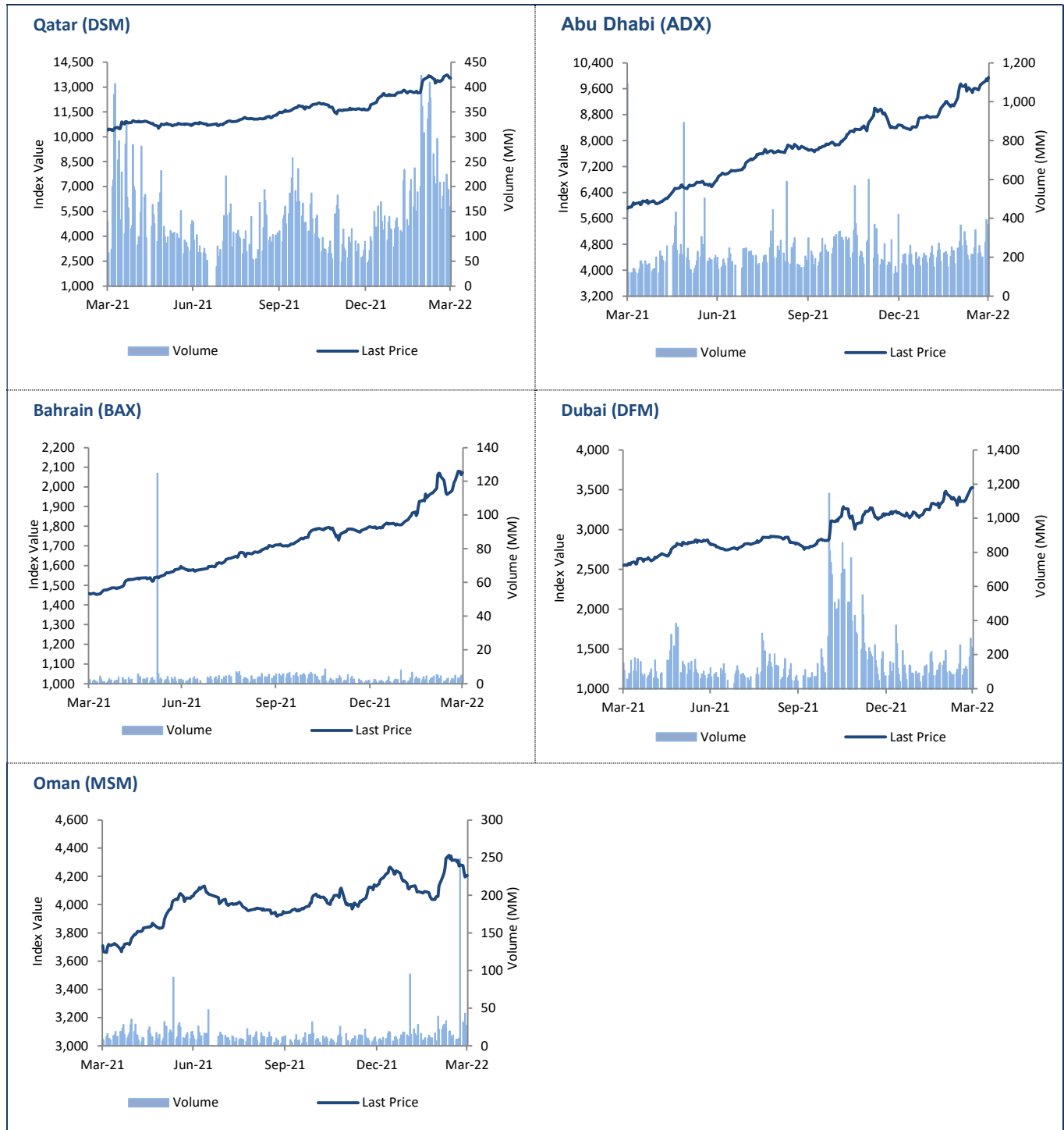
Saudi Arabia (TASI)



Monthly market updates

- Kuwait's All Share Index closed 6.7% higher at 8,146.7 points in March 2022. Total volume traded increased 8.6% MoM to 5.6BLN, number of deals rose 7.8% MoM to 273,539, and total value traded was up 20.1% MoM to KWD 1,559.0MM. Growth in the market was mainly driven by the banking and financial services sectors.
- As per the third estimate released by the Bureau of Economic Analysis, real GDP of US grew at an annualized rate of 6.9% YoY in Q4 2021 compared to 2.3% YoY in Q3 2021.
- As per Eurostat, the Euro area's annual inflation rate was expected to be 7.5% in March 2022, up from 5.9% in February 2022 (revised).
- Based on the latest data released by the National Bureau of Statistics, China's CPI was stood at 0.9% in February 2022; unchanged from the previous month January 2022, still being the lowest inflation rate since September 2021.
- According to the Statistics Bureau of Japan, CPI rose 0.9% YoY in February 2022, following the 0.5% YoY rise in January 2022, marking the sixth straight month of increase, and being the highest rise since April 2019.

GCC Benchmark Indices– Market Movements



GCC Markets – Economy and Industry News

Saudi Arabia

- According to GASTAT, inflation in Saudi Arabia rose 1.6% YoY in February 2022 compared to the 1.2% rise in January 2022, mainly due to 4.3% increase in prices of transportation, followed by 2.4% surge in food and beverage prices.
- The wholesale price index (WPI) in KSA rose 11.5% YoY in February 2022 compared to the 12.3% jump in January 2022, driven by 17.4% increase in other transportable goods prices, which have a relatively high weight in the index.
- Overall merchandise exports climbed 49.6% YoY in January 2022, supported by oil exports, which rose by SAR 30.5BLN or 57.5% during the same period.
- Saudi non-oil exports surged 27.5% YoY to SAR 24.1BLN in January 2022.
- Unemployment among Saudis dropped to 11.0% in 4Q 2021 from 11.3% in 3Q 2021 and 12.6% in 4Q 2020, driven by strong economic recovery.
- As per Bloomberg, Saudi Arabia surpassed Malaysia as the world's biggest issuer of sukuk and Islamic finance in 2021 for the first time since 2018.
- Saudi Arabia expects tourism to contribute 15% to its GDP by 2030, which is expected to hit USD 1.86TLN, as it plans to generate income streams from non-oil sectors and invest in tourism to attract 100 MM visitors a year.

UAE

- The emirate of Sharjah in the UAE is expecting a budget deficit in 2022, amounting to AED 9.2BLN, according to the finance department.
- The UAE e-commerce market is forecast to expand 60% to more than USD 8.0BLN by 2025 from 2021, as consumers across the region continue to shift to online retail.
- Dubai accounted for 57% of scaleup funding in the Middle East and North Africa (MENA) region. The UAE registered 251 scaleups that raised 59% of total funding within the region with USD 5.4BLN.
- The UAE will invest around USD 2BLN in Egypt by buying state-held stakes in companies in a bid to boost the country's stability as economic hardships rise amid the war in Ukraine.

Qatar

- Qatar's CPI for February 2022 reached 100.89 points, down 0.26% MoM and up 3.99% YoY.
- Qatar's foreign merchandise trade balance was in surplus by QAR 22.4BLN in February 2022 (up 69.5% YoY and down 13.5% MoM), as exports totaled QAR 31.9BLN (up 54.6% YoY) and imports stood at QAR 9.5BLN (up 28.1% YoY).
- Germany is in talks with Qatar over bilateral cooperation in the energy and corporate investment sectors, as per the federal chancellery's state secretary Joerg Kukies.
- Italian Foreign Minister and his Qatari counterpart discussed greater cooperation in the energy field; Qatar is the world's third-largest supplier of natural gas, after Russia and Algeria.

Bahrain

- According to the Information & e-Government Authority, the inflation rate in Bahrain climbed 3.2% YoY in February 2022, after rising 3.1% YoY in January 2022.
- According to Bahrain's finance minister, high oil prices and an economic rebound could help Bahrain balance its fiscal budget by 2024.

Oman

- As per the National Centre for Statistics and Information (NCSI), Oman's inflation jumped 4.02% in February 2022, following the 4.35% rise in January 2022.

GCC Corporate Developments

Saudi Arabia

- According to a bourse filing, Tanal Investment and Real Estate Development Company, a subsidiary of Arriyadh Development Company, sold 151,46 square meters of its land for SAR 249.9MM.
- Chemical Company for Commercial Investment (CCCI), a subsidiary of Saudi Chemical Company, and Germany-based Hellmann Worldwide Logistics have created a joint venture (JV) for providing logistics services including transportation, loading, unloading, warehousing, and distribution.
- According to a bourse filing, Jadwa REIT Al Haramain Fund, managed by Jadwa Investment Company, inked a management and operation contract with Emaar Al Diyafa Hotels Company; as per the contract, the fund will manage and operate Tharawat Andalusia Hotel in Makkah.
- Al Moammar Information Systems Company (MIS) received three projects with a combined value of around SAR 126.8MM from the Ministry of Health, King Abdulaziz City for Science and Technology, and the General Office of the Presidency of State Security.
- Future Retail for Information Technology Company, a wholly owned subsidiary of BinDawood Holding Company, acquired 62% stake in the International Applications Trading Company.
- Saudi Agricultural and Livestock Investment Co., a wholly owned subsidiary of the Public Investment Fund, signed an agreement to acquire 35.43% of Olam Agri Holdings for SAR 4.65BLN.

UAE

- Shuaa Capital acquired Allianz Marine & Logistics Services Holding (Allianz), a UAE-based maritime logistics company that owns and rents 117 offshore support vessels (OSV), by its managed funds.
- Abu Dhabi-based ADQ signed an agreement to acquire a majority equity stake in Unifrutti Group, a global producer and distributor of high-quality fresh produce.
- Geidea, a Saudi financial technology (fintech) company, has partnered with Magnati to expand its businesses in the UAE across the retail, F&B, wholesale, hospitality, and healthcare sectors.
- FAM Holding, a real estate developer, announced plans to list its shares on Abu Dhabi Securities Exchange (ADX)'s Second Market.
- RAK Hospitality Holding confirmed the sale of 715-key all-inclusive Rixos Bab Al Bahr hotel in Ras Al Khaimah (RAK) for a total of AED 770MM to Aldar Properties (headquartered in Abu Dhabi).

Qatar

- Qatar Stock Exchange (QSE)-listed Baladna acquired 5% stake in Juhayna Food Industries through a number of purchases worth EGP 285.8MM.
- Qatar Energy Company signed an agreement with ExxonMobil to acquire a stake in an offshore exploration site off the coast of the Arab Republic of Egypt.

Bahrain

- Arla Foods, a major dairy products company in the UK, has invested USD 63MM to expand production in Bahrain.
- Bahrain-based Ithmaar Holding's shareholders have approved plans to sell some of the company's key assets, including ownership stake in both Bank of Bahrain and Kuwait and Solidarity Group Holding, as well as the consumer banking business of Ithmaar Bank, to Al Salam Bank.

Oman

- Oman Insurance Company entered an agreement with VHV Reasürans, Turkey, a company of VHV Group, Germany, to fully sell its insurance operations in Turkey.

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