

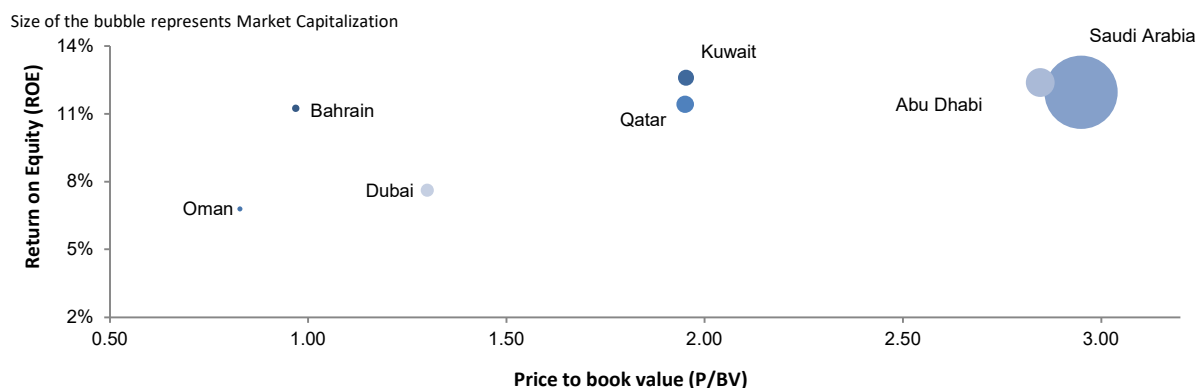
GCC Markets Performance

Index	Close	Change MTD (%)	Change YTD (%)	P/E	Dividend Yield (%)
Bahrain (BAX)	2,056.2	(0.84)	14.41	8.68	5.45
Kuwait (KWSEAS)	8,358.5	2.60	18.67	21.77	2.45
Oman (MSM)	4,158.4	(1.11)	0.70	12.04	4.93
Qatar (DSM)	13,590.8	0.43	16.90	16.83	3.20
Saudi Arabia (TASI)	13,733.9	4.92	21.74	25.40	2.11
UAE (ADX)	10,081.4	1.33	18.77	21.54	1.94
UAE (DFM)	3,719.6	5.47	16.39	16.67	2.81

Majority GCC indices ended in positive territory, during the month of March. UAE's DFM index (up 5.5%) was the top gainers, followed by KSA's TASI (up 4.9%), while Oman's MSM (down 1.1%) was the top loser.

- Bahrain's BAX closed 0.8% lower at 2,056.2 points. Among sectors, communication services (down 4.8%) was the top loser. Among stocks, Solidarity Bahrain (down 19.4%) decreased the most, followed by Bahrain Kuwait Insurance Co. (down 9.3%), while Al Baraka Banking Group (up 15.9%) was the top gainer. In May, we expect Bahrain's market to follow the trend in oil prices.
- Kuwait's All Share Index closed 2.6% higher at 8,358.5 points. Among sectors, Telecom (up 11.9%) rose the most. On the contrary, Insurance (down 4.9%) decreased the most. 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 Kuwait Telecommunications Co. (down 42.9%) was the top decliner. We estimate the Kuwaiti market to rise in May due to increasing demand for oil on account of geopolitical tensions.
- Oman's MSM was down 1.1% at 4,158.4 points. Among sectors, Financials (down 2.4%) was the top loser. Among stocks, Al Hassan Eng. (down 31.3%) decreased the most, followed by Asaffa Foods (down 19.4%), while Al Madina Inv (up 67.4%) was the top gainer. We anticipate Oman's bourses to stay stable in May because the market has negative sentiment.
- Qatar's DSM increased 0.4% to close at 13,590.8 points. Among sectors, Telecoms (up 4.7%) increased the most, while Industrials (down 3.3%) declined the most. Among stocks, Dlala Brokerage & Investment Holding (up 13.2%) was the top performer, followed by Dlala Brokerage & Investment Holding (up 8.4%), while Mesaieed Petrochemical Holding Co. (down 11.0%) decreased the most. We anticipate Qatar's market to be volatile in May.
- Saudi Arabia's TASI increased 4.9% to close at 13,733.9 points. Among sectors, Software & Services (up 14.2%) increased the most, while Insurance (down 6.4%) declined the most. Among stocks, Elm Co. (up 28.1%) rose the most, followed by Almasane Alkobra Mining Co. (up 27.4%), while Saudi Cable Co. (down 22.4%) declined the most. The market is expected to rise in May as global supply of oil is expected to decline resulting in increased oil prices.
- The ADX ended 1.3% higher at 10,081.4 points. Among sectors, Real Estate (up 13.36%) was the top gainer, while Consumer Staples declined the most (down 7.21%). Among stocks, National Marine Dredging Co. (up 87.2%) rose the most, followed by Abu Dhabi Ports Company PJSC (up 57.7%), while Aram Group (down 14.3%) decreased the most. The DFM ended 5.5% higher at 3,719.6 points. Among sectors, Consumer Staples and Discretionary (up 32.2%) was the top gainer, followed by Transportation (up 24.0%). Among stocks, Emirates Refreshments Company (up 53.2%) rose the most, followed by Air Arabia PJSC (up 36.9%), while Orient UNB Takaful PJSC (down 21.5%) decreased the most. In May, we expect the UAE markets to slightly increase on account of increasing oil prices.

Valuation



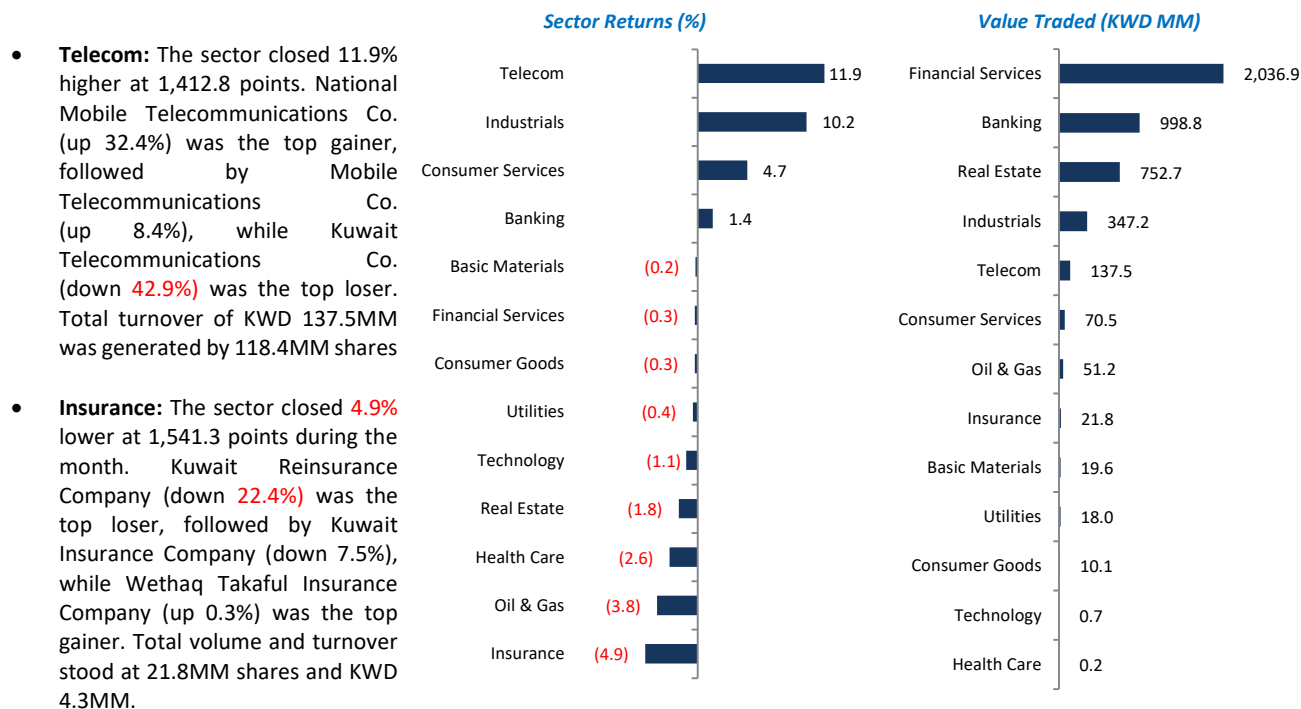
Macroeconomic Snapshot

- **Bahrain** – The International Monetary Fund (IMF) estimates Bahrain's real Gross Domestic Product (GDP) to increase by 3.3% this year, and inflation is projected to rise by 3.5%. According to the Information & e-Government Authority, the inflation rate in Bahrain climbed 3.9% YoY in March 2022, after rising 3.2% YoY in February 2022.
- **Kuwait** – As per IMF's projections Kuwait's economy is expected to increase by 8.2% this year, and inflation is projected to rise by 4.8%. 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 5.6% this year, and inflation is estimated to rise by 3.7%. As per the National Centre for Statistics and Information (NCSI), Oman's inflation decreased to 3.60% in March 2022, after rising 4.02% in February 2022.
- **Qatar** – As per IMF estimates, Qatar's real GDP growth is expected to grow by 3.4% this year, and inflation is expected to increase by 3.5%. According to Qatar Statistics Authority, Qatar's consumer price index increased 4.42% YoY in March 2022.
- **Saudi Arabia** – The IMF in its latest projection stated that Saudi Arabia's Gross Domestic Product (GDP) is expected to grow by 7.6% in 2022, and inflation is expected to increase by 2.5% this year. Saudi Arabia's inflation increased to 2.0% YoY in March 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 4.2% this year, and inflation is projected to rise by 3.7%. 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	3.3	3.5	1.94	2.50
Kuwait	8.2	4.8	1.69	1.13
Oman	5.6	3.7	1.92	0.75
Qatar	3.4	3.5	1.15	1.25
Saudi Arabia	7.6	2.5	2.36	1.25
UAE	4.2	3.7	1.15	0.90

Source: IMF World Economic Outlook Update (April 2022), Central Bank, Bloomberg

Kuwait –Sector Returns and Value Traded



Source: KSE

Commodity Tracker

- Gold ended the month at \$1,896.9/troy oz., was down **2.1%** MoM in April 2022. In May, gold prices are estimated to decline as Federal Reserve is expected to raise interest rates to further combat acute inflation and other geo-political tensions.
- Brent crude closed at \$109.3 per barrel in April 2022, representing a positive return of 1.3% MoM. Oil prices are projected to rise in May 2022 amid declining global supply due to Russia-Ukraine crisis.
- Silver ended the month at \$22.8/troy oz., registering a negative return of **8.1%** MoM. Silver prices are projected to decline in May due to US Treasury yield and US dollar growth against a basket of other currencies.

Commodity	Close	MTD (%)	YTD (%)
Gold (USD/troy oz.)	1,896.9	(2.1)	3.7
Brent Crude (USD/bbl)	109.3	1.3	40.6
Silver (USD/troy oz.)	22.8	(8.1)	(2.3)

Source: Bloomberg

Stock Watch (Kuwait)

Heavy Engineering Industries And Ship Building Co. (up 44.3%) was the top gainer, while Kuwait Telecommunications Co. (down **44.9%**) was the top loser.

Name	M Cap (KWD MM)	Last (KWD Fils)	MTD (%)	YTD (%)	Shares Traded (MM)	P/E	P/B
TOP GAINERS							
SHIP	152.66	44.29	847.00	66.40	37.46	23.94	2.22
RKWC	84.03	40	168.00	33.33	2.22	28.72	1.27
OOREDOO	530.73	32.38	1059.00	69.71	7.04	19.81	1.02
THURAYA	19.19	24.76	131.00	24.76	1.51	35.38	1.14
TIJARA	29.05	21.89	78.50	28.48	2.08	15.51	0.73
TOP LOSERS							
STC	829.95	831.00	(42.89)	(2.81)	27.93	20.21	3.86
SALBOOKH	2.64	26.00	(30.48)	(40.09)	26.61	NA	0.69
SULTAN	47.99	170.00	(24.44)	(19.05)	19.25	1.30	0.63
KSHC	6.59	37.40	(23.52)	(12.62)	10.54	6.04	0.40
TAAAMEER	6.68	27.90	(23.14)	(32.45)	11.15	NA	0.44

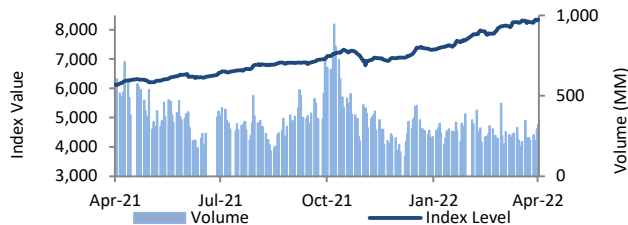
Source: Bloomberg, CapIQ. NA – Not available, NM – Not meaningful

Stock Watch (Saudi Arabia)

Elm Co. (up 28.1%) rose the most, while Saudi Cable Co. (down **22.4%**) declined the most.

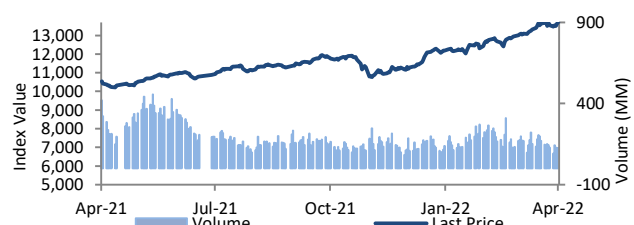
Name	M Cap (SAR MM)	Last (SAR)	MTD (%)	YTD (%)	Shares Traded (MM)	P/E	P/B
TOP GAINERS							
ELM	22,016	275.2	28.12	115	18.04	38.83	7.83
AMAK	7,062.00	107	27.38	69.84	94.15	35.80	10.89
SAIB	23,000.00	23	26.65	56.68	50.39	25.80	1.87
ANB	52,800.00	35.2	26.62	53.98	26.39	24.25	1.70
AWPT	2,900.00	116	20.33	13.28	7.61	28.07	8.13
TOP LOSERS							
SAUDI CABLE	409	15.60	(0.22)	(41.86)	8.50	NM	2.32
SAUDI KAYAN	28,320.00	18.88	(0.16)	10.93	123.34	11.85	1.72
ALLIANZ SF	1,270.80	21.18	(0.16)	(18.07)	2.97	77.09	1.79
WATANIYA	760.00	19.00	(0.15)	(29.63)	8.83	NM	3.60
ALSAGR INSURANCE	456.80	11.42	(0.15)	(35.91)	4.93	NM	2.14

Kuwait (KWEAS)



Source: Bloomberg

Saudi Arabia (TASI)

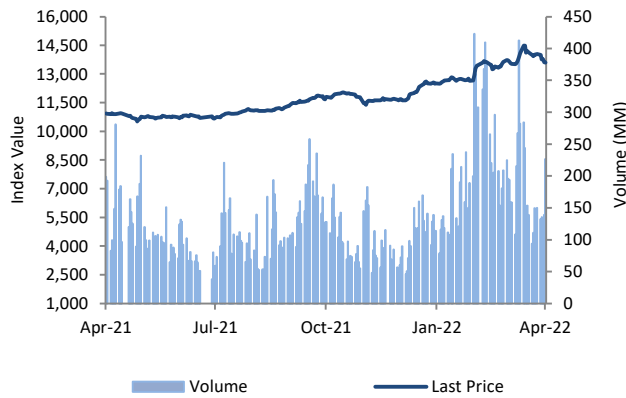


Monthly market updates

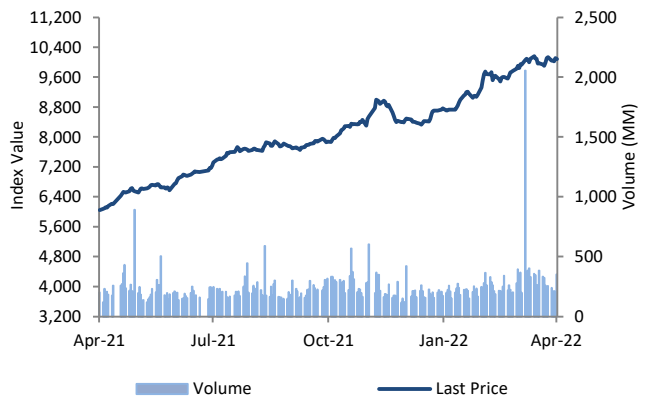
- Kuwait's All Share Index closed 2.6% higher at 8,358.46 points in April 2022. Total volume traded decreased **20.7%** MoM to 4.5BLN, number of deals declined **8.6%** MoM to 250,031, and total value traded was down **13.8%** MoM to KWD 1,344.5MM. Growth in the market was mainly driven by the industrials 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 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. Whereas the same for 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 Word 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. Whereas the same for Japan was 1.6% in FY21, and it is expected to be 2.4% and 2.3% in FY22 and FY23, respectively.

GCC Benchmark Indices– Market Movements

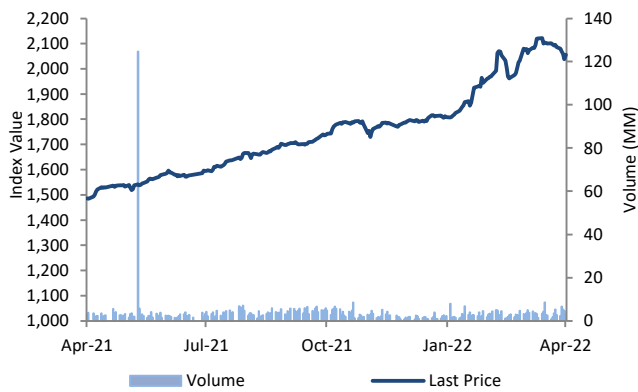
Qatar (DSM)



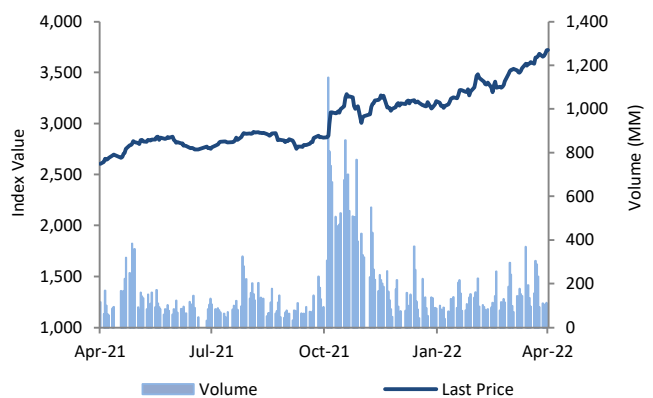
Abu Dhabi (ADX)



Bahrain (BAX)



Dubai (DFM)



Oman (MSM)



GCC Markets – Economy and Industry News

Saudi Arabia

- According to flash estimates by GASTAT, led by oil activities, real GDP of Saudi Arabia achieved the highest growth rate in the last 10 years at 9.6% in Q1 2022 compared to Q1 2021.
- Oil activities increased by 20.4% in Q1 2022, non-oil activities by 3.7%, and government services by 2.4% YoY.
- According to GASTAT, KSA's inflation rose 2.0% YoY in March 2022 compared to the 1.6% rise in February 2022, mainly due to the 4.7% increase in the prices of transportation, followed by the 3.0% surge in food and beverage prices.
- The wholesale price index (WPI) in KSA rose 12.1% YoY in March 2022 compared to the 11.5% jump in February 2022. Growth was driven by 16.1% increase in other transportable goods prices, which have a relatively high weight in the index.
- The real estate price index rose 0.4% in Q1 2022 compared to the same quarter last year, mainly due to 1.5% increase in residential real estate prices. The decline in commercial real estate prices by 1.7% and agricultural real estate prices by 0.5% had a dampening effect on the general index.
- Saudi Arabia leads GCC countries in the construction sector again, accounting for 63% of the region's planned future projects, as per Meed's GCC Construction Outlook report.
- Saudi Cabinet has approved an agreement on the investment of the state's Public Investment Fund in Egypt. It also approved an MoU between the Government of Saudi Arabia and that of the Sultanate of Oman for cooperation in commercial fields. These were part of a broader package of initiatives and decisions the cabinet approved during the session held by the council of ministers.

UAE

- The UAE's GDP for FY21 at constant prices grew 3.8%, according to the Federal Competitiveness and Statistics Centre, where GDP stood at AED 1.489TLN.
- The UAE announced the launch of conventional dirham-denominated treasury bonds of the government, with a benchmark auction size of AED 1.5BLN (~USD 400MM), where the UAE was represented by the Ministry of Finance (MoF) as the issuer and the central bank as the issuing and paying agent.
- Dubai's Purchasing Managers' Index (PMI) surged to 55.5 in March 2022, reflecting a 33-month high and climbing 1.4 points compared to 54.1 in February 2022. The rise is attributed to a stronger new business intake, a boost in supplier performance, and confidence in future activity, where the improvement is largely linked to the lifting of COVID-19 measures
- Abu Dhabi recorded 21.5% YoY increase in new economic licenses to 25,427 in 2021 from 20,925, as per the Abu Dhabi Department of Economic Development (ADDED).

Qatar

- Qatar's CPI for March 2022 reached 101.48 points, up 0.58% MoM and up 4.42% YoY.
- Qatar's foreign merchandise trade balance was in surplus by QAR 26.7BLN in March 2022, up 97.8% YoY and up 19.0% MoM, as exports totaled QAR 36.7BLN (up 66.4% YoY) and imports stood at QAR 10.0BLN (up 17.1% YoY).

Bahrain

- According to the Information & e-Government Authority, the inflation rate in Bahrain climbed 3.9% YoY in March 2022, after rising 3.2% YoY in February 2022.
- Profitability in Bahrain-based banks is expected to return close to pre-pandemic levels over the coming 12–18 months, given the current resilient funding, liquidity, and capital positions after the COVID-19 economic crisis, as per Moody's.

Oman

- As per the National Centre for Statistics and Information (NCSI), Oman's inflation decreased to 3.60% in March 2022, after rising 4.02% in February 2022.

GCC Corporate Developments

Saudi Arabia

- Saudi Seventh Investment Co. has bought an additional stake of 6.5% (after existing 4.5% stake) in Egyptian firm Tenth of Ramadan for Pharmaceutical Industries and Diagnostic Reagents (Rameda) in a deal valued at LE 135.0MM (USD 7.0MM), as per a filing on the Egyptian Stock Exchange.
- The Growth Avenue Investment Co., a unit of Maharah Human Resources Co., has finalized a deal to acquire 40% of Saudi Medical Systems Co.
- Saudi Arabia's Alkhorayef Water and Power Technologies Co. secured four contracts worth SAR 1.9BLN (USD 506.0MM) from the Ministry of Environment, Water and Agriculture for water quality improvement projects in the Eastern Province.
- Foodics, the cloud-based technology and payments platform for restaurants in the MENA region, has raised USD 170.0MM in a Series C funding.
- Saudi Real Estate Co., also known as Al Akaria, has received approval from CMA to raise a capital of SAR 1.6BLN (USD 426.0MM), as per a bourse filing.

UAE

- DAMAC group, an Emirati property developer, announced plans to enter the metaverse, i.e., a network of 3D virtual worlds focused on social connection and building its own digital cities. The company also plans to invest capital of up to USD 100.0MM for the project, as per Zawya.
- Dubai-based Dar Al Takaful (DAT) and Abu Dhabi-based Watania will be merged to create what is claimed to be the UAE's largest Takaful (Islamic insurance) provider by market share.
- Abu Dhabi Investment Authority, the UAE's biggest sovereign wealth fund, signed a USD 24.1MM deal to acquire a 10.0% stake in India's HDFC Capital.
- Dubai Investments Co. sold its 50% stake in Emirates District Cooling Co. (Emicool) to Actis Investment Co. The company is expected to receive ~DHS 465.0MM (USD 126.0MM).
- The Abu Dhabi National Oil Company has signed a contract with Canadian consultancy SNC-Lavalin to support its offshore operations. The four-year advisory and engineering services contract was valued at a USD 3.6BLN

Qatar

- Qatar Energy Company inked an agreement with ExxonMobil, stating it will acquire a stake in an offshore exploration area off the coast of the Arab Republic of Egypt. Qatar Energy will acquire 40% of the North Maraca marine area in the Mediterranean, whereas ExxonMobil (the operator) will be owning 60% stake.

Bahrain

- Aluminum Bahrain BSC has received refinancing in the form of sustainability linked, syndicated loan facility of USD 1.25BLN concerning the line 6 expansion project. This facility's coordinators and underwriters are Arab Banking Corporation, Gulf International Bank, and National Bank of Bahrain. Standard Chartered Bank and National Bank of Bahrain are joint ESG coordinators for the facility.

Oman

- The Zubair Corporation (TZC), a consignment family-owned business in Oman, partnered with global technology company SAP to power its group-wide digital transformation.

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