

### GCC Market Performance

- **Bahrain (BAX)** – Bahrain's BAX closed 1.8% higher in April. We expect Bahrain's market to remain lower in May as new lockdown restrictions on account of rising coronavirus cases.
- **Kuwait (KSE)** – Kuwait's KSE increased 5.9% in April. We expect Kuwaiti market to end on positive note as the business activities are expected to pick up in May ahead of Eid followed by eased in lockdown restriction after Ramadan.
- **Oman (MSM)** – Oman's MSM rose 1.4% in April. We expect Oman's market to remain positive in May as the government eased certain restriction ahead of Eid, which would support to pick up business activities during the month.
- **Qatar (DSM)** – Qatar's DSM increased 4.9% in April. We anticipate Qatar's markets would remain volatile in May owing to rising cases of Covid-19.
- **Saudi Arabia (TASI)** – Saudi Arabia's TASI gained 5.2% in April. The market is expected to be soft in May due to rising Covid-19 cases, which may lead to force new lockdown restrictions on business activities.
- **UAE (DFM and ADX)** – The UAE's ADX surged 2.3% and DFM increased 2.2% in April. We expect UAE's market to remain flat in May on account of rising coronavirus cases and business activities expected to increase due to Eid.

Index	Level	Performance		P/E	Dividend Yield
		MTD	YTD		
Bahrain (BAX)	1,484.85	1.84	(0.33)	30.94	2.36
Kuwait (KSE)	6,113.60	5.85	10.23	50.04	2.29
Oman (MSM)	3,761.01	1.41	2.79	11.32	4.81
Qatar (DSM)	10,911.40	4.90	4.56	19.35	2.84
Saudi Arabia (TASI)	10,418.98	5.16	19.90	31.15	2.35
UAE (ADX)	6,046.81	2.27	19.85	22.71	4.29
UAE (DFM)	2,605.38	2.16	4.55	20.03	3.24

Source: Bloomberg

### 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 1.5%. According to Information & e-Government Authority, Bahrain's inflation fell 2.0% YoY in March 2021.
- **Kuwait** – As per IMF's projections Kuwait's economy is expected to increase by 0.7% this year, and inflation is projected to rise by 2.3%. According to the latest data released by Central Statistical Bureau (CSB), annual inflation increased by 3.2% YoY in March 2021.
- **Oman** – As per IMF estimates, Oman's economy is projected to grow 1.8% this year, and inflation is estimated to rise by 3.8%. According to National Centre for Statistics and Information, Oman's Inflation fell 0.4% YoY in March 2021.
- **Qatar** – As per IMF estimates, Qatar's real GDP growth is expected to grow by 2.4% this year, and inflation is expected to increase by 2.4%. According to Planning and Statistics Authority, Qatar's consumer price index fell 0.3% YoY in March 2021.
- **Saudi Arabia** – The IMF in its latest projection stated that Saudi Arabia's Gross Domestic Product (GDP) is expected to grow by 2.9% in 2021, compared to an estimated 4.1% contraction last year and expects Kingdom's economy to record faster growth of 4.0% in 2022. According to the General Authority of Statistics (GASTAT), Kingdom's inflation stood at 4.9% in March as against 5.2% in February.
- **UAE** – As per estimates released by the IMF, the real GDP growth rate for UAE is expected to increase 3.1% this year, and inflation is projected to rise by 2.9%. In February, UAE's inflation fell 2.0% YoY as compare to a 1.9% decline in January 2021.

Country	Real GDP Growth*	Inflation*	Interbank Rate (3M)	REPO Rate
Bahrain	3.3	1.5	1.26	2.25
Kuwait	0.7	2.3	1.50	0.875
Oman	1.8	3.8	2.62	0.50
Qatar	2.4	2.4	1.09	1.00
Saudi Arabia	2.9	2.7	0.80	1.00
UAE	3.1	2.9	0.35	0.60

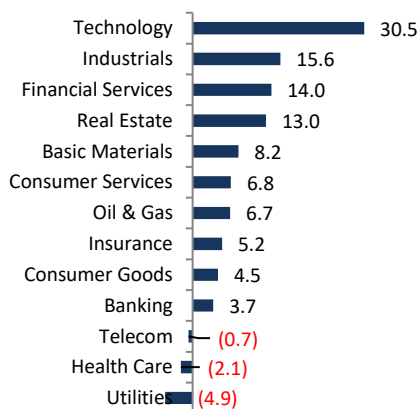
Source: IMF World Economic Outlook Update (April 2021), Central Bank, Bloomberg

\* 2021 forecast, \*\*Discount rate of Kuwait

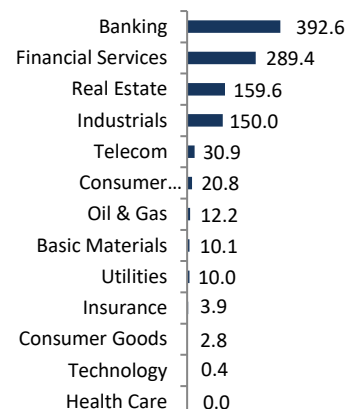
### Kuwait –Sector Returns and Value Traded

- **Technology:** The sector closed at 778.4 points, up 30.5% from the previous month. Automated Systems Company (up 30.5%) was the only gainer. The sector recorded 395 transactions during the month. Total volume and value traded stood at 4.4mn and KWD0.4mn, respectively.
- **Utilities:** The sector closed 4.9% lower at 671.1 points during the month. Shamal Az-Zour Al-Oula Power and Water Company K.S.C.P (down 4.9%) only listed stock ended in red. The sector recorded 2,508 transactions. Total volume and value traded stood at 38.0mn and KWD10.0mn, respectively.

Sector Returns (%) (KSE IXW)



Value Traded (KWDmn) (KSE IXW)



Source: KSE

## Commodity Tracker

- Gold ended the month at \$1,769.1/troy oz., representing 3.6% MoM increase in April 2021. Gold prices are expected to remain positive in April as US dollar is expected to soften further on the back of falling US Treasury yields.
- Brent crude closed at \$67.3 per barrel in April 2021, representing a positive return of 5.8% MoM. Oil prices are expected to remain volatile amid rising coronavirus cases in India and easing lockdown restrictions in the US and Europe.
- Silver ended the month at \$25.9/troy oz., registering a positive return of 6.1% MoM. Silver prices are likely to grow in May mainly due to drop in US Treasury yields.

Commodity	Close	MTD (%)	YTD (%)
Gold (USD/troy oz.)	1769.1	3.6	(6.8)
Brent Crude (USD/bbl)	67.3	5.8	29.8
Silver (USD/troy oz.)	25.9	6.1	2.0

Source: Bloomberg

## Stock Watch (Kuwait)

Alrai Media Group Company (down 28.0%) was the top loser in April 2021, while Educational Holding Group (up 103.8%) was the top gainer.

Name	M Cap (KWDmn)	Last (KWD)	MTD (%)	YTD (%)	Shares Traded (Mn)	P/E	P/B
<b>TOP GAINERS</b>							
EDU	103.95	693.00	103.82	111.28	4.13	16.27	2.86
NRE	273.92	182.00	101.55	141.38	274.54	NM	1.00
TAAMEER	8.12	33.90	82.26	69.50	152.03	NA	0.53
MARAKEZ	6.95	54.00	74.19	95.65	12.46	NM	0.32
BAYANINV	22.07	60.90	74.00	46.04	339.56	NA	0.63
<b>TOP LOSERS</b>							
ALRAI	2.64	25.50	(27.97)	(46.88)	3.37	NM	0.25
JAZEERA	122.60	613.00	(14.86)	(16.03)	7.99	NA	10.24
YIACO	9.11	532.00	(12.79)	(36.67)	0.03	NM	4.43
HUMANSOFT	400.24	3290.00	(11.08)	(13.40)	5.50	7.73	3.50
JYAD	14.46	41.30	(10.80)	(6.77)	15.65	11.24	0.37

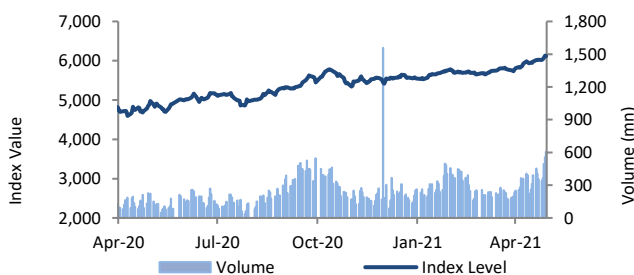
Source: Bloomberg, CapIQ. NA – Not available, NM – Not meaningful

## Stock Watch (Saudi Arabia)

Northern Region Cement Co. (up 35.6%) led the gainers while, Saudi Industrial Export Co. (down 18.1%) declined the most.

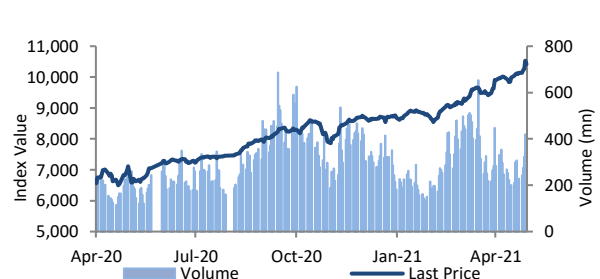
Name	M Cap (SARmn)	Last (SAR)	MTD (%)	YTD (%)	Shares Traded (Mn)	P/E	P/B
<b>TOP GAINERS</b>							
NORTHERN CEMENT	3178.80	17.66	35.64	45.23	191.55	29.37	1.44
NADEC	4141.83	40.75	29.37	36.74	55.92	116.18	2.80
TASNEE	12843.15	19.20	26.65	40.35	161.06	NM	1.77
SIPCHEM	19946.67	27.20	23.08	57.04	60.30	113.40	1.54
SISCO	3859.68	47.30	22.86	45.99	14.62	27.69	3.29
<b>TOP LOSERS</b>							
SIECO	680.40	105.00	(18.10)	(5.91)	7.61	NM	19.52
MIS	2,625.00	105.00	(12.50)	36.43	4.49	29.05	8.51
SAIC	1,802.50	36.05	(12.39)	90.74	57.58	69.14	2.15
SHARQIYAH DEV	716.25	95.50	(12.39)	0.84	5.45	NM	5.01
BAAZEEM	957.83	94.60	(11.92)	4.88	5.40	36.47	5.01

## Kuwait (KSE)



Source: Bloomberg

## Saudi Arabia (TASI)



## Monthly market updates

- Kuwait's All Share Index closed 5.8% higher at 6,113.6 points in April 2021. Total traded volume increased 59.5% MoM to 7.5bn; the number of deals increased 24.9% MoM to 262,087 and total value traded improved 19.4% MoM to KWD1,082.7mn.
- As per the third estimate released by the Bureau of Economic Analysis, the real GDP of the US grew at an annualized rate of 6.4% QoQ in Q1 2021, driven by the increase in personal consumption expenditures (PCE), non-residential fixed investments, federal government spending, residential fixed investments, and state and local government spending. Growth was partly offset by the decrease in private inventory investments and exports.
- As per the preliminary flash estimates released by Eurostat, the seasonally adjusted GDP growth of the Euro area slowed by 0.4% QoQ in Q1 2021, following a 0.7% decline in Q4 2020.
- In Asia, as per the latest data released by the National Bureau of Statistics, China's Consumer Price Index (CPI) rose 0.4% YoY in March 2021, compared with the 0.2% YoY drop in February 2021.
- China's Manufacturing Purchasing Managers' Index (PMI) fell to 51.1 in April 2021 from 51.9 in March 2021. As per the Statistics Bureau of Japan, the country's CPI fell 0.2% YoY in March 2021, following the 0.4% YoY decline in February 2021.

## Disclaimer

This material was produced by Ahli Capital Investment Company K.S.C.C ('Ahli Capital'), a firm regulated by the Capital Markets Authority (Kuwait). This document is not to be used or considered as an offer to sell or a solicitation of an offer to buy any securities. Ahli Capital may, from time to time to the extent permitted by law, participate or invest in other financing transactions with the issuers of the securities ('securities'), perform services for or solicit business from such issuer, and/or have a position or effect transactions in the securities or options thereof. Ahli Capital may, to the extent permitted by applicable Kuwaiti law or other applicable laws or regulations, effect transactions in the securities before this material is published to recipients. Information and opinions contained herein have been compiled or arrived by Ahli Capital from sources believed to be reliable, but Ahli Capital has not independently verified the contents of this document. Accordingly, no representation or warranty, express or implied, is made as to and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this document. Ahli Capital accepts no liability for any loss arising from the use of this document or its contents or otherwise arising in connection therewith. This document is not to be relied upon or used in substitution for the exercise of independent judgment. Ahli Capital shall have no responsibility or liability whatsoever in respect of any inaccuracy in or omission from this or any other document prepared by Ahli Capital for, or sent by Ahli Capital to any person and any such person shall be responsible for conducting his own investigation and analysis of the information contained or referred to in this document and of evaluating the merits and risks involved in the securities forming the subject matter of this or other such document. Opinions and estimates constitute our judgment and are subject to change without prior notice. Past performance is not indicative of future results. This document does not constitute an offer or invitation to subscribe for or purchase any securities, and neither this document nor anything contained herein shall form the basis of any contract or commitment whatsoever. It is being furnished to you solely for your information and may not be reproduced or redistributed to any other person. Neither this report nor any copy hereof may be distributed in any jurisdiction outside Kuwait where its distribution may be restricted by law. Persons who receive this report should make themselves aware of and adhere to any such restrictions. By accepting this report you agree to be bound by the foregoing limitations.