

GCC Markets Monthly Report

April-2015

In this Report...

Kuwait	2
Saudi Arabia	3
Abu Dhabi	4
Dubai	5
Qatar	6
Bahrain	7
Oman	8

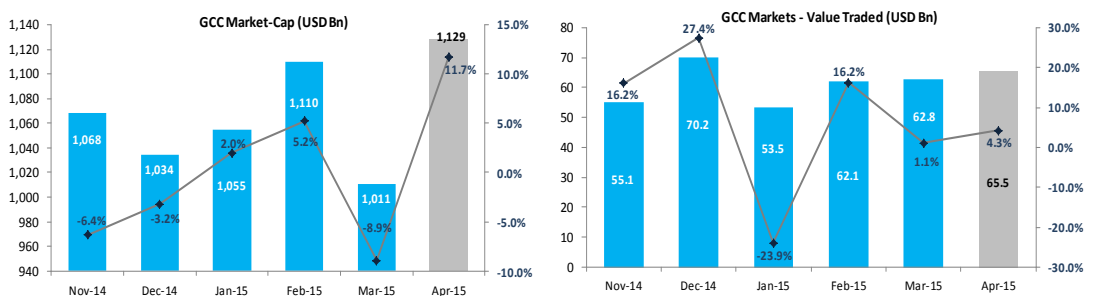
GCC equity markets recovered during April-15, with the exception of Oman, as a number of positive factors led to higher buying activity, especially in UAE and Kuwait. A sharp increase in oil price during April-15 (+21.8% increase in OPEC oil price) coupled with the announcement from Saudi Arabia market regulator regarding the date of opening the market i.e. 15 June 2015, boosted investor confidence across the GCC equity markets. Further support came from positive Q1-15 earnings announcements by listed companies across the GCC.

The Q1-15 earnings announcement by a majority of the listed companies in the GCC has been positive with the exception of oil and petrochemical companies. A majority of the banks and real estate firms have recorded significant increase in quarterly profits although the decline in oil price has led to a slowdown in projects activity in countries like Saudi Arabia and UAE with some of the projects being deferred by the respective governments.

In Saudi Arabia, a decline in net profits for a majority of the companies in Petrochemical, Energy, Telecom and Building & Construction sectors dragged overall corporate profits for the exchange resulting in a 21.8% decline in Q1-15 net profits. Excluding the above mentioned sectors, Q1-15 profits increased by 9.1%. Moreover, aggregate net profit growth of 23.2% for Qatari companies was masked by Barwa's one-time gain. Adjusting for this item Qatari companies reported a decline of 5.1% in Q1-15 net profit. Meanwhile, banks in Kuwait and UAE also recorded significant improvement in quarterly net profits.

Total value traded in the GCC equity markets increased slightly to USD 65.5 Bn during April-15 as compared to USD 62.8 Bn during March-15 as the decline in total value of transactions in Saudi Arabia was more than offset by robust trading activity in UAE.

GCC Equity Markets	Index Closing	MTD Chg%	YTD Chg%	M-Cap (USD Bn)	Monthly Value Traded (USD Mn)	P/E (x)	P/B (x)	Div. Yield
Kuwait - Weighted Index	435.1	1.8%	(0.9%)	103.9	1,463.4	17.3	1.3	3.5%
Kuwait - TRW Index	2,737.4	1.2%	(0.7%)					
Kuwait - Price Index	6,377.0	1.5%	(2.4%)					
Saudi Arabia	9,834.5	12.0%	18.0%	577.3	52,626.3	19.3	2.1	2.8%
Abu Dhabi	4,647.1	4.0%	2.6%	122.5	2,078.6	8.4	1.4	4.4%
Dubai	4,229.0	20.3%	12.1%	105.0	6,755.9	13.2	1.5	1.9%
Qatar	12,164.5	3.9%	(1.0%)	179.4	2,296.8	15.3	2.1	3.5%
Bahrain	1,390.6	(4.1%)	(2.5%)	21.0	38.7	10.0	1.0	3.6%
Oman	6,322.5	1.4%	(0.3%)	19.8	252.5	10.1	1.4	3.9%
Total GCC				1,129.0	65,512.1	15.2	1.8	3.1%



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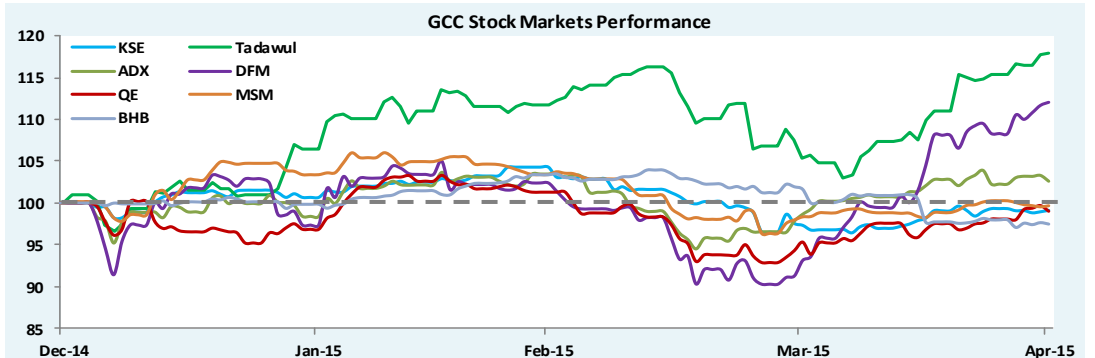
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Source: GCC Stock Exchanges, KAMCO Research

Kuwait Stock Exchange

Monthly Indicators	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
KAMCO TRWI	2,978.5	2,879.0	2,931.9	2,974.5	2,985.4	2,931.1	2,816.7	2,755.4	2,767.7	2,834.5	2,707.4	2,739.6
Monthly % Change	0.0%	(3.3%)	1.8%	1.5%	0.4%	(1.8%)	(3.9%)	(2.2%)	0.4%	2.4%	(4.5%)	1.2%
KSE Price Index	7,291.1	6,971.4	7,130.9	7,430.5	7,621.5	7,361.6	6,752.9	6,535.7	6,572.3	6,601.4	6,282.5	6,377.0
Monthly % Change	(1.6%)	(4.4%)	2.3%	4.2%	2.6%	(3.4%)	(8.3%)	(3.2%)	0.6%	0.4%	(4.8%)	1.5%
KSE Weighted Index	493.1	469.8	481.8	492.1	494.4	482.2	454.5	438.9	441.8	457.7	427.2	435.1
Monthly % Change	0.3%	(4.7%)	2.6%	2.1%	0.5%	(2.5%)	(5.7%)	(3.4%)	0.7%	3.6%	(6.7%)	1.8%
Kuwait 15 Index	1,208.7	1,140.1	1,176.6	1,200.4	1,203.8	1,170.7	1,105.8	1,060.0	1,072.7	1,116.9	1,021.4	1,059.7
Monthly % Change	0.6%	(5.7%)	3.2%	2.0%	0.3%	(2.8%)	(5.5%)	(4.1%)	1.2%	4.1%	(8.5%)	3.7%
Market Cap (KWD Mn)	32,989	31,328	32,174	32,860	33,021	32,178	30,432	29,706	29,914	30,995	28,437	29,418
P/E (X)	20.02	19.02	19.63	20.05	20.70	20.20	19.01	18.48	17.80	18.43	17.03	17.28
P/BV (X)	1.43	1.38	1.42	1.45	1.46	1.43	1.35	1.32	1.30	1.34	1.23	1.27
Dividend Yield	2.73%	3.12%	3.04%	2.98%	2.96%	3.04%	3.21%	3.26%	3.23%	3.16%	3.68%	3.47%
Volume (Mn Shares)	3,510	2,962	2,423	4,101	6,135	3,263	3,271	5,781	5,450	3,932	3,267	5,362
Value (KD Mn)	439	441	247	417	622	382	383	689	502	460	367	414
Trades ('000)	76.2	76.9	52.8	93.2	133.5	70.9	72.6	166.6	126.4	96.4	84.9	106.9

Source: Kuwait Stock Exchange, KAMCO Research

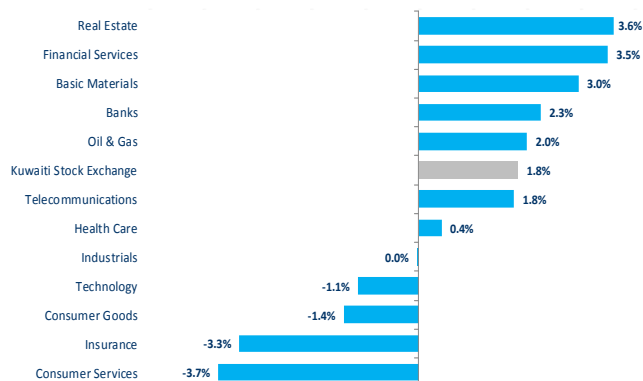
Amid marginal daily changes during the month and minimal impact from oil price, KSE indices ended in the positive territory with a monthly gain of 1.8% for the KSE Weighted Index. Investors primarily bought large-cap stocks which is evident from the 3.7% monthly return for the KSE 15 Index for April-15 as compared to a record monthly decline during the previous month. Nevertheless, despite the index gains during the month, the YTD-15 performance continues to remain negative with the KSE Price Index down by almost 2.4% followed by the KSE Weighted Index and the KAMCO TRW Index with YTD-15 returns of 0.9% and 0.6%, respectively. Total market capitalization also skid 5.0% for YTD-15. In terms of sectoral index performance, a majority of the large-cap sectors i.e. Banking, Telecom, Financial Services and Real Estate all closed the month with a positive return, whereas the Industrial sector was only marginally down by the end of the month.

The month also saw some speculations on the delisting of Gulf Finance House (GFH) and Kout Food; however, GFH announced that it would delist its GDRs from LSE sending its shares up by 65% during April-15, the top gainer of the month, whereas Kout Food announced that it would ask shareholders to vote on the delisting. Consequently, shares of Kout Food declined by almost 24.1% during the month. Moreover, GFH was also the second most actively traded stock on the exchange after NBK with total monthly value traded amounting to KWD 25.6 Mn (NBK KWD 31.3 Mn).

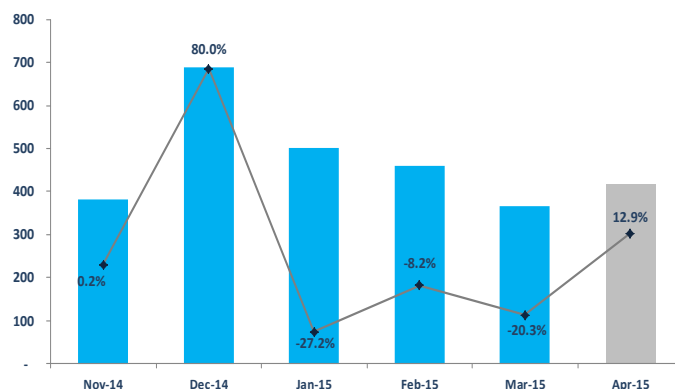
In terms of market activity, positive sentiments led to strong buying activity resulting in 64.2% jump in monthly volumes during April-15 to 5.4 Bn shares and 12.9% increase in monthly value traded that stood at KWD 414 Mn. Average daily trading volume traded during the month increased from 142 Mn shares in March-15 to 243.7 Mn shares during April-15 whereas average daily value traded increased from KWD 16 Mn to KWD 18.8 Mn in April-15. The market breadth favoured gainers that included 89 companies as against losers that included 68 companies.

Mabane and NBK were among the biggest large-cap gainers with monthly returns of 12.7% and 7.5%, respectively. Positive Q1-15 earnings also contributed to the investors optimism around these stocks with NBK reporting a 15% increase in Q1-15 net profits that reached KWD 96.5 Mn primarily due to KWD 22.5 Mn gains made from the sale of the Bank's 30% stake in IBQ. Earnings were also encouraging for the rest of the eight banks that reported Q1-15 net profit with consolidated quarterly earnings for the Banking sector up by a strong 14% to KWD 182.3 Mn.

KSE Monthly Sector Performance



Monthly Value Traded (KWD Mn)



Source: Kuwait Stock Exchange, KAMCO Research

Saudi Arabia (Tadawul)

Monthly Indicators	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
Tadawul All Share Index	9,823.4	9,513.0	10,214.7	11,112.1	10,854.8	10,034.9	8,624.9	8,333.3	8,878.5	9,313.5	8,778.9	9,834.5
Monthly % Change	2.5%	(3.2%)	7.4%	8.8%	(2.3%)	(7.6%)	(14.1%)	(3.4%)	6.5%	4.9%	(5.7%)	12.0%
Market Cap (SAR Bn)	1,989.6	1,944.6	2,108.8	2,269.2	2,210.4	2,051.9	1,874.2	1,816.0	1,918.8	2,036.6	1,818.3	2,165.1
P/E (X)	19.31	18.30	19.82	21.33	19.93	18.50	15.38	14.90	15.30	16.24	16.17	19.26
P/BV (X)	2.40	2.17	2.36	2.54	2.57	2.40	2.07	2.00	2.10	2.21	1.79	2.13
Dividend Yield	2.99%	3.07%	2.83%	2.63%	2.70%	2.90%	3.19%	3.29%	3.10%	2.93%	3.28%	2.76%
Volume (Mn Shares)	8,011	5,352	3,529	6,011	6,090	4,065	4,559	7,718	6,738	7,670	7,513	7,545
Value (SAR Mn)	242,531	180,033	122,639	208,390	201,646	132,885	153,409	203,019	162,456	194,325	206,269	197,358
Trades ('000)	3,705	3,119	2,412	3,299	2,999	2,124	2,594	3,830	3,067	3,083	3,353	3,154

Source: Tadawul, KAMCO Research

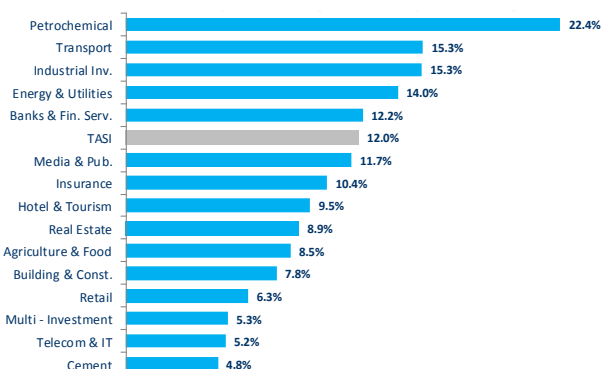
Saudi stock market witnessed record monthly performance in April-15 as the index surged 12.0%, the best monthly return in six years. Investor sentiments remained high after the stock market regulator announced that 15th June 2015 would be the effective date of opening the market to qualified foreign institutional investors. The regulator also announced that the final rules regarding foreign investment would be published on 4th May 2015 and would come into effect on June 1. The announcement could also lead to Saudi Arabia being promoted to an emerging market status by MSCI, in line with Qatar and UAE. As a result, the benchmark TASI index swiftly breached the 9,000 mark by mid-month and continued on its upward trajectory to close the month at a six-month high level of 9,834.5 points. Moreover, with the gains made in April-15, the Saudi stock exchange now leads the GCC in terms of YTD-15 performance with a return of 18.0% and a market cap gain of 19.2% to exceed the SAR 2 trillion mark. Furthermore, the IPO pipeline for Saudi Arabia continues to strengthen with the recent listing of Middle East Paper Co. and with Saudi Company for Hardware in the pipeline, according to the stock exchange. Al Watania Poultry is also said to be mulling an IPO in Saudi Arabia.

Meanwhile, listed companies in Saudi Arabia concluded Q1-15 results announcement that highlighted a steep decline of 21.8% in Q1-15 net profit that stood at SAR 22.4 Bn as compared to SAR 28.6 Bn during Q1-14. The biggest drop in quarterly earnings was reported by Petrochemical companies with Q1-15 net profits more than halved to SAR 4.4 Bn as compared to SAR 9.3 Bn in Q1-14. SABIC reported a 39% drop in Q1-15 profits due to the fall in oil prices whereas SAFCO reported a 30% decline in net profits due to lower prices and volumes. In the Energy & Utilities sector, Saudi Electricity reported a higher loss of SAR 1.9 Bn on the back of higher operating expenses. In the telecom space, Zain KSA and Etihad Atheeb Telecommunication Co. trimmed their quarterly losses during Q1-15 and STC recorded a 4.7% increase in net profits, however the Q1-15 loss recorded by Mobily more than offset the profitability improvement for the sector.

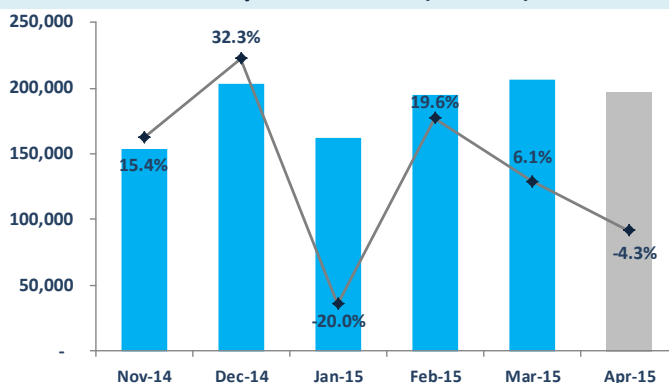
In terms of sector performance, all the sectors ended in the green during April-15 on the back of positive investor sentiments that led to higher buying activity. As a contrast to the last few months, the Petrochemical index surged by more than 22% on the back of positive monthly returns by companies in the sector, primarily SABIC which was the top performer in the sector with a monthly return of 35.9%. Moreover, the sector continues to remain a key area of interest for the investors accounting for almost 18.7% or SAR 37 Bn of total value traded. The Banks & Financial Services Index that accounted for 15.4% of total value traded during April-15 also recorded strong monthly returns of 12.2%. On the other hand, the smallest monthly gains were recorded by Cement and Telecom & IT sectors.

Monthly stock performance was topped by petrochemical companies with three out of the top five monthly best performers from the sector. The monthly worst performers list was topped by Solidarity Saudi Takaful (-13.08%) which recorded more than 50% fall in Q1-15 net profits followed by Eastern Province Cement (-9.65%) which also recorded 45.9% decline in profits. The market breadth was heavily skewed towards gainers that included 148 companies as against 14 losers.

Tadawul Monthly Sector Performance



Monthly Value Traded (SAR Mn)



Source: Tadawul, KAMCO Research

Abu Dhabi Securities Exchange

Monthly Indicators	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
ADX General Index	5,253.4	4,551.0	5,055.0	5,082.7	5,106.3	4,861.5	4,675.0	4,528.9	4,456.8	4,686.2	4,467.9	4,647.1
Monthly % Change	4.1%	(13.4%)	11.1%	0.5%	0.5%	(4.8%)	(3.8%)	(3.1%)	(1.6%)	5.1%	(4.7%)	4.0%
Market Cap (AED Bn)	537.3	471.3	510.4	510.3	509.5	488.0	468.1	463.9	455.5	477.9	442.7	450.1
P/E (X)	16.41	13.63	14.76	14.76	13.90	13.30	12.77	12.66	12.39	13.00	8.16	8.41
P/BV (X)	1.80	1.59	1.72	1.72	1.68	1.60	1.55	1.53	1.43	1.50	1.41	1.44
Dividend Yield	3.65%	4.16%	3.84%	3.84%	3.85%	4.00%	4.19%	4.23%	4.30%	4.10%	4.43%	4.36%
Volume (Mn Shares)	5,400	4,930	3,509	1,509	2,158	1,816	3,590	5,188	1,848	1,873	1,609	4,510
Value (AED Mn)	17,732	12,678	7,838	4,327	6,891	5,274	6,984	8,691	4,233	4,265	4,929	7,635
Trades	94,134	81,625	62,310	37,017	45,493	43,163	53,397	71,913	39,052	33,441	37,722	54,186

Source: Abu Dhabi Securities Exchange, KAMCO Research

ADX General Index gained 4.0% during March-15, the third strongest gain during the month as compared to other GCC equity markets primarily led by real estate and energy stocks. Market sentiments got a boost from recovering oil prices, especially during the initial part of the month. The Real Estate index saw strongest monthly gain of 21.6% as all the three listed real estate names saw significant increase in share prices. Eshraq Properties, which topped the monthly gainers list with a monthly return of 71.7%, continues to remain one of investors' favorite stock picks. The stock also topped the monthly value traded chart with a total value of AED 2.02 Bn. Aldar Properties and RAK Properties also recorded monthly gains in excess of 15% as investors await their quarterly results.

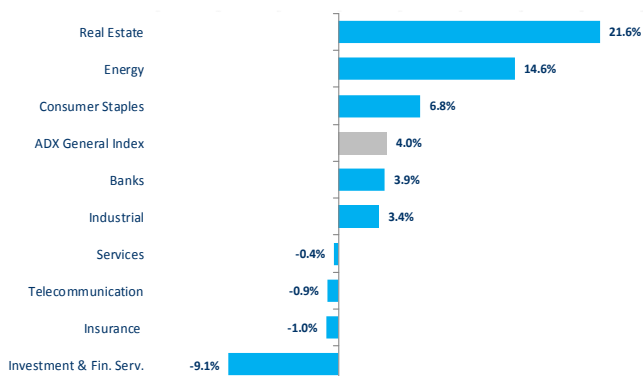
The Banks index gained 3.9% during the month after large cap banks recorded positive monthly returns. Banks in Abu Dhabi had a strong first quarter with 9.8% increase in net profit to AED 6.3 Bn. First Gulf Bank was up by 4.4% during the month as the bank reported 7% increase in Q1-15 net profits led by increase in domestic and overseas business. UNB and ADCB also recorded strong monthly gains of 21.2% and 15.5%, on the back of 20% and 30.9% increase in quarterly profits, respectively. The growth in net profits at ADCB was supported by a strong growth in both net interest income and non-interest income whereas UNB's earnings were primarily driven by non-interest income and investments.

On the other hand, the Investment & Financial Services index recorded the steepest monthly decline of 9.1% due to 10% and 9.1% decline in shares of AlKhaleej Investment (formerly Gulf Livestock) and Waha Capital. The Insurance index also recorded negative performance during the month as it declined by 1% due to negative monthly returns recorded by key traded names in the sector (Emirates Insurance, Green Crescent Insurance and RAK National Insurance).

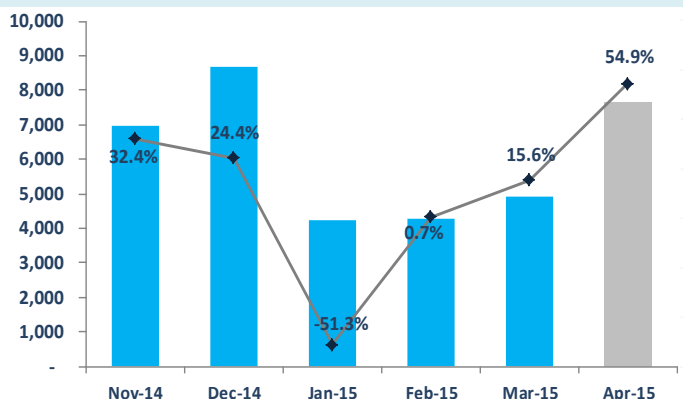
Market activity recovered significantly as compared to the recent months of weakness as volume traded more than doubled to 4.5 Bn shares during April-15 as compared to 1.6 Bn shares in the previous month. Value traded also recovered to AED 7.6 Bn, an increase of 54.9% or AED 2.7 Bn as compared to March-15. Consequently, average daily volume traded increased to 205 Mn shares as compared to 70 Mn shares during March-15 whereas average value traded increased from AED 214 Mn in March-15 to AED 347 Mn in April-15. Market breadth remained almost equally divided between gainers and losers with 25 and 24 stocks, respectively. Prices of 16 securities remained unchanged.

The monthly top gainers list also included Asmak (+38%) with marginal monthly value traded and Abu Dhabi Ship Building (+33.6%) on investor expectations of quarterly profits after the company swung to a full year loss in 2014. Monthly laggards included FOODCO at the top of the list with a monthly loss of 20% followed by Ooredoo with a monthly loss of 13.2% which reported a 43.5% decline in Q1-15 net profits. Top companies by monthly value traded primarily included real estate stocks as the sector garnered total trades valued at AED 4.2 Bn or 55.5% of total value traded during the month.

ADX Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Abu Dhabi Securities Exchange, KAMCO Research

Dubai Financial Market

Monthly Indicators	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
DFM General Index	5,087.5	3,942.8	4,819.1	5,063.0	5,042.9	4,545.4	4,281.4	3,774.0	3,674.4	3,864.7	3,514.4	4,229.0
Monthly % Change	0.6%	(22.5%)	22.2%	5.1%	(0.4%)	(9.9%)	(5.8%)	(11.9%)	(2.6%)	5.2%	(9.1%)	20.3%
Market Cap (AED Bn)	370.2	301.7	356.6	367.6	369.0	380.6	367.4	335.2	341.1	361.8	331.3	385.8
P/E (X)	21.02	15.51	18.34	18.95	16.85	16.50	15.80	14.46	12.16	12.90	11.33	13.20
P/BV (X)	1.74	1.39	1.64	1.69	1.67	1.60	1.56	1.41	1.34	1.43	1.30	1.52
Dividend Yield	1.99%	2.44%	2.07%	2.01%	2.00%	1.90%	2.01%	2.20%	2.16%	2.04%	2.23%	1.91%
Volume (Mn Shares)	12,626	12,407	16,683	7,061	8,096	8,801	7,243	12,333	8,859	8,175	6,926	17,350
Value (AED Mn)	46,503	35,621	34,078	17,320	25,395	21,663	19,574	23,162	15,266	13,343	9,596	24,815
Trades	253,669	234,366	252,568	121,556	148,274	167,489	130,553	210,161	159,224	130,854	110,813	216,339

Source: Dubai Financial Market, KAMCO Research

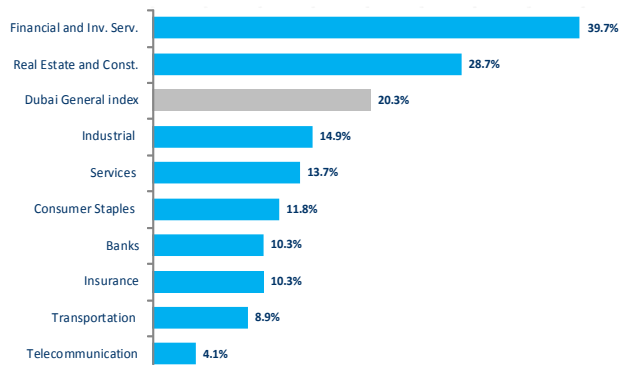
The Dubai stock market recorded the highest monthly return in the GCC with the DFM General Index up by 20.3% during April-15, the strongest monthly gain since July-14. Consistent daily gains during the month led the index breach the 4,000 level and to close at 4,229.04 points, its highest level in 2015. The gains during the month also resulted in positive YTD-15 returns which now stands at 12.1% as compared negative returns till the end of the last month. The market remained robust despite several profit taking sessions during the month that led to declines during some of the trading sessions. Trading activity also picked up during the month with total monthly volume traded reaching a 14-month high level of 17.3 Bn shares during April-15, up 150.4% as compared to March-15. Similarly, total value traded also increase by a higher 158.4% to reach a 7-month high level of AED 24.8 Bn. Average daily volume traded increased from 301.1 Mn shares during March-15 to 788.6 Mn shares in April-15 whereas average daily value traded increased from AED 417.2 Mn to AED 1.1 Bn during April-15.

All the sectoral indices ended the month in the green with strong gains for each of the sectors. The Financial & Investment Services Index led the pack with a monthly gain of 39.7% on the back of double digit monthly returns for most of the constituent stocks. Within the sector, Gulf General Investment Co. recorded a monthly return of 65.9%, the second-highest gain during the month. The company announced the launch of a new project in Dubai. Shares of DFM also saw strong monthly returns of 45.03% despite the company reporting a steep fall of 65.8% in Q1-15 net profits. Dubai Investment, which gained 29.2% during the month recorded 6.5% increase in Q1-15 net profits.

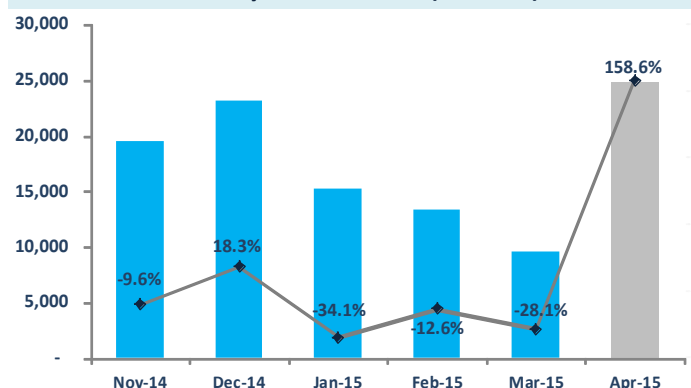
The Real Estate & Construction sector also jumped by 28.7% during the month as each of the constituent stocks within the sector surged during the month. Recently listed Damac Properties recorded a monthly gain of 59.5%, third on the top monthly gainers chart, after the company reported an 11% increase in revenues that stood at AED 2.8 Bn. The company reported a 38.1% decline in net profits recorded at AED 793 Mn. However, the decline in net profit was due to extraordinary gains in Q1-14. Other prominent gainers within the sector included Emaar Properties with a monthly return of 24.8% after the company's chairman Mohamed Alabbar was re-elected at a shareholders meeting ending months of speculations that the founder of the company may shift roles. Meanwhile, Arabtec climbed 29.8% during the month on the back of consistent gains during the first half of the month.

The gainers list for the month included Gulf Navigation and Gulf General Investment with monthly returns of 76.9% and 65.9%, respectively, although trades in these stocks was minimal during the month. The remaining three stocks in the gainers chart were real estate stocks including Union Properties (+56.9%) after the company announced expansion plans in Saudi Arabia and Deyaar Development (+48.4%) after the company reported higher net profits for Q1-15. Real estate companies also dominated the chart for the top companies by monthly value traded as the sector accounted for more than half of the monthly value traded on the exchange.

DFM Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Dubai Financial Market, KAMCO Research

Qatar Exchange

Monthly Indicators	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
QE 20 Index	13,694.2	11,488.9	12,865.5	13,596.7	13,728.3	13,498.9	12,760.5	12,285.8	11,899.6	12,445.3	11,711.4	12,164.5
Monthly % Change	8.0%	(16.1%)	12.0%	5.7%	1.0%	(1.7%)	(5.5%)	(3.7%)	(3.1%)	4.6%	(5.9%)	3.9%
Market Cap (QAR Bn)	736.9	632.2	690.1	721.2	736.1	728.3	698.1	676.8	648.8	675.3	630.0	653.0
P/E (X)	17.92	15.20	16.60	17.34	18.11	17.90	17.20	16.65	15.28	15.93	14.75	15.29
P/BV (X)	2.45	2.19	2.39	2.50	2.53	2.50	2.40	2.32	2.11	2.20	2.01	2.07
Dividend Yield	3.08%	3.59%	3.29%	3.15%	3.08%	3.10%	3.30%	3.36%	3.50%	3.36%	3.60%	3.48%
Volume (Mn Shares)	560	399	304	391	319	232	281	367	208	337	171	200
Value (QAR Mn)	25,591	17,718	12,568	18,131	13,803	10,694	18,760	16,586	10,167	12,434	8,136	8,362
Trades	239,685	199,130	146,915	174,576	134,960	107,598	157,169	174,100	126,765	135,557	107,902	108,714

Source: Qatar Exchange, KAMCO Research

In line with the rest of the GCC market, Qatar Exchange also recorded strong monthly gains during April-15 with the benchmark QE20 Index up by 3.9% after breaching the 12,000 points mark. Consequently, the aggregate market capitalization for the exchange increased by 3.2% to QAR 653 Bn. The gains were broad-based as seen from the 3.7% monthly return recorded by the QE All Share Index. Trading activity also picked up during April-15. Monthly volume traded increased by 16.7% to 199.9 Mn shares resulting in average daily volume of 9.1 Mn shares as compared to 7.8 Mn shares in March-15. On the other hand, total value traded increased marginally by 2.8% to QAR 8.4 Bn resulting in average daily value traded of QAR 380 Mn.

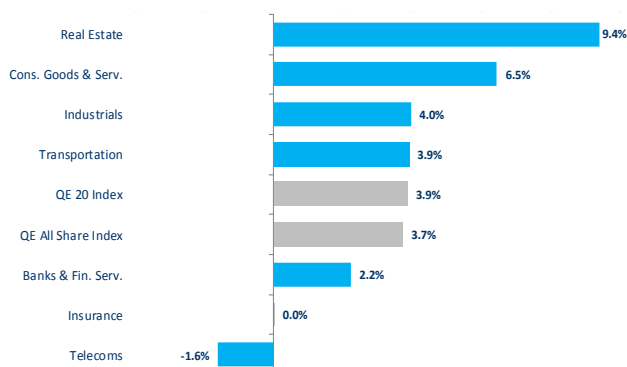
The positive performance in the market was led by the Real Estate sector which recorded 9.4% increase in the sector index. All the four listed real estate companies recorded positive monthly performance led by Barwa Real Estate that reported a more than 10 fold increase in Q1-15 net profit on the back of profit from land sale during the quarter. Ezdan Holding, which was up by 9.0% during the month, also reported 13.4% increase in Q1-15 profits after the company increased capacity and implemented new plans. Total Q1-15 profits for the sector increased by more than three times to QAR 4.1 Bn.

The Consumer Goods & Services index recorded a monthly return of 6.5% during April-15 after strong monthly returns by Medicare Group (+20.94%) and Al Meera Consumer Goods (+13.3%) on the back of higher quarterly earnings more than offset monthly declines reported by Zad Holding (-3.51%) and Qatar Cinema & Film Distribution (-14.1%). The largest company in the sector, Qatar Fuel (Woqod), also recorded marginal monthly decline during the month. Meanwhile, the Industrial index recorded positive monthly return of 4.0% despite recording a steep decline of 24.6% in quarterly profits that stood at QAR 2.3 Bn as compared to QAR 3.0 Bn during Q1-14. Within the sector Industries Qatar recorded a 40% decline in net profits due to weak product prices following the record decline in global oil prices. However, the company reported higher production levels and a utilization levels above industry average.

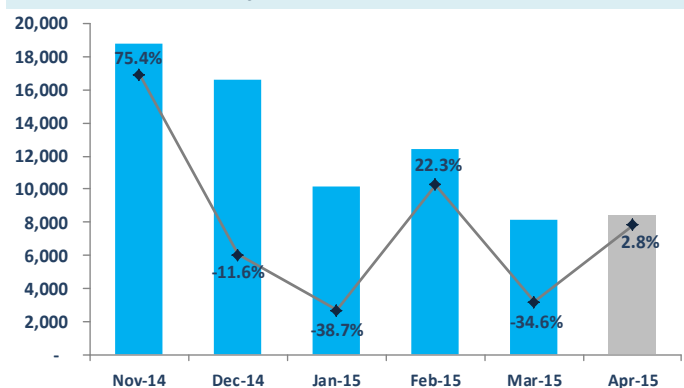
On the other hand, the Telecoms index was only sector index that reported a negative monthly return of -1.6% during April-15 as both the listed telcos, Ooredoo and Vodafone Qatar, recorded declines during the month. Ooredoo declined marginally by 0.2% despite a steep decline of 43.5% in net profits for Q1-15 that stood at QAR 501 Mn. The profit decline was primarily due to currency headwinds, weak results in Iraq as well as continued losses in operations in Myanmar.

The monthly gainers list was topped by Qatar Investors Group with a monthly return of 24.3% led by higher Q1-15 profits. Other prominent monthly gainers included Qatari German Co. for Medical Devices and Gulf Warehousing with monthly returns of +23.1% and 21.9%, respectively. On the other hand, the decliners list was topped by Dlala Brokerage that declined by 20.4% followed by Qatar Cinema and Film Distribution and Gulf International Services (GISS) with negative returns of 14.1% and 7.1%, respectively. Monthly most actively traded stocks included GISS with QAR 1.3 Bn in value traded followed by Barwa Real Estate and Industries Qatar with value traded amounting to QAR 1.1 Bn and QAR 562.8 Mn, respectively.

QE Monthly Sector Performance



Monthly Value Traded (QAR Mn)



Source: Qatar Exchange, KAMCO Research

Bahrain Bourse

Monthly Indicators	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
Bahrain All Share Index	1,459.3	1,427.6	1,471.7	1,472.2	1,476.02	1,444.13	1,428.67	1,426.57	1,424.37	1,474.81	1,449.98	1,390.62
Monthly % Change	2.2%	(2.2%)	3.1%	0.0%	0.3%	(2.2%)	(1.1%)	(0.1%)	(0.2%)	3.5%	(1.7%)	(4.1%)
Market Cap (BHD Mn)	8,281	8,101	8,351	8,354	8,376	8,193	8,105	8,099	8,086	8,378	8,242	7,917
P/E (X)	12.39	13.66	14.08	14.08	13.21	12.90	12.78	12.71	11.90	12.32	10.43	10.02
P/BV (X)	1.08	1.06	1.09	1.09	1.07	1.00	1.03	1.02	1.01	1.04	1.01	0.97
Dividend Yield	3.45%	3.53%	3.42%	3.42%	3.41%	3.50%	3.53%	3.53%	3.53%	3.41%	3.47%	3.61%
Volume (Mn Shares)	198	67	25	58	51	64	22	29	14	27	24	79
Value (BHD Mn)	51	15	7	13	12	21	6	9	4	8	6	15
Trades	1,707	1,050	706	897	1,069	609	628	1,065	626	1,029	1,005	1,194

Source: Bahrain Bourse, KAMCO Research

Bahrain Bourse remained the only exchange in the GCC to record a monthly decline during April-15. The benchmark Bahrain All Share Index declined by 4.1% during the month after reaching its lowest point since December-14. The weakness was primarily due to negative returns recorded by companies in the investment and insurance sectors. Volatility in the index continues to remain low as compared to the other GCC markets, primarily due to the continued low trading activity. The market capitalization went below the BHD 8 Bn mark after it declined by 2.8% to BHD 7.9 Bn. The index decline during the month wiped-off YTD-15 gains for the exchange which stood at negative 2.5% by the end of April-15.

On the positive side, trading activity picked up significantly during the month, although it was still considerably low as compared to the rest of the GCC markets. Total volume traded during April-15 more than tripled to 78.9 Mn shares as compared to merely 24 Mn shares traded during the previous month. Total value traded also increased by 153.8% to BHD 14.5 Mn during April-15 as compared to BHD 5.7 Mn during March-15. Average daily volume traded increased from 1.1 Mn shares during March-15 to 3.6 Mn shares during April-15 whereas average daily value of trades increased from BHD 0.25 Mn to 0.66 Mn in April-15.

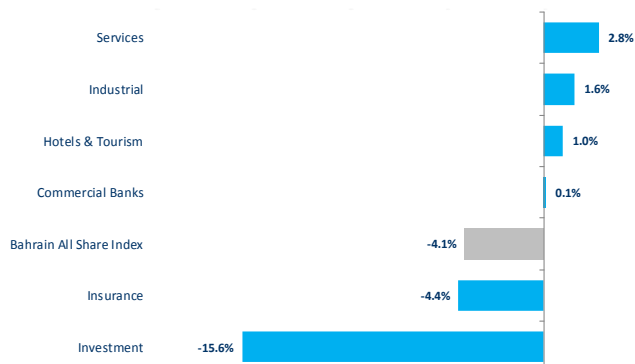
Commercial banks continue to account for the majority of total trading activity on the bourse although its contribution to total monthly value traded declined from as high as 73.7% during March-15 to 37.5% during April-15. The services sector accounted for the second-largest pie of total monthly value traded accounting for almost 33.4% during the month.

During the month, Gulf Finance House (GFH) said that it would study whether to continue its stock market listings in London and Kuwait. This came after investors raised concerns at the company's AGM. However, the company announced that it would continue with its listing in Kuwait and UAE but delist its GDRs from the London Stock Exchange.

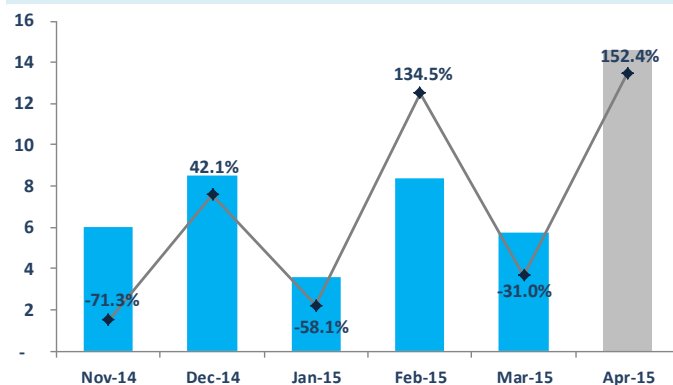
The top gainers of the month included Al Salam Bank with a monthly return of 26.8% despite reporting a 5.6% decline in Q1-15 net profit that stood at BHD 3.79 Mn. Banader Hotels recorded the second highest monthly return of 25.0% followed by Ithmar Bank and AlKhaleeji Commercial Bank with monthly returns of 14.3% and 12.0%, respectively. On the other hand, monthly decliners chart primarily included insurance stocks with three out of the top five losers belonging to that sector. Takaful International Co. topped the chart with a monthly decline of 31% followed by United Gulf Investment (-24.8) and Al Baraka Banking (-16.9%).

In terms of most actively traded stocks, Bahrain Cinema replaced last month's AUB with monthly value trades amounting to BHD 4.0 Mn. AUB recorded second highest monthly value trades at BHD 3.0 Mn followed by Takaful International Co. at BHD 2.5 Mn and AlKhaleeji Bank at BHD 1.03 Mn. Total value of shares traded during the month continues to be concentrated on the Commercial Banks sector accounting for 37.5% of total monthly value traded followed by Services sector that accounted for 33.4% of total value traded.

BHB Monthly Sector Performance



Monthly Value Traded (BHD Mn)



Source: Bahrain Bourse, KAMCO Research

Muscat Securities Market

Monthly Indicators	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
MSM 30 Index	6,857.4	7,008.3	7,200.7	7,367.2	7,484.2	6,974.6	6,506.0	6,343.2	6,558.5	6,559.3	6,238.0	6,322.5
Monthly % Change	1.9%	2.2%	2.7%	2.3%	1.6%	(6.8%)	(6.7%)	(2.5%)	3.4%	0.0%	(4.9%)	1.4%
Market Cap (OMR Mn)	8,272	8,448	8,661	8,858	8,991	8,436	7,882	7,734	7,985	7,997	7,582	7,623
P/E (X)	11.16	11.83	12.12	12.40	11.98	11.24	10.50	10.31	10.48	10.49	10.05	10.10
P/BV (X)	1.63	1.71	1.75	1.79	1.75	1.65	1.54	1.51	1.50	1.50	1.41	1.42
Dividend Yield	3.63%	3.56%	3.47%	3.39%	3.34%	3.60%	3.81%	3.88%	3.76%	3.76%	3.92%	3.90%
Volume (Mn Shares)	302	347	258	284	377	370	492	498	343	493	434	332
Value (OMR Mn)	133	145	107	113	140	132	177	158	96	166	121	97
Trades	22,761	20,670	14,040	18,119	18,968	18,170	19,532	29,868	23,924	27,345	24,653	16,525

Source: Muscat Securities Market, KAMCO Research

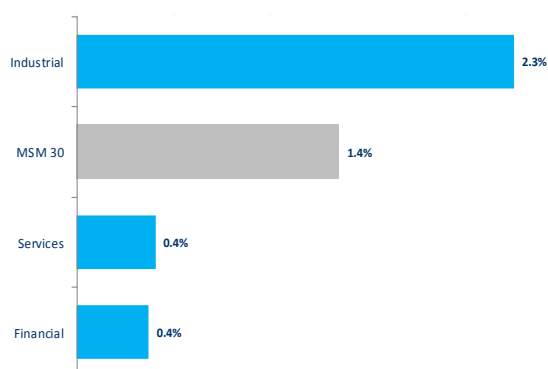
MSM recorded the smallest, but positive, monthly return during April-15 with the MSM30 index up by 1.4% thereby almost offsetting the decline recorded during YTD-15 which currently stands at close to zero (negative 0.3% by the end of April-15). The positive market performance also pushed total market capitalization by 0.7% to OMR 7.6 Bn. However, despite positive index performance, total trading activity declined steeply during the month, which was an exception to a majority of the other equity markets in the GCC that recorded higher trading activity. Total volume traded declined by 23.9% to 332 Mn shares during April-15 as compared to 434 Mn shares during March-15 resulting in average daily volume of 15.1 Mn (March-15 18.9 Mn). On the other hand, total monthly value traded declined by 19.8% to OMR 96.8 Mn as compared to OMR 121 Mn during the previous month resulting in average daily value traded of OMR 4.4 Mn during April-15 as compared to OMR 5.3 Mn during March-15.

The number of transactions declined by a third to 16,525 transactions in April-15 from 24,653 transactions in the previous month. Total value of shares bought by Omanis continued to increase from 84.1% of total purchases during March-15 to 86.5% during April-15 to record at OMR 86.6 Mn. On the other hand, the total value of shares sold by Omanis declined from 72.6% in March-15 to 69.7% or OMR 76.0 Mn during April-15.

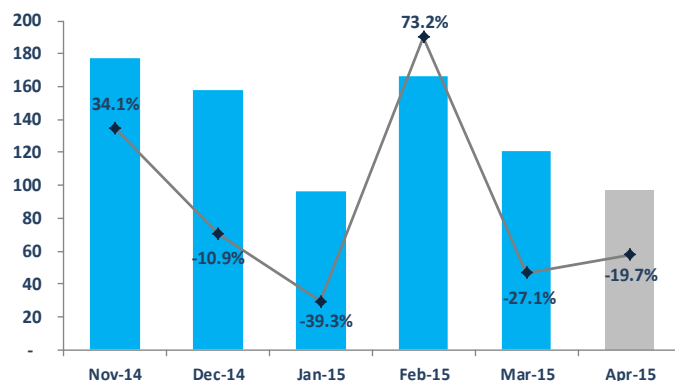
Market breadth improved as compared to last month and was equally distributed between gainers and losers with 20 companies each from the regular market, whereas prices of 13 companies remained unchanged. The monthly gainers list was topped by ONIC holding with a monthly return of 11.7% after the board of the directors of Ominvest and ONIC Holding approved the proposed merger plan of the two companies. The two companies had signed an MoU in December-14 to explore a merger. As per the MoU, ONIC's shareholders will be allotted such number of new voting shares in the capital of Ominvest as equates to a post-merger 33% shareholding in Ominvest. Shares in Ominvest ended flat during the month. In a positive development for the market, Phoenix Power Co, the SPV created for setting up the Sur Independent Power Project, said that the company plans to launch an IPO for the project by the end of 2015.

National Bank of Oman recorded that second highest monthly return of 10.2% after the bank posted a 22.6% increase in net profit that stood at OMR 12.6 Mn. The bank reported 14% increase in loans and advances that stood at OMR 2.39 Bn, while customer deposits declined by an equal percentage to OMR 2.4 Bn. In another development, the bank made an offer to buy United Finance Co. which in February-15 agreed in principal to merge with Bank Nizwa. Other gainers for the month included Al Anwar Ceramic Tiles with a monthly return of 9.6% despite reporting a fall in quarterly profits followed by Oman Cable and Oman Cement with monthly returns of 9.6% and 9.3%, respectively. On the other hand, the losers chart was topped by Port Services Corp. with a monthly decline of 18.5% followed by United Power that declined by 13.0% despite reporting strong improvement in quarterly profit and Al Jazeera Steel Products with a monthly decline of 11.4% on the back of a 67.1% fall in Q1-15 net profit.

MSM Monthly Sector Performance



Monthly Value Traded (OMR Mn)



Source: Muscat Securities Market, KAMCO Research

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