

GCC Markets Monthly Report

April-2018

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GCC market-cap crosses USD 1 Trillion for the first time since July-15...

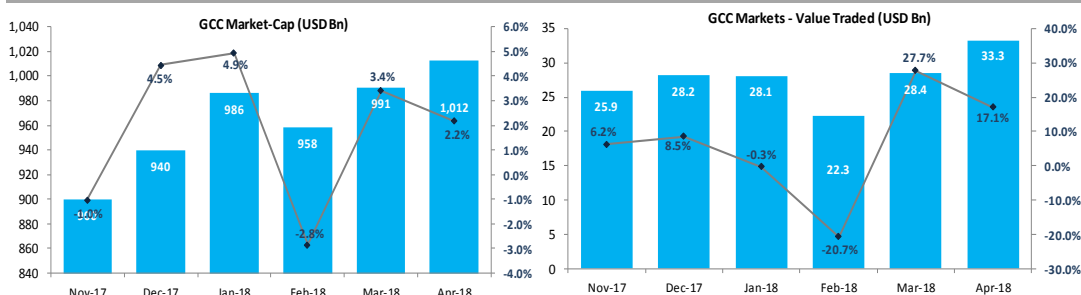
Aggregate GCC market performance was positive for the second consecutive month, supported by gains recorded by Saudi Arabia and Qatar, that also pushed the market-cap for the seven GCC exchanges to USD 1,012.5 Bn, the highest monthly close since July-15. Strong oil prices also supported the markets as crude reached the highest level since November-14. Brent spot surged past the USD 75/b mark towards the end of the month following geopolitical issues, especially related to possible sanctions on Iran and from the ongoing supply cuts that reached higher levels owing to supply disruptions in Venezuela.

The S&P GCC Total return index recorded a monthly gain of 3.9% for April-18 with large-cap sectors like Energy and Utilities recording double-digit gains while the regional banking sector remained resilient. Within the energy and utilities space, TAQA was the best performing stock with a monthly return of almost 70%, from stronger oil prices as well as a reorganization of its parent company that will benefit TAQA. SEC in Saudi Arabia also reported double digit monthly gains, while shares of Qatar Electricity & Water was up more than 5%. Rabigh Refining, Qatar Fuel and Dana Gas also posted healthy gains.

Banking stocks have consistently performed positively since the start of the year, backed by strong fundamentals, resilient earnings and rising interest rates. Banks continued to record asset growth which was capped by low oil prices, although higher oil prices have provided a tail wind over the past few weeks. In terms of country split, Saudi banks outperformed their regional peers with an index return of 8.6%.

In terms of monthly returns, Qatar recorded the best monthly performance during April-18 with a return of 6.3%, after most of the blue-chip companies raised foreign ownership caps in the recent weeks. On the other hand, Dubai continued to slide resulting in the worst YTD-18 returns in the GCC at 9.0% by the end of the month.

GCC Equity Markets	Index Closing	MTD Chg%	YTD Chg%	M-Cap (USD Bn)	Monthly Value Traded (USD Mn)	P/E (x) TTM	P/B (x) TTM	Div. Yield
Kuwait - Premier Market Index	4,778.7	(4.4%)	N/A	89.1	797.1	14.6	1.2	3.4%
Kuwait - Main Market Index	4,834.9	(3.3%)	N/A					
Kuwait - All Share Index	4,799.1	(4.0%)	N/A					
Saudi Arabia	8,208.9	4.3%	13.6%	514.5	28,789.9	16.3	1.8	3.8%
Abu Dhabi	4,669.5	1.8%	6.2%	136.8	764.4	11.3	1.3	5.9%
Dubai	3,066.0	(1.4%)	(9.0%)	101.7	1,106.8	8.4	1.0	5.0%
Qatar	9,112.0	6.3%	6.9%	139.9	1,668.5	12.8	1.2	4.4%
Bahrain	1,257.9	(4.6%)	(5.5%)	19.9	44.5	9.1	0.8	5.6%
Oman	4,729.1	(0.9%)	(7.3%)	10.6	114.8	10.2	0.8	6.0%
Total GCC				1,012.5	33,286.1	13.4	1.4	4.3%



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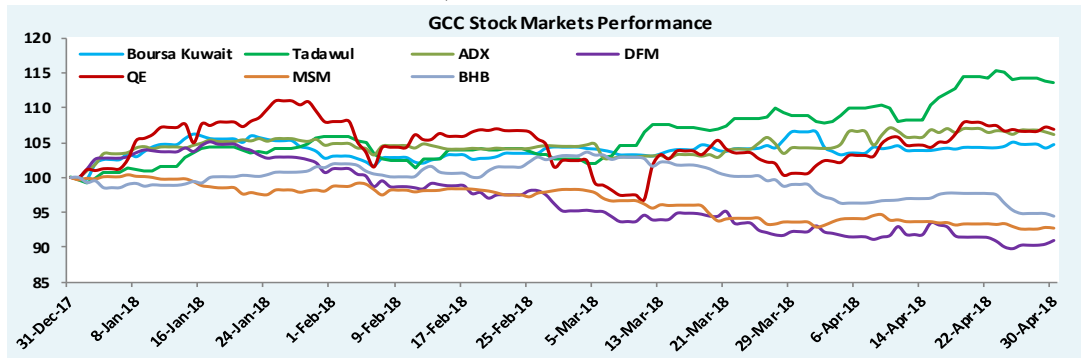
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Source: GCC Stock Exchanges, KAMCO Research

Boursa Kuwait

Monthly Indicators	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Premier Market Index	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,000.0	4,778.7
Monthly % Change												(4.4%)
Main Market Index	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,000.0	4,834.9
Monthly % Change												(3.3%)
All Share Market Index	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,000.0	4,799.1
Monthly % Change												(4.0%)
Thomson Reuters Kuwait TRI	178.8	179.3	188.3	199.4	202.3	196.2	186.4	189.2	194.4	197.5	201.6	198.1
Monthly % Change	(1.4%)	0.3%	5.0%	5.9%	1.5%	(3.0%)	(5.0%)	1.5%	2.8%	1.6%	2.1%	(1.7%)
Market Cap (KWD Mn)	27,656	27,257	28,187	29,362	29,349	28,493	27,044	27,243	27,973	28,036	28,158	26,912
P/E (X) - TTM	15.90	15.60	16.20	15.84	15.87	15.44	14.64	14.80	14.40	14.48	14.55	14.60
P/BV (X) - TTM	1.23	1.22	1.26	1.29	1.29	1.26	1.20	1.20	1.22	1.22	1.23	1.15
Dividend Yield (%)	4.02%	4.09%	4.70%	4.34%	4.34%	4.51%	4.75%	4.72%	4.75%	4.34%	4.31%	3.44%
Volume (Mn Shares)	2,733.9	734.5	1,821.6	1,733.3	2,074.5	2,478.5	1,681.0	1,238.8	2,613.4	1,316.2	1,156.4	1,348.6
Value (KD Mn)	301.0	150.8	300.5	320.4	426.2	465.8	327.6	192.5	322.9	207.3	227.3	240.8
Trades ('000)	75.6	32.6	67.5	70.3	71.9	86.4	71.7	52.8	93.3	54.5	55.4	61.0

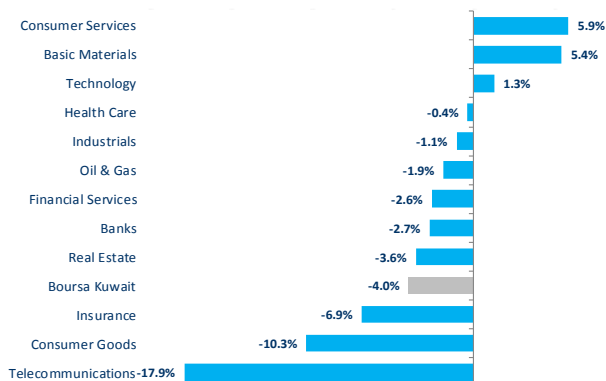
Source: Kuwait Stock Exchange, KAMCO Research

Kuwait's headline indices continued to remain under pressure during April-18 as most of the sectoral indices recorded weak trends. The month also saw the introduction of new indices and new market structure splitting listed stocks into premier, main and auction markets. All the three new indices declined during the month with the large-cap Premier Market Index sliding 4.4% as ten out of the sixteen constituents recorded decline during the month. The decline was broad-based as seen from 4.0% decline recorded by the All Share Market Index. Nevertheless, a majority of the decline in the indices was due to dividend announcements as seen from a much smaller decline of 1.7% for the Thomson Reuters Kuwait Total Return Index. In terms of YTD-18 performance, the All Share Index recorded a gain of 5.0%.

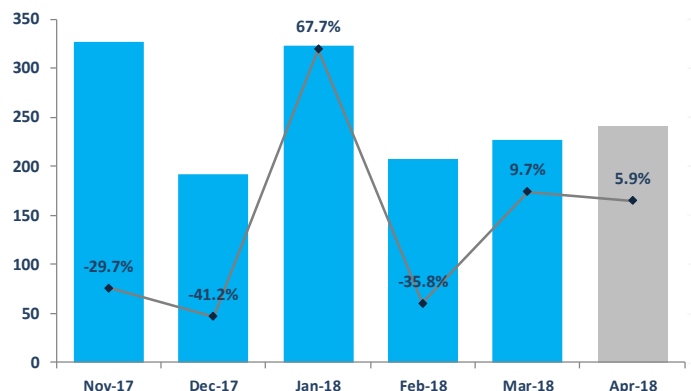
Sectoral indices were also reset to start with a base of 1,000 points as of the end of March. The monthly sector performance chart also reflected the broad-based decline during the month with the Telecom index recording the steepest decline of 17.9% led by a decline in all the three telecom services players in Kuwait. Shares of Viva fell 25.2% during the month while shares of Zain and Ooredoo declined by 18.8% and 8.1%, respectively. The sectoral decline was followed by the Consumer Goods sector recording a decline of 10.3% as three out of four stocks in the sector recorded decline. Banking index also declined by 2.7%, however the decline also incorporated dividend declarations by four banks during the month. Basic Materials, Consumer Services and Technology were the only sectors that recorded positive returns during the month.

Trading activity improved during the month, albeit marginally. Total monthly volume traded increased by 17% to 1.3 Bn shares as compared to 1.2 Bn shares during the previous month, while monthly value traded increased by a more modest rate of 6% to KWD 240.8 Mn as compared to KWD 229 Mn during March-18. Shares of NBK (-0.5%) garnered the most interest in terms of value traded recording total trades worth KWD 42.9 Mn followed by KFH (-4.5%) and Zain (-18.8%) at KWD 34.7 Mn and KWD 20.9 Mn, respectively. In terms of monthly volume, Manazel Holding topped the chart with 112.9 Mn traded shares followed by shares of Aayan Leasing and Investors Holding Group recording 95.9 Mn and 576.6 Mn shares traded during the month, respectively. The monthly gainers chart was topped by Sultan Center and MENA Real Estate with both the stocks surging more than 100%, although value traded in these stocks were minimal. Other prominent gainers with relatively higher liquidity included Heavy Engineering Industries with its shares up 52.5% followed by Manazel Holding and Boubyan Petrochemicals with monthly gains of 19.7% and 9.2% respectively. On the other hand, prominent monthly decliners included Zain recording a fall of 18.8%, followed by Al-Tijaria with a decline of 11.6%.

Boursa Kuwait Monthly Sector Performance



Monthly Value Traded (KWD Mn)



Source: Kuwait Stock Exchange, KAMCO Research

Saudi Arabia (Tadawul)

Monthly Indicators	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Tadawul All Share Index	6,871.2	7,425.7	7,094.2	7,258.6	7,283.0	6,934.4	7,004.0	7,226.3	7,650.1	7,418.8	7,870.9	8,208.9
Monthly % Change	(2.0%)	8.1%	(4.5%)	2.3%	0.3%	(4.8%)	1.0%	3.2%	5.9%	(3.0%)	6.1%	4.3%
Market Cap (SAR Bn)	1,624.2	1,766.4	1,685.4	1,718.4	1,724.0	1,636.2	1,660.8	1,692.1	1,795.2	1,749.3	1,873.2	1,929.4
P/E (X) - TTM	14.09	15.10	14.51	15.33	15.41	14.41	14.81	14.81	16.34	15.04	16.12	16.25
P/BV (X) - TTM	1.73	1.85	1.64	1.68	1.68	1.60	1.62	1.62	1.76	1.67	1.75	1.82
Dividend Yield (%)	4.25%	4.20%	4.35%	4.23%	4.26%	4.47%	4.42%	4.42%	3.87%	3.99%	4.06%	3.75%
Volume (Mn Shares)	4,143.2	2,904.3	2,909.1	2,858.3	2,022.8	3,087.0	4,022.7	4,965.8	4,409.2	3,065.6	3,570.2	4,839.5
Value (SAR Mn)	64,660.0	54,726.7	60,510.4	60,185.1	49,899.8	66,564.1	75,240.4	87,409.8	82,079.2	67,740.7	87,560.8	107,967.1
Trades ('000)	1,547	929	1,639	1,873	1,167	1,735	1,979	2,352	2,204	1,925	2,180	2,769

Source: Tadawul, KAMCO Research

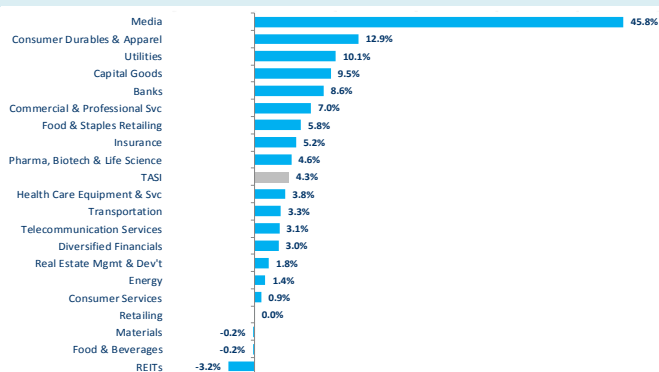
Saudi Arabia recorded the second-best monthly performance in the GCC with the benchmark TASI up by 4.3% to close above the 8,000 mark at 8,208.9 points. The index was on an uptrend since the start of the month and reached the highest level in 35-months at 8,335.35 points only to pare some gains during the last week. The monthly sector performance chart also reflected the positive trend in the market with merely three sectors showing marginal loss during the month. The Media Index topped the monthly performance chart with a gain of 45.8% as both the constituent stocks, SRMG and Tihama, recorded double digit monthly gains of 48.2% and 20.1%, respectively. Consumer Durables & Apparel index was second on the list with a return of 12.9% followed by Utilities index and the Capital Goods index with monthly returns of 10.1% and 9.5%, respectively. The Banks index recorded a gain of 8.6% with all the banks in the sector recording gains during the month. Bank Al-Jazira topped monthly gains with a return of 22.5% after Bahrain's Ahli United Bank bought 7.3% stake in the Saudi lender for USD 173 Mn. Banks in the Kingdom continue to benefit from the ongoing fiscal reforms, higher spending by the government and higher oil prices in the past few months. Banks are also set to benefit from the expected MSCI inclusion the decision on which would be taken in June-18.

Trading activity during the month also surged to reflect strong investor interest in the market. Total monthly volume traded on the exchange increased by more than a third to 4.8 Bn shares as compared to 3.6 bn shares during March-18. Total value traded during the month also increased by almost a quarter to SAR 108 Bn, the highest monthly level since January-17. Dar Al Arkan Real Estate Dev Co. once again topped the monthly volumes chart with a total of 1.0 Bn shares traded during the month followed by Alinma Bank and Saudi Kayan recording 582.2 Mn and 274.5 Mn traded shares, respectively. In terms of the value of shares traded, SABIC topped the list with SAR 15.1 Bn worth of shares changing hands in April-18 followed by Dar Al Arkan Real Estate Dev. CO. and Alinma Bank recording trades worth SAR 13.6 Bn and SAR 12.1 Bn, respectively.

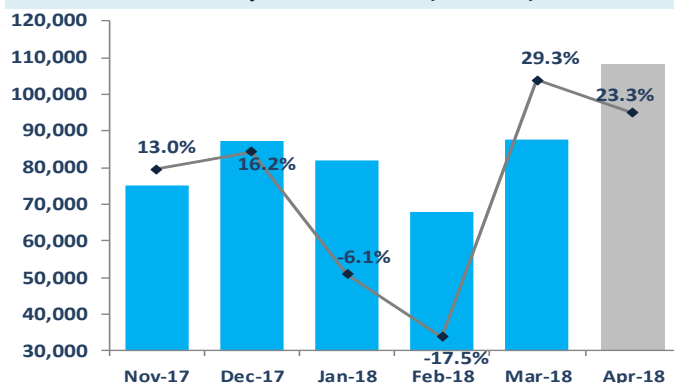
The monthly gainers chart was topped by Al Sorayai Trading recording a gain of 50% after announcing top management changes. SRMG was the second biggest monthly gainer with a surge of 48.2% followed by Ash-Sharqiyah Development and Al Alamiya for Coop Insurance with gains of 28.3% and 22.8%, respectively. On the other hand, the decliners side primarily included cement companies with Southern Province Cement Co. topping the chart with a monthly decline of 18.7% followed by Arabian Cement and Yanbu Cement with declines of 15.2% and 11.1%, respectively. A slowdown in the construction sector in Saudi Arabia has led to weak demand and high inventory levels at cement companies forcing them to look at other markets. The monthly market breadth was skewed towards gainers that included 112 companies as against 71 decliners.

On the economic front, Moody's affirmed its A1 sovereign credit rating for Saudi Arabia with a Stable outlook. The agency highlighted continuing fiscal reforms in the Kingdom and said that it expects fiscal consolidation to continue over the medium term which will reduce the Kingdom's economic and public sector balance sheet exposure to oil prices.

Tadawul Monthly Sector Performance



Monthly Value Traded (SAR Mn)



Source: Tadawul, KAMCO Research

Abu Dhabi Securities Exchange

Monthly Indicators	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
ADX General Index	4,427.3	4,425.4	4,566.2	4,468.4	4,397.4	4,479.6	4,283.1	4,398.4	4,602.2	4,597.7	4,585.4	4,669.5
Monthly % Change	(2.1%)	(0.0%)	3.2%	(2.1%)	(1.6%)	1.9%	(4.4%)	2.7%	4.6%	(0.1%)	(0.3%)	1.8%
Market Cap (AED Bn)	460.5	456.1	467.2	461.9	450.8	459.8	438.7	485.8	508.1	503.4	499.7	502.4
P/E (X) - TTM	10.33	10.30	11.40	11.36	11.18	11.11	10.89	11.12	11.54	11.63	11.71	11.27
P/BV (X) - TTM	1.49	1.49	1.58	1.57	1.55	1.57	1.51	1.54	1.59	1.26	1.26	1.28
Dividend Yield (%)	5.47%	5.46%	5.32%	5.41%	5.46%	5.38%	5.58%	5.46%	5.94%	6.01%	6.02%	5.93%
Volume (Mn Shares)	1,441.2	2,999.9	1,737.6	1,215.8	2,350.9	1,976.9	1,063.7	1,354.8	1,276.2	1,026.9	1,305.5	1,546.9
Value (AED Mn)	3,619.2	3,745.1	3,245.0	2,463.8	4,094.4	4,419.0	2,517.2	2,522.6	3,186.1	2,348.6	2,902.3	2,807.8
Trades	22,671	30,718	23,185	18,124	24,571	23,607	18,355	19,576	23,586	17,775	20,106	22,015

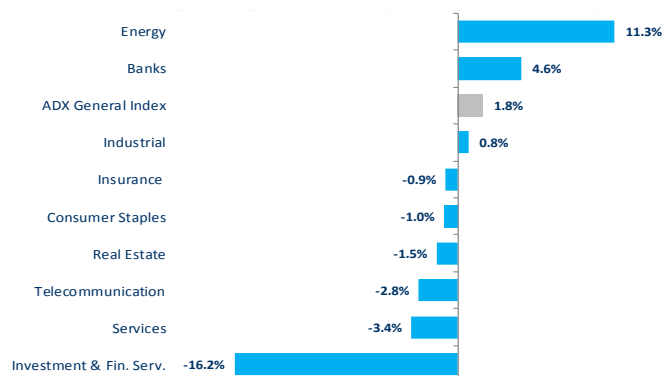
Source: Abu Dhabi Securities Exchange, KAMCO Research

The ADX index was amongst the gainers in the GCC in Apr-18, as the index improved by 1.8% for the month. The index closed at 4669.52 points even though market breadth was weak and sectoral performance included more decliners than gainers. The Energy sector was the best performing index as oil prices climbed during Apr-18, leading the index to be heavily traded, and close higher by 11.3% m-o-m. The outperformance of the sector was driven by a 70% jump in the share price of TAQA, while a 7.6% increase was witnessed by Dana Gas. Banks gained by 4.6% m-o-m led by a 6.0% increase in the share price of First Abu Dhabi Bank, as Q1-18 net profit for the bank improved by 2% y-o-y to AED 3 Bn. Operating income came in at AED 4.9 Bn, compared to AED 5.2 Bn in Q1-17, but the Q1-17 estimate included opportunistic investment gains of around AED 400 Mn. ADCB also gained by 6.5% m-o-m in Apr-18, and reported a net profit growth of 9% y-o-y, driven by higher margins, funding mix and a disciplined cost base. The Investment and Financial Services index was down 16.2% m-o-m in Apr-18, dragged down by the 17.4% drop in the share price of Waha Capital.

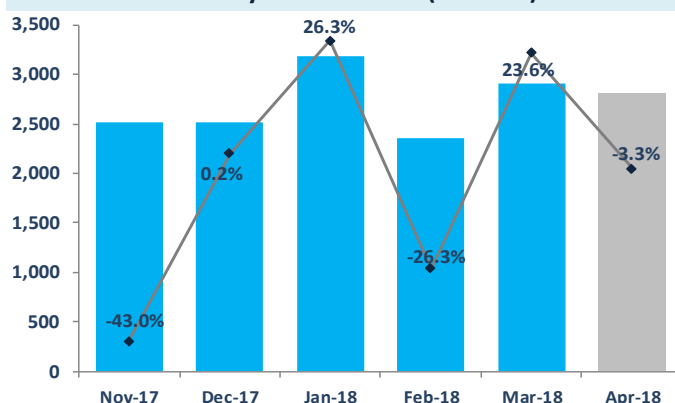
Telecoms were down 2.8% m-o-m, ascribed to a 2.8% drop in Etisalat's share price. For Q1-18, Etisalat recorded a 3% y-o-y growth in aggregate subscriber base that reached 144 Mn, while consolidated revenues grew by 5% y-o-y to reach AED 13.1 Bn. Net profit remained broadly stable y-o-y at AED 2.1 Bn. In the Insurance sector, ADNIC saw its net profit increase by 28.6% in Q1-18 to AED 95.2 Mn, as compared to a net profit of AED 74.0 Mn in Q1-17. Gross written premium increased by 13% to AED 1.22 Bn in Q1-18 as compared to AED 1.08 Bn for the same period in 2017. In the RE sector, Aldar announced the launch of a new AED 10 Bn masterplan – Alghadeer, which consists of 14,408 units, including villas, townhouses, and maisonettes. Total residential GFA is set to exceed 1.3 Mn sqm and will include office spaces, retail spaces, hospitality, education and community amenities. The developer also announced that the Foreign Ownership Limit (FOL) on its stock has been increased to 49%, from 40%. Consumer Staples major Agthia reported net revenues of AED 491 Mn and a net profit of AED 47 Mn and mentioned that LFL revenue growth was 3.7% y-o-y, while LFL net profit growth came in at 10.1% y-o-y. In Q1-18, the group signed an agreement with the department of urban planning and municipalities to manage Abu Dhabi's and Al Ain's food service centres.

TAQA topped the monthly gainers chart with a gain of 70.0% m-o-m followed by Abu Dhabi National Co. for Building Materials and Union Insurance with gains of 28.0% and 25.0% respectively. On the decliners side, the top two companies were Waha Capital and United Arab Bank with declines of 17.4% and 13.9%, respectively. Trading activity was mixed however, as traded volumes went up by 18.5% m-o-m in Apr-18 to reach 1.5 Bn shares. Value traded declined by 3.3% m-o-m to reach AED 2.8 Bn. Market breadth was weak and favoured decliners as 30 stocks receded, while 16 stocks gained ground. In terms of most actively traded stocks, First Abu Dhabi Bank led all stocks in terms of value traded, with AED 542 Mn worth of shares traded during Apr-18. Dana Gas and Aldar followed as AED 501 Mn and AED 367 Mn worth of shares were traded respectively. Dana Gas led the most active stocks list in terms of volumes traded, as 521 Mn shares were traded on the exchange. TAQA and Eshraq Properties followed with 333 Mn and 161 Mn shares traded during Apr-18.

ADX Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Abu Dhabi Securities Exchange, KAMCO Research

Dubai Financial Market

Monthly Indicators	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
DFM General Index	3,339.4	3,392.0	3,633.2	3,637.6	3,564.0	3,635.9	3,420.2	3,370.1	3,394.4	3,244.1	3,108.5	3,066.0
Monthly % Change	(2.2%)	1.6%	7.1%	0.1%	(2.0%)	2.0%	(5.9%)	(1.5%)	0.7%	(4.4%)	(4.2%)	(1.4%)
Market Cap (AED Bn)	346.7	348.6	367.2	366.1	369.3	368.1	373.8	383.6	391.8	377.6	375.6	373.7
P/E (X) - TTM	9.30	9.50	10.15	10.17	9.99	10.04	9.44	9.23	9.11	9.16	8.70	8.38
P/BV (X) - TTM	1.11	1.13	1.21	1.24	1.22	1.25	1.18	1.17	1.17	1.10	1.05	1.04
Dividend Yield (%)	5.18%	5.08%	4.74%	4.72%	4.84%	4.75%	5.03%	5.15%	5.14%	4.71%	6.53%	5.01%
Volume (Mn Shares)	6,123.1	6,018.8	5,090.9	3,665.4	2,526.1	7,267.1	5,128.0	4,736.9	5,925.7	3,812.5	3,559.5	2,633.8
Value (AED Mn)	7,745.0	7,122.5	7,374.1	5,453.1	3,878.5	9,952.6	9,594.0	8,162.2	8,907.2	5,964.5	5,561.6	4,065.4
Trades	81,311	73,528	83,732	61,143	43,464	99,296	81,175	66,304	80,175	67,869	52,549	46,580

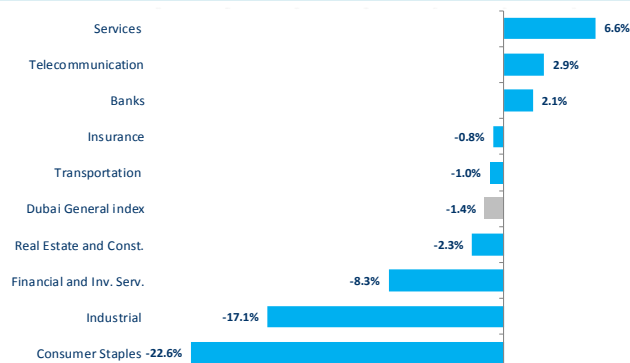
Source: Dubai Financial Market, KAMCO Research

After declining by 4.4% in Mar-18, the DFM index continued to decline in the month of Apr-18, and was amongst the laggards in the region. The index declined by 1.4% m-o-m and closed at 3065.96 points, as most sectoral indices barring Banks, Telecoms and Services closed lower during Apr-18. Consumer Staples was the main laggard yet again for the third month in row after receding by 12.7% in Mar-18, as the index further plunged by 22.6% m-o-m in Apr-18 and is the worst performing index YTD (-40.2%). Marka and DXB Entertainment were the main drivers for the decline, as they dropped by 41.0% and 20.6% respectively m-o-m in Apr-18. The Industrials index also fell by double digits (-17.1% m-o-m), reflecting the 17.1% decline of National Cement. Financial and Investment services names declined by 8.3% m-o-m, as larger stocks like Dubai Investment declined by 9.1% followed by DFM stock, which declined by 5.8% m-o-m. GGICO was the worst performing stock in the index as it plunged by 26.1% m-o-m. In terms of gainers, Tabreed was responsible for the outperformance of the Services index as the stock jumped by 13.6%, while the sector was also helped by a gain of 2.3% in the share price of Amanat.

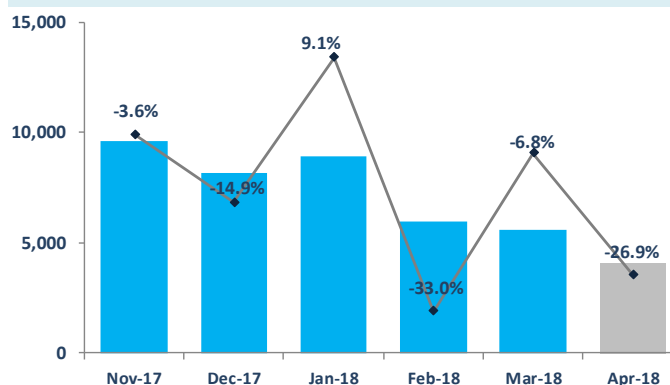
Banks improved by 2.1% for the month, led by Mashreq Bank, as the stock gained by 11.4% after reporting a 9.5% y-o-y growth in net profit in Q1-18 to reach AED 598 Mn, primarily due to a 4% increase in operating income. Dubai Islamic Bank also moved up by 3.4% m-o-m, and the bank reported a net profit growth of 16% y-o-y in Q1-18 from AED 1,042 Mn in Q1-17 to AED 1,211 Mn. The bank was also approved for a capital increase through a rights issue of AED 1.64 Bn. Emirates NBD saw its net profit move up 27% y-o-y in Q1-18 to AED 2.4 billion. The solid operating performance was underpinned by higher net interest income on the back of loan growth and improved margins, and a lower cost of risk. Real estate major Emaar Properties reported Q1-18 revenues of AED 5.6 Bn, up 37% y-o-y as compared to AED 4.1 Bn in Q1-17. Growth was ascribed to the significant process achieved on projects under construction and the growth in malls and hospitality businesses. Emaar's net profit grew by 20% in Q1-18 to AED 1.7 Bn, as compared to AED 1.5 Bn in Q1-17, a growth of 8.5% y-o-y after considering the impact of the Emaar Development IPO. Telecom operator Du announced Q1-18 revenues of AED 3.33 Bn, an increase of 5.2% over Q1-17. EBITDA and net profit increased by 18.2% and 40.5%, as compared to Q1-17, due to EITC recording a one-off reversal related to regulatory costs.

In terms of monthly gainers, Tabreed led all stocks as its stock price gained by 13.5% m-o-m in Apr-18. Mashreq Bank and Air Arabia followed, as their stock prices moved up by 11.4% and 7.0% respectively. On the other hand, shares of Marka led the monthly losers chart as its share price declined by 41% m-o-m. DSI and GGICO followed with declines of 29.5% and 26.1% respectively for the month. Emaar Properties was the most actively traded stock on the exchange as AED 0.98 Bn worth of stock was traded. DIB and GFH followed with value traded of AED 414 Mn and AED 335 Mn respectively. In terms of volumes traded, DXB Entertainments led all stocks as 304 Mn shares were traded. GFH and DSI followed as 257 Mn and 185 Mn shares were traded. Trading activity in the DFM was down, as value traded was down 26.9% m-o-m to reach AED 4.1 Bn as compared to AED 5.5 Bn in Mar-18. Traded volumes in Apr-18 was down by 26.0% m-o-m from 3.6 Bn shares to reach 2.6 Bn shares.

DFM Monthly Sector Performance



Monthly Value Traded (AED Mn)



Source: Dubai Financial Market, KAMCO Research

Qatar Exchange

Monthly Indicators	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
QE 20 Index	9,901.4	9,030.4	9,406.1	8,800.6	8,312.4	8,165.1	7,714.3	8,523.4	9,204.6	8,653.3	8,574.0	9,112.0
Monthly % Change	(1.6%)	(8.8%)	4.2%	(6.4%)	(5.5%)	(1.8%)	(5.5%)	10.5%	8.0%	(6.0%)	(0.9%)	6.3%
Market Cap (QAR Bn)	528.6	487.5	509.0	476.7	454.6	444.1	418.1	472.0	501.8	461.2	470.5	509.3
P/E (X) - TTM	13.76	12.80	13.58	12.80	12.18	11.92	11.15	12.79	13.70	12.23	12.21	12.82
P/BV (X) - TTM	1.35	1.26	1.30	1.21	1.15	1.11	1.04	1.19	1.22	1.11	1.12	1.20
Dividend Yield (%)	4.14%	4.46%	4.29%	4.61%	4.73%	4.89%	5.25%	4.56%	4.63%	4.67%	4.67%	4.36%
Volume (Mn Shares)	231.1	249.4	199.9	159.4	192.5	167.2	167.9	243.7	251.6	165.1	260.8	249.1
Value (QAR Mn)	5,936.2	6,565.8	5,475.5	3,744.8	4,000.9	3,621.6	4,253.0	4,414.0	6,087.8	3,948.1	6,447.5	6,074.9
Trades	70,499	73,211	72,354	49,557	48,956	51,506	68,307	76,196	97,166	66,867	89,162	81,989

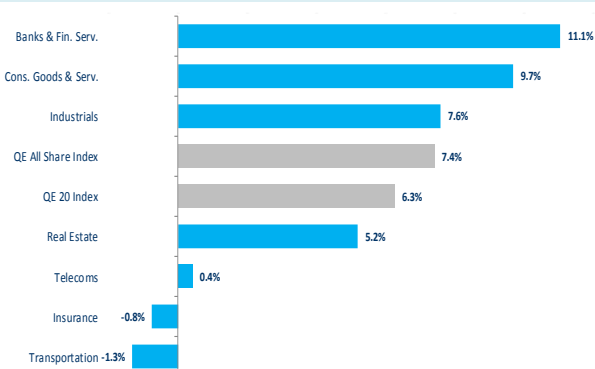
Source: Qatar Exchange, KAMCO Research

Qatar exchange was the best performing index for the month of Apr-18 and remained positive on a YTD basis. The QE 20 index gained by 6.3% m-o-m to close at 9111.97 points in Apr-18. The Qatar All Share index which maps the broader market, gained by a higher 7.4% m-o-m, as sectoral performance was mostly positive for the month. Market breadth however was broadly even as 24 companies lost ground during the month, while 21 companies saw higher levels. The Banks & Financial Services index was the best performing index during Apr-18 as it gained by 11.1% m-o-m. Commercial Bank of Qatar and Qatar National Bank were key drivers sector's outperformance, as their share prices rose by 20.5% and 16.2% respectively, as both banks posted Q1-18 net profit growth. Consumer goods & Services names also gained by 9.7% m-o-m, driven almost singlehandedly by Qatar Fuel as its stock price rose by 27.9% m-o-m.

In earnings releases, Qatar Fuel reported a Q1-18 net profit of QAR 301 Mn as compared to QAR 176 Mn for Q1-17, as the growth was ascribed to enhanced efficiency in the operations and better cost management. Transportation was the worst performing sectoral index as it declined by 1.3% m-o-m, as Qatar Gas Transport (-3.8%) and Qatar Navigation (-0.5%) drove the index down. In banking earnings, QNB's Q1-18 net profit reached QAR 3.4 Bn, up by 7% compared to Q1-17. Total assets increased by 12% from Q1-17 to reach QAR 834 Bn, driven by the growth in total assets was from loans and advances which grew by 12% to reach QAR 598 Bn. Qatar Islamic Bank saw its net profit grow to QAR 625.2 Mn in Q1-18 representing a growth of 12.6% compared to Q1-17. Total Income in Q1-18 was QAR 1,636 Mn, up 9.3% compared to QAR 1,496 Mn in Q1-17. In ratings action, S&P affirmed Qatar Islamic Bank's 'A-' issuer credit rating, and mentioned that the rating reflects the bank's robust corporate banking franchise and favorable position as Qatar's largest Islamic Bank. Fitch Ratings also affirmed Qatar Islamic Bank's Long-Term Issuer Default Rating (IDR) at 'A'. The rating reflects its strong and well-established franchise in Qatar, and factors in adequate profitability, sound asset-quality metrics, satisfactory capital ratios and sufficient liquid assets.

Trading activity on the index went down in all parameters, as value traded during Apr-18 decreased by 5.8% to reach QAR 6.0 Bn, while traded volumes receded by 4.4% m-o-m to reach 249 Mn shares. In terms of trading activity, Mesaieed Petrochemical topped the monthly value traded chart with QAR 681 Mn worth of shares traded, followed by QNB and Industries Qatar recording QAR 667 Mn and QAR 593 Mn in monthly value traded. In terms of volumes traded, Vodafone Qatar led all stocks with traded volumes of 53.2 Mn shares. Mesaieed Petrochemical and Qatar First Bank followed with traded volumes of 40.9 Mn shares and 16.8 Mn shares respectively. The Industrials sector was the most active in terms of value traded during Apr-18, accounting for 31.0% of the total value traded, followed by Banks & Financial Services and Consumer Goods & Services sectors, as they accounted for 30.4% and 11.5% of the total value traded respectively. Qatar Fuel was the top performing stock in the index for the month as its share price surged by 27.9%. Commercial Bank of Qatar followed along with Mesaieed, as their stock prices moved up by 20.5% and 19.6% respectively. On the other hand, shares of Zad Holding led the monthly losers chart with its stock losing 23.8% m-o-m. Mannai Corporation and Islamic Holding Group followed with declines of 15.5% and 12.3% respectively for the month.

QE Monthly Sector Performance



Monthly Value Traded (QAR Mn)



Source: Qatar Exchange, KAMCO Research

Bahrain Bourse

Monthly Indicators	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Bahrain All Share Index	1,319.75	1,310.04	1,327.81	1,302.46	1,283.78	1,276.69	1,283.71	1,331.71	1,350.67	1,369.90	1,318.40	1,257.88
Monthly % Change	(1.2%)	(0.7%)	1.4%	(1.9%)	(1.4%)	(0.6%)	0.5%	3.7%	1.4%	1.4%	(3.8%)	(4.6%)
Market Cap (BHD Mn)	7,487	7,434	7,536	7,385	7,284	7,258	7,293	7,653	7,774	7,900	7,516	7,509
P/E (X) - TTM	9.30	9.27	9.62	8.75	8.64	8.52	8.51	8.65	8.70	9.89	9.46	9.11
P/BV (X) - TTM	0.85	0.85	0.86	0.86	0.82	0.82	0.82	0.84	0.86	0.83	0.78	0.76
Dividend Yield (%)	5.10%	5.13%	5.05%	5.14%	5.21%	5.21%	5.18%	5.06%	4.98%	5.24%	5.45%	5.65%
Volume (Mn Shares)	61.2	39.3	63.8	48.0	164.5	78.6	81.5	103.1	156.3	178.0	101.9	86.6
Value (BHD Mn)	14.3	9.3	13.3	10.3	13.1	18.6	15.2	16.8	25.1	31.0	36.8	16.8
Trades	1,146	926	1,443	1,250	1,484	2,146	1,763	1,854	2,257	1,871	1,303	1,384

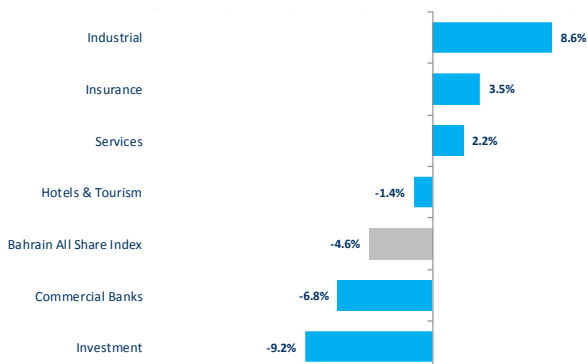
Source: Bahrain Bourse, KAMCO Research

The Bahrain Bourse was the worst performing index in the GCC for the month of Apr-18. The Bahrain Bourse dropped by 4.6% m-o-m for the month, as larger sectors such as Commercial Banks (-6.8%) and Investment companies (-9.2%) closed in the red. The index closed at 1257.88 points at the end of the month. Market breadth was also weak, as only 10 stocks gained ground during Apr-18, while 18 stocks saw lower levels as compared to their Mar-18 close prices. Industrials was the best performing index, as it gained by 8.6% m-o-m, largely from an 8.9% jump in the prices of Aluminum Bahrain (Alba). Commercial Banks were dragged down by AUB mainly as the stock was down by almost 12%. United Gulf Holding Company was the worst performing stock in the Investment sector, plunging by 29.2% m-o-m, while GFH also receded by 9.6% in Apr-18. Insurance was also amongst the sectors that gained, moving up by 3.5% m-o-m driven by a 16.2% jump witnessed by Bahrain and Kuwait Insurance.

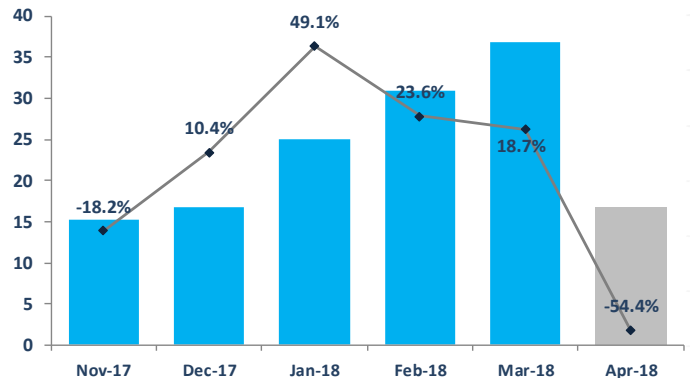
In Q1-18 earnings releases, Alba reported a total sales growth of 16% y-o-y in Q1-18 to reach BHD 221.3 Mn as compared to BHD 190.4 Mn in Q1-17. Alba posted a net income of BHD 33.9 Mn as compared to BHD 25.6 Mn in Q1 2017, representing an increase of 32% y-o-y. Sales volumes were up by 3.6% y-o-y as well as 251,637 mt while production was up by 4.3% y-o-y at 259,399 mt. In commercial banks, BBK reported a net profit of BHD 16.7 Mn for Q1-18 as compared to BHD 15.8 Mn in Q1-17, representing an increase of 5.9% y-o-y. Operating revenues for BBK in Q1-18 increased by 10.1% to reach BHD 39.2 Mn, compared to BHD 35.6 Mn during Q1-17, primarily driven by increase in net interest income due to the growth in the loan portfolio. Investment company INOVEST reported a 64% decline in Q1-18 net profit which came in at USD 3 Mn, as compared to USD 8.2 Mn in Q1-17. The decline is mostly due to the reversal of provisions taken in Q1-17. INOVEST's consolidated operating income for Q1-18 however improved by 12% y-o-y to reach USD 5.2 Mn as compared to USD 4.7 Mn in Q1-17. In ratings action, S&P ratings re-affirmed Al Baraka Banking Group's long-term rating of 'BB+' and short-term rating of 'B' (Short term). S&P mentioned that the group's strength was mainly from its superior geographic diversification as compared to peers and the competitive benefits from its status as an Islamic bank.

The exchange's figures of value and volumes traded in Apr-18 was down on an m-o-m basis, as compared to the Mar-18. Volumes traded in the exchange reached 85.5 Mn and declined by 15.2% m-o-m as compared to 101.9 Mn shares in Mar-18. Value traded went down by 54.6% in the exchange to reach BHD 16.6 Mn in Apr-18. However, the number of trades made in the exchange improved to 1,380 trades, up 6.2% m-o-m from Mar-18. GFH was the most actively traded stock in Apr-18 with BHD 6.1 Mn worth of its shares traded on the exchange. AUB and Aluminum Bahrain followed with BHD 3.8 Mn and BHD 3.2 Mn worth of shares traded. Of the 10 stocks that closed in the green in Apr-18, Bahrain and Kuwait Insurance topped the gainers list, as it witnessed a 16.2% m-o-m increase, followed by Aluminum Bahrain with monthly gains of 8.9%. United Gulf Holding was the main laggard for the month of Apr-18, as it witnessed a m-o-m decline of 29.2%, followed by Takaful International and Al Baraka Banking Group with monthly declines of 15.0% and 14.1% respectively.

BSE Monthly Sector Performance



Monthly Value Traded (BHD Mn)



Source: Bahrain Bourse, KAMCO Research

Muscat Securities Market

Monthly Indicators	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
MSM 30 Index	5,422.0	5,118.3	5,024.2	5,052.6	5,137.4	5,010.7	5,106.5	5,099.3	5,000.0	5,003.4	4,773.5	4,729.1
Monthly % Change	(1.7%)	(5.6%)	(1.8%)	0.6%	1.7%	(2.5%)	1.9%	(0.1%)	(1.9%)	0.1%	(4.6%)	(0.9%)
Market Cap (OMR Mn)	4,705	4,461	4,356	4,479	4,556	4,438	4,517	4,481	4,396	4,376	4,115	4,075
P/E (X) - TTM	10.72	10.21	10.22	10.53	10.70	10.63	11.05	11.04	10.85	11.01	10.77	10.16
P/BV (X) - TTM	1.05	0.99	0.93	0.94	0.95	0.93	0.95	0.95	0.90	0.88	0.85	0.84
Dividend Yield (%)	5.80%	6.17%	6.20%	5.96%	5.90%	5.99%	5.88%	5.88%	5.87%	5.84%	6.00%	6.05%
Volume (Mn Shares)	232.4	115.0	125.8	215.9	271.9	313.9	308.4	62.7	132.0	123.8	203.9	199.4
Value (OMR Mn)	43.4	29.2	36.8	52.6	53.9	68.3	114.0	19.4	30.3	30.7	61.6	44.2
Trades	9,848	5,549	6,528	7,306	5,615	7,923	7,073	3,537	6,760	7,964	7,729	9,227

Source: Muscat Securities Market, KAMCO Research

Weak trends in the MSM continued during April-18 with the index losing 0.9% to reach 4,729.1 points resulting in a YTD-18 decline of 5.5%, third highest in the GCC. The index reached the lowest level since the financial crisis at 4,722.5 points only to recover marginally during the second last trading day of the month. The performance of sectoral indices were mixed as the gain of 2.0% in the Financial index was more than offset by a decline in Industrial index by 3.4% in addition to 3.1% decline in the Services index. Gains in the Financial index came primarily on the back of 4.9% return in shares of Bank Muscat followed by 5.8% returns for Bank Sohar both of which reported higher quarterly earnings for Q1-18. Shares of NBO also gained 1.2% during the month despite reporting an 8.5% drop in the bank's earnings for Q1-18.

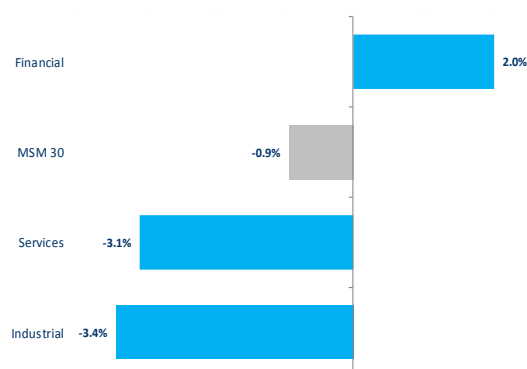
Meanwhile, the decline in the Industrial sector was primarily due to a 21.1% decline in shares of Oman Cable Industry followed by 3.8% decline in shares of Al Maha Ceramics. The decline in shares of Oman Cable Industry came after the company reported a 35.8% drop in Q1-18 earnings, while Al Maha Ceramics reported a higher decline of 38% in its Q1-18 earnings. In the Services sector, the decline came primarily on the back of 7.9% drop in shares of OmanTel followed by 4.4% drop in shares of Ooredoo. Other small-cap decliners included Al Maha Petroleum (-13.6%), Oman Investment & Finance (-9.2%) and Al Jazeera Services (-9.6%).

The monthly gainers chart was topped by National Gas with a gain of 12.8% after the company reported 33% increase in net profit for Q1-18 followed by Al Madina Takaful and Ominvest with gains of 12.4% and 6.7%, respectively, both of which reported marginal growth in Q1-18 earnings. On the decliners side, Oman Cables Industry topped with a fall of 21.1% followed by Al Maha Petroleum Products and Al Jazeera Services with declines of 13.6% and 9.6%, respectively.

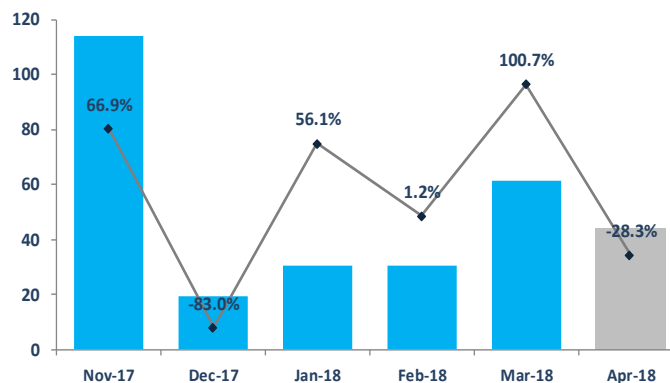
Trading activity in the regular market declined during April-18 after recording healthy growth during the previous month. Monthly value traded declined by more than a quarter to OMR 44.2 Mn as compared to OMR 61.6 Mn during the previous month. Volume, on the other hand, declined at a much smaller pace of 2.2% to 199.4 Mn as compared to 203.9 Mn during March-18. OmanTel topped the monthly value traded chart recording total trades worth OMR 11.5 Mn followed by Bank Muscat and Al Madina Takaful at OMR 9.3 Mn and OMR 4.4 Mn, respectively. On the monthly volume chart, Al Madina Takaful topped with a total of 44.21 Mn traded shares followed by HSBC Bank Oman and Bank Muscat at 31.2 Mn and 24.6 Mn traded shares, respectively. In terms of investor contribution, Omanis share of total value of buy trades increased from 83% in March-18 to 90% in April-18. In terms of value of sell trades, the share of Omanis increased marginally from 64% in March-18 to 66% in April-18.

On the economic front, the IMF said that Oman needs to make substantial efforts to control its deficit with rising interest payments coupled with low oil prices. The agency said that wage bill and subsidies needs to be tackled and the large public investment programme to be streamlined in addition to introduction of new taxes over the medium term.

MSM Monthly Sector Performance



Monthly Value Traded (OMR Mn)



Source: Muscat Securities Market, KAMCO Research

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