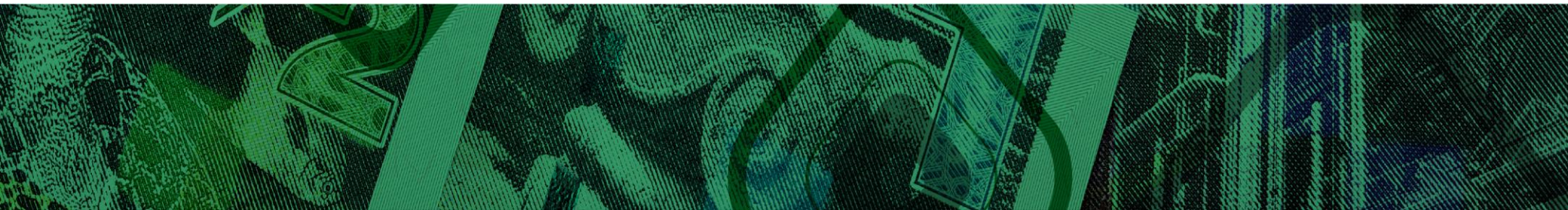


KFHC Market Monitor

Monthly - Equity Market Updates

January 2022

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Equity Markets – Update

Global equities to be volatile / reactive to vital announcements which includes corporate earnings, Fed monetary policy announcements etc. going into the second month of 2022

Over 75% of the 168 S&P500 companies report full year 2021 earnings above analyst estimates

- I. On sector basis Energy sector recorded the highest earnings growth as the sector reported net profits compared to losses during FY20.
- II. It was followed by Materials / Commodities sector which saw profits move up by 63.9% on the back of improved prices
- III. Surprise earnings include franchises like Starbucks and MacDonaldis which have recorded lower profits primarily due to higher material costs. Guidance for 2022 is also lower again due to material costs.

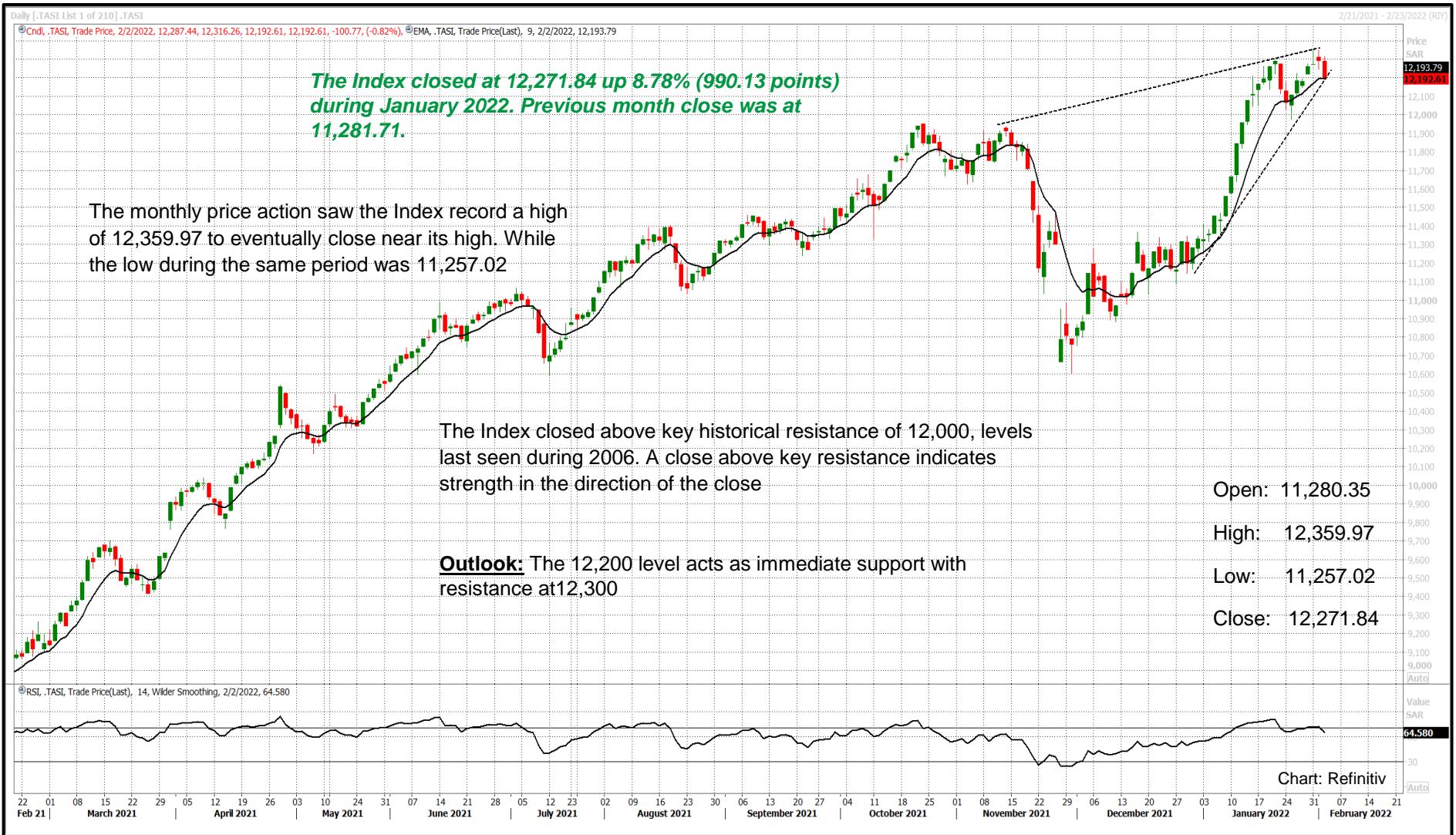
Full year earning announcements to drive regional markets

- I. Most GCC close in the green on the back of 17.27% surge in Crude oil prices on monthly basis. Saudi Arabian All Share Index (TASI) was the top performer with 8.78% gains on Year-to-Date basis
- II. As we write a couple of Kuwait banks report robust net profits, driven by lower provisions and higher investment income during 2021.

Global Equity Markets	Index Closing*	M-o-M (%)	YTD (%)	Market Cap (USD Billion)	P/Ex
NASDAQ 100 Index	14,930.05	-8.52	-8.52	17,840.79	29.45
S&P 500 Index	4,515.55	-5.26	-5.26	39,570.37	23.47
FTSE 100	7,464.37	1.08	1.08	2,103.97	15.71
STOXX Europe 600	468.88	-3.88	-3.88	13,055.86	17.14
German Dax Index	15,471.20	-2.60	-2.60	1,648.74	14.66
Hang Seng Index	23,802.26	1.73	1.73	25,521.92	11.18
S&P GCC Composite Index	160.38	6.97	6.97	893.63	14.75
Kuwait - Premier Market Index	8,012.87	4.89	4.89	108.80	13.71
Saudi Arabia	12,271.84	8.78	8.78	2,818.76	22.00
Abu Dhabi	8,704.26	2.54	2.54	426.44	21.69
Dubai	3,203.08	0.22	0.22	96.04	10.06
Qatar	12,498.20	7.50	7.50	174.80	16.31

Source: Refinitiv; *Index Closing as of January 31; 2022; Valuations are on TTM basis;

Tadawul All Share Index (TASI) – Daily Candlestick Chart



Commodities – Overview

Major commodities continue to remain elevated as they record price gains month-on-month basis except for precious metals which close in the negative

- The January 2022 average price for the Brent crude stood at USD 85.57 per barrel up 14.40% compared to previous month average price of USD 74.80 per barrel.
- Technically the Brent closed above key significant resistance of USD 85 per barrel, levels last seen during 2018. Towards the end of January, it traded above the immediate resistance of USD 90, however could not sustain as it closed at USD 89 as we write.
- A sustained close above the USD 90 resistance should result in Brent to test USD 95 levels with immediate support at USD 85 per barrel
- Among the precious metal Gold closed at USD 1,795 per Oz which is a decline of 5.18% on a Year-to-Date basis. While Silver was down 14.95% to USD 22.4 per Oz during the same period.
- On charts, for gold USD 1,800 level is key support which is under test as we write a close below would result in it testing USD 1,750-1,700 support levels

Crude oil (Brent) closed at USD 91.21 a month-on-month increase of 17.27%



Precious Metals underperform as metals and Petchems record gains



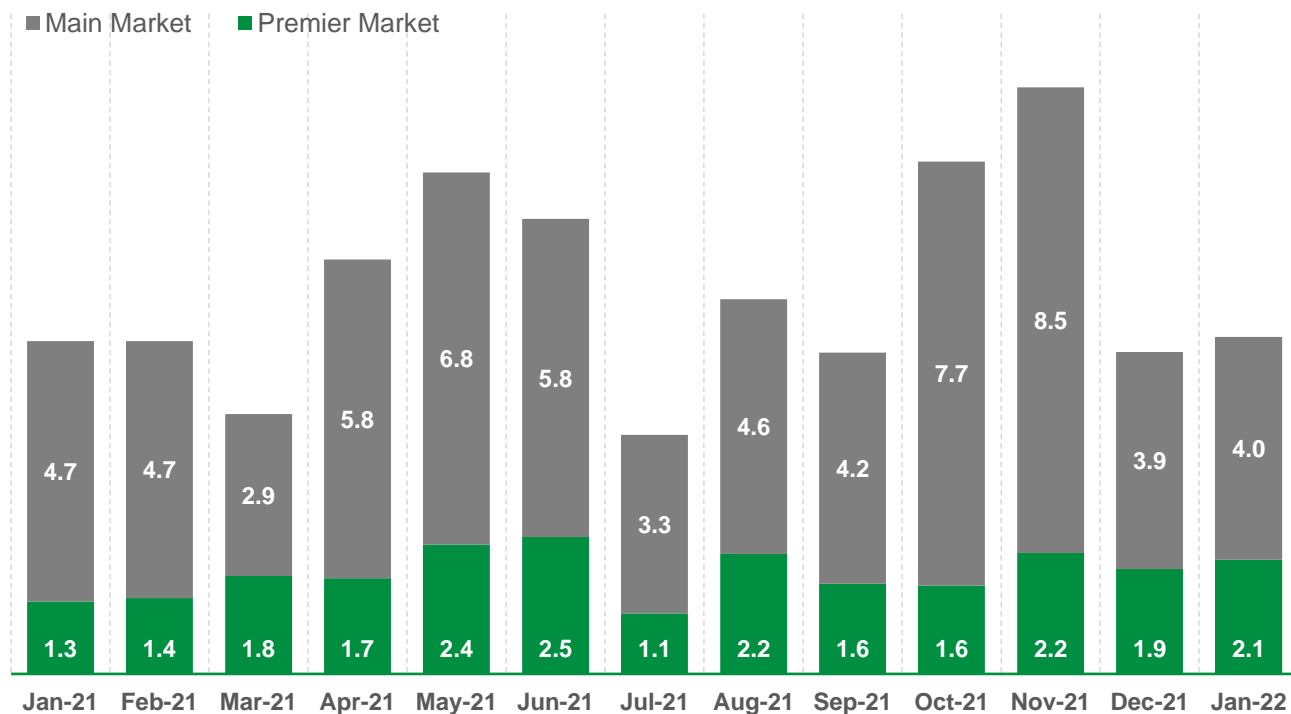
Source: Refinitiv, as of January 31; 2022

Kuwait Market – Monthly Summary

KSE Trading Parameters - Volume

- A total of 6.12 billion shares were traded on Kuwait Boursa for the month of January 2022, an increase of 4.72% over previous month levels of 5.84 billion
- The growth when compared to same period last year was 1.20% in volumes
- The Premier Market volumes stood at 2.07 billion shares while the Main Market volumes were at 4.04 billion during January 2022

KSE Market Volume - in Shares Billion

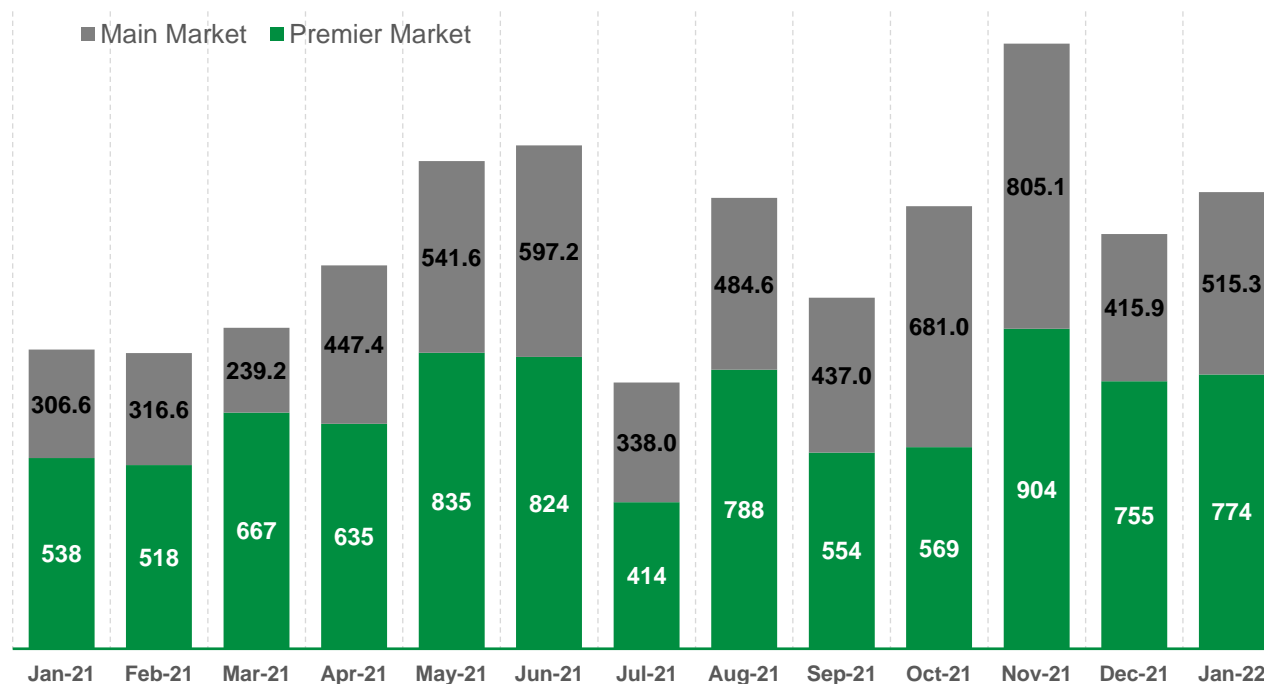


Volume (Million Shares)	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	2021	YTD Daily Average
Premier Market	1,314.98	1,381.07	1,777.39	1,742.99	2,352.61	2,488.20	1,097.16	2,189.68	1,645.75	1,604.31	2,203.93	1,901.83	2,078.44	21,699.91	98.97
Main Market	4,735.99	4,665.99	2,945.44	5,788.23	6,763.52	5,784.07	3,251.04	4,628.45	4,197.25	7,705.05	8,453.93	3,945.75	4,045.12	62,864.69	192.62
All Share	6,050.97	6,047.06	4,722.83	7,531.22	9,116.13	8,272.27	4,348.20	6,818.13	5,843.00	9,309.36	10,657.87	5,847.57	6,123.56	84,564.61	291.60

Source: Refinitiv, as of January 31, 2022

KSE Trading Parameters – Value Traded

KSE Market Value - in KWD Million

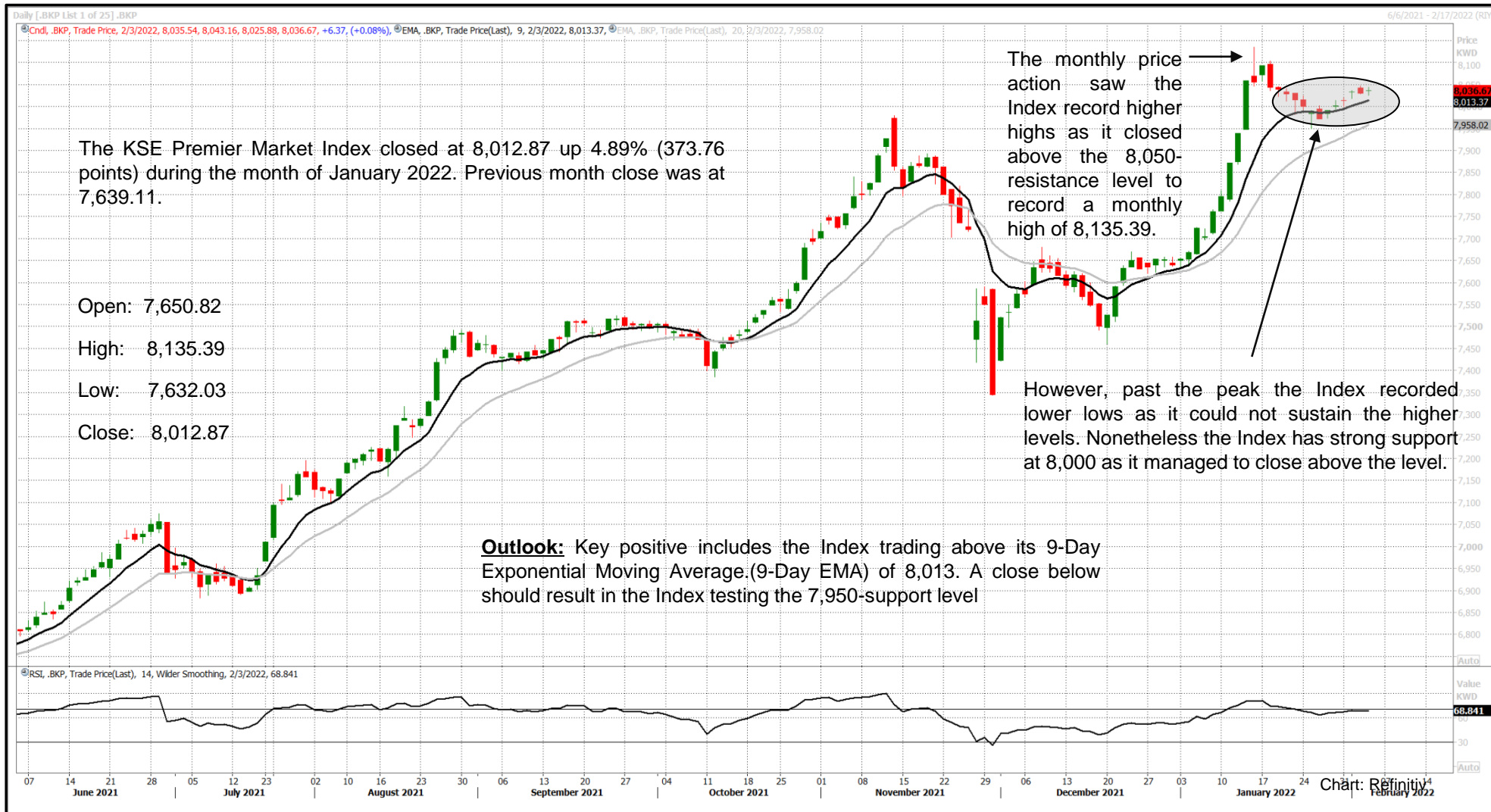


- The total value traded stood at KWD 1.28 billion up 10.12% compared to previous month KWD 1.17 billion
- When compared to same period last year the increase in value traded was to the tune of 52.59%.
- The Premier market value traded was at KWD 773.99 million. While Main market value traded stood at KWD 515.26 million

Value (KWD Million)	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	2021	YTD Daily Average
Premier Market	538.34	518.11	667.90	635.35	835.38	824.09	413.68	788.10	553.88	568.87	903.61	754.95	773.99	8,002.25	36.86
Main Market	306.57	316.64	239.22	447.37	541.62	597.23	337.95	484.56	436.97	680.96	805.09	415.82	515.26	5,610.00	24.54
All Share	844.91	834.75	907.12	1,082.72	1,377.00	1,421.32	751.63	1,272.66	990.85	1,249.83	1,708.71	1,170.77	1,289.25	13,612.25	61.39

Source: Refinitiv, as of January 31, 2022

Kuwait Premier Market – Daily Candlestick Chart



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