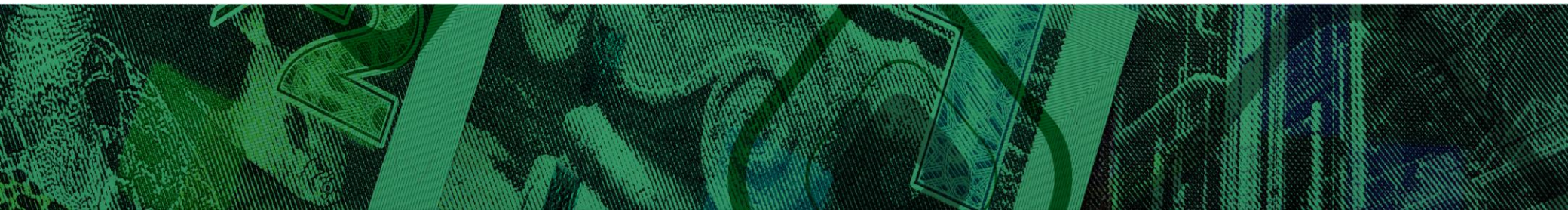


# KFHC Market Monitor

Monthly - Equity Market Updates

July 2022

For Private Use Only



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## Equity Markets – Update

Global Markets rallied, however earnings headwinds coupled with weakening economic momentum is likely to weigh on equities. Hence potential downside risks persists

### Major global equities close with gains, however on Year-to-Date basis they remain under pressure

- I. The Q22022 blended earnings growth for the S&P 500 stood at 7.7% compared to same period last year. While the revenue growth during the same period is 12.1% indicating increased operating costs impacting profitability
- II. Slowdown in economic activity coupled with expected eases in inflation with the rate hike cycle, asset allocation will be in favor of less risky assets like bonds

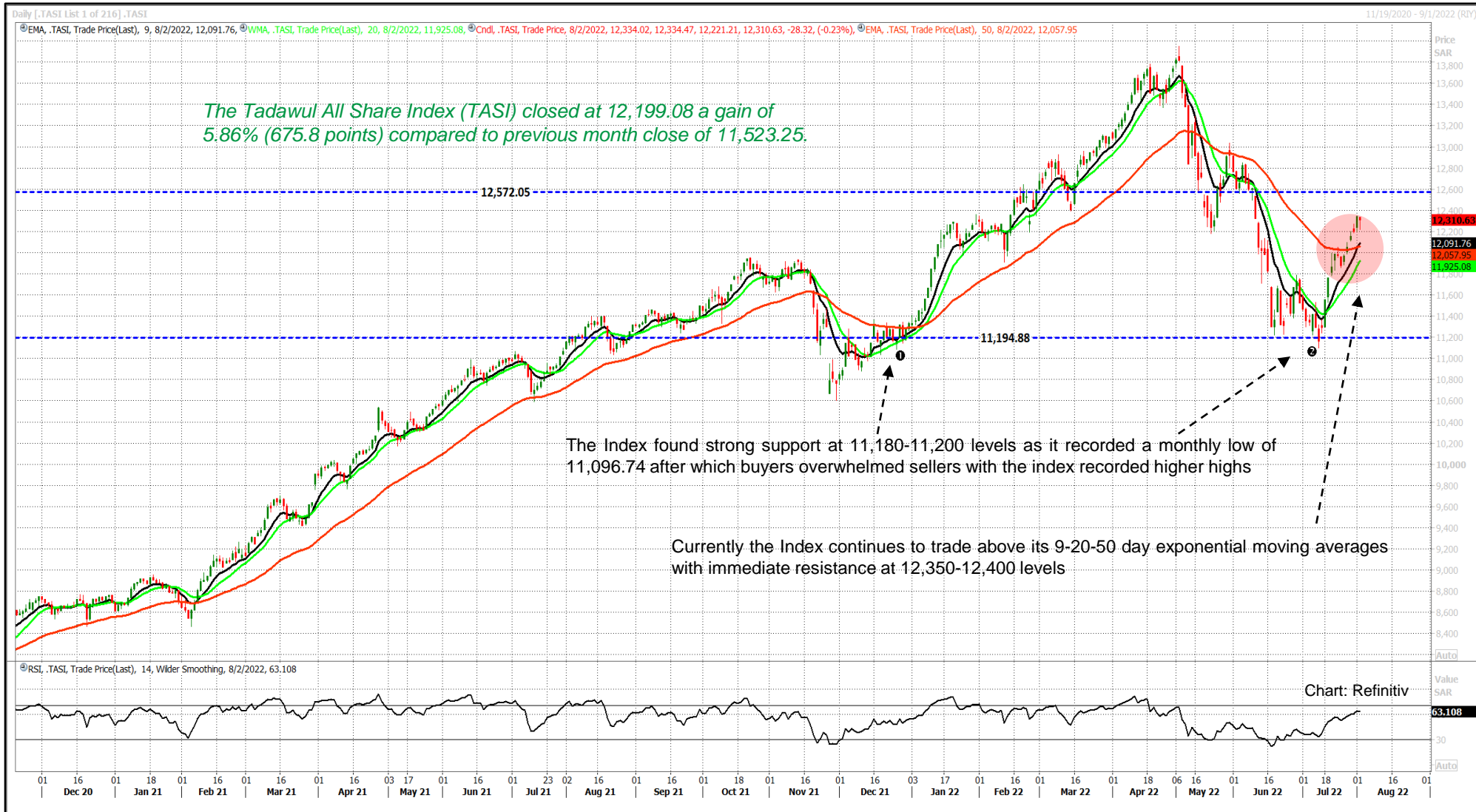
### Among the GCC Qatar was the top performer with 9.67% month-on-month gains.

- I. Fitch solutions forecast an economic growth of 6.6% for the GCC region during 2022. A notable increase from previous year growth levels of 3.0%
- II. Increased hydrocarbon production coupled with elevated prices to drive growth. On country level Saudi Arabia to record a 7.6% growth during 2022 which is the highest, while Kuwait and UAE expected growth is 6.0%.

Global Equity Markets	Index Closing*	M-o-M (%)	YTD (%)	Market Cap (USD Billion)	P/Ex
NASDAQ 100 Index	12,947.98	12.55	(20.66)	16,117.68	25.74
S&P 500 Index	4,130.29	9.11	(13.34)	36,673.15	20.17
FTSE 100	7,423.43	3.54	0.53	2,057.59	11.40
STOXX Europe 600	438.29	7.64	(10.15)	12,167.34	12.56
German Dax Index	13,484.05	5.48	(15.11)	1,410.24	12.64
Hang Seng Index	20,156.51	(7.79)	(13.85)	22,126.43	9.69
S&P GCC Composite Index	158.55	5.83	5.74	893.63	14.75
Kuwait - Premier Market Index	8,603.03	4.37	12.62	126.57	12.97
Saudi Arabia	12,199.08	5.86	8.13	3,142.49	18.44
Abu Dhabi	9,663.47	3.08	13.84	521.61	23.93
Dubai	3,337.96	3.56	4.44	120.01	8.50
Qatar	13,370.03	9.67	15.00	177.62	14.71

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

# Tadawul All Share Index (TASI) – Daily Candlestick Chart



# Commodities – Overview

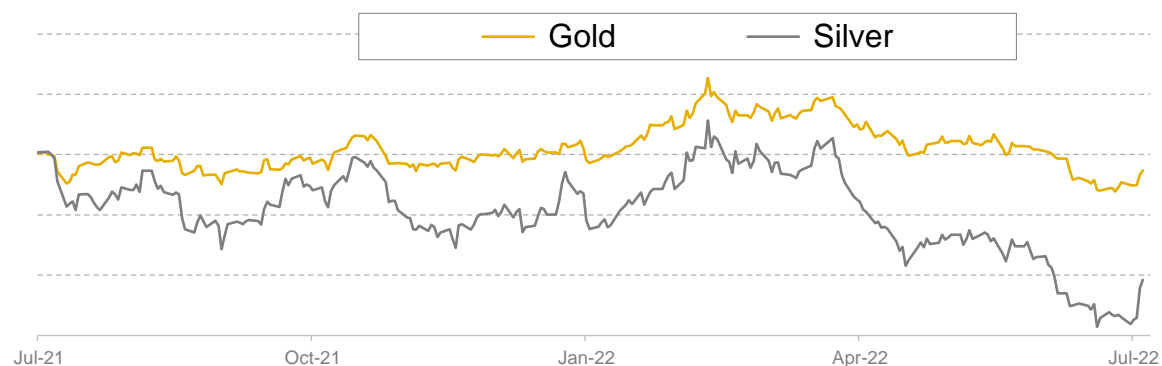
The broader outlook for commodities is to the downside during the 2H2022

- The average price of Brent during the month of July was USD 104.9 per barrel which is a decline of 10.73% when compared to the June average price of USD 117.5 per barrel.
- Industrial metals are down across the board on a Year-to-Date (YTD) basis with the exception of Nickel. Copper a lead indicator of economic activity is down 18.55% on YTD basis as it closed at USD 7,917.5 per ton. Nickel recorded a close of USD 23,619 per ton an increase of 13.79% during the same period
- The LNG Asia prices were at 42.50 per Unit which is 80.85% increase on 3-month basis while on YTD basis the prices are up 25.74%
- Key growth driver for natural gas is the Ukraine-Russia conflict with Russia being a key natural gas supplier to Europe

**Crude oil both the Brent and the NYMEX closed below the USD 100 mark as we write**



**Gold prices down 2.80% and Silver down 2.48% on a monthly basis**



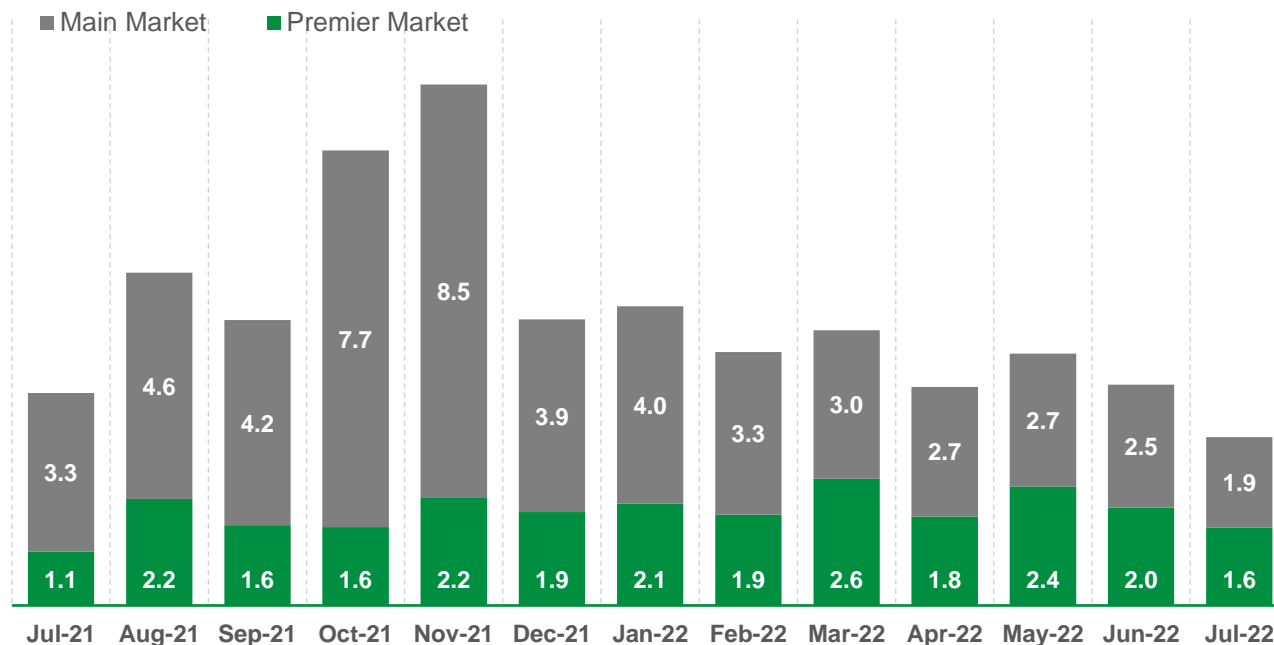
Source: Refinitiv, as of July 31; 2022

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# Kuwait Market – Monthly Summary

# KSE Trading Parameters – Volume Traded

## KSE Market Volume - in Billion Shares



- There was an overall decline of 23.73% in number of shares traded during July 2022. Primarily due to the extended Eid holidays. Total number of shares traded were 3.44 billion shares
- Premier Market Index witnessed 1.59 billion shares of trading during July while the Main market recorded a total trading of 1.85 billion shares of trading.

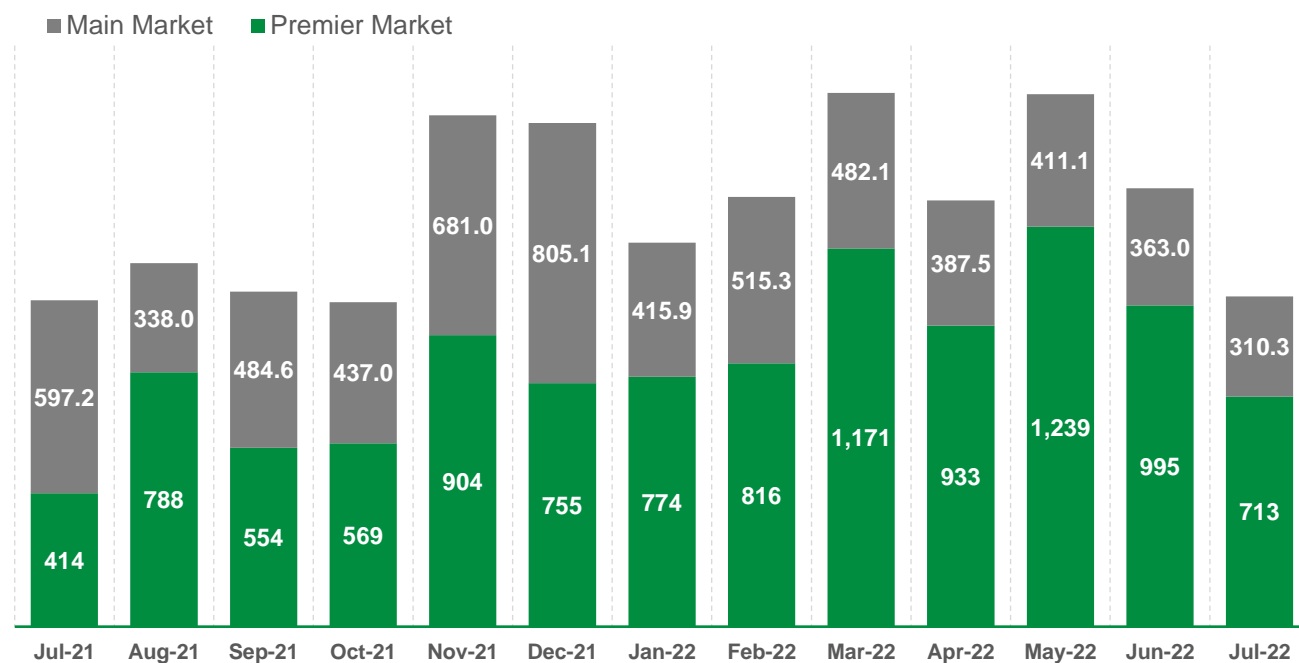
Volume (Million Shares)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	2022	YTD Daily Average
Premier Market	1,097.16	2,189.68	1,645.75	1,604.31	2,203.93	1,901.83	2,078.44	1,856.02	2,590.50	1,819.48	2,433.38	2,005.09	1,591.34	14,374.25	104.92
Main Market	3,251.04	4,628.45	4,197.25	7,705.05	8,453.93	3,945.75	4,045.12	3,329.85	3,040.37	2,645.62	2,718.45	2,512.18	1,854.03	20,145.63	147.05
All Share	4,348.20	6,818.13	5,843.00	9,309.36	10,657.87	5,847.57	6,123.56	5,185.87	5,630.87	4,465.10	5,151.83	4,517.27	3,445.37	34,519.88	251.97

Source: Refinitiv, as of July 31, 2022



# KSE Trading Parameters – Value Traded

**KSE Market Value - in KWD Million**

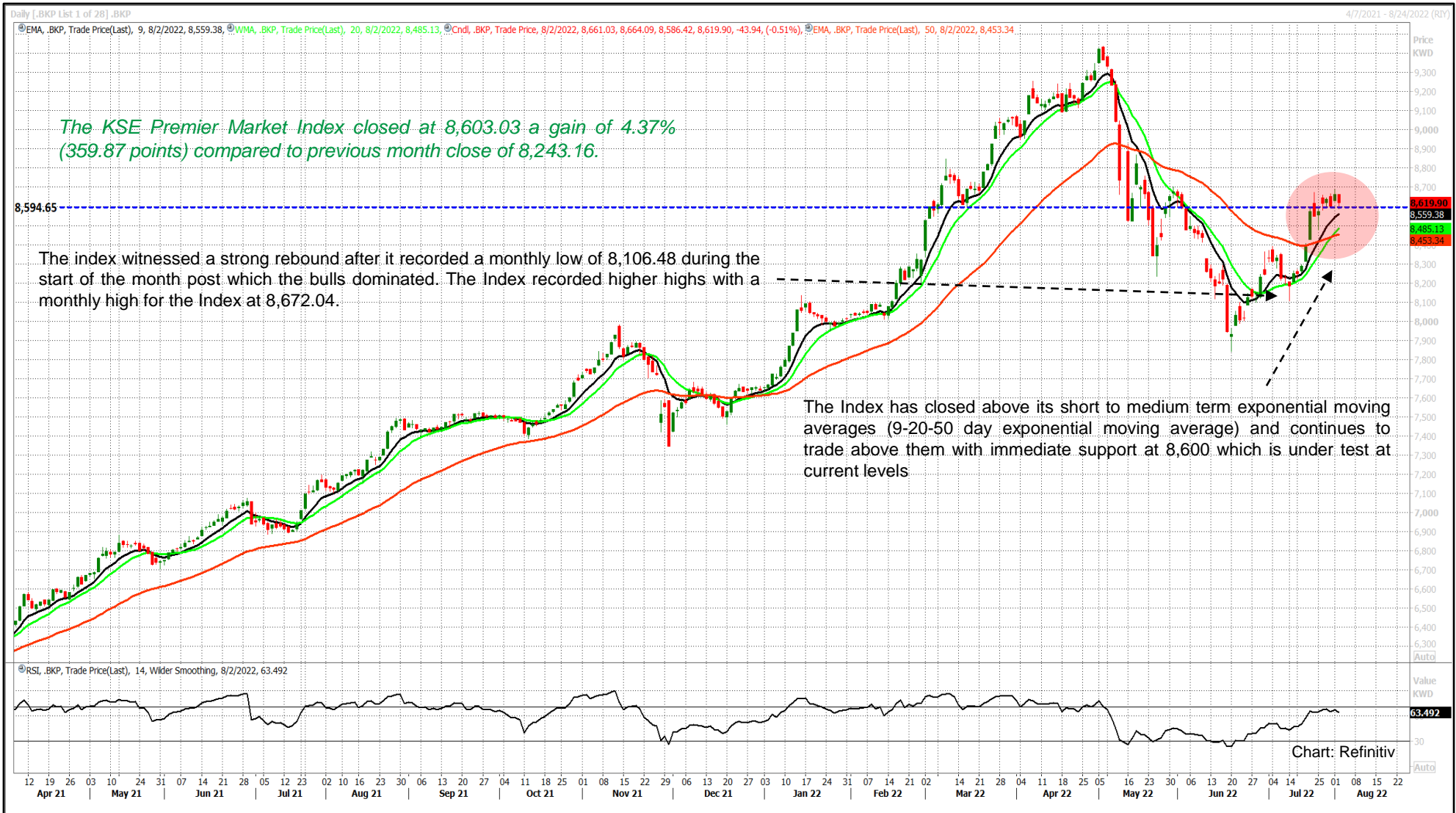


- The total value traded stood at KWD 928 billion a decline of 28.91% compared to previous month KWD 1.30 billion.
- This would be the second consecutive month with a decline in value traded for the boursa.
- Main market value traded stood at KWD 310.3 million, a decline of 14.52% compared to previous month.

Value (KWD Million)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	2022	YTD Daily Average
Premier Market	413.68	788.10	553.88	568.87	903.61	754.95	773.99	816.43	1,171.48	933.38	1,238.86	995.17	713.06	6,642.36	48.48
Main Market	337.95	484.56	436.97	680.96	805.09	415.82	515.26	482.10	387.51	411.08	363.03	310.32	215.06	2,684.35	19.59
All Share	751.63	1,272.66	990.85	1,249.83	1,708.71	1,170.77	1,289.25	1,298.53	1,558.98	1,344.46	1,601.89	1,305.49	928.11	9,326.71	68.08

Source: Refinitiv, as of July 31, 2022

# Kuwait Premier Market – Daily Candlestick Chart



# Key Contacts

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