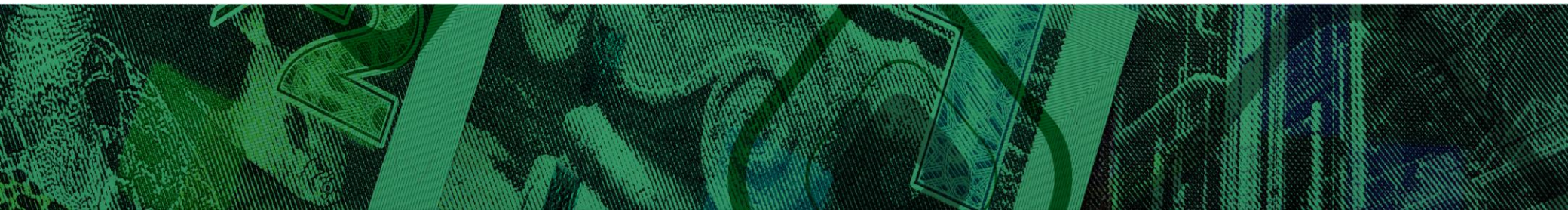


KFHC Market Monitor

Monthly - Equity Market Updates

March 2022

For Private Use Only



Important Notice

This information is only intended for the client and should not be passed on to any other person.

This presentation is provided for information purposes only on the express understanding that the information contained herein will be regarded and treated as strictly confidential. It is not to be delivered nor shall its contents be disclosed to anyone other than the entity to which it is being provided and its employees without the prior written consent of KFH Capital Investment Company K.S.C.C. (“**KFH Capital**”).

Moreover, it shall not be reproduced or used, in whole or in part, for any purpose other than for the consideration of the financing or transaction or services described herein, without the prior written consent of KFH Capital. The information contained in this presentation does not purport to be complete and is subject to change. This is a commercial communication. The presentation does not include a personal recommendation and does not constitute an offer, or the solicitation of an offer for the sale or purchase of any financial product, service, investment or security.

Whilst every care has been taken in preparing this document, no member of KFH Capital gives any representation, warranty or undertaking and accepts no responsibility or liability as to the accuracy or completeness, timeliness or correctness of the information set out in this document. All views, opinions and estimates contained in this document may be changed after publication at any time without notice. Past performance is not indicative of future results. For the avoidance of doubt, our duties and responsibilities shall not include tax advisory, legal, regulatory accounting or other specialist or technical advice or services. You are to rely on your own independent appraisal of and investigations into all matters and things contemplated by this presentation. By accepting this presentation, you agree to be bound by the foregoing limitations. Kindly note that this presentation does not represent an offer of funding since any facility to be granted in terms of this presentation would be subject to KFH Capital obtaining the requisite internal and external approvals.

This presentation is not intended for the use of retail clients and must not be acted on or relied on by persons who are retail clients. Any investment or investment activity to which this presentation relates is only available to persons other than retail clients and will be engaged in only with such persons. Persons into whose possession this presentation comes are required by KFH Capital to inform themselves about and to observe any such restrictions.

© KFH Capital K.S.C.C. All rights reserved.

Table of Contents

-
- 1 Equity Markets – Update**

 - 2 Commodities - Overview**

 - 3 Kuwait Market – Monthly Summary**
-

Equity Markets – Update

GCC Equities continue to rally, the Kuwait Premier Market Index is the top performer in the region with 18.62% gains on Year-to-Date basis

Major global equities rebound in March however outlook remains to the downside

- I. As major global equities closed the month in green potential downside risks have increased. Key risks include Rising interest rates, soaring inflation and the Russia–Ukraine conflict war uncertainty
- II. Further with the inversion of the 10-2Y yield curve (i.e., 2Y yields trading above the 10Y) is likely to put further downside pressure on equities. The 10-2Y yield curve is a lead indicator of decline in economic activity in medium term

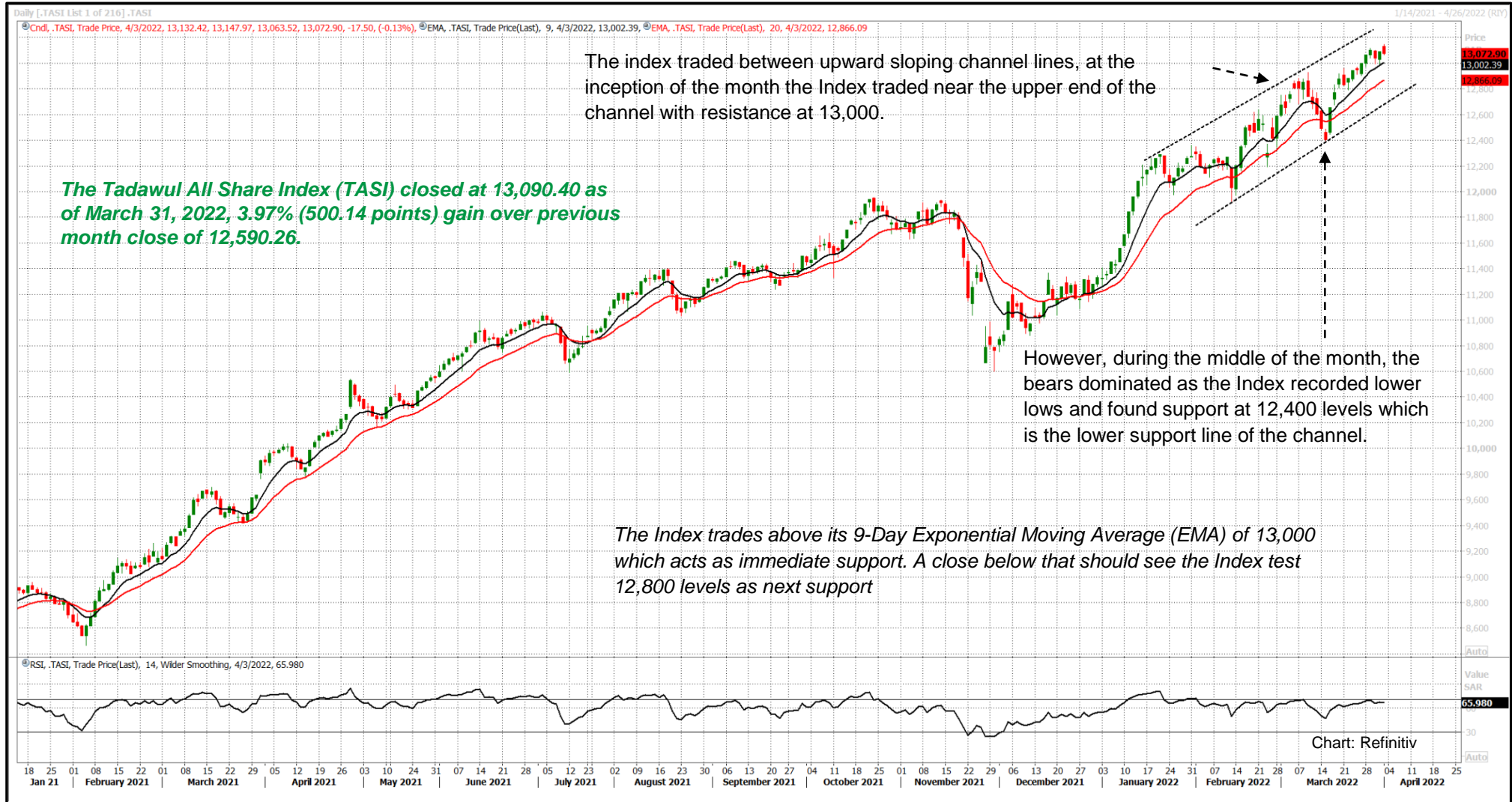
The GCC peer group rally as crude continues to trade above the USD 100 per barrel mark

- I. The KSE Premier market Index was the top performing Index across the GCC. The Index closed the month at 9,061.41 a gain of 8.91% (741.14 points) on monthly basis, while on Year-to-Date basis the Index is up 18.62% (1,422.3 points).
- II. As per Fitch reports economic activity in Kuwait is likely to accelerate from 1% growth in 2021 to an expected 5% in 2022. Sharp rebound in crude oil prices will be key growth driver

Global Equity Markets	Index Closing*	M-o-M (%)	YTD (%)	Market Cap (USD Billion)	P/Ex
NASDAQ 100 Index	14,861.21	4.38	-8.94	18,617.25	29.25
S&P 500 Index	4,545.86	3.93	-4.62	40,505.88	22.84
FTSE 100	7,537.90	1.07	2.08	2,115.14	14.30
STOXX Europe 600	458.34	1.15	-6.04	12,710.44	14.53
German Dax Index	14,446.48	-0.10	-9.06	1,533.14	14.56
Hang Seng Index	22,039.55	-2.97	-5.80	23,937.62	10.63
S&P GCC Composite Index	173.54	4.82	15.74	893.63	14.75
Kuwait - Premier Market Index	9,061.41	8.91	18.62	124.19	13.87
Saudi Arabia	13,090.40	3.97	16.03	3,114.43	21.47
Abu Dhabi	9,948.78	6.75	17.20	486.48	24.66
Dubai	3,526.60	5.13	10.35	97.76	10.49
Qatar	13,533.16	4.51	16.41	187.08	17.13

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

Tadawul All Share Index (TASI) – Daily Candlestick Chart



Commodities – Overview

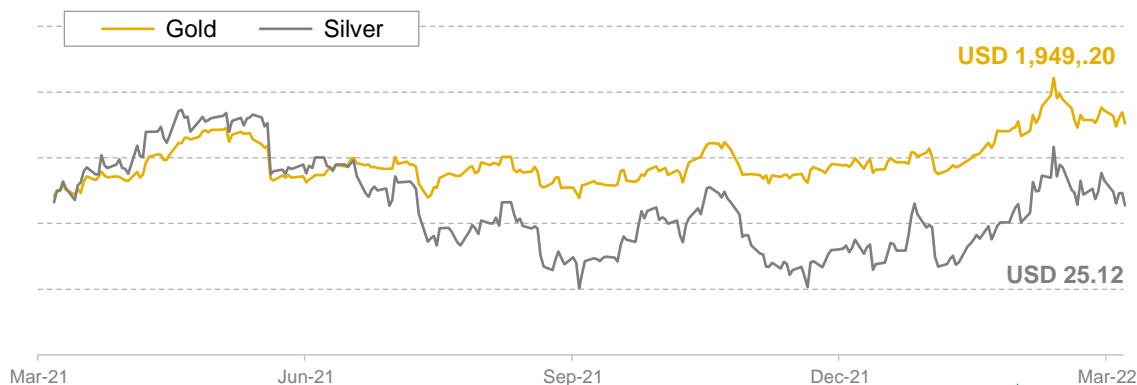
Supply disruptions due to the Russia - Ukraine conflict has further heightened the rise in commodity prices

- The average price for Brent crude during the month of March was USD 112.46 per barrel which 19.5% higher when compared to the previous month average price of USD 91.10 per barrel.
- As per Refinitiv data the demand for crude as of March 2022 stood at 99.71 million barrels per day (mbpd). While the supply during the same period was in line with 99.60mbpd.
- The June 2022 demand is forecasted to be at 100 mbpd while the supply is estimated to be in excess of 1mbpd to 101.1mbpd during the same period. With supply in additional of demand, it should impact the crude prices on the downside in the near term
- The 1.49% increase in supply on quarterly basis can be explained by the planned increase in OPEC+ production 0.4mbpd on a monthly basis. Further announcement by US to release an additional 1mbpd for six months starting May 2022.

Crude oil (Brent) closed above at USD 108, YTD gains of 38.74%



Precious Metals underperform as metals and Petchems record gains



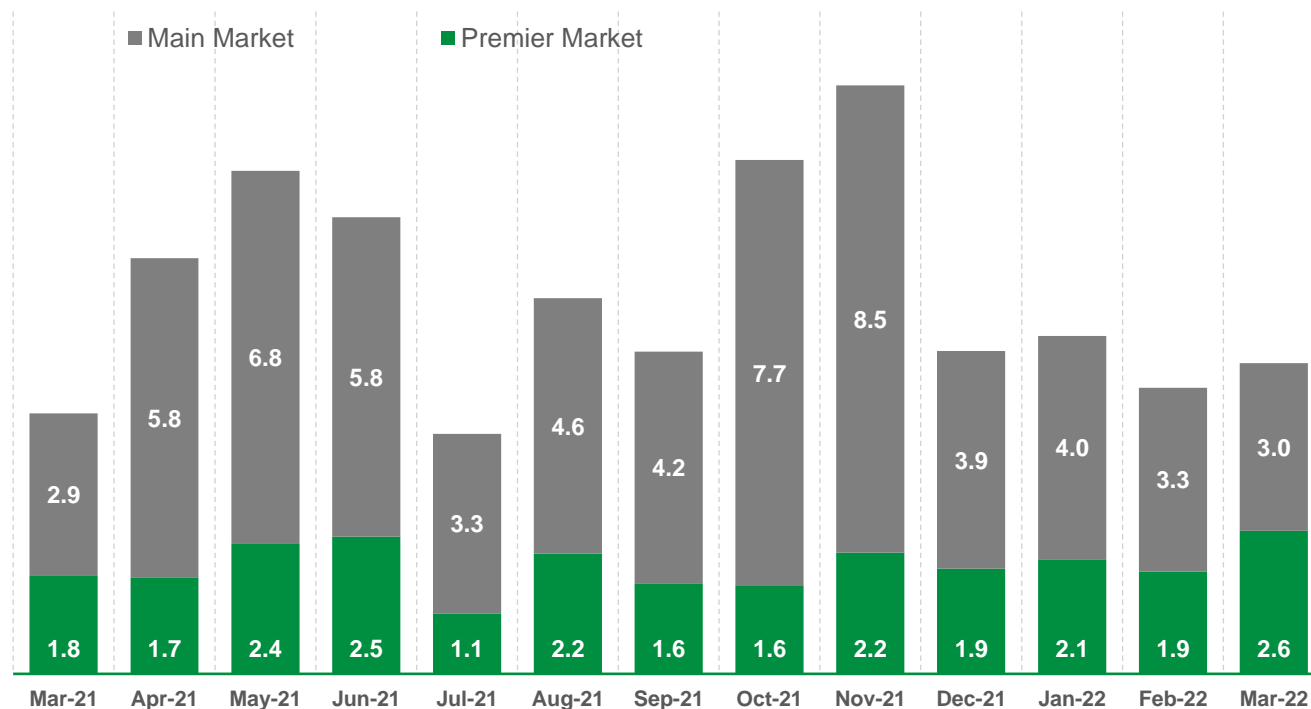
Source: Refinitiv, as of March 31; 2022

Kuwait Market – Monthly Summary

KSE Trading Parameters - Volume

- Volumes for the month of February were at 5.63 billion shares which is an increase of 8.58% compared to previous month trading.
- The growth in volumes was primarily driven by 45.75% surge in volumes in the premier market.
- Premier Market volumes stood at 2.59 billion, while the Main Market volumes stood at 3.04 billion down 8.69% during March 2022

KSE Market Volume - in Shares Billion

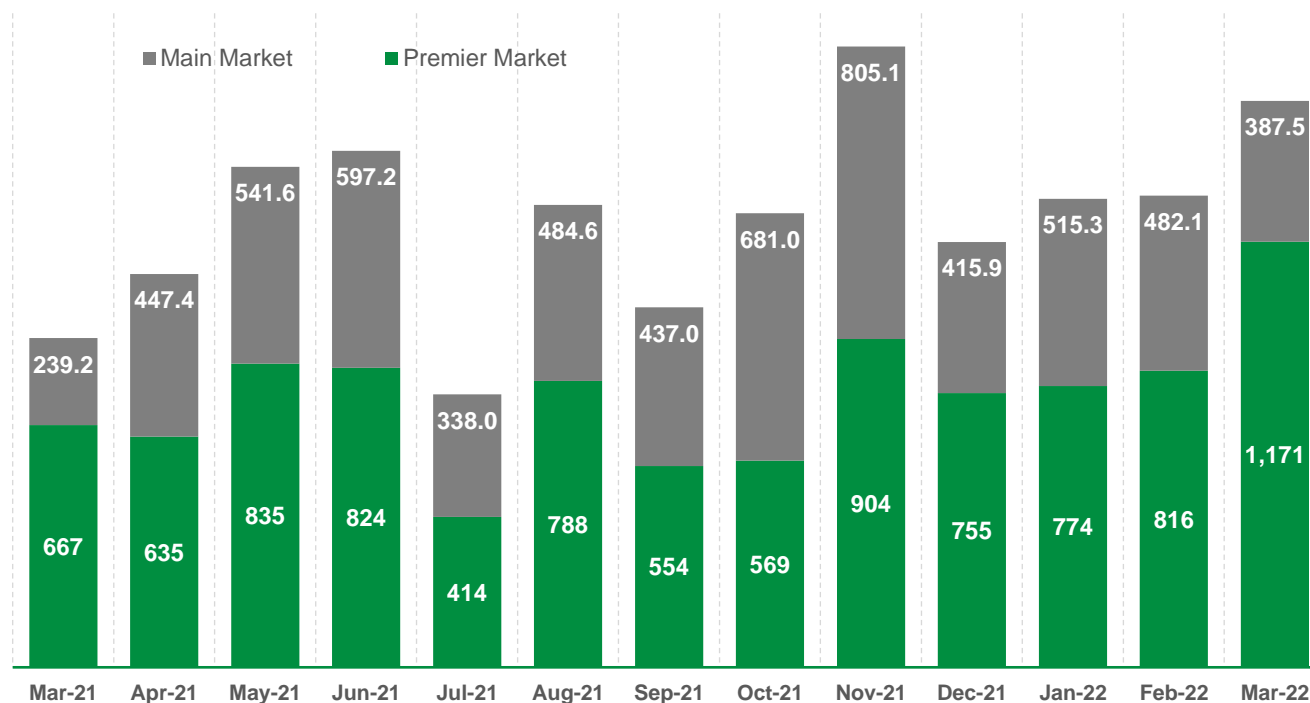


Volume (Million Shares)	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	2022	YTD Daily Average
Premier Market	1,777.39	1,742.99	2,352.61	2,488.20	1,097.16	2,189.68	1,645.75	1,604.31	2,203.93	1,901.83	2,078.44	1,856.02	2,590.50	6,524.97	106.97
Main Market	2,945.44	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	3,329.85	3,040.37	10,415.34	170.74
All Share	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	5,185.87	5,630.87	16,940.31	277.71

Source: Refinitiv, as of March 31, 2022

KSE Trading Parameters – Value Traded

KSE Market Value - in KWD Million

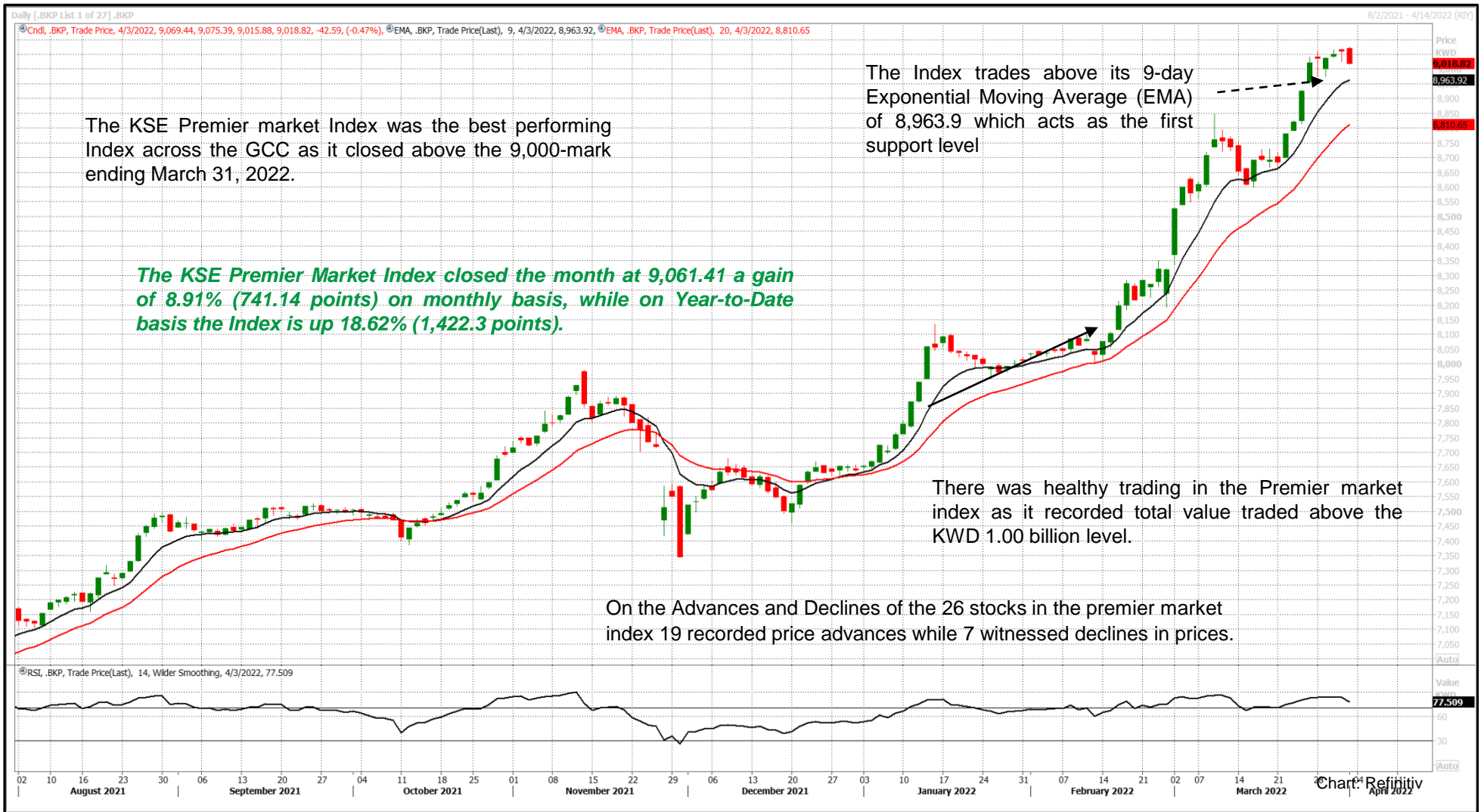


- The total value traded stood at KWD 1.55 billion which is an increase of 20.06% compared to previous month KWD 1.29 billion. The Premier Market was key growth driver
- The Premier Market Index value was up by 75.40% to KWD 1.17 billion on monthly basis
- While Main market value traded stood at KWD 387.51 million a decline of 19.62% compared to previous month

Value (KWD Million)	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	2022	YTD Daily Average
Premier Market	667.90	635.35	835.38	824.09	413.68	788.10	553.88	568.87	903.61	754.95	773.99	816.43	1,171.48	2,761.90	45.28
Main Market	239.22	447.37	541.62	597.23	337.95	484.56	436.97	680.96	805.09	415.82	515.26	482.10	387.51	1,384.87	22.70
All Share	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	1,298.53	1,558.98	4,146.77	67.98

Source: Refinitiv, as of March 31, 2022

Kuwait Premier Market – Daily Candlestick Chart



Key Contacts

KFH Capital Investment Company K.S.C.C.

Investment Banking Division – Research Department

P.O. Box: 3946 Safat, 13040 Kuwait

Tel. (+965) 2298 7000

Company: www.kfhcapital.com.kw

Email: ird@kfhcapital.com.kw