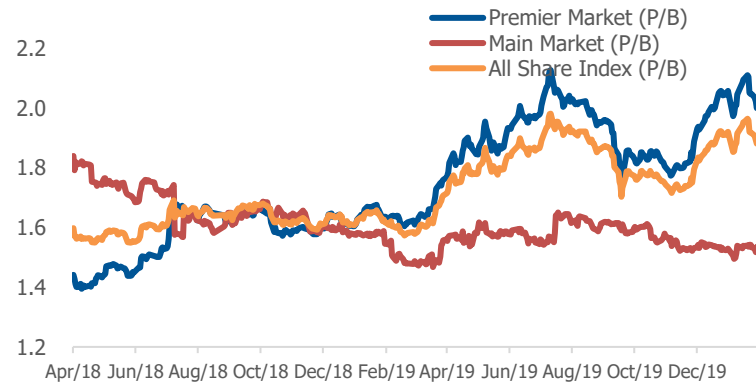


Kuwait Market Indices

| Indicators | M. Cap (KD Bn) | Last Close | % WTD | % MTD | % YTD |
|---------------------------|----------------|------------|-------|-------|-------|
| Kuwait All Share TR Index | 37 | 7,309 | -0.7 | 0.7 | 0.7 |
| Main Market TR Index | 11 | 5,617 | 0.3 | 0.5 | 0.5 |
| Premier Market TR Index | 23 | 8,161 | -1.0 | 0.8 | 0.8 |
| Kuwait Islamic Index | 15 | 93 | -0.3 | 1.5 | 1.5 |

Source: Reuters; Note: TR denotes Total Return indices

Kuwait Indices: Price-to-Book Ratio



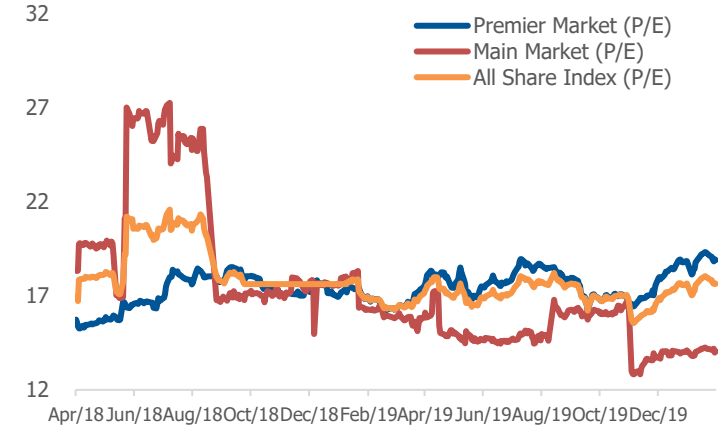
Source: Reuters; Based on trailing 12months book value data (market cap weighted)

Al Safat Group Companies

| Companies | Mcap (USD Mn) | Last | % WTD | % MTD | % YTD | PE (TTM) | PB (TTM) |
|--------------------|---------------|------|-------|-------|-------|----------|----------|
| Senergy | 13.9 | 21 | 0.5 | -3.7 | -3.7 | NULL | 0.3 |
| Effect RE | 5.6 | 21 | 0.0 | 0.0 | 0.0 | NULL | 0.3 |
| Danah Alsafat | 5.4 | 15 | -2.0 | -5.1 | -5.1 | NULL | 0.3 |
| Shuaiba Industrial | 51.5 | 155 | 0.0 | 0.0 | 0.0 | 27.3 | 0.9 |
| Osos Holding Group | 36.6 | 111 | 7.8 | 5.7 | 5.7 | 16.5 | 0.9 |

Source: Reuters;

Price-to-Earnings Ratio



Source: Reuters; Based on trailing 12-month earnings (Market cap weighted)

Kuwait Market Heat Map

| | | | | | | | | | | |
|------|-------|------|-------|-------|-------|-------|-------|-------|------|-------|
| SENE | ACIC | UPAC | ALEID | AUBK | AAN | AYRE | DALQ | AAYA | BIHC | KMEF |
| ABAR | ALAF | GYPK | ALRA | BKME | HAYK | ABYR | EFECT | DEER | COAS | EXCH |
| GPIK | CGCK | MRCK | KIDK | ABKK | VIVA | AREC | FIRST | MADR | FACI | KFSK |
| ENER | EDUK | MBRD | IFAH | BOUK | OORE | AJWN | INJA | SAGH | NCCI | KINV |
| IPGK | EQUI | MTCC | JAZK | BURG | ZAIN | ARGK | IRCK | TAMI | TAHS | KPRO |
| NAPS | FCEM | CLEA | JIYAD | CBKK | AMAR | ENMA | INVK | AMAN | ECHK | KSHC |
| ALKK | CABL | SHOT | KWTV | GBKK | TIJA | MASKN | KBTK | MALK | EKTT | MANK |
| BPCC | GCEM | NIBM | KHOT | ITHMR | UREK | MAZA | ALAQ | ALIMK | OLAK | MARKZ |
| KFDC | SHIP | AGLT | KCIN | KIBK | MARA | ALMK | KREK | MADI | GFHK | NIND |
| ALQK | HCCK | PCEM | MUNK | KFH | REMAL | MREC | MABK | AMARF | GFCI | NIHK |
| DANK | HUMN | RKWC | OULA | NBKK | SREK | AQAR | MASH | AMWA | GIHK | SECH |
| CATT | LOGK | SALB | PAPK | WARB | SANK | ARAB | MENK | AGHC | GNAH | TAMKE |
| MEZZ | KGLK | SCEM | SOOR | FTIK | SHCK | ARKK | MUNS | ARZA | INOV | QIC |
| ASCK | KCPC | PAPE | SCFK | GINS | TAMK | TIJK | NREK | ASIYA | IFIN | UNIC |
| OSOS | KCEM | SPEC | AINS | KINS | WINS | THURY | REAM | BAYK | KAMC | SANAD |
| ATCK | MIDAN | YIAC | BKIK | KWRE | WETH | NINV | NOOR | OSUL | KPPC | |

Source: Reuters;

Note: Color codes are based on the weekly percentage price change; Green color represent the top gainer while red represents the top decliner; uncolored ones represents lack of trading for the week.

Kuwait Sector Performance & Valuation

| Indicators | M. Cap (KD Mn) | Last Close | Volume (mn) | Value (KD mn) | % WTD | % MTD | % YTD | P/E | P/B | P/S | EV/EBITDA |
|---|----------------|--------------|--------------|---------------|-------------|-------------|-------------|-------------|------------|-------------|-------------|
| Oil & Gas | 0.3 | 1,293 | 42.2 | 0.9 | 0.5 | 4.4 | 4.4 | 11.0 | 2.0 | 2.2 | 11.6 |
| Independent Petroleum Group KSCP | 89.5 | 475.0 | 0.1 | 35 | -1.0 | -1.5 | -1.5 | 14.7 | 0.9 | 0.1 | 18.1 |
| National Petroleum Services Company KSCP | 131.9 | 1,320 | N.A | N.A | 0.0 | 12.8 | 12.8 | 10.4 | 3.4 | 3.8 | 8.1 |
| Energy House Holding Company KSCP | 16.5 | 22.0 | 0.7 | 16 | 3.3 | -3.5 | -3.5 | N.A | 0.7 | 2.6 | N.A |
| Basic Materials | 0.8 | 911.0 | 3.4 | 1.4 | -0.4 | 0.4 | 0.4 | 18.9 | 1.3 | 3.5 | 27.3 |
| Boubyan Petrochemical Company KSCP | 363.0 | 679.0 | 0.9 | 644 | -0.6 | 1.6 | 1.6 | 30.1 | 1.4 | 4.8 | 45.7 |
| Qurain Petrochemical Industries Company KSCP | 338.6 | 308.0 | 2.4 | 745 | -0.3 | -0.6 | -0.6 | 7.3 | 0.7 | 1.6 | 14.1 |
| Al-Kout Industrial Projects Company KPSC | 85.7 | 850.0 | N.A | N.A | 0.0 | 0.0 | 0.0 | 14.1 | 2.8 | 3.0 | 9.0 |
| Industrials | 3.2 | 930.0 | 49.6 | 18.0 | 1.3 | 0.3 | 0.3 | 16.4 | 1.6 | 2.2 | 11.2 |
| Agility Public Warehousing Co KSCP | 1,498 | 850.0 | 9.1 | 7,649 | 2.9 | 3.9 | 3.9 | 17.0 | 1.3 | 1.0 | 10.4 |
| Human Soft Holding Company KSCP | 381.0 | 3,118 | 1.2 | 3,747 | -0.7 | 3.5 | 3.5 | 10.7 | 5.4 | 5.2 | 8.7 |
| ALAFCO Aviation Lease and Finance Company KSCP | 235.1 | 247.0 | 3.9 | 967 | 0.0 | -9.2 | -9.2 | 13.3 | 0.7 | 2.2 | 11.4 |
| Consumer Goods | 0.2 | 628.0 | 4.7 | 0.4 | -0.4 | -1.5 | -1.5 | 13.2 | 1.3 | 0.7 | 16.2 |
| Mezzan Holding Company KSCP | 150.9 | 485.0 | 0.7 | 332 | -0.6 | -3.0 | -3.0 | 16.9 | 1.3 | 0.7 | 13.2 |
| Livestock Transport and Trading Co KPSC | 39.8 | 184.0 | 0.3 | 52 | 0.5 | 5.1 | 5.1 | N.A | 1.0 | 0.8 | 27.9 |
| Danah Al Safat Foodstuff Co KPSC | 1.6 | 15.0 | 3.8 | 56 | -1.3 | -5.1 | -5.1 | N.A | 0.3 | 1.2 | N.A |
| Healthcare | 0.4 | 866.0 | N.A | N.A | -1.2 | -2.1 | -2.1 | 43.8 | 6.6 | 4.3 | 20.9 |
| Al-Maidan Clinic for Oral Health Services Company | 304.9 | 1,220 | N.A | N.A | 0.0 | 0.0 | 0.0 | 49.0 | 8.4 | 5.8 | 24.6 |
| Advanced Technology Co KSCP | 112.5 | 750.0 | 0.0 | 0 | -4.5 | -7.4 | -7.4 | 34.2 | 1.9 | 0.8 | 13.0 |
| Yiaco Medical Company KPSC | 12.1 | 66.5 | N.A | N.A | 0.0 | 0.0 | 0.0 | N.A | 6.1 | 0.3 | N.A |
| Consumer Services | 0.5 | 1,047 | 11.2 | 1.5 | 0.0 | -2.4 | -2.4 | 11.2 | 2.5 | 2.3 | 8.4 |
| Jazeera Airways Co KSCP | 206.9 | 1,035 | 0.8 | 864 | -1.7 | -5.8 | -5.8 | 14.5 | 5.0 | 2.0 | 9.6 |
| Kuwait National Cinema Company KPSC | 101.0 | 1,000 | 0.0 | 1 | 3.1 | -4.6 | -4.6 | 11.0 | 1.2 | 5.6 | 9.4 |
| IFA Hotels and Resorts Co KSCP | 39.1 | 61.6 | 0.3 | 16 | 8.3 | 12.0 | 12.0 | N.A | 1.2 | 0.5 | N.A |
| Telecommunications | 3.3 | 1,075 | 220.0 | 19.6 | -2.8 | -3.8 | -3.8 | 11.3 | 1.8 | 1.4 | 5.2 |
| Mobile Telecommunications Company KSCP | 2,491 | 576.0 | 27.3 | 15,925 | -3.5 | -4.0 | -4.0 | 11.7 | 2.0 | 1.5 | 5.7 |
| National Mobile Telecommunications Co KSCP | 393.0 | 780.0 | 0.0 | 39 | -1.3 | -5.8 | -5.8 | 10.6 | 0.7 | 0.6 | 2.9 |
| Kuwait Telecommunications Company KSCP | 390.8 | 783.0 | N.A | N.A | 0.4 | -0.6 | -0.6 | 8.8 | 1.9 | 1.4 | 4.4 |
| Banking | 22.3 | 1,504 | 192.8 | 110.5 | -0.9 | 1.4 | 1.4 | 19.6 | 2.1 | 5.7 | 11.3 |
| National Bank of Kuwait SAKP | 6,847 | 1,050 | 37.9 | 40,409 | -4.1 | -1.9 | -1.9 | 17.5 | 1.8 | 5.7 | 12.3 |
| Kuwait Finance House KSCP | 5,837 | 837.0 | 38.7 | 31,923 | 2.1 | 3.2 | 3.2 | 23.0 | 2.8 | 6.3 | 12.5 |
| Ahli United Bank BSC | 2,962 | 340.0 | 69.7 | 23,449 | 1.5 | 5.3 | 5.3 | 14.1 | 2.1 | 5.3 | 13.0 |
| Insurance | 0.3 | 969.0 | 0.5 | 0.1 | -0.3 | 1.6 | 1.6 | 8.3 | 0.9 | 1.4 | 6.6 |
| Gulf Insurance Group KSCP | 123.0 | 658.0 | N.A | N.A | 0.0 | -0.3 | -0.3 | 9.8 | 1.2 | 0.6 | 6.8 |
| Al Ahleia Insurance Co SAKP | 86.0 | 430.0 | 0.1 | 37 | 0.0 | 0.5 | 0.5 | 8.8 | 0.8 | 1.1 | 6.7 |
| Kuwait Insurance Company SAKP | 66.9 | 345.0 | 0.1 | 24 | 1.5 | 4.5 | 4.5 | 6.4 | 0.6 | 2.4 | 5.6 |
| Real Estate | 2.3 | 1,073 | 270.5 | 13.5 | -0.4 | 1.4 | 1.4 | 14.5 | 1.3 | 7.4 | 15.6 |
| Mabane Company KPSC | 952.5 | 914.0 | 1.6 | 1,470 | -1.0 | 1.0 | 1.0 | 17.1 | 2.1 | 10.2 | 18.3 |
| Salhia Real Estate Co KSCP | 225.5 | 440.0 | 1.3 | 564 | -0.9 | 5.5 | 5.5 | 14.8 | 1.4 | 5.0 | 19.5 |
| Tamdeen Real Estate Co KPSC | 130.4 | 302.0 | 0.3 | 86 | -5.6 | -5.9 | -5.9 | 15.7 | 0.7 | 5.9 | 69.9 |
| Financial Services | 2.5 | 1,091 | 891.8 | 53.7 | 1.0 | 0.9 | 0.9 | 12.3 | 1.0 | 9.1 | 5.6 |
| GFH Financial Group BSC | N.A | 68.0 | 4.1 | 278 | 0.0 | -1.3 | -1.3 | 9.9 | 0.7 | N.A | N.A |
| Kuwait Projects Company Holding KSCP | 419.8 | 210.0 | 2.4 | 509 | -1.4 | -2.8 | -2.8 | 15.7 | 0.8 | 0.6 | 68.5 |
| Egypt Kuwait Holding Co SAE | 395.0 | 395.0 | 0.0 | 1 | 0.0 | -12.2 | -12.2 | 14.8 | 2.4 | 2.5 | 7.7 |
| Technology | 0.0 | 499.0 | N.A | N.A | 0.0 | -3.1 | -3.1 | 30.6 | 0.7 | 11.9 | -4.4 |
| Automated Systems Co KPSC | 6.9 | 68.6 | N.A | N.A | 0.0 | -3.1 | -3.1 | 53.6 | 0.5 | 1.8 | -10.9 |
| Osos Holding Group Co KSCP | 10.2 | 102.0 | 0.1 | 5 | -6.4 | -2.9 | -2.9 | 15.2 | 0.8 | 18.7 | 62.7 |

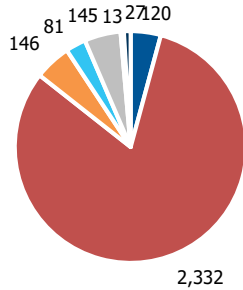
Source: Reuters;

GCC Markets Watch

| Indicators | Last Close | WTD % | MTD % | YTD % | P/E TTM | P/B | Div. Yield |
|---------------------------|------------|-------|-------|-------|---------|-----|------------|
| Kuwait All Share TR Index | 7,309 | -0.7 | 0.7 | 0.7 | 17.5 | 1.9 | 3.4 |
| Saudi (TASI) | 8,247 | -1.7 | -1.7 | -1.7 | 18.2 | 2.1 | N.A |
| Abu Dhabi (ADI) | 5,156 | -1.7 | 1.6 | 1.6 | 13.2 | 1.4 | 4.8 |
| Dubai (DFMGI) | 2,790 | -1.7 | 0.9 | 0.9 | 6.9 | 0.9 | 4.3 |
| Qatar(QE Index) | 10,442 | -1.7 | 0.2 | 0.2 | 14.3 | 1.4 | 4.2 |
| Oman(Muscat SM) | 4,079 | 0.2 | 2.5 | 2.5 | 8.5 | 0.7 | 6.8 |
| Bahrain (BAX) | 1,658 | 0.3 | 3.0 | 2.9 | 11.4 | 1.0 | 4.2 |
| S&P GCC Composite | 115 | -1.7 | -0.9 | -0.9 | 14.8 | 2.0 | 3.4 |

Source: Reuters

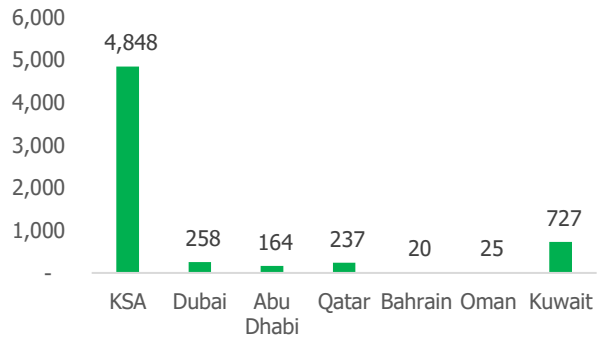
GCC Index Market Capitalization (USD bn)



- Kuwait All Share Index
- Saudi (TASI)
- Abu Dhabi (ADI)
- Dubai (DFMGI)
- Qatar(QE Index)
- Oman(Muscat SM)
- Bahrain (BAX)

Source: Reuters

GCC Weekly Traded Value (USD mn)



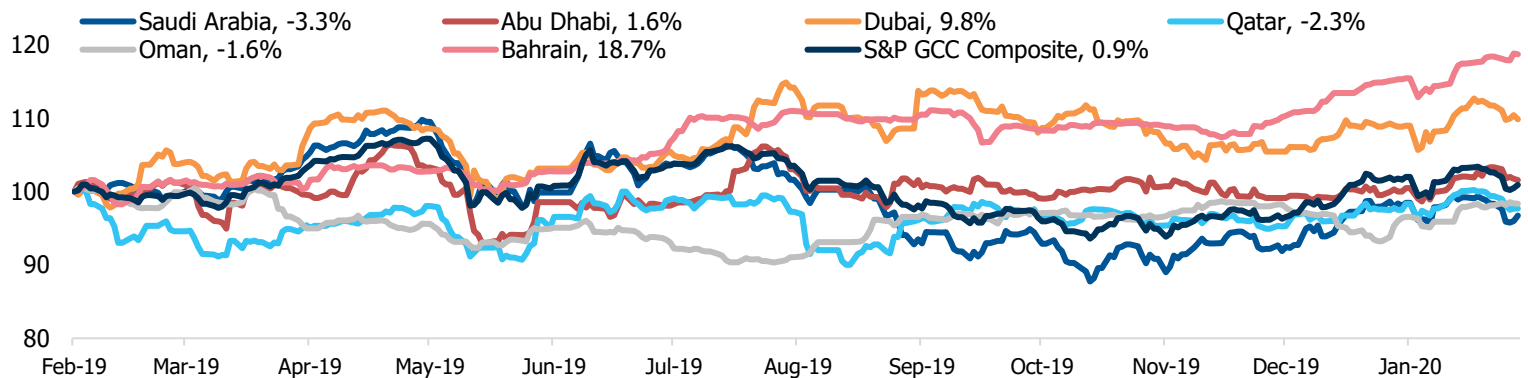
Source: Reuters

GCC Blue Chip Watch

| Companies | Mcap (USD Bn) | Last | WTD (%) | MTD (%) | YTD (%) | PE (TTM) | PB (TTM) | DY | PAT(MN) 9M 2019 | %Gr YoY |
|----------------------|---------------|------|---------|---------|---------|----------|----------|-----|-----------------|---------|
| Saudi Arabia | | | | | | | | | | |
| Saudi Aramco | 1820.6 | 34.2 | -0.9 | -3.1 | -3.1 | 19.0 | 6.6 | N.A | 1,63,014 | -20.5 |
| SABIC | 70.0 | 87.5 | -3.7 | -6.8 | -6.8 | 27.4 | 1.6 | 5.0 | 6,357.7 | -65.3 |
| STC | 48.7 | 91.3 | -2.0 | -10.3 | -10.3 | 17.0 | 3.0 | 4.9 | 8,344.0 | 8.7 |
| Al-Rajhi Bank | 44.2 | 66.4 | 0.8 | 1.5 | 1.5 | 15.4 | 3.4 | 4.5 | 8,006.2 | 9.7 |
| NCB | 37.5 | 47.0 | -0.1 | -4.7 | -4.7 | 13.2 | 2.1 | 4.7 | 8,011.8 | 16.3 |
| UAE | | | | | | | | | | |
| First Abu Dhabi Bank | 46.0 | 15.5 | -2.5 | 2.1 | 2.1 | 14.1 | 1.6 | 4.8 | 9,439.0 | 12.0 |
| ETISALAT | 38.5 | 16.3 | -1.6 | -0.5 | -0.5 | 15.7 | 3.2 | 4.9 | 6,730.0 | 2.1 |
| Emirates NBD | 23.6 | 13.8 | -0.7 | 5.8 | 5.8 | 5.6 | 1.1 | 2.8 | 12,482.1 | 63.1 |
| Ad Commercial | 14.8 | 10.0 | 0.0 | 0.0 | 0.0 | 51.1 | 6.5 | N.A | 937.2 | 42.7 |
| Em Islamic Bk | 14.5 | 7.7 | -4.3 | -3.4 | -3.4 | 10.6 | 1.0 | 6.0 | 3,741.5 | 7.4 |
| Qatar | | | | | | | | | | |
| QNB | 51.9 | 20.4 | -1.6 | -0.7 | -0.7 | 13.2 | 2.0 | 2.9 | 11,210.5 | 3.6 |
| Industries Qatar | 16.6 | 10.0 | -3.3 | -3.1 | -3.1 | 18.6 | 1.8 | 6.0 | 2,036.5 | -46.8 |
| QA Islamic Bk | 10.8 | 16.7 | 0.7 | 8.9 | 8.9 | 13.8 | 1.9 | 3.0 | 2,215.4 | 10.5 |
| Masraf Al Rayan | 8.5 | 4.1 | -0.2 | 4.0 | 4.0 | 14.2 | 2.2 | 5.5 | 1,653.5 | 1.3 |
| Mesaieed Petro | 7.6 | 2.2 | -4.8 | -12.7 | -12.7 | 32.0 | 1.9 | 3.7 | 493.4 | -52.0 |

Source: Reuters

GCC Market Performance Chart



Source: Reuters; Note: Kuwait Index has been excluded from the chart

In News

- The International Monetary Fund estimates that Kuwait's financing needs will amount to some \$180 billion over the next six years given the Gulf state's "modest" fiscal measures and expectations of lower oil prices. "Subdued oil prices and output are weighing on near-term growth prospects and external and fiscal balances," the Washington-based international crisis lender said.
- Qurain Petrochemical Industries Company reported an 8% annual drop in profits over the nine-month period ended 31 December 2019, given that the fiscal year of the company starts on 1 April. The profits amounted to KWD 14.29 million (\$47.08 million) in the nine-month period of 2019, compared to KWD 15.61 million (\$51.42 million) in the same period in 2018. Earnings per share (EPS) retreated to 13.88 fils (45.73 cents) in December last year from 15.03 fils (49.51 cents) during the same period last year. The lower profits registered over the period from April to December 2019 were attributed to Qurain Petrochemical's lesser share of income from its associate company, Kuwait Aromatics Co. QPIC is part of Kuwait Projects Company (KIPCO) group, one of the major holding companies in the MENA region, with consolidated assets worth \$32 billion as at 30 September 2019.
- Kuwait Finance House (KFH) revealed a net profit attributable to the owners of the parent company worth KWD 251.02 million (\$828.32 million) over the fiscal year ended 31 December 2019, up by 10.4% year-on-year (YoY) from KWD 227.41 million (\$750.41 million). Earnings per share (EPS) increased by 10.3% annually at KWD 36.45 last year from KWD 33.06. Over the fourth quarter (Q4) of last year, net profits registered KWD 60.52 million, 3.8% higher than KWD 58.31 million in the same quarter in 2018. EPS amounted to KWD 8.78 in Q4-19 from KWD 8.48 in Q4-18, up by 3.5%. KFH, moreover, attributed the increase in the annual net profits primarily to higher net operating income by 12.5% on the back of the growing total operating income by 9.2%. It further approved the cash dividend distribution of KWD 137.98 million or 20 fils per share, representing 20% of the share's nominal value as well as bonus shares totalling 69.76 million or 10 shares for every 100 shares, representing 10% of the issued and paid-up capital. Kuwait Finance House (KFH) is projected to exit non-strategic assets worth KWD 100 million during 2020.
- The board of commissioners of Kuwait's Capital Markets Authority (CMA) has approved Abyaar Real Estate Development's request to optionally delist from Boursa Kuwait. The decision shall be effective starting Tuesday, 28 January 2020. In November 2019, the company's shareholders approved a proposal to withdraw the company's shares from the Kuwaiti bourse.

CONTACT DETAILS

Mr. Talal Al-Yousef
Deputy Manager – Asset Management
Tel: +965-22675248
E-mail: research@alsafatinvest.com

This report has been prepared and issued by Al Safat Investment Company. The report is owned by Al Safat and is privileged and proprietary and is subject to copyrights. Sale of any copies of this report is strictly prohibited. This report cannot be quoted without the prior written consent of Al Safat. Any user after obtaining Al Safat permission to use this report must clearly mention the source as "Al Safat". This Report is intended to be circulated for general information only and should not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction. The information and statistical data herein have been obtained from sources we believe to be reliable but in no way are warranted by us as to its accuracy or completeness. Al Safat has no obligation to update, modify or amend this report. For further information, please contact Al Safat at P.O. Box 20133 Al Safat 13062 Tel. +965 1877777