

COAST INVESTMENT & DEVELOPMENT CO.

Asset Management Division | Corporate Clients Portfolio

GLOBAL MARKETS MONTHLY REVIEW

April 2026 | Executive Summary

US-Iran War, AI Capex Supercycle, and Mag-7 Earnings Drive Best Month Since 2020

Prepared by AMD - Coast IDC, Kuwait | Source: Refinitiv

Executive Summary

+10.42%

S&P 500 MTD

Best month since 2020

+15.29%

Nasdaq MTD

AI capex tailwind

+87.36%

Brent YTD

Hormuz blockade

+7.0%

Gold YTD

ETF outflows offset

April 2026 was a record month for risk assets despite war-driven oil prices.

Global equity rally: The S&P 500 closed at 7,209 (+10.42% MTD), Nasdaq at 24,892 (+15.3%), and Dow at 49,652 (+7.1%) - strongest monthly print since November 2020. Driven by Mag-7 beats (Alphabet, Caterpillar, Apple, Qualcomm) and the AI capex supercycle now exceeding \$600 billion across the Big Five hyperscalers.

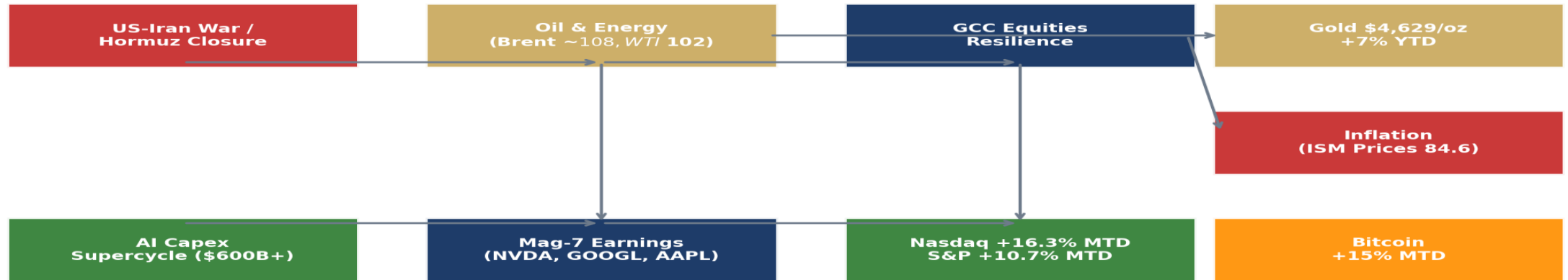
Asia leads, GCC resilient: KOSPI +30.6% MTD (+57% YTD), Nikkei +16.1%. Boursa Kuwait Premier +4.1%, Main 50 +17.2% (mid-cap breadth). Saudi Tadawul -0.6% on petrochem weakness. Dubai +6.1% led GCC larger venues.

Energy & metals: Brent \$114 (+87% YTD), WTI \$105 (+83%) - Strait of Hormuz blockade and Pakistan-mediated peace talks drove intra-month volatility. Gold \$4,614 (-0.7% MTD, +7% YTD); record March ETF outflows offset by central-bank buying. Bitcoin +12.12% MTD to \$76,463.

Outlook: Sticky inflation (ISM Prices 84.6, highest since Apr-2022) delays Fed cuts. Strait reopening would compress oil risk premium. Mag-7 focus shifts from capex scale to return on AI spend.

Macro & Market Linkage

April 2026 — Macro & Market Linkage

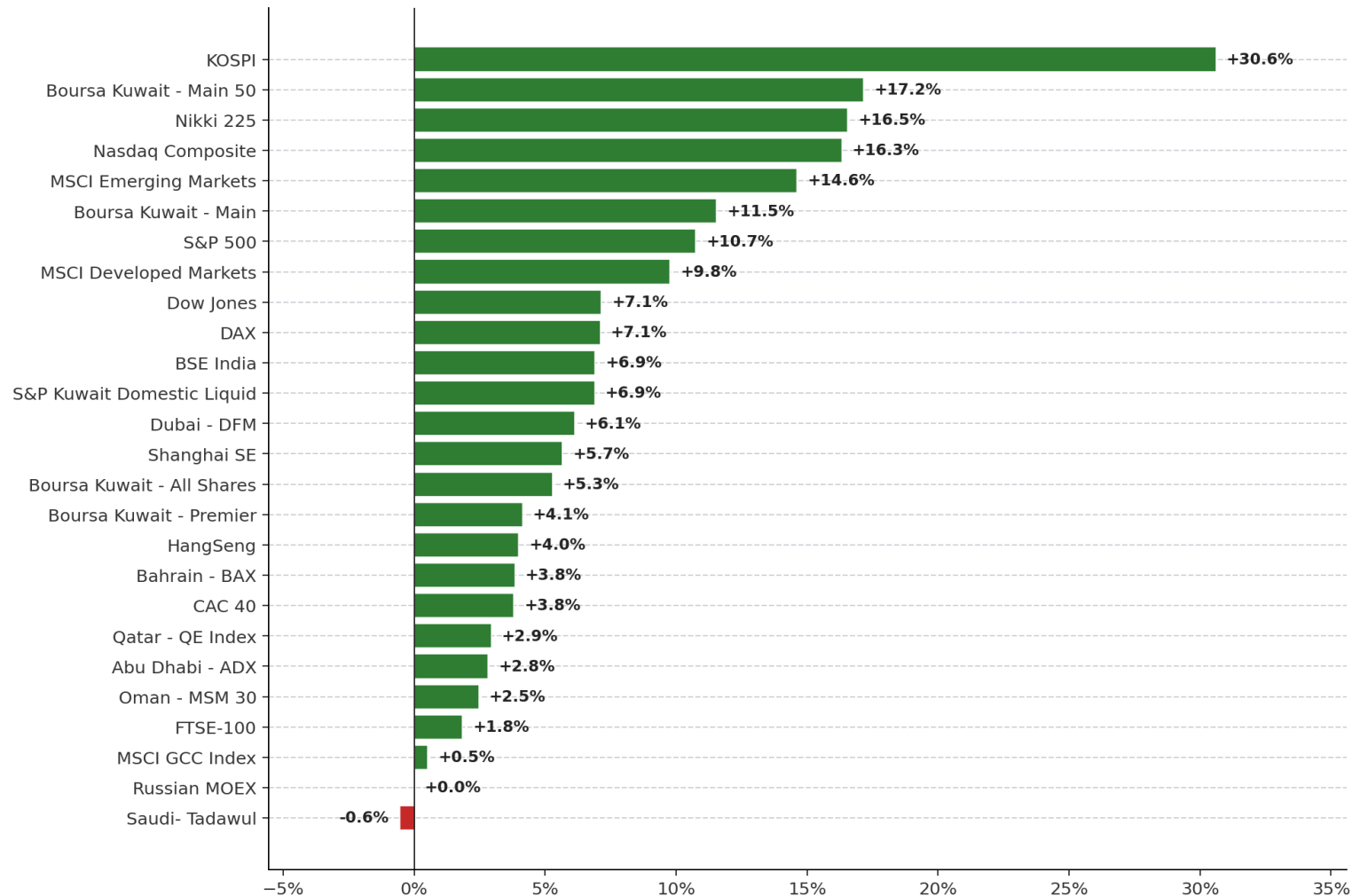


HOW TO READ THIS

Four cross-currents acting simultaneously in April 2026: (i) geopolitical oil shock keeping Brent at multi-year highs; (ii) AI capex tsunami underwriting Mag-7 earnings and lifting Nasdaq to record highs; (iii) GCC equities benefiting from oil tailwinds without absorbing full inflation pass-through; (iv) gold rangebound as oil-driven inflation delays Fed cuts and suppresses ETF demand.

Global Equity Indices - MTD Performance

Global Equity Indices — April 2026 MTD Performance (%)



KEY OBSERVATIONS

KOSPI +30.6%

Korean memory & shipbuilding rally on AI demand

Boursa Kuwait Main 50 +17.2%

Mid-cap breadth out-performs Premier (+4.1%)

Nasdaq +15.3% / S&P +10.4%

Best month since Nov-2020; Mag-7 + AI capex

Saudi Tadawul -0.6%

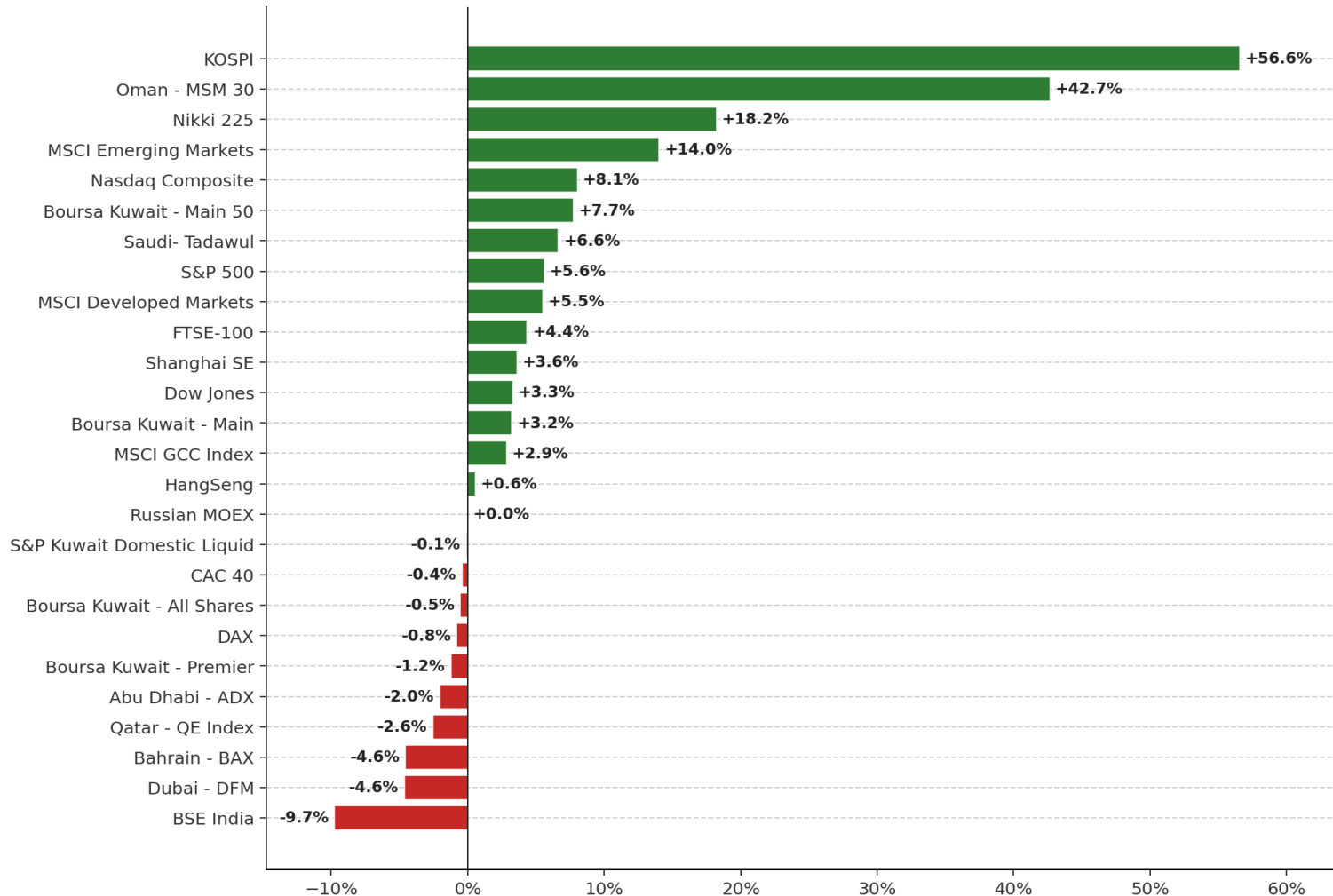
Lone decliner; petrochemical weakness

DAX +7.1% / CAC +3.8%

Europe lagged US on tariff & energy drag

Global Equity Indices - YTD 2026 Performance

Global Equity Indices — YTD 2026 Performance (%)



YTD DISPERSION

Leaders

KOSPI +56.6% | Oman MSM 30 +42.7% | Nikkei +18.2% | MSCI EM +14.0%

Laggards

BSE India -9.7% | Dubai DFM -4.6% | Bahrain -4.6% | Qatar -2.6% | ADX -2.0%

Kuwait

Premier -1.2% YTD; Main +3.2%; Main 50 +7.7% - broadening participation under the surface

GCC YTD pattern

Most GCC venues still negative YTD despite oil tailwind - sets up for ceasefire-driven re-rating

Sector Linkage - What Drove the Tape

Geopolitics - US-Iran War

- US Navy began blockading Iranian ports from 13 April
- Iran tolls of >\$1M per ship through Hormuz
- Brent intraday high \$126 mid-April
- Pakistan-mediated draft peace talks late April
- OPEC+ +206k bpd from May 1

Semiconductors

- NVDA crossed \$5 Tn market cap on April 24
- AMD +14% to \$349.54 (DA Davidson upgrade)
- Qualcomm +8% on Q2 earnings beat
- Intel +24% - best day since 1987 (\$13.6B revenue)
- Caterpillar +41% YTD (AI buildout proxy)

AI Capex Supercycle

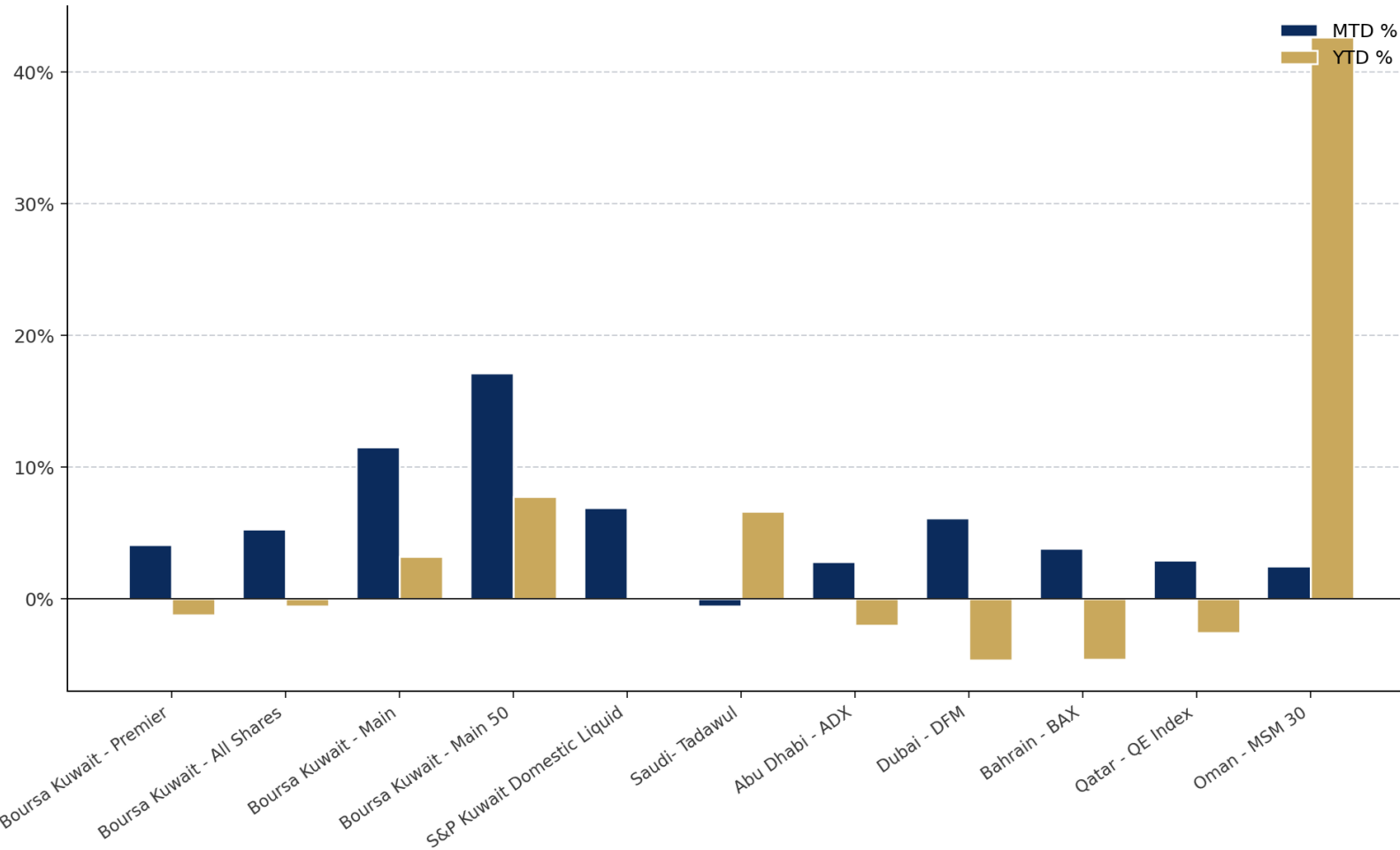
- Big Five hyperscalers > \$600 Bn in 2026 capex
- Alphabet raised guide to \$190 Bn (+10% on day)
- Meta to \$125-145 Bn (stock -9%)
- Microsoft to \$190 Bn (memory cost driven)
- ~75% of capex flows to AI infrastructure

Banking & Inflation

- ISM Prices 84.6 - highest since April 2022
- California gas \$6.01/gal (+30% since Feb war)
- ISM Employment 46.4 (contraction)
- Fed cut expectations pushed back
- Bitcoin +15% MTD on risk-on rotation

Kuwait & GCC - MTD vs YTD

Kuwait & GCC Markets — MTD vs YTD Performance



COAST IDC VIEW

Boursa Kuwait

Premier 18.6x P/E, 2.0x P/B - fair value, with mid-cap breadth (Main 50 +17% MTD) signaling broadening participation.

Saudi

Tadawul -0.6% MTD on petrochem weakness despite +78% YTD oil. 15.7x P/E remains mid-pack vs region.

UAE

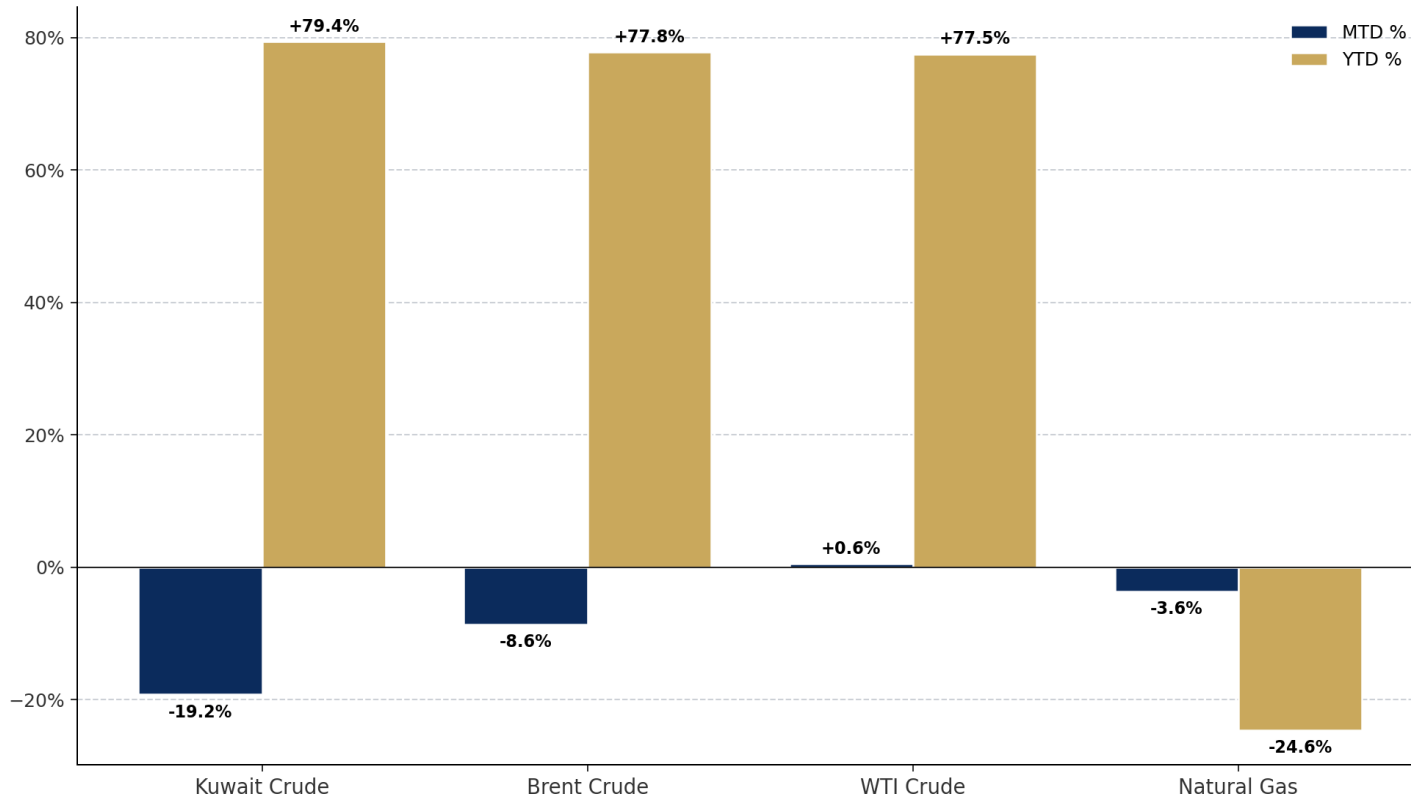
Dubai +6% MTD on real-estate / banking. ADX +2.8% MTD but -2% YTD.

Oman

MSM 30 +42.7% YTD - regional standout on liquidity flows.

Energy Prices - The Hormuz Premium

Energy Prices — MTD vs YTD Performance



BRENT CRUDE

\$114.01

+87% YTD

WTI CRUDE

\$105.07

+83% YTD

KUWAIT CRUDE

\$108.64

+79% YTD

NAT GAS

\$2.77

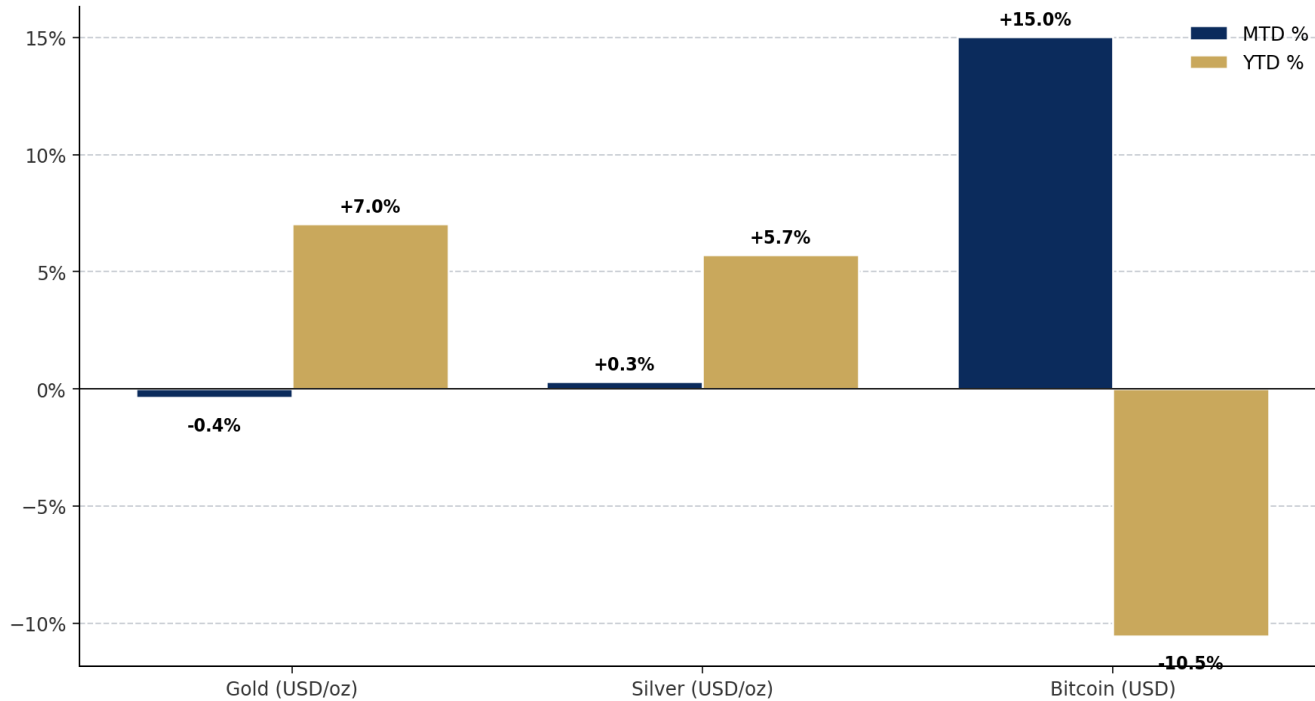
-25% YTD

HORMUZ PREMIUM EMBEDDED

Brent intraday hit \$126 mid-April before easing on Pakistani-mediated peace signals. April MTD pullback (Brent -8.6%, Kuwait Crude -19.2%) reflects diplomatic optimism, not supply normalization. OPEC+ +206k bpd hike from May depends on transit availability. Natural gas (-24.6% YTD) decoupled on US production.

Precious Metals & Crypto

Precious Metals & Crypto — MTD vs YTD Performance



WHY GOLD CONSOLIDATED

- March saw record \$12.7Bn N. American gold ETF outflows - largest in 5+ years.
- Oil-driven inflation delays Fed cuts; each 25bps cut = ~60 tonnes ETF demand within 6 months.
- Central banks remain steady buyers - ~800 tonnes expected for 2026 (JPMorgan model).
- YE-26 institutional targets: Goldman \$5,400, JPMorgan \$5,055, Wells Fargo / UBS \$6,000+.

GOLD

\$4,629

-0.4% MTD / +7.0% YTD

SILVER

\$75.34

+0.3% MTD / +5.7% YTD

BITCOIN

\$78,445

+15.0% MTD / -10.5% YTD

Outlook & Positioning

NEAR-TERM CATALYSTS

Strait of Hormuz

Reopening would compress oil risk premium, Brent to \$80-90 range. Negative for petrochem winners, positive for import-led consumer.

Federal Reserve

Sticky inflation (ISM Prices 84.6) delays first cut. Each 25bps = ~60 tonnes gold ETF demand (Goldman model).

Mag-7 Capex Digestion

Focus shifting from capex scale to return on AI capex. 2H 2026 monetization is the key swing factor.

OPEC+ Production

+206k bpd hike from May 1 constructive for supply, but actual delivery depends on Strait throughput.

COAST IDC AMD VIEW

Boursa Kuwait - Constructive, Selective

Premier valuation 18.6x P/E, 2.0x P/B is fair. Mid-cap breadth (Main 50 +17.2%) supports prior-month thesis on ceasefire-driven re-rating.

GCC Banks - HOLD

Maintain HOLD on flagship banking names; upside revisions contingent on a clearer monetary-easing path.

Energy - Cautious on Petrochem

Current oil levels carry conflict premium.

Gold - Structural Hold

Despite ETF headwinds, central-bank demand and YE-26 targets (\$5,400-6,300) support structural allocation.



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