

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 30 May 2019



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Kuwait Boursa Performance Analysis

Market Indices

	30-May-19	30-Apr-19	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,732	5,630	1.8% ▲	12.8% ▲
Premier Market Index (PR)	6,242	6,047	3.2% ▲	18.5% ▲
Main Market Index (PR)	4,737	4,829	-1.9% ▼	0.0% ▼
All-Share Index (TR)	6,606	6,471	2.1% ▲	16.9% ▲
Premier Market Index (TR)	7,231	6,996	3.4% ▲	22.7% ▲
Main Market Index (TR)	5,378	5,446	-1.2% ▼	3.7% ▲

Note: Percentage change from the end of April 2019

Highest and lowest indices level

	During the Month		Beg. of 2019	
	High	Low	High	Low
All-Share Index (PR)	5,853	5,561	5,853	5,110
Premier Market Index (PR)	6,365	5,999	6,365	5,305
Main Market Index (PR)	4,869	4,698	5,058	4,698
All-Share Index (TR)	6,733	6,400	6,733	5,686
Premier Market Index (TR)	7,368	6,944	7,368	5,937
Main Market Index (TR)	5,499	5,315	5,665	5,315

Market Indicators

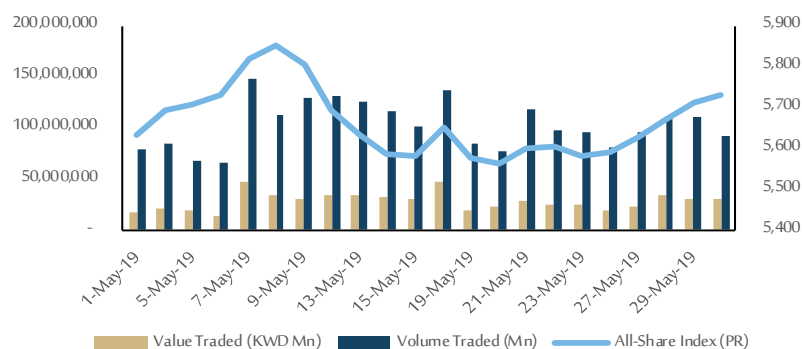
	30-May-19	%Chg MTD
Market Cap KWD	35,398,554,459	2.6% ▲
Daily average volume traded (shares / day)	102,602,331	-40.8% ▼
Daily average value traded (KWD/ day)	28,048,584	-16.2% ▼

Note: Percentage change from the end of April 2019

Net profit of listed Companies in Kuwait Boursa

KWD	LTM *	%Chg
Net profit of kuwait Boursa's Companies	2,134,259,234	10.4% ▲

Note: Percentage change from the end of Last Twelve Month 2018



Kuwait was the best performing market on May 2019, with All Share Index (PR) gained 1.8% during the month. This was coming mainly on the back of large cap stocks as indicated by a 3.2% rise in the Premier Market index (PR) while the main market index (PR) declined by 1.9% during the month.

Kuwaiti Boursa Earnings in May-19 pushed YTD-19 to record the highest level among the GCC at 12.8% based on the All Share index and 18.5% for the Premier Market index. The gains in the Premier Index reflected investor expectations with regard to the upcoming decision by MSCI on June 19 concerning the promotion of Kuwait to the emerging market.

Average Daily Traded Value declined in May 2019 by 16.2% to KD 28.0 million during the month compared to KD 33.5 million in the previous month. Also, the average daily traded volume dropped by 40.8% during May 2019 to reach a daily average of 102.6 million compared to a daily average of 173.4 million shares.

Trading activity declined in May-19 due to the month of Ramadan. Value traded went by 12.2% in May 2019 to reach traded value of KWD 617 million compared to KWD 703 million in the previous month. Total traded volume during the month dropped at bigger advances of 38% to reach an amount of 2.26 billion compared to 3.6 billion shares in the previous month.

During the month, Within the Premier Market index, most of the constituents 12 out of the 19 constituents ended the month in the green zone topped by Mobile Telecommunications Co. "Zain" leading the gainers chart during the month at 13.4% followed by Mabanee Company at a rate of 13.0%. On the other hand, the losers chart during the month where topped by Integrated Holding Co. with a loss of 19.6%.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index			Price to Earning	Price to Book Value	Dividend Yield	ROE %
	30-May-2019	Pct Change %					
Oil and Gas	1,132.2	-3.4%	▼	13.6	0.9	0.0%	6.4%
Basic materials	1,167.2	-0.6%	▼	16.4	1.3	2.5%	8.0%
Industrials	887.7	-3.4%	▼	13.3	1.1	0.9%	8.2%
Consumer goods	696.6	3.6%	▲	58.8	1.4	0.0%	2.3%
Health care	942.1	-2.1%	▼	106.7	5.2	0.3%	4.9%
Consumer services	960.7	-0.9%	▼	(49.4)	1.1	1.4%	-2.2%
Telecom	984.4	9.3%	▲	11.3	1.5	5.6%	13.4%
Banking	1,319.6	1.9%	▲	16.5	1.8	2.7%	10.7%
Insurance	946.0	-0.1%	▼	9.0	0.8	3.6%	9.4%
Real estate	929.1	6.8%	▲	29.8	0.7	0.8%	2.4%
Financial services	1,032.1	-1.7%	▼	12.0	0.7	0.6%	6.1%
Technology	701.3	7.1%	▲	11.7	0.8	0.0%	6.5%

Note: Percentage change from the end of April 2019

Market Indices activities

Sector	Value		Volume			
	30-May-2019	Pct Change %	30-May-2019	Pct Change %		
Oil and Gas	1,050,752	-52.4%	▼	33,769,671	-34.9%	▼
Basic materials	11,064,500	-8.5%	▼	22,047,145	-2.8%	▼
Industrials	45,951,542	-18.2%	▼	103,883,322	-38.2%	▼
Consumer goods	841,601	-14.9%	▼	3,934,799	-51.7%	▼
Health care	300,120	N/A	▲	246,000	N/A	▲
Consumer services	2,414,522	-62.7%	▼	19,316,208	-63.7%	▼
Telecom	49,609,624	17.0%	▲	110,941,761	-23.0%	▼
Banking	411,276,240	-0.3%	▼	958,702,251	-0.4%	▼
Insurance	270,756	15.4%	▲	1,977,276	62.8%	▲
Real estate	37,959,739	-22.0%	▼	418,046,334	-44.8%	▼
Financial services	56,326,138	-53.5%	▼	584,348,214	-60.3%	▼
Technology	14,530	-14.4%	▼	170,180	-1.5%	▼

Note: Percentage change from the end of April 2019

In terms of sector performance, most of the Sector performance chart showed negative performance during the month the Oil & Gas index and the Industrials sector reported the steepest decline during May-19 at 3.4% each followed by Healthcare and Financial Services indices with declines of 2.1% and 1.7%, respectively. the Telecom index topped the monthly chart with a return of 9.3% primarily on the back of 13.4% gain in shares of Zain and 1% gain in shares of Viva that more than offset decline in other two stocks in the sector. Shares of Zain got a boost after the telco's Bahraini unit grew its profits by 55%. The Technology sector was next on the chart with gain of 7.1% followed by Real Estate and Consumer Goods sectors with monthly gains of 6.8% and 3.6%, respectively.

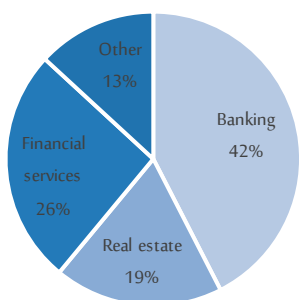
The Real Estate Sector witnessed gains for the third consecutive month after large-cap stocks in the sector witnessed healthy gains during the month. Shares of Tamdeen Real Estate gained 33.3% after the Company reported 20% increase in net profits. Shares of Mabaneer gained 13.0% during the month after the Company along with five other real estate developers were shortlisted for a project in Kuwait

In terms of value traded in May 2019, most of the indices showed a lower performance during the month. In fact, Consumer Services Index showed the steepest decline among the Kuwait Boursa indices by 62.7%, followed by Financial Services Index and Oil and Gas Index which showed a drop in their level of liquidity by 53.5% and 52.4%, respectively.

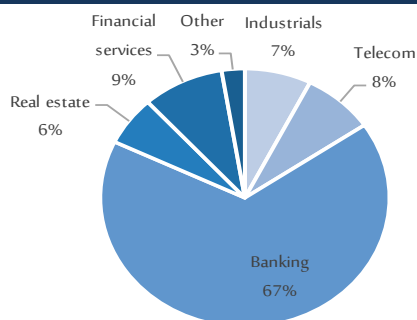
The banking sector was the most traded sector accounted for 67% of the total value traded followed by Financial Services Index and Telecom Index by 9% and 8% respectively.

Banking Sector, Financial Services Sector and Real Estate Sector were the most traded sectors based on monthly traded volume during the month with a share of 42%, 26% and 19%, respectively.

Traded Volume



Traded Value



Top Gainers and Losers

Companies' Top Gainers During The Period

Company	Close (fils)	%Chg MTD	Value (KWD)	Volume	Monthly Turnover**
Metal and Recycling Co KSCP	88.0	291.1%	715	48,010	-62.2%
Hayat Communications Co KSCP	49.0	61.7%	7,826	247,616	-9.0%
Umm Al Qaiwain General Investment	91.0	55.0%	3,003	51,200	-83.6%
Tamdeen Real Estate Co KPSC	400.0	33.3%	19,528	63,497	-60.6%
Al Argan International Real Estate	176.0	32.3%	12,829	87,000	351.7%
Kuwait Reinsurance Company KSCP	155.0	17.4%	3,789	25,378	-43.7%
Mobile Telecommunications Co.	524.0	13.4%	48,879,443	102,753,201	37.6%
Mabane Company KPSC	706.0	13.0%	20,163,545	32,148,874	294.3%
Commercial Real Estate Co KPSC	92.0	10.8%	1,695,268	18,839,023	-35.6%
Sanam Real Estate Company KSCP	49.5	9.0%	0	2	-100.0%

Note: Percentage change from the end of April 2019

** Comparing total trading value for the current month with average last 12 months

Companies' Top Losers During The Period

Company	Close (fils)	%Chg MTD	Value (KWD)	Volume	Monthly Turnover**
Kuwait and Middle East Financial Investment	34.9	-30.2%	63,006	1,708,631	-64.0%
Kuwait Syrian Holding Co KSC	40.0	-27.3%	503,897	11,714,777	-16.9%
Senergy Holding Company KSCP	22.0	-25.4%	52,077	2,232,728	-19.1%
Ras Al Khaimah for White Cement and Construction	59.0	-24.4%	41,728	700,166	8.1%
Al Eid Food Company KSCP	45.0	-24.0%	6,976	156,174	28.3%
Credit Rating and Collection Company KSCP	17.5	-23.9%	433	27,525	-62.7%
Amwal International Investment Company KSCP	55.6	-23.0%	5,734	101,752	-94.6%
Energy House Holding Company KSCP	26.5	-21.1%	29,053	1,132,974	-65.3%
Real Estate Trade Centers Company KPSC	23.0	-20.7%	40,868	1,744,420	-46.0%
UniCap Investment and Finance Co KSCP	52.5	-20.5%	402,596	7,504,563	-4.6%

Note: Percentage change from the end of April 2019

** Comparing total trading value for the current month with average last 12 months

Top 10 Companies Traded in Terms of Value

Company	Close (fils)	%Chg MTD	Value (KWD)	Volume	Monthly Turnover**
Kuwait Finance House KSCP	680.0	2.3%	122,513,139	187,354,960	78.9%
National Bank of Kuwait SAKP	969.0	4.2%	79,430,837	86,752,818	5.9%
Gulf Bank KSCP	313.0	3.0%	70,169,332	238,434,395	62.0%
Mobile Telecommunications Company	524.0	13.4%	48,879,443	102,753,201	37.6%
Ahli United Bank BSC	251.0	-0.8%	46,702,203	191,344,808	15.6%
Boubyan Bank KSCP	569.0	4.6%	35,154,324	64,216,296	257.5%
Kuwait International Bank KSCP	281.0	-0.7%	28,913,870	108,051,001	71.3%
National Industries Group Holding KPSC	220.0	5.5%	28,770,896	134,395,401	113.9%
Agility Public Warehousing Co KSCP	729	-0.1%	27,592,705	39,882,038	37.6%
Mabane Company KPSC	706.0	13.0%	20,163,545	32,148,874	294.3%

Note: Percentage change from the end of April 2019

** Comparing total trading value for the current month with average last 12 months

Metal and Recycling Co KSCP was the top gainer in May 2019 with a monthly gain of 291% M-o-M to close at 88 fils, (total trading values during the month went down by 62% compared to the average trading value of the last twelve months). Followed by Hayat Communications Co KSCP which surged by 61.7% to close the month at 49 fils (total trading values during the month went down by 9.0% compared to the average trading value of the last twelve months).

Kuwait and Middle East Financial Investment topped the losers chart during the fifth month of 2019 as it went down by 30.2% to close at 34.9 fils, followed by Kuwait Syrian Holding Co KSC and R Senergy Holding Company KSCP CP which decayed by 27.3% and 25.4% during the month, closing at 40 fils and 22 fils, respectively.

Kuwait Finance House KSCP "KFH" was the top performer in terms of value traded during the month with a trading value of KD 122.5 million (79% higher than the monthly average for the last twelve months), to end the month at 680 fils. National Bank of Kuwait SAKP "NBK" came next with a traded value of KD 79.4 million (5.9% higher than the monthly average for the last twelve months), to close the month's trading at 969 fils. Gulf Bank KSCP "GBK" came next with a traded value of KD 70.2 million (62% higher than the monthly average for the last twelve months), to close the month's trading at 313 fils

Last 12 Months Kuwait Indices Performance

All-Share Index (PR)			
Month	Index (Close)	Point Change	%Chg
May-18	4,736		
Jun-18	4,890	154.7	3.3%
Jul-18	5,168	277.2	5.7%
Aug-18	5,132	(35.3)	-0.7%
Sep-18	5,128	(4.3)	-0.1%
Oct-18	5,042	(85.8)	-1.7%
Nov-18	5,109	67.0	1.3%
Dec-18	5,080	(29.6)	-0.6%
Jan-19	5,206	126.4	2.5%
Feb-19	5,232	25.7	0.5%
Mar-19	5,618	386.2	7.4%
Apr-19	5,630	12.2	0.2%
May-19	5,732	101.7	1.8%

Premier Market Index (PR)			
Month	Index (point)	Point Change	%Chg
May-18	4,691		
Jun-18	4,905	214.3	4.6%
Jul-18	5,297	392.2	8.0%
Aug-18	5,262	(35.2)	-0.7%
Sep-18	5,344	82.1	1.6%
Oct-18	5,234	(109.7)	-2.1%
Nov-18	5,318	83.6	1.6%
Dec-18	5,267	(50.5)	-0.9%
Jan-19	5,430	162.7	3.1%
Feb-19	5,482	52.1	1.0%
Mar-19	5,987	504.7	9.2%
Apr-19	6,047	60.5	1.0%
May-19	6,242	194.9	3.2%

Main Market Index (PR)			
Month	Index (point)	Point Change	%Chg
May-18	4,816		
Jun-18	4,864	47.2	1.0%
Jul-18	4,933	69.5	1.4%
Aug-18	4,897	(35.5)	-0.7%
Sep-18	4,736	(161.8)	-3.3%
Oct-18	4,694	(41.9)	-0.9%
Nov-18	4,730	36.3	0.8%
Dec-18	4,739	8.6	0.2%
Jan-19	4,798	59.5	1.3%
Feb-19	4,773	(25.1)	-0.5%
Mar-19	4,917	144.3	3.0%
Apr-19	4,829	(88.5)	-1.8%
May-19	4,737	(92.2)	-1.9%

LTM: last twelve months

Monthly Value Traded			
Month	Value (KWD '000)	(Chg '000)	%Chg
May-18	204,748		
Jun-18	242,071	37,324	18.2%
Jul-18	612,589	370,518	153.1%
Aug-18	356,411	(256,178)	-41.8%
Sep-18	523,800	167,389	47.0%
Oct-18	309,840	(213,961)	-40.8%
Nov-18	284,811	(25,028)	-8.1%
Dec-18	574,464	289,653	101.7%
Jan-19	610,442	35,978	6.3%
Feb-19	438,459	(171,983)	-28.2%
Mar-19	817,153	378,694	86.4%
Apr-19	702,672	(114,481)	-14.0%
May-19	617,069	(85,603)	-12.2%

Monthly Volume Traded			
Month	(Volume '000)	(Chg '000)	%Chg
May-18	1,196,920		
Jun-18	1,016,596	(180,324)	-15.1%
Jul-18	2,892,052	1,875,456	184.5%
Aug-18	1,781,004	(1,111,048)	-38.4%
Sep-18	2,098,974	317,970	17.9%
Oct-18	1,484,658	(614,316)	-29.3%
Nov-18	2,143,526	658,868	44.4%
Dec-18	2,484,601	341,074	15.9%
Jan-19	3,959,021	1,474,421	59.3%
Feb-19	2,503,532	(1,455,489)	-36.8%
Mar-19	3,650,166	1,146,633	45.8%
Apr-19	3,641,765	(8,400)	-0.2%
May-19	2,257,251	(1,384,514)	-38.0%

Average Daily Traded Value			
Month	(KWD '000)	(Change Mn)	%Chg
May-18	8,902		
Jun-18	13,448	4,546.3	51.1%
Jul-18	26,634	13,185.9	98.0%
Aug-18	20,965	(5,668.9)	-21.3%
Sep-18	26,190	5,224.6	24.9%
Oct-18	13,471	(12,718.7)	-48.6%
Nov-18	16,754	3,282.3	24.4%
Dec-18	26,112	9,358.4	55.9%
Jan-19	27,747	1,635.4	6.3%
Feb-19	25,792	(1,955.7)	-7.0%
Mar-19	38,912	13,120.3	50.9%
Apr-19	33,461	(5,451.5)	-14.0%
May-19	28,049	(5,412.0)	-16.2%

LTM: last twelve months

- The All-Share Index (PR) ended the fifth month of 2019 in the green zone with monthly marginal increase of 1.8% and YTD of 12.8% to close at a level of 5,732 points.
- The Premier Market Index (PR) closed the month of May 2019 with a growth at 3.2% M-o-M to close at 6,242 points. Additionally the Premier Market Index (PR) has a YTD of 18.5% in 2019.
- The Main Market Index (PR) showed in the Fifth month of 2019 a decline of 1.9% and YTD of 0.0% to close at a level of 4,737 points.
- Trading activity went down during the month. Monthly volume of shares traded declined compared to the previous month at 2.26 billion shares. Moreover, monthly value traded saw a lower level of 12.2% to reach KWD 617 million as compared to KWD 703 million during the previous month.
- The average monthly traded value went also down during the month of May 2019 by 16.2% to an average daily traded value of KWD 28.0 million compared to KWD 33.5 million in April 2019.

Disclaimer

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