

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 30 September 2019



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To run the report content,
please contact the
administrators

Alaa Alatilie

Portfolio Analyst

Assets Management

Tel: +965 222 03033

A.Alatilie@arzan.com.kw

Kuwait Boursa Performance Analysis

Market Indices

	30-Sep-19	29-Aug-19	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,679	5,941	-4.4% ▼	11.8% ▲
Premier Market Index (PR)	6,175	6,528	-5.4% ▼	17.2% ▲
Main Market Index (PR)	4,714	4,789	-1.6% ▼	-0.5% ▼
All-Share Index (TR)	6,557	6,859	-4.4% ▼	16.0% ▲
Premier Market Index (TR)	7,165	7,575	-5.4% ▼	21.6% ▲
Main Market Index (TR)	5,362	5,445	-1.5% ▼	3.4% ▲

Note: Percentage change from the end of August 2019

Highest and lowest indices level

	During the Month		During 2019	
	High	Low	High	Low
All-Share Index (PR)	5,961	5,502	6,143	5,110
Premier Market Index (PR)	6,560	5,935	6,777	5,305
Main Market Index (PR)	4,804	4,667	5,058	4,667
All-Share Index (TR)	6,882	6,352	7,092	5,686
Premier Market Index (TR)	7,612	6,886	7,864	5,937
Main Market Index (TR)	5,461	5,306	5,665	5,306

Market Indicators

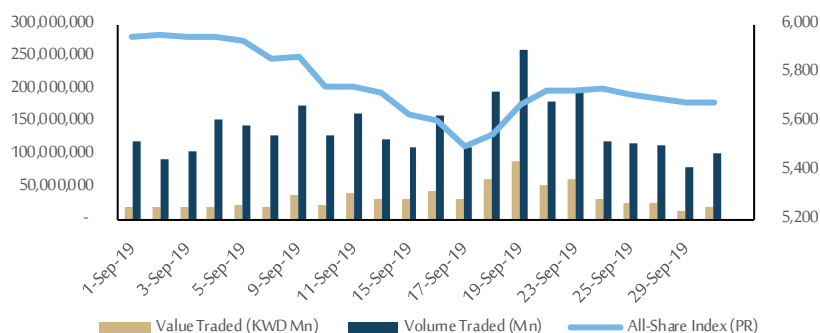
	30-Sep-19	%Chg MTD
Market Cap KWD	32,113,789,298	-6.4% ▼
Daily average volume traded (shares / day)	141,489,727	-1.5% ▼
Daily average value traded (KWD/ day)	34,085,639	25.2% ▲

Note: Percentage change from the end of August 2019

Net profit of listed Companies in Kuwait Boursa

KWD	LTM *	%Chg
Net profit of kuwait Boursa's Companies	2,361,776,566	8.2% ▲

Note: Percentage change from the end of Last Twelve Month as end of Q2-2019



Kuwait Boursa market indices suffered from a downward pressure for the second consecutive month during September 2019 and it is the biggest monthly loss among the GCC markets. All the three Kuwaiti indices witnessed a clear decline in Sep-19 primarily driven by large cap stocks. This was proved by the fact that the Premier Index (PR) went down the most by 5.4% among market indices with all the index constituents seeing declines for the second consecutive month. Moreover, All Share Index declined by 4.4% during the month while the Main Market Index (PR) decayed by 1.6% during the month.

Kuwait Boursa lost its leadership as the best performing GCC market in term of YTD in 2019 to the second place after Bahrain Boursa, with the fact that All Share Index (PR) gained 11.8% and this was supported by the higher gain in the Premier Index (PR) which scored 17.2% YTD. In addition, the Main Market index stood at a marginal growth of 1.1%.

Average Daily Traded Value surged in Sep-19 by 25.2% to KD 34.1 million during the month compared to KD 27.2 million in the previous month. However, the average daily traded volume had a modest decline by 1.5% during September 2019 to reach a daily average of 141.5 million compared to a daily average of 143.6 million shares.

Trading activity had increased significantly in Sep-19. Value traded went up by 53% to an amount of KWD 749.9 million compared to KWD 490.2 million in the previous month. Total traded volume in September-19 increased at lower growth rate 20% to reach a traded shares accounted for 3.1 billion shares compared to 2.6 billion shares in the previous month.

Within the Premier Market index, all of the constituents the 19 Companies ended the month of Sep-19 in the red zone as topped by Kuwait Finance House leading the losers chart with the largest monthly loss of 9.8% followed by Burgan Bank and Qurain Petrochemical by a rate of 8.9% and 7.4%, respectively.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index			Price to Earning	Price to Book Value	Dividend Yield	ROE %
	30-Sep-2019	Pct Change %					
Oil and Gas	1,156.3	-1.7%	▼	16.9	0.9	0.0%	6.2%
Basic materials	982.7	-4.3%	▼	13.8	1.2	4.9%	8.4%
Industrials	864.3	-3.2%	▼	14.6	1.0	1.8%	7.6%
Consumer goods	731.2	-0.4%	▼	37.8	1.4	0.0%	2.3%
Health care	921.9	-1.0%	▼	133.9	4.8	0.0%	5.1%
Consumer services	939.6	-0.9%	▼	(45.2)	1.1	1.5%	-2.3%
Telecom	1,003.8	-4.6%	▼	10.6	1.5	5.7%	13.7%
Banking	1,306.2	-5.7%	▼	15.7	1.8	2.7%	10.8%
Insurance	976.9	3.2%	▲	8.0	0.9	3.6%	9.3%
Real estate	928.3	-2.2%	▼	33.0	0.7	0.8%	2.5%
Financial services	1,060.7	-0.2%	▼	11.3	0.8	2.1%	6.1%
Technology	516.5	-11.2%	▼	14.4	0.5	0.0%	3.7%

Note: Percentage change from the end of August 2019

Market Indices activities

Sector	Value			Volume		
	30-Sep-2019	Pct Change %		30-Sep-2019	Pct Change %	
Oil and Gas	629,591	33.1%	▲	23,722,743	25.2%	▲
Basic materials	16,505,857	-16.6%	▼	33,587,199	2.5%	▲
Industrials	71,383,960	38.7%	▲	189,517,637	14.4%	▲
Consumer goods	2,405,315	315.1%	▲	61,299,786	1354.2%	▲
Health care	900	469.3%	▲	1,000	488.2%	▲
Consumer services	3,046,738	-26.6%	▼	15,051,096	-45.4%	▼
Telecom	47,867,270	-12.8%	▼	140,883,754	-38.7%	▼
Banking	494,881,060	93.4%	▲	1,104,560,829	89.2%	▲
Insurance	5,450,648	1496.4%	▲	8,863,532	389.0%	▲
Real estate	24,585,282	-11.7%	▼	506,658,080	-16.2%	▼
Financial services	83,191,472	11.3%	▲	1,028,780,226	12.3%	▲
Technology	21,191	70.0%	▲	274,345	82.7%	▲

Note: Percentage change from the end of August 2019

In terms of sector performance, only the Insurance sector recorded gains during the month at 3.2%. This was mainly drive by the recorded gains of Gulf Insurance and Warba Insurance by 9.3% and 4.3%, respectively.

In opposite, all the other sectors decline during the month including the largest sector banks and telecom sector. In fact, all the constituents of the banking sector dropped. In addition, the constituents of the telecom sector had mixed performed as Ooredoo increase couldn't offset the drop in the share of Zain and Viva. The Technology index declined the most among the Kuwait Boursa sectors indices by 11.2% during the month of September 2019.

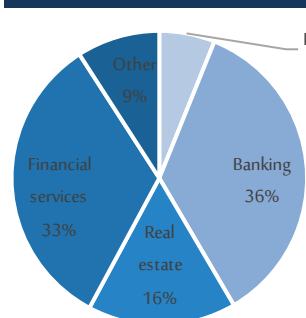
Although the banking sector declined by the biggest monthly drop of 5.7% during 2019 but . Nevertheless, the Banking index continues to lead in the Kuwait in terms of YTD-19 returns that stood at 19.5% followed by Financial Services and Telecom indices at 13.6% and 13.1%, respectively.

In terms of value traded in September, most of the sector indices closed the monthly performance in the Green zone area. In fact, Insurance sector showed significant liquidity's growth by 1496%, followed by Health Care Index and Consumer Goods Index which showed an increase in their level of liquidity by 469% and 315%, respectively.

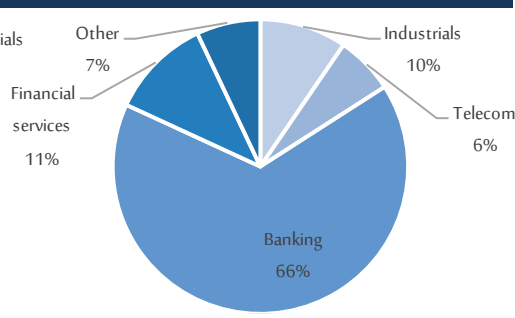
The banking sector was the most traded sector accounted for 66% of the total value traded followed by Financial Services and Industrial by 11% and 10% respectively.

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 36%, 33% and 16%, respectively.

Traded Volume



Traded Value



Source: Thomson Reuters and Arzan Analysis

Top Gainers and Losers

Companies' Top Gainers During The Period

Company	Close (fils)	%Chg		Value (KWD)	Volume	Monthly Turnover**
		MTD	Value (KWD)			
Credit Rating and Collection Company KSCP	29.0	51.0%	4,123	141,790	189.4%	
Kuwait and Middle East Financial Investment Co	83.0	41.9%	4,114,579	47,273,007	983.6%	
Al Masaken International Real Estate Development	74.0	41.8%	52	715	-98.2%	
International Financial Advisors KPSC	53.9	25.6%	1,619,385	33,088,921	76.2%	
Alrai Media Group Co KSCP	38.8	25.2%	77,813	1,969,996	-33.9%	
Arabi Group Holdings KSCP	93.0	20.6%	427,131	5,081,377	547.4%	
Kuwait Finance and Investment Company KSCP	49.4	20.5%	3,422,786	71,601,821	840.2%	
First Dubai for Real Estate Development Co	31.7	17.4%	1,476,032	42,233,761	604.0%	
Burgan for Well Drilling Trading and Maintenance	98.1	15.4%	248	2,525	-98.5%	
Egypt Kuwait Holding Co SAE	500.0	11.1%	68,328	149,022	2.5%	

Note: Percentage change from the end of August 2019

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

Companies' Top Losers During The Period

Company	Close (fils)	%Chg		Value (KWD)	Volume	Monthly Turnover**
		MTD	Value (KWD)			
Warba Capital Holding Co KSC	68.9	-36.2%	78,839	1,044,361	-65.5%	
Amwal International Investment Company KSCP	36.0	-34.5%	16,617	382,635	209.0%	
Al Argan International Real Estate Co KSCP	109.0	-23.8%	790	7,010	-65.5%	
Kuwait Syrian Holding Co KSC	31.5	-23.2%	340,083	10,020,790	-41.9%	
Al Salam Group Holding Co KSCP	30.0	-19.8%	2,703,342	81,265,878	103.5%	
Energy House Holding Company KSCP	18.5	-15.9%	9,241	477,930	-89.6%	
Kuwait Foundry Company KPSC	475.0	-14.8%	482,559	1,028,141	-6.9%	
Tijara and Realestate Investment Company KSCP	36.1	-14.0%	22,833	615,682	-49.9%	
Abyaar Real Estate Development Company KSCP	12.5	-13.8%	1,065,874	78,111,741	-29.2%	
Sharjah Cement and Industrial Development Co.	58.2	-13.6%	147,434	2,448,013	567.8%	

Note: Percentage change from the end of August 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		Value (KWD)	Volume	Monthly Turnover**
		MTD	Value (KWD)			
Kuwait Finance House KSC	675.0	-9.8%	179,531,223	265,858,750	103.9%	
National Bank of Kuwait SAKP	947.0	-4.5%	101,884,137	107,934,335	17.1%	
Ahli United Bank BSC	268.0	-4.3%	94,981,794	346,946,066	71.7%	
Gulf Bank KSCP	278.0	-7.0%	46,728,538	163,844,544	-14.2%	
Mobile Telecommunications Company KSCP	538.0	-4.8%	44,940,293	82,178,769	2.5%	
Agility Public Warehousing Co KSCP	719.0	-4.8%	27,549,267	38,216,735	18.1%	
National Industries Group Holding KPSC	225.0	-5.9%	27,233,661	121,378,098	18.2%	
Burgan Bank KPSC	317.0	-8.9%	26,999,628	83,827,980	53.8%	
Kuwait International Bank KSCP	271	-1.1%	15,014,524	55,578,324	-27.3%	
Kuwait Projects Company Holding KSCP	220.0	-1.3%	11,486,205	51,940,122	252.4%	

Note: Percentage change from the end of August 2019

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

Credit Rating and Collection Company KSCP was the top gainer in September 2019 with a monthly gain of 51% M-o-M to close at 29 fils, (total trading values during the month went up by 189% compared to the average trading value of the last twelve months). Followed by Kuwait and Middle East Financial Investment Co. which surged by 41.9% to close the month at 83 fils (total trading values during the month went Up by 984% compared to the average trading value of the last twelve months).

Warba Capital Holding Co KSC topped the losers chart during the 9th month of 2019 as it went down by 36.2% to close at 68.9 fils, followed by Amwal International Investment Company KSCP and Al Argan International Real Estate Co KSCP which decayed by 34% and 23.8% during the month, closing at 36 fils and 109 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 180 million (104% higher than the monthly average for the last twelve months), to end the month at 675 fils. National Bank of Kuwait SAKP "NBK" came next with a traded value of KD 102 million (17% higher than the monthly average for the last twelve months), to close the month's trading at 947 fils. Ahli United Bank BSC "AUB-BH" came next with a traded value of KD 95 million (72% higher than the monthly average for the last twelve months), to close the month's trading at 947 fils

Last 12 Months Kuwait Indices Performance

All-Share Index (PR)				Premier Market Index (PR)				Main Market Index (PR)			
Month	Index (Close)	Point Change	%Chg	Month	Index (point)	Point Change	%Chg	Month	Index (point)	Point Change	%Chg
Sep-18	5,128			Sep-18	5,344			Sep-18	4,736		
Oct-18	5,042	(85.8)	-1.7%	Oct-18	5,234	(109.7)	-2.1%	Oct-18	4,694	(41.9)	-0.9%
Nov-18	5,109	67.0	1.3%	Nov-18	5,318	83.6	1.6%	Nov-18	4,730	36.3	0.8%
Dec-18	5,080	(29.6)	-0.6%	Dec-18	5,267	(50.5)	-0.9%	Dec-18	4,739	8.6	0.2%
Jan-19	5,206	126.4	2.5%	Jan-19	5,430	162.7	3.1%	Jan-19	4,798	59.5	1.3%
Feb-19	5,232	25.7	0.5%	Feb-19	5,482	52.1	1.0%	Feb-19	4,773	(25.1)	-0.5%
Mar-19	5,618	386.2	7.4%	Mar-19	5,987	504.7	9.2%	Mar-19	4,917	144.3	3.0%
Apr-19	5,630	12.2	0.2%	Apr-19	6,047	60.5	1.0%	Apr-19	4,829	(88.5)	-1.8%
May-19	5,732	101.7	1.8%	May-19	6,242	194.9	3.2%	May-19	4,737	(92.2)	-1.9%
Jun-19	5,832	100.5	1.8%	Jun-19	6,377	134.8	2.2%	Jun-19	4,767	29.9	0.6%
Jul-19	6,117	284.5	4.9%	Jul-19	6,744	367.1	5.8%	Jul-19	4,882	115.1	2.4%
Aug-19	5,941	(175.5)	-2.9%	Aug-19	6,528	(216.3)	-3.2%	Aug-19	4,789	(92.3)	-1.9%
Sep-19	5,679	(262.4)	-4.4%	Sep-19	6,175	(353.0)	-5.4%	Sep-19	4,714	(75.5)	-1.6%

LTM: last twelve months

Monthly Value Traded				Monthly Volume Traded				Average Daily Traded Value			
Month	Value (KWD '000)	(Chg '000)	%Chg	Month	(Volume '000)	(Chg '000)	%Chg	Month	(KWD '000)	(Change Mn)	%Chg
Sep-18	523,800			Sep-18	2,098,974			Sep-18	26,190		
Oct-18	309,840	(213,961)	-40.8%	Oct-18	1,484,658	(614,316)	-29.3%	Oct-18	13,471	(12,718.7)	-48.6%
Nov-18	284,811	(25,028)	-8.1%	Nov-18	2,143,526	658,868	44.4%	Nov-18	16,754	3,282.3	24.4%
Dec-18	574,464	289,653	101.7%	Dec-18	2,484,601	341,074	15.9%	Dec-18	26,112	9,358.4	55.9%
Jan-19	610,442	35,978	6.3%	Jan-19	3,959,021	1,474,421	59.3%	Jan-19	27,747	1,635.4	6.3%
Feb-19	438,459	(171,983)	-28.2%	Feb-19	2,503,532	(1,455,489)	-36.8%	Feb-19	27,747	-	0.0%
Mar-19	817,153	378,694	86.4%	Mar-19	3,650,166	1,146,633	45.8%	Mar-19	38,912	11,164.7	40.2%
Apr-19	702,672	(114,481)	-14.0%	Apr-19	3,641,765	(8,400)	-0.2%	Apr-19	33,461	(5,451.5)	-14.0%
May-19	617,069	(85,603)	-12.2%	May-19	2,257,251	(1,384,514)	-38.0%	May-19	28,049	(5,412.0)	-16.2%
Jun-19	660,162	43,093	7.0%	Jun-19	2,623,166	365,915	16.2%	Jun-19	36,676	8,627.1	30.8%
Jul-19	978,903	318,741	48.3%	Jul-19	4,679,630	2,056,463	78.4%	Jul-19	42,561	5,885.3	16.0%
Aug-19	490,233	(488,670)	-49.9%	Aug-19	2,584,969	(2,094,660)	-44.8%	Aug-19	27,235	(15,325.8)	-36.0%
Sep-19	730,782	240,549	49.1%	Sep-19	3,010,712	425,743	16.5%	Sep-19	34,086	6,850.5	25.2%

LTM: last twelve months

- The All-Share Index (PR) ended the 9th month of 2019 in the red zone with monthly modest decline of 4.4% and YTD of 11.8% to close at a level of 5,679 points.
- The Premier Market Index (PR) closed the month of September 2019 with a drop at 5.4% M-o-M to close at 6,175 points. Additionally, the Premier Market Index (PR) has a YTD of 17.2% in 2019.
- The Main Market Index (PR) showed in August 2019 a marginal decline of 1.6% and YTD of -0.5% to close at a level of 4,714 points.
- Trading activity surged up during the month as this was reflected by the monthly traded value increased by 49% compared to the previous month to reach KWD 731 million. Moreover, traded monthly volume saw a lower growth rate of 16.5% to reach 3.0 billion shares compared to 2.6 billion shares during the previous month.
- The average monthly traded value also surged up during the month of September 2019 by 25.2% to an average daily traded value of KWD 34.1 million compared to KWD 27.2 million in August 2019.

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