

# Arzan Financial Group

**Monthly Market Report**

**Kuwait Boursa Performance**

**For the month ended on 30 November 2020**



# Content

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<b>Section Name</b>	<b>Page Number</b>
Kuwait Boursa Performance Analysis	3
Kuwait Boursa Sector Indices	5
Top gainers and losers	6

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# Kuwait Boursa Performance Analysis

## Market Indices

	30-Nov-20	28-Oct-20	31-Dec-19	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,459	5,443	6,282	0.3% ▲	-13.1% ▼
Premier Market Index (PR)	6,009	6,004	6,976	0.1% ▲	-13.9% ▼
Main Market Index (PR)	4,373	4,332	4,911	1.0% ▲	-10.9% ▼
All-Share Index (TR)	6,566	6,546	7,255	0.3% ▲	-9.5% ▼
Premier Market Index (TR)	7,276	7,271	8,095	0.1% ▲	-10.1% ▼
Main Market Index (TR)	5,159	5,111	5,588	1.0% ▲	-7.7% ▼

Note: Percentage change from the end of October 2020

## Highest and lowest indices level

	During the Month		During 2020	
	High	Low	High	Low
All-Share Index (PR)	5,606	5,345	6,393	4,444
Premier Market Index (PR)	6,233	5,880	7,141	4,661
Main Market Index (PR)	4,384	4,288	4,929	3,979
All-Share Index (TR)	6,742	6,428	7,385	5,135
Premier Market Index (TR)	7,548	7,120	8,286	5,409
Main Market Index (TR)	5,172	5,059	5,624	5,059

## Market Indicators

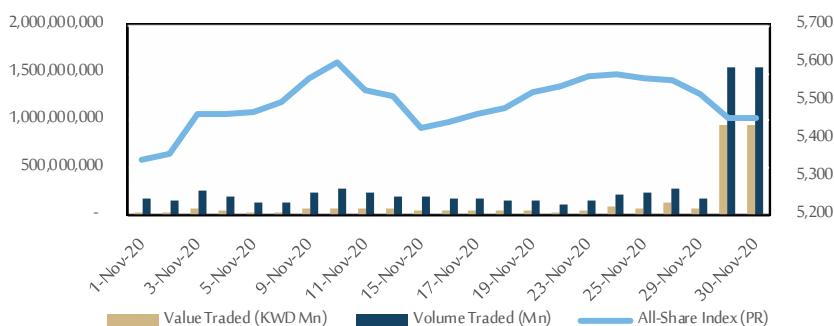
	30-Nov-20	%Chg MTD
Market Cap KWD	31,916,224,694	-0.4% ▼
Daily average volume traded (shares / day)	307,733,026	-6.1% ▼
Daily average value traded (KWD / day)	136,327,390	126.2% ▲

Note: Percentage change from the end of October 2020

## Net profit for Companies in Kuwait Boursa

KWD	LTM*	%Chg
Net profit of kuwait Boursa's Companies	1,048,170,476	-54.4% ▼

Note: Percentage change from the end of Last Twelve Month as end of October 2020



The Kuwait Boursa market index was stable during the month as the Kuwaiti indices were trading within a small range during the month of November 2020 as it was prepared to be included in the MSCI Emerging Markets Index that occurred at the end of the month. On 30 November 2020, Kuwait Boursa witnessed the MSCI EM Inclusion and the daily traded value was one of the highest with a traded value of KWD 961 million. On the same day, the market saw modest declines, in-line with the performance of the other GCC EMs that were upgraded previously.

The performance of the market indices were positive with modest surge performance went for the Premier market stocks during November 2020, whereas the liquid stocks which is represented by the Main index closed the month with a marginal increase of 1.0%. There were 6 stocks included in the MSCI EM and all the stocks are part of the Premier Index's constituents.

The Main Market index showed gains of 1.0% during the month driven by 1.4% gains of the Main 50 Index. Gains for the Premier Market index was flatish with marginal gains of 0.1%, resulting in a 0.3% gain for the All Share Index.

The performance in the 11<sup>th</sup> month did not change YTD-2020 too much as the Kuwait Boursa YTD for the Premier Market index declined by -13.9%, All Share Index felt by -13.1% and Main Market losses reached to -10.9%.

Average Daily Traded Value in November 2020 went up by 126.2% to KD 136.3 million compared to KD 60.3 million in the previous month. However, the average daily traded volume went down by 6.1% in the same month to a daily average of 307.7 million compared to a daily average of 327.6 million shares.

Trading activity on the exchange showed gains during November 2020 as it increased for the second consecutive month. Accordingly, Value traded was improved by 89.8% to KWD 2.2 billion compared to KWD 1.14 billion in October 2020. On the other hand, traded volume declined at a rate of 11.4% to 5.5 Bn shares compared to 6.2 Bn shares in October 2020.

Within the Premier Market index, most of the constituents 11 out of the 20 constituents ended the month of November in the green zone as topped by Human Soft leading the gainers chart with a monthly gain of 16.2% followed by Kuwait Boursa and Zain by 5.5% and 3.8% to reach 3,392 fils, 1,111 fils and 608 fils, respectively. However, the losers' chart was topped by National Industries Company with a loss of 1.7% followed by Agility Public Warehouse with a monthly loss of 1.65% to close at 666 fils.

# Kuwait Boursa Sectors' Indices Performance

## Market sector Indices

Sector	Index		Price to Earning	Price to Book Value	Dividend Yield	ROE%
	30-Nov-2020	Pct Change %				
Oil and Gas	1,216.5	4.6% ▲	26.3	0.88	0.00%	2.7%
Basic materials	822.0	4.6% ▲	18.3	1.02	5.27%	6.5%
Industrials	846.7	3.7% ▲	921.4	1.00	1.14%	6.6%
Consumer goods	726.7	-4.7% ▼	208.0	1.41	0.00%	-1.1%
Health care	804.8	-2.0% ▼	38.4	3.97	0.38%	8.5%
Consumer services	760.0	4.1% ▲	(8.7)	0.96	1.75%	2.5%
Telecom	1,067.0	-0.7% ▼	13.7	1.65	5.70%	14.2%
Utility	868.4	2.2% ▲	NaN	NaN	0.00%	NaN
Banking	1,270.4	0.3% ▲	31.5	1.86	2.88%	11.8%
Insurance	1,029.0	0.7% ▲	9.8	0.89	7.24%	9.9%
Real estate	896.5	-0.3% ▼	(38.6)	0.71	1.57%	2.8%
Financial services	883.1	-3.5% ▼	(21.8)	0.82	3.70%	5.0%
Technology	509.3	4.5% ▲	(67.9)	0.56	0.00%	-0.8%

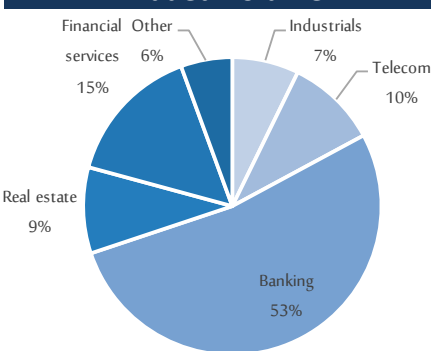
Note: Percentage change from the end of October 2020

## Market Indices activities

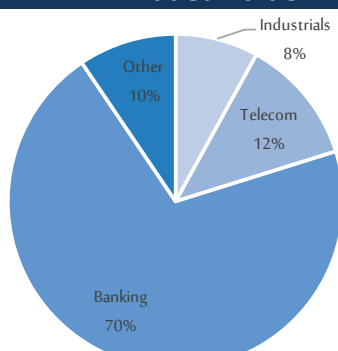
Sector	Value		Volume	
	30-Nov-2020	Pct Change %	30-Nov-2020	Pct Change %
Oil and Gas	2,760,318	-55.3% ▼	121,229,390	-59.2% ▼
Basic materials	24,094,002	135.2% ▲	60,960,071	106.1% ▲
Industrials	250,777,550	170.2% ▲	512,190,072	68.1% ▲
Consumer goods	6,948,154	60.7% ▲	11,995,702	32.7% ▲
Health care	31,570	23816.7% ▲	61,461	27836.8% ▲
Consumer services	16,567,703	73.4% ▲	91,013,525	-33.1% ▼
Telecom	381,609,293	375.5% ▲	700,212,195	79.8% ▲
Utility	33,228,358	58.9% ▲	103,067,605	61.6% ▲
Banking	2,206,758,986	219.8% ▲	3,732,984,674	122.8% ▲
Insurance	1,131,736	-5.2% ▼	5,083,316	-79.7% ▼
Real estate	113,593,787	59.0% ▲	661,936,128	-43.2% ▼
Financial services	97,915,879	-38.0% ▼	1,075,427,576	-49.5% ▼
Technology	121,264	-65.8% ▼	1,828,541	-62.3% ▼

Note: Percentage change from the end of October 2020

### Traded Volume



### Traded Value



In terms of sector performance, the performance of the sector indices were mixed in the month of November 2020 showing 8 sector indices gained compared to 5 sector indices lost.

In terms of sector with Positive performance, the Oil & Gas and Basic Materials indices topped the monthly performance chart with similar gains of 4.6% for the two sectors followed by the Technology index with a gain of 4.5%. Within the Oil & Gas sector, there are 4 constituents out of the total showed gains during the month owing to increase in oil price. Burgan Drilling reporting gains of 22.2% while shares of IPG was up 7.0%. In the Basic Materials sector, there are 3 stocks out of four constituents closed in the green zone with Qurain Petrochemicals and Boubyan Petrochemicals recording gains of 6.8% and 5.9%, respectively.

In terms of YTD-2020 sector performance, only the Consumer Goods sector and the Insurance Index were in the green with a gain of 14.1% followed by the Insurance that was up 7.9%. whereas most of the sectors showed double digit declines led by the Covid-19.

On the losers' side, the Real Estate Index witnessed the biggest monthly decline of 4.8%, followed by the Insurance and Consumer Services Index with a drop of 2.5% and 1.4%, respectively. In the real estate sector, the largest part of the stocks were in the green zone, but the 11.2% decline in Mabaneer stocks and the fall in the shares of other large companies affected the performance of the sector. Mabaneer shares showed a continuous decline after the company warned of the negative impacts of Corona wave two on the rental income in Q3 results.

The Banking Index showed flat performance during the month mainly due to a 0.59% drop in shares of NBK and 4.98% decline in shares of Gulf Bank, 4.83% in Burgan and 1.67% in Boubyan Bank whereas the rest of the sector showed gains.

In terms of value traded in same month, the performance were mixed as Telecom and Banking indices were the main gainers in term of liquidity performance which showed an increase by 375%, and 219%, respectively.

The banking sector was the most traded sector accounted for 70% of the total value traded followed by Telecom and Industrial by 12% and 8% respectively.

Banking, Financial Services Sector, and Telecom Sectors were the most traded sectors based on monthly traded volume during the month with a share of 53%, 15% and 10%, respectively.

## Top Gainers and Losers

### Companies' Top Gainers During The Period

Company	Close (fils)	%Chg MTD	Value (KWD)	Volume ('000)	Monthly Turnover
Gulf Franchising Holding Co KSCP	59.2	31.0%	1,814	33	-21%
Burgan for Well Drilling Trading and Maintenance	86.0	22.2%	130,257	1,636	3047%
Shuaiba Industrial Company KPSC	176.0	17.3%	27,092	178	157%
Human Soft Holding Company KSCP	3,401.0	16.5%	27,069,502	5,470	113%
Gulf Cable and Electrical Industries Co KPSC	720.0	14.3%	9,423,155	12,197	45%
Al Manar Financing and Leasing Co KSCC	47.9	11.9%	528,154	12,040	3%
Injazzat Real Estate Development Company KPSC	86.9	11.4%	2,797	38	-94%
Kuwait National Cinema Company KPSC	760.0	10.1%	138,599	191	19%
National Consumer Holding Company KSCP	47.0	10.1%	781	19	-83%
Educational Holding Group KSCP	334.0	9.5%	315,813	963	9%

Note: Percentage change from the end of October 2020

\*\* 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 ('000)	Monthly Turnover**
Al Bareeq Holding KSCP	14.1	-82.6%	124,843	6,830	-3%
Credit Rating and Collection Company KSCP	20.9	-33.7%	1,676	81	114%
Al Mal Investment Company KPSC	5.9	-28.9%	326,298	46,769	-6%
IFA Hotels and Resorts Co KSCP	16.1	-21.1%	214,295	11,679	-29%
Hayat Communications Co KSCP	48.4	-16.6%	89,345	1,795	62%
Al Mudon International Real Estate Co KSCP	18.0	-15.9%	304,795	16,128	33%
Inovest BSC Public	64.2	-15.5%	486,777	6,626	63%
First Takaful Insurance Company KPSC	32.1	-14.9%	4,201	96	-66%
Sanam Real Estate Company KSCP	30.0	-14.3%	2,331	76	-84%
Palms Agro Production Co KSCP	68.4	-14.0%	2,159	30	6%

Note: Percentage change from the end of October 2020

\*\* 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 '000)	Volume ('000)	Monthly Turnover**
National Bank of Kuwait SAKP	849	-0.6%	723,583	365,840	535%
KUWAIT FINANCE HOUSE K.S.C.P	683	2.7%	458,292	361,607	226%
Agility Public Warehousing Co KSCP	655	-3.5%	112,800	91,619	216%
Boubyan Bank KSCP	611	-1.7%	88,005	68,373	566%
Gulf Bank KSCP	219	-5.0%	83,923	259,165	147%
Ahli United Bank BSC	239	0.0%	73,401	283,304	-12%
Mabane Company KPSC	650	-3.7%	65,184	60,608	303%
Shamal Az-Zour Al-Oula Power and Water	320	2.2%	27,980	70,805	120%
Human Soft Holding Company KSCP	3,392	16.5%	27,070	5,470	113%
Kuwait International Bank KSCP	206	1.4%	26,028	110,551	-7%

Note: Percentage change from the end of October 2020

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

Gulf Franchising Holding Co KSCP was the top gainer in November 2020 with a monthly gain of 31.0% M-o-M to close at 59.2 fils, (total trading values during the month went down by 21% compared to the average trading value of the last twelve months). Followed by Burgan for Well Drilling Trading and Maintenance which surged by 22.2% to close the month at 86 fils (total trading values during the month went up by 3047% compared to the average trading value of the last twelve months). Next by Shuaiba Industrial Company KPSC which surged by 17.3% to close the month at 176 fils (total trading values during the month went up by 157% compared to the average trading value of the last twelve months).

Al Bareeq Holding KSCP topped the losers' chart during the 11<sup>th</sup> month of 2020 as it went down by 82.6% to close at 14.1 fils, followed by Credit Rating and Collection Company KSCP and Al Mal Investment Company KPSC which decayed by 33.7% and 28.9% during the month, closing at 20.9 fils and 5.9 fils, respectively.

National Bank of Kuwait SAKP was the top performer in terms of value traded during the month with a trading value of KD 723.6 million (535% higher than the monthly average for the last twelve months), to end the month at 849 fils. Kuwait Finance House KSC "KFH" came next with a traded value of KD 458.3 million (226% higher than the monthly average for the last twelve months), to close the month's trading at 683 fils. Agility Public Warehousing Co KSCP "Agility" came next with a traded value of KD 112.8 million (216% higher than the monthly average for the last twelve months), to close the month's trading at 655 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
Nov-19	5,928			Nov-19	6,519			Nov-19	4,767		
Dec-19	6,282	354.2	6.0%	Dec-19	6,976	456.6	7.0%	Dec-19	4,911	143.7	3.0%
Jan-20	6,325	42.5	0.7%	Jan-20	7,033	57.5	0.8%	Jan-20	4,922	11.7	0.2%
Feb-20	6,072	(252.9)	-4.0%	Feb-20	6,730	(303.3)	-4.3%	Feb-20	4,769	(153.0)	-3.1%
Mar-20	4,823	(1,249.3)	-20.6%	Mar-20	5,199	(1,531.5)	-22.8%	Mar-20	4,083	(686.2)	-14.4%
Apr-20	4,975	152.7	3.2%	Apr-20	5,356	157.6	3.0%	Apr-20	4,226	143.3	3.5%
May-20	4,996	20.2	0.4%	May-20	5,424	68.1	1.3%	May-20	4,150	(76.1)	-1.8%
Jun-20	5,131	135.1	2.7%	Jun-20	5,607	182.7	3.4%	Jun-20	4,190	39.7	1.0%
Jul-20	4,968	(162.5)	-3.2%	Jul-20	5,415	(191.8)	-3.4%	Jul-20	4,086	(104.1)	-2.5%
Aug-20	5,294	326.1	6.6%	Aug-20	5,855	439.3	8.1%	Aug-20	4,185	98.9	2.4%
Sep-20	5,445	150.9	2.9%	Sep-20	6,021	166.3	2.8%	Sep-20	4,304	118.7	2.8%
Oct-20	5,443	(2.2)	0.0%	Oct-20	6,004	(16.9)	-0.3%	Oct-20	4,332	28.4	0.7%
Nov-20	5,459	16.5	0.3%	Nov-20	6,009	4.6	0.1%	Nov-20	4,373	41.3	1.0%

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
Nov-19	514,818			Nov-19	2,980,710			Nov-19	25,741		
Dec-19	853,417	338,599	65.8%	Dec-19	4,096,903	1,116,193	37.4%	Dec-19	37,105	11,364.2	44.1%
Jan-20	869,449	16,032	1.9%	Jan-20	4,216,051	119,148	2.9%	Jan-20	48,303	11,197.6	30.2%
Feb-20	522,239	(347,210)	-39.9%	Feb-20	3,712,555	(503,496)	-11.9%	Feb-20	30,720	(17,582.8)	-36.4%
Mar-20	986,815	464,577	89.0%	Mar-20	4,235,472	522,917	14.1%	Mar-20	46,991	16,271.3	53.0%
Apr-20	747,366	(239,449)	-24.3%	Apr-20	3,174,138	(1,061,334)	-25.1%	Apr-20	33,971	(13,020.0)	-27.7%
May-20	440,985	(306,382)	-41.0%	May-20	2,133,313	(1,040,825)	-32.8%	May-20	24,499	(9,472.1)	-27.9%
Jun-20	721,624	280,640	63.6%	Jun-20	3,885,178	1,751,865	82.1%	Jun-20	32,801	8,302.0	33.9%
Jul-20	528,700	(192,925)	-26.7%	Jul-20	2,572,747	(1,312,431)	-33.8%	Jul-20	25,176	(7,624.9)	-23.2%
Aug-20	668,964	140,264	26.5%	Aug-20	3,719,574	1,146,827	44.6%	Aug-20	35,209	10,032.5	39.8%
Sep-20	1,065,299	396,335	59.2%	Sep-20	8,276,448	4,556,874	122.5%	Sep-20	50,729	15,519.9	44.1%
Oct-20	1,145,102	79,804	7.5%	Oct-20	6,224,709	(2,051,739)	-24.8%	Oct-20	60,269	9,540.0	18.8%
Nov-20	2,173,923	1,028,821	89.8%	Nov-20	5,521,336	(703,373)	-11.3%	Nov-20	136,327	76,058.8	126.2%

LTM: last twelve months

- The All-Share Index (PR) closed the 11<sup>th</sup> month of 2020 in the green red with a modest increase and YTD of -13.1% to close at a level of 5,459 points.
- The Premier Market Index (PR) closed the month of November 2020 with a modest surge by 0.1% M-o-M to close at 6,009 points. Additionally, the Premier Market Index (PR) has a YTD to -13.9% as of November 2020.
- The Main Market Index (PR) ended the eleventh month of 2020 with an increase in the index as it scored a rise of 1.0% M-o-M to close at 4,373 points and its YTD ended at a -10.9% record as of November 2020.
- Trading activity went up significantly during the month. This was evidence by the fact that the monthly traded value saw enormous upsurge of 89.8% to reach KWD 2.17 billion as compared to KWD 1.14 billion during the previous month. However, the monthly traded volume fell by 11.3% compared to the previous month to reach 5.52 billion shares compared to 6.22 billion shares in the previous month.
- The average monthly traded value went up during the month of November 2020 by 126.2% to an average daily traded value of KWD 136.3 million compared to KWD 60.3 million in October 2020.

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