

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 30 June 2020



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Kuwait Boursa Performance Analysis

Market Indices

	30-Jun-20	31-May-20	31-Dec-19	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,131	4,996	6,282	2.7% ▲	-18.3% ▼
Premier Market Index (PR)	5,607	5,424	6,976	3.4% ▲	-19.6% ▼
Main Market Index (PR)	4,190	4,150	4,911	1.0% ▲	-14.7% ▼
All-Share Index (TR)	6,143	5,978	7,255	2.8% ▲	-15.3% ▼
Premier Market Index (TR)	6,768	6,548	8,095	3.4% ▲	-16.4% ▼
Main Market Index (TR)	4,904	4,849	5,588	1.1% ▲	-12.2% ▼

Note: Percentage change from the end of May 2020

Highest and lowest indices level

	During the Month		During 2020	
	High	Low	High	Low
All-Share Index (PR)	5,180	4,952	6,393	4,444
Premier Market Index (PR)	5,669	5,347	7,141	4,661
Main Market Index (PR)	4,242	4,148	4,929	3,979
All-Share Index (TR)	6,201	5,925	7,385	5,135
Premier Market Index (TR)	6,843	6,455	8,286	5,409
Main Market Index (TR)	4,956	4,846	5,624	4,846

Market Indicators

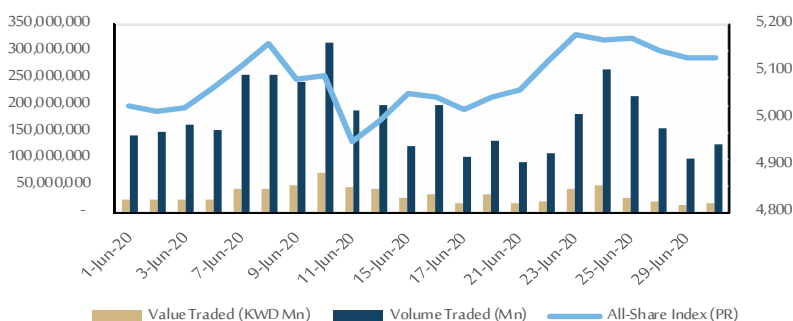
	30-Jun-20	%Chg MTD
Market Cap KWD	31,698,647,557	2.2% ▲
Daily average volume traded (shares / day)	176,599,001	49.0% ▲
Daily average value traded (KWD / day)	32,801,100	33.9% ▲

Note: Percentage change from the end of May 2020

Net profit for Companies in Kuwait Boursa

KWD	LTM *	%Chg
Net profit of kuwait Boursa's Companies	2,499,680,662	1.4% ▲

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



Kuwaiti Boursa Indices continued for a third consecutive month indicating an improvement in the investors' sentiments about Kuwait Boursa. In fact, all the market indices closed the month of June in the green zone and the best monthly performance went for the large cap index and this was in line with some positive indicators coming from the Ministry of Health regards the Corona virus spread in Kuwait. In fact, the All Share Index (PR) gained 2.7% primarily on the back of the 3.4% surge in the Kuwait Premier Market Index (PR). These gains were in some measure supported by an increase in the Main Market Index (PR) by 1.0%.

In fact, the performance of the Kuwaiti indices in June 2020 was higher than all the GCC. The performance of the global financial markets was associated with the improvement of the investors psychology in conjunction with an emergence of higher positive signs after the the number of coronavirus cases went down. The surge in the sixth month of 2020 lowered the yearly losses of the Kuwait Boursa as it further lowered YTD-2020 performance with the Premier Market index declining by 19.6%, All Share Index falling by 18.6% while Main Market increase losses to 14.7%.

Average Daily Traded Value in June 2020 surged by 33.9% to KD 32.8 million compared to KD 24.5 million in the previous month. Also, the average daily traded volume surged by 49.0% in the same month to a daily average of 176 million compared to a daily average of 119 million shares.

Trading activity on the exchange increased significantly compared to the previous month. Accordingly, Value traded went up by 60% to KWD 706 Mn compared to KWD 440 Mn in May 2020. Also, total traded volume increased at higher rate of 76.2% to reach an amount of 3.8 Bn shares compared to 2.1 Bn shares in May 2020.

Within the Premier Market index, most of the constituents 11 out of the 18 constituents ended the month of June 2020 in the green zone as topped by Qurain Petrochemical Industries Company KSCP leading the gainers chart with a monthly gain of 11.2% followed by Agility Public Warehousing Co KSCP and Mabane Company KPSC by 11.2% and 11.0% to reach 277 fils, 734 fils and 677 fils, respectively. However, the losers chart was topped by Gulf Bank KSCP with a loss of 5.8% followed by National Industries Group Holding KPSC and Burgan Bank KPSC with a monthly loss of 4.1% and 2.5% to reach 212 fils, 163 fils, and 196 fils, respectively.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index			Price to Earning	Price to Book Value	Dividend Yield	ROE%
	30-Jun-2020	Pct Change %					
Oil and Gas	1,091.2	5.6%	▲	30.6	0.82	0.00%	3.1%
Basic materials	817.5	9.2%	▲	15.9	0.99	4.47%	6.2%
Industrials	796.3	7.8%	▲	13.3	0.92	0.42%	6.8%
Consumer goods	736.3	1.4%	▲	33.1	1.43	0.00%	4.0%
Health care	821.0	-2.3%	▼	48.1	4.22	0.43%	8.4%
Consumer services	777.7	5.9%	▲	29.6	0.90	0.00%	2.7%
Telecom	1,036.3	4.3%	▲	10.9	1.57	0.79%	14.4%
Banking	1,160.2	1.9%	▲	14.3	1.49	2.86%	10.4%
Insurance	955.3	0.3%	▲	8.0	0.77	0.00%	9.7%
Real estate	893.3	5.4%	▲	32.1	0.67	0.21%	2.8%
Financial services	867.9	-2.1%	▼	13.3	0.62	1.61%	4.1%
Technology	494.7	3.8%	▲	(66.0)	0.53	0.00%	-0.8%

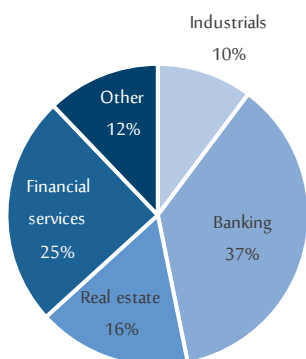
Note: Percentage change from the end of May 2020

Market Indices activities

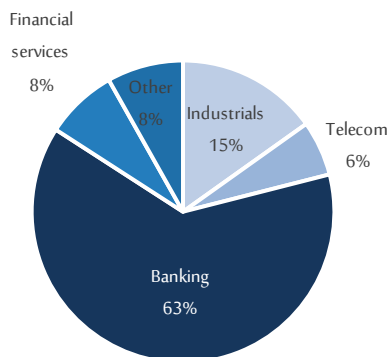
Sector	Value			Volume		
	30-Jun-2020	Pct Change %		30-Jun-2020	Pct Change %	
Oil and Gas	3,030,156	53.3%	▲	180,095,295	44.3%	▲
Basic materials	9,244,807	168.2%	▲	23,985,106	123.2%	▲
Industrials	109,273,965	169.8%	▲	396,818,345	249.7%	▲
Consumer goods	4,868,814	37.0%	▲	42,846,752	14.4%	▲
Health care	2,341	1073.6%	▲	3,762	1154.0%	▲
Consumer services	8,826,999	189.8%	▲	41,105,396	162.6%	▲
Telecom	42,486,375	60.4%	▲	181,167,032	81.8%	▲
Banking	455,331,790	39.1%	▲	1,421,989,616	20.7%	▲
Insurance	173,363	231.5%	▲	1,792,509	125.3%	▲
Real estate	32,685,252	144.9%	▲	638,139,420	177.3%	▲
Financial services	55,699,658	162.2%	▲	957,223,996	196.3%	▲
Technology	17,078	-64.1%	▼	269,119	-62.4%	▼

Note: Percentage change from the end of May 2020

Traded Volume



Traded Value



In terms of sector performance, most of the sector indices closed the month of June 2020 in the green zone with exception for the Health Care Index and Financial Services. The Basic Material index outperformed the sector performance with a return of 9.2% followed by Industrial Index and Consumer Services Index with a gain of 7.8% and 5.9%, respectively

The Basic Material index recorded the best positive performance among the market sectors during the month with a monthly return of 9.2%. The gain was primarily on the back of the gain in shares of Qurain Petrochemicals and Boubyan Petrochemicals that recorded gains that offset decline in the other two stocks in the sector. The Industrials index was next at 7.8% as a majority of the stocks in the sector were in the green following plans of a restart to industrial activity in the country. In terms of YTD-2020 sector performance, only the Consumer Goods sector was in the green with a gain of 15.6% whereas most of the sectors showed double digit declines led by the Covid-19.

On the other hand, the loser charts were topped by the Health Care Index with a monthly loss of 2.3% M-o-M followed by the Financial Services Index by a loss of 2.1%.

Gains for the Banking sector was also marginal as shares of large-cap banks saw gains during the month that more than offset declines in shares of smaller banks. The Telecom index witnessed clear surge of 4.3% during the month.

In terms of value traded in June 2020, most of the sector traded value surged during the month as Health Care and Insurance indices were the main gainers in term of liquidity performance which showed growth by 1074%, and 231.5%, respectively.

The banking sector was the most traded sector accounted for 63% of the total value traded followed by Industrial and Financial Services by 15% 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 37%, 25% and 16%, respectively.

Top Gainers and Losers

Companies' Top Losers During The Period

Company	Close (fils)	%Chg MTD	Value (KWD)	Volume ('000)	Monthly Turnover**
Egypt Kuwait Holding Co SAE	375.0	-21.9%	709	2	-91%
First Takaful Insurance Co KPSC	39.3	-19.8%	30,848	739	315%
Al Argan International Real Estate Co KSCP	85.9	-19.7%	12,853	154	-47%
Sanam Real Estate Company KSCP	29.9	-15.8%	53,877	1,817	419%
Investors Holding Group Company KSCP	13.4	-12.4%	1,621,539	152,583	14%
First Dubai for Real Estate Development Co KSCP	36.5	-11.6%	1,861,627	51,309	115%
Aayan Real Estate Company KSCP	53.2	-11.2%	127,701	2,320	-51%
Future Kid Entertainment and Real Estate Co KSCP	76.5	-11.0%	3,300	41	-70%
National Industries Company KPSC	152.0	-10.6%	18,347	113	-54%
Al Massaleh Real Estate Co KSCP	29.9	-10.5%	24,488	1,142	204%

** 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**
Kuwait Finance House KSC	612	-0.6%	127,248	240,980	-4%
National Bank of Kuwait SAKP	821	6.5%	89,740	128,748	-14%
Ahli United Bank BSC	176	-1.1%	78,366	482,406	2%
Agility Public Warehousing Co KSCP	734	11.2%	51,258	82,443	84%
Kuwait International Bank KSCP	175	-1.1%	35,752	237,100	47%
Mobile Telecommunications Company KSCP	555	4.7%	35,060	75,022	-32%
Gulf Bank KSCP	212	-5.8%	34,994	193,772	-3%
Mabane Company KPSC	677	11.0%	14,564	24,722	15%
Boubyan Bank KSCP	532	4.7%	12,638	26,877	20%
Human Soft Holding Company KSCP	2,788	3.1%	10,983	4,592	-3%

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Human Soft Holding Company KSCP	2,788	3.1%	10,983	4,592	-3%

Note: Percentage change from the end of May 2020

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

Energy House Holding Company KSCP was the top gainer in June 2020 with a monthly gain of 55.0% M-o-M to close at 24.8 fils, (total trading values during the month went up by 340% compared to the average trading value of the last twelve months). Followed by National Shooting Company KPSC which surged by 53.5% to close the month at 15.5 fils (total trading values during the month went up by 1295% compared to the average trading value of the last twelve months).

Egypt Kuwait Holding Co SAE topped the losers chart during the sixth month of 2020 as it went down by 21.9% to close at 375 fils, followed by First Takaful Insurance Co KPSC and Al Argan International Real Estate Co KSCP which decayed by 19.8% and 19.7% during the month, closing at 39.3 fils and 85.9 fils, respectively.

Kuwait Finance House KSC "KFH" was the top performer in terms of value traded during the month with a trading value of KD 127 million (4% lower than the monthly average for the last twelve months), to end the month at 612 fils. National Bank of Kuwait SAKP "NBK" came next with a traded value of KD 89.7 million (14% lower than the monthly average for the last twelve months), to close the month's trading at 821 fils. Ahli United Bank BSC "AUB" came next with a traded value of KD 78.4 million (2% higher than the monthly average for the last twelve months), to close the month's trading at 176 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
Jun-19	5,832			Jun-19	6,377			Jun-19	4,767		
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%
Oct-19	5,717	38.6	0.7%	Oct-19	6,211	36.4	0.6%	Oct-19	4,758	44.1	0.9%
Nov-19	5,928	210.9	3.7%	Nov-19	6,519	308.2	5.0%	Nov-19	4,767	9.1	0.2%
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%

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
Jun-19	660,162			Jun-19	2,623,166			Jun-19	36,676		
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	749,884	259,651	53.0%	Sep-19	3,112,774	527,805	20.4%	Sep-19	34,086	6,850.5	25.2%
Oct-19	503,743	(246,141)	-32.8%	Oct-19	2,923,385	(189,389)	-6.1%	Oct-19	21,902	(12,183.8)	-35.7%
Nov-19	514,818	11,075	2.2%	Nov-19	2,980,710	57,325	2.0%	Nov-19	21,902	-	0.0%
Dec-19	853,417	338,599	65.8%	Dec-19	4,096,903	1,116,193	37.4%	Dec-19	37,105	15,203.2	69.4%
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	703,540	262,555	59.5%	Jun-20	3,759,767	1,626,454	76.2%	Jun-20	32,801	8,302.0	33.9%

LTM: last twelve months

- The All-Share Index (PR) closed the 6th month of 2020 in the green zone with a surge of 2.7% and YTD of -18.3% to close at a level of 5,131 points.
- The Premier Market Index (PR) closed the month of June 2020 with an increase by 3.4% M-o-M to close at 5,607 points. Additionally the Premier Market Index (PR) has improved its a YTD to -19.6% as of June 2020.
- The Main Market Index (PR) ended the sixth month of 2020 with a surge in the index as it scored an increase of 1.0% M-o-M to close at 4,190 points and its YTD ended at a -14.7% record as of June 2020.
- Trading activity went up significantly during the month. This was evidence by the fact that the monthly traded volume increased by 76.2% compared to the previous month to reach 3.76 billion shares. Moreover, monthly value traded saw huge growth but at a lower rate of 59.5% to reach KWD 703 million as compared to KWD 441 million during the previous month.
- The average monthly traded value went also up during the month of June 2020 by 33.9% to an average daily traded value of KWD 32.8 million compared to KWD 24.5 million in May 2020.

Disclaimer

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