

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 28 October 2020



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Kuwait Boursa Performance Analysis

Market Indices

	28-Oct-20	29-Sep-20	31-Dec-19	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,443	5,445	6,282	0.0% ▼	-13.4% ▼
Premier Market Index (PR)	6,004	6,021	6,976	-0.3% ▼	-13.9% ▼
Main Market Index (PR)	4,332	4,304	4,911	0.7% ▲	-11.8% ▼
All-Share Index (TR)	6,546	6,549	7,255	0.0% ▼	-9.8% ▼
Premier Market Index (TR)	7,271	7,291	8,095	-0.3% ▼	-10.2% ▼
Main Market Index (TR)	5,111	5,077	5,588	0.7% ▲	-8.5% ▼

Note: Percentage change from the end of August 2020

Highest and lowest indices level

	During the Month		During 2020	
	High	Low	High	Low
All-Share Index (PR)	5,779	5,427	6,393	4,444
Premier Market Index (PR)	6,439	5,979	7,141	4,661
Main Market Index (PR)	4,470	4,332	4,929	3,979
All-Share Index (TR)	6,950	6,527	7,385	5,135
Premier Market Index (TR)	7,797	7,241	8,286	5,409
Main Market Index (TR)	5,273	5,111	5,624	5,111

Market Indicators

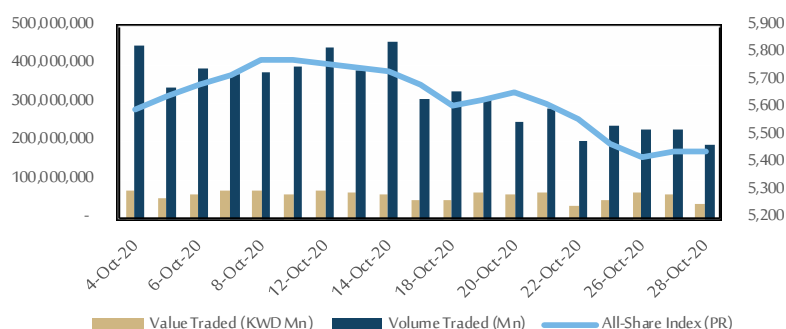
	28-Oct-20	%Chg MTD
Market Cap KWD	34,175,334,931	-0.9% ▼
Daily average volume traded (shares / day)	327,616,279	-16.9% ▼
Daily average value traded (KWD / day)	60,268,541	18.8% ▲

Note: Percentage change from the end of August 2020

Net profit for Companies in Kuwait Boursa

KWD	LTM *	%Chg
Net profit of kuwait Boursa's Companies	1,402,706,914	-44.6% ▼

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



The Kuwait Boursa market index was stable during the month as the gains that made at the beginning of the month disappeared during the second half of this month. The performance of the market indices were mixed with negative performance went for the Premier market stocks which showed a modest decline during October 2020, whereas the liquid stocks which is represented by the Main index closed the month with a marginal increase.

The Main Market index showed gains of 0.7% during the month driven by 1.5% gains of the Main 50 Index. However, the Premier Market index declined by 0.3%, resulting in flat monthly performance for the All Share Market Index.

In fact, the sentiments across the GCC financial market in October 2020 was broadly negative as most of the GCC markets recorded negative monthly performance in October 2020. The performance of the Kuwaiti indices in October 2020 was better than all the GCC with exception for ADX which with 3.1% positive performance. The performance in the 10th month did not change YTD-2020 to much as the Kuwait Boursa YTD for the Premier Market index declined by -13.9%, All Share Index felt by -13.4% and Main Market losses reached to -11.8%.

Average Daily Traded Value in October 2020 went up by 18.8% to KD 60.3 million compared to KD 40.7 million in the previous month. However, the average daily traded volume went down by 16.9% in the same month to a daily average of 327.6 million compared to a daily average of 394.1 million shares.

Trading activity on the exchange showed gains during October 2020 as it increased for the second consecutive month. Accordingly, Value traded was improved by 7.5% to KWD 1.14 billion compared to KWD 1.06 billion in September 2020. On the other hand, traded volume declined at higher rate of 24.8% to 6.2 Bn shares compared to 8.3 Bn shares in September 2020.

Within the Premier Market index, most of the constituents 13 out of the 20 constituents ended the month of October in the green zone as topped by Human Soft leading the gainers chart with a monthly gain of 12.2% followed by KIB and NIND by 11.3% and 9.0% to reach 2919 fils, 207 fils and 181 fils, respectively. However, the losers' chart was topped by Mabane Company with a loss of 11.2% followed by Boursa Kuwait Securities Company with a monthly loss of 7.6%.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index		Price to Earning	Price to Book Value	Dividend Yield	ROE%
	28-Oct-2020	Pct Change %				
Oil and Gas	1,163.5	2.4% ▲	28.8	0.87	0.00%	2.7%
Basic materials	786.2	1.1% ▲	17.0	0.99	5.37%	6.5%
Industrials	816.9	2.4% ▲	52.7	0.95	1.41%	6.6%
Consumer goods	762.5	-0.5% ▼	(574.8)	1.49	0.00%	-1.1%
Health care	821.0	0.1% ▲	53.6	4.12	0.37%	8.6%
Consumer services	730.0	-1.4% ▼	(16.6)	0.88	1.85%	2.4%
Telecom	1,074.4	2.2% ▲	12.8	1.60	5.85%	14.2%
Utility	850.0	0.9% ▲	NaN	NaN	0.00%	NaN
Banking	1,266.0	-0.4% ▼	28.3	1.82	2.92%	11.7%
Insurance	1,021.5	-2.5% ▼	10.2	0.90	7.23%	10.0%
Real estate	899.5	-4.8% ▼	(238.8)	0.69	1.60%	2.8%
Financial services	915.4	1.0% ▲	(18.5)	0.81	3.59%	4.9%
Technology	487.4	-4.8% ▼	(65.0)	0.53	0.00%	-0.8%

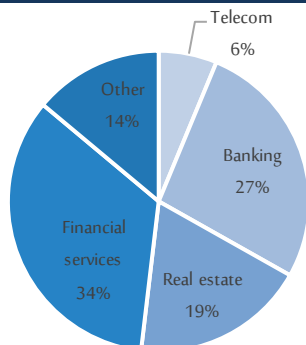
Note: Percentage change from the end of August 2020

Market Indices activities

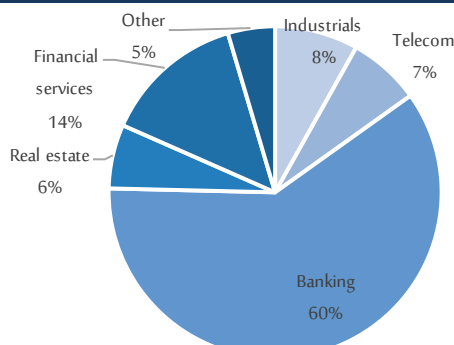
Sector	Value		Volume	
	28-Oct-2020	Pct Change %	28-Oct-2020	Pct Change %
Oil and Gas	6,172,156	-43.7% ▼	296,856,530	-44.0% ▼
Basic materials	10,245,912	31.2% ▲	29,575,976	34.4% ▲
Industrials	92,818,345	-10.7% ▼	304,695,056	-35.7% ▼
Consumer goods	4,322,968	18.8% ▲	9,041,241	20.5% ▲
Health care	132	-89.4% ▼	220	-89.5% ▼
Consumer services	9,555,741	9.0% ▲	136,132,158	9.0% ▲
Telecom	80,250,369	32.3% ▲	389,527,516	-31.4% ▼
Utility	20,906,647	-53.6% ▼	63,784,876	-53.3% ▼
Banking	690,142,389	28.6% ▲	1,675,191,871	6.0% ▲
Insurance	1,193,671	6.7% ▲	25,102,660	106.2% ▲
Real estate	71,429,079	-2.7% ▼	1,164,682,590	-42.4% ▼
Financial services	158,021,634	-25.7% ▼	2,129,492,314	-23.8% ▼
Technology	73,328	-79.6% ▼	1,056,439	-78.7% ▼

Note: Percentage change from the end of August 2020

Traded Volume



Traded Value



In terms of sector performance, the performance of the sector indices were mixed in the month of October 2020 and was almost equally split between gainers and losers.

In terms of sector with Positive performance, the Industrial and Oil & Gas indices topped the monthly performance chart with similar gains of 2.4% for the two sectors followed by Telecom and Basic Materials indices with gains of 2.2% and 1.1%, respectively. The performance of Industrial Index was buoyed by gain in large-cap stocks in the index including Kuwait Cement 15.5%, Human Soft 12.2% and Agility 1.4%. In the Oil & Gas Index, all the shares showed gains during the month barring Burgan Drilling that showed a decline of 9.4%.

In terms of YTD-2020 sector performance, only the Consumer Goods sector and the Insurance Index were in the green with a gain of 19.7% followed by the Insurance that was up 7.1%. 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 also showed marginal declines during the month mainly due to a 2.9% drop in shares of NBK and 4.4% decline in shares of Warba Bank whereas the rest of the sector showed gains. Shares of NBK declined after the bank reported a 38% y-o-y drop in Q3-2020 net profits.

In terms of value traded in Oct-2020, the performance were mixed as Telecom and Basic Material indices were the main gainers in term of liquidity performance which showed an increase by 32.3%, and 31.2%, respectively.

The banking sector was the most traded sector accounted for 60% of the total value traded followed by Financial Services and Industrial by 14% and 8% respectively.

Financial Services Sector, Banking and Real Estate Sectors were the most traded sectors based on monthly traded volume during the month with a share of 34%, 27% and 19%, respectively.

Top Gainers and Losers

Companies' Top Gainers During The Period

Company	Close (fils)	%Chg MTD	Value (KWD)	Volume ('000)	Monthly Turnover
International Financial Advisors KPSC	56.5	83.4%	2,675,806	45,928	324%
National Shooting Company KPSC	19.9	42.1%	854,342	49,459	174%
Al Mudon International Real Estate Co KSCP	21.4	34.6%	713,872	33,117	195%
Al Eid Food Company KSCP	76.8	33.6%	371,125	5,157	375%
Al Madina for Finance and Investment Co KSC	15.7	27.6%	4,101,844	261,425	387%
Kuwait Business Town Real Estate Co KSCP	37.2	26.5%	1,538,063	45,761	66%
Jiyad Holding Co KSCP	48.3	20.4%	1,672,879	34,488	453%
Coast Investment and Development Co KSCP	42.7	19.3%	763,333	19,318	46%
Investors Holding Group Company KSCP	18.6	18.5%	7,389,054	391,458	157%
Kuwait Remal Real Estate Co KPSC	23.4	16.4%	233,902	10,513	26%

Note: Percentage change from the end of August 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**
Ream Real Estate Company KSCP	12.8	-57.0%	19,592	199	1323%
Alrai Media Group Co KSCP	86.5	-44.6%	90,213	1,516	782%
Al Masaken International Real Estate	70.4	-29.9%	880,066	31,687	16980%
United Projects for Aviation Services Co	200.0	-21.5%	15,475	41	146%
Gulf Insurance Group KSCP	7.3	-14.1%	181,548	305	1060%
IFA Hotels and Resorts Co KSCP	96.0	-12.1%	1,447,017	60,359	698%
Bayan Investment Co KSCP	198.0	-11.9%	65,957	1,593	-37%
Mabane Company KPSC	666.0	-11.2%	29,308,757	41,800	104%
Kuwait Real Estate Holding Co KPSC	425.0	-11.2%	12,419	495	-74%
Wethaq Takaful Insurance Co KCSP	10.7	-9.7%	500,328	22,870	1137%

Note: Percentage change from the end of August 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**
KUWAIT FINANCE HOUSE K.S.C.P	662	0.2%	211,541	306,874	64%
National Bank of Kuwait SAKP	845	-2.9%	191,353	217,173	88%
Ahli United Bank BSC	236	0.9%	88,915	363,573	12%
Mobile Telecommunications Company I	586	2.1%	74,983	124,297	58%
Gulf Bank KSCP	221	0.5%	54,539	232,406	69%
Kuwait International Bank KSCP	207	11.3%	52,740	246,074	107%
Agility Public Warehousing Co KSCP	666	1.4%	42,532	61,832	27%
Warba Bank KSCP	238	-4.4%	39,200	152,867	130%
National Industries Group Holding KPSC	181	9.0%	34,429	180,260	164%
Mabane Company KPSC	648	-11.2%	29,309	41,800	104%

Note: Percentage change from the end of August 2020

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

International Financial Advisors KPSC was the top gainer in October 2020 with a monthly gain of 83.4% M-o-M to close at 56.5 fils, (total trading values during the month went up by 324% compared to the average trading value of the last twelve months). Followed by National Shooting Company KPSC which surged by 42.1% to close the month at 19.9 fils (total trading values during the month went up by 174% compared to the average trading value of the last twelve months). Next by Al Mudon International Real Estate Co KSCP which surged by 34.6% to close the month at 21.4 fils (total trading values during the month went up by 195% compared to the average trading value of the last twelve months). Next by Al Eid Food Company KSCP which surged by 33.6% to close the month at 76.8 fils (total trading values during the month went up by 375% compared to the average trading value of the last twelve months). Next by Al Madina for Finance and Investment Co KSC which surged by 27.6% to close the month at 15.7 fils (total trading values during the month went up by 387% compared to the average trading value of the last twelve months). Next by Kuwait Business Town Real Estate Co KSCP which surged by 26.5% to close the month at 37.2 fils (total trading values during the month went up by 66% compared to the average trading value of the last twelve months). Next by Jiyad Holding Co KSCP which surged by 20.4% to close the month at 48.3 fils (total trading values during the month went up by 453% compared to the average trading value of the last twelve months). Next by Coast Investment and Development Co KSCP which surged by 19.3% to close the month at 42.7 fils (total trading values during the month went up by 46% compared to the average trading value of the last twelve months). Next by Investors Holding Group Company KSCP which surged by 18.5% to close the month at 18.6 fils (total trading values during the month went up by 157% compared to the average trading value of the last twelve months). Next by Kuwait Remal Real Estate Co KPSC which surged by 16.4% to close the month at 23.4 fils (total trading values during the month went up by 26% compared to the average trading value of the last twelve months).

Ream Real Estate Company KSCP topped the losers' chart during the 10th month of 2020 as it went down by 57% to close at 12.8 fils, followed by Alrai Media Group Co KSCP and Al Masaken International Real Estate which decayed by 44.6% and 29.9% during the month, closing at 86.5 fils and 70.4 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 211.5 million (63.9% higher than the monthly average for the last twelve months), to end the month at 662 fils. National Bank of Kuwait "NBK" came next with a traded value of KD 191.4 million (87.6% higher than the monthly average for the last twelve months), to close the month's trading at 845 fils. Ahli United Bank BSC "AUB" came next with a traded value of KD 88.9 million (11.9% higher than the monthly average for the last twelve months), to close the month's trading at 236 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
Oct-19	5,717			Oct-19	6,211			Oct-19	4,758		
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%
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%

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
Oct-19	503,743			Oct-19	2,923,385			Oct-19	21,902		
Nov-19	514,818	11,075	2.2%	Nov-19	2,980,710	57,325	2.0%	Nov-19	25,741	3,839.0	17.5%
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	#N/A	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	1,108,067	42,768	4.0%	Oct-20	6,034,988	(2,241,461)	-27.1%	Oct-20	60,269	9,540.0	18.8%

LTM: last twelve months

- The All-Share Index (PR) closed the 10th month of 2020 in the green red with a modest decline and YTD of -13.4% to close at a level of 5,443 points.
- The Premier Market Index (PR) closed the month of October 2020 with a decrease by 0.3% M-o-M to close at 6,004 points. Additionally, the Premier Market Index (PR) has a YTD to -13.9% as of October 2020.
- The Main Market Index (PR) ended the tenth month of 2020 with an enhance in the index as it scored a rise of 0.7% M-o-M to close at 4,331 points and its YTD ended at a -11.8% record as of October 2020.
- Trading activity went up marginally during the month. This was evidence by the fact that the monthly traded value saw a modest upsurge of 4.0% to reach KWD 1.11 billion as compared to KWD 1.06 billion during the previous month. However, the monthly traded volume fell by 27.1% compared to the previous month to reach 6.03 billion shares compared to 8.3 billion shares in the previous month.
- The average monthly traded value went up during the month of October 2020 by 18.8% to an average daily traded value of KWD 60.3 million compared to KWD 50.7 million in September 2020.

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