

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 31 January 2021



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Kuwait Boursa Performance Analysis

Market Indices				
	31-Jan-21	31-Dec-20	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,780	5,546	4.2% ▲	4.2% ▲
Premier Market Index (PR)	6,308	6,051	4.2% ▲	4.2% ▲
Main Market Index (PR)	4,741	4,552	4.2% ▲	4.2% ▲
All-Share Index (TR)	6,958	6,676	4.2% ▲	4.2% ▲
Premier Market Index (TR)	7,648	7,336	4.2% ▲	4.2% ▲
Main Market Index (TR)	5,594	5,371	4.2% ▲	4.2% ▲

Note: Percentage change from the end of December 2020

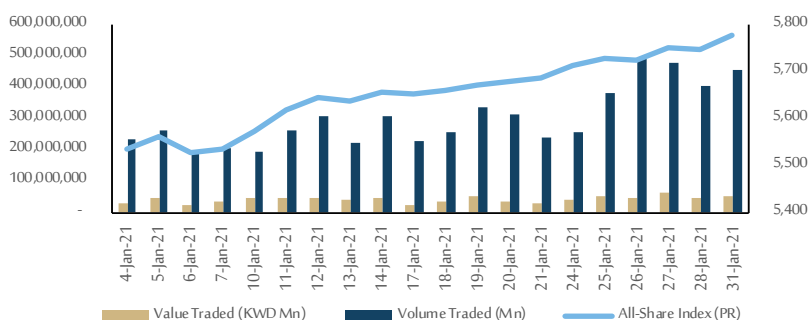
Highest and lowest indices level				
	During the Month		During 2021	
	High	Low	High	Low
All-Share Index (PR)	5,780	5,530	5,780	5,530
Premier Market Index (PR)	6,308	6,031	6,308	6,031
Main Market Index (PR)	4,741	4,544	4,741	4,544
All-Share Index (TR)	6,958	6,656	6,958	6,656
Premier Market Index (TR)	7,648	7,312	7,648	7,312
Main Market Index (TR)	5,594	5,361	5,594	5,361

Market Indicators			
	31-Jan-21	%Chg MTD	
Market Cap KWD	36,927,626,829	4.4%	▲
Daily average volume traded (shares / day)	302,548,460	42.7%	▲
Daily average value traded (KWD / day)	42,245,318	5.4%	▲

Note: Percentage change from the end of December 2020

Net profit for Companies in Kuwait Boursa			
KWD	LTM *	%Chg	
Net profit of kuwait Boursa's Companies	1,203,668,267	-51.7%	▼

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



Kuwaiti Boursa Indices witnessed clear increase in Jan-21 with gains across the market benchmark indices during the month. The increase was based in the four main shares indices which are (All-Share Index, Premier Market, Main 50 & Main Market). The Main 50 index (PR) surged the most In Jan-2021 by 5.2%, followed by the Premier index (PR) which surged by a rate of 4.2% M-o-M. The All Share Index (PR) went up parallelly at a similar rate of 4.2%. Although at the beginning of 2021 there was negative performance but starting from the middle of Jan 2021, the market direction changed from the second week onwards with consistent gains that continued till the end of January-2021.

At the first half of the first month of the year 2021, investors were worried about the second waves of Covid-19's distribution around the world including the news of partial or full closing of the economy. However, the good news start to came as the vaccination campaigns have succeeded to change the trend of the infection to decrease again and this gave positive boost to the countries' ability to control the spread of the virus.

The good news were also obtainable for the local investors as during the month, the Central Bank of Kuwait announced that Kuwaiti banks would be allowed to distribute dividends based on their 2020 results. Also, the annual financial results' season had started in Jan 2021. The largest market cap base in Kuwait Boursa NBK announced its results as they recorded annual decline of 38.6% in its profit in 2020 Y-o-Y with a distribution of 20 fils cash and 5% bonus share. Also, Boubyan Bank announced a drop in its net profit of 45% with a 5% bonus share during the same period.

Average Daily Traded Value in January 2021 surged by 5.4% to KD 42.3 million compared to KD 40.1 million in the previous month. Also, the average daily traded volume significantly increased by 42.7% in Jan-21 to a daily average of 302.5 million compared to a daily average of 212.1 million shares.

Trading activity saw drop in Jan-21 compared to the previous month. Accordingly, Value traded dropped by 8.4% to KWD 844 Mn compared to KWD 922 Mn in the previous month. On the other hand, total traded volume grew 24.1% to reach an amount of 6.1 Bn shares compared to 4.9 Bn shares in December 2020.

Within the Premier Market index, most of the constituents 16 out of the 20 constituents ended the month of January 2020 in the green zone as topped by Agility Public Warehousing Co KSCP leading the gainers chart with a monthly gains of 11.4% followed by National Industries Group Holding and Mabanee Co. by 8.5% and 7.2%, to reach 753 fils, 191 fils and 704 fils respectively. On the other hand, the losers chart were topped by Human Soft Holding and Mezzan Holding with a loss of 4.2% and 3.8%, respectively.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index			Price to Earning	Price to Book Value	Dividend Yield	ROE%
	31-Jan-2021	Pct Change %					
Oil and Gas	1,238.5	-3.0%	▼	31.1	0.99	0.00%	2.8%
Basic materials	938.5	4.4%	▲	22.3	1.20	2.77%	6.5%
Industrials	935.2	4.9%	▲	283.0	1.11	0.99%	5.9%
Consumer goods	741.2	-0.7%	▼	211.5	1.43	0.00%	-1.1%
Health care	816.1	-1.3%	▼	38.9	4.02	0.37%	8.5%
Consumer services	844.5	3.2%	▲	(9.1)	1.01	1.67%	2.6%
Telecom	1,177.1	6.8%	▲	14.9	1.73	5.55%	13.6%
Utility	713.2	-2.2%	▼	NaN	NaN	0.00%	NaN
Banking	1,306.0	3.4%	▲	34.0	1.88	1.62%	9.0%
Insurance	1,389.9	20.2%	▲	12.3	1.12	5.76%	9.9%
Real estate	1,007.9	5.8%	▲	(38.8)	0.76	1.47%	2.7%
Financial services	972.4	4.6%	▲	(29.1)	0.91	3.35%	3.7%
Technology	524.5	4.3%	▲	(95.8)	0.79	0.00%	-0.8%

Note: Percentage change from the end of December 2020

Market Indices activities

Sector	Value		Volume			
	31-Jan-2021	Pct Change %	31-Jan-2021	Pct Change %		
Oil and Gas	4,843,803	-29.6%	▼	217,977,465	-17.1%	▼
Basic materials	9,627,059	-17.7%	▼	22,317,982	-22.9%	▼
Industrials	112,664,593	-11.3%	▼	429,754,994	-6.1%	▼
Consumer goods	7,032,804	157.9%	▲	16,536,179	225.6%	▲
Health care	7,988	-61.8%	▼	11,557	-69.3%	▼
Consumer services	15,948,747	4.9%	▲	314,604,591	210.5%	▲
Telecom	56,710,514	-25.8%	▼	164,772,023	-1.1%	▼
Utility	13,407,671	-41.0%	▼	49,422,395	-38.5%	▼
Banking	359,479,961	-19.8%	▼	950,436,929	-8.2%	▼
Insurance	2,141,215	-21.0%	▼	35,995,536	160.7%	▲
Real estate	82,911,737	11.6%	▲	1,241,489,890	50.0%	▲
Financial services	179,843,260	33.8%	▲	2,603,625,555	37.3%	▲
Technology	289,156	268.6%	▲	4,055,113	258.1%	▲

Note: Percentage change from the end of December 2020

In terms of sector performance, the sector performance chart was mixed during the month with the Insurance Index topped the monthly performance chart during the month with a gain of 20.2% followed by the Telecom Index with a monthly gain of 6.8%. The positive performance were also shown for the Real Estate and Industrial Indices with monthly gains of 5.8% and 4.9%, respectively.

The Gain in the Insurance Index were driven mainly with a monthly gains recorded by six out of seven stocks in the sector. All stocks in the telecom sector recorded gains during the month

with STC Kuwait reporting double digit gain of 12.1%. During the month, Zain increased its stake in Zain Bahrain from 55.4% to 65.0%. In the Real Estate sector, the bulk of the stocks reported gains and the large cap stocks in the sector, including Mabaneer, Salhia and NRE reported healthy gains during the month that supported the overall sector index.

Banking Index monthly gains was one of the best among sector indices performance and this was primarily on the back of the fact that the 10 Kuwaiti banks that resulted in a 3.4% gain in the Banking index.

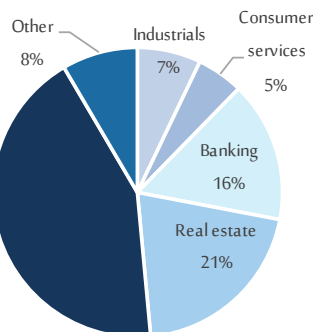
On the decliner's side, the Oil & Gas Index saw the sharpest decay of 3.0% in January 2021 followed by Utilities and Health Care indices with declines of 2.2% and 1.3%, respectively.

In terms of value traded in January 2021, the sector indices showed also mixed performance during the month. In fact, Technology and Consumer Goods Indices showed highest liquidity growth by 269% and 158% respectively. On the other hand, the Health Care Index and Utility Index showed the most depreciation in term of liquidity during the month by 62% and 41%, respectively.

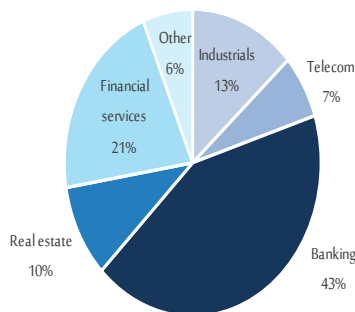
The banking sector was the most traded sector accounted for 43% of the total value traded followed by Financial Services and Industrial by 21% and 13% respectively.

Financial Services Sector, Real Estate and Banking Sector were the most traded sectors based on monthly traded volume during the month with a share of 43%, 21% 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 MTD	Value (KWD)	Volume ('000)	Monthly Turnover
Kuwait Reinsurance Company KSCP	558.0	167.0%	13,412	30	449%
Al Deera Holding Co KPSC	40.8	155.0%	6,337,789	193,784	44234%
IFA Hotels and Resorts Co KSCP	39.6	103.1%	7,622,860	261,286	1807%
Metal and Recycling Co KSCP	97.4	83.4%	233,644	3,640	911%
International Financial Advisors KPSC	91.0	52.2%	20,191,185	271,319	1191%
Al Mudon International Real Estate Co KSCP	25.0	38.9%	1,686,300	76,246	1042%
First Takaful Insurance Co KPSC	50.0	35.1%	102,107	2,281	236%
Arzan Financial Group for Financing and Investment	75.2	34.8%	30,290,526	486,254	222%
Al Bareeq Holding KSCP	88.0	34.4%	831,310	10,862	30%
Al Eid Food Company KSCP	106.0	27.7%	766,122	8,103	303%

Note: Percentage change from the end of December 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**
Amwal International Investment Company	27.0	-19.9%	28,162	1,006	2124%
Alrai Media Group Co KSCP	41.9	-12.7%	18,877	443	-22%
Coast Investment and Development Co KSCP	43.4	-10.5%	1,496,299	33,900	194%
Egypt Kuwait Holding Co SAE	318.0	-10.4%	8,528	27	-98%
Burgan for Well Drilling Trading and Maintenance	139.0	-10.3%	229,975	1,610	22%
Kuwait Syrian Holding Co KSCP	29.5	-7.5%	85,197	2,939	-43%
Gulf North Africa Holding Co KPSC	60.5	-7.2%	98,212	1,657	116%
Tamdeen Real Estate Co KPSC	251.0	-7.0%	879,528	3,767	974%
Future Kid Entertainment and Real Estate Co	79.8	-6.1%	1,958	24	-63%
Umm Al Qaiwain General Investment Co PSC	70.5	-6.0%	24,341	333	28%

Note: Percentage change from the end of December 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	722	6.6%	97,560	144,604	-34%
National Bank of Kuwait SAKP	873	3.9%	95,663	115,363	-26%
Ahli United Bank BSC	226	-0.4%	62,673	301,170	-29%
Agility Public Warehousing Co KSCP	753	11.4%	38,606	55,000	-5%
Gulf Bank KSCP	221	0.9%	35,804	165,305	1%
Arzan Financial Group for Financing and Investr	75	34.8%	30,291	486,254	222%
Aayan Leasing and Investment Co KSCP	105	14.3%	26,023	274,071	118%
International Financial Advisors KPSC	91	52.2%	20,191	271,319	1191%
First Investment Co KSCP	44	1.2%	20,080	574,115	165%
Boubyan Bank KSCP	571	0.5%	19,955	35,541	6%

Note: Percentage change from the end of December 2020

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

Kuwait Reinsurance Company KSCP was the top gainer in January 2021 with a monthly gain of 167% M-o-M to close at 558 fils, (total trading values during the month went up by 449% compared to the average trading value of the last twelve months). Followed by Al Deera Holding Co KPSC which surged by 155% to close the month at 40.8 fils (total trading values during the month went up by 1807% compared to the average trading value of the last twelve months).

Amwal International Investment Company topped the loser's chart during the first month of 2021 as it went down by 19.9% to close at 27 fils, followed by Alrai Media Group Co KSCP and Coast Investment and Development Co KSCP by 12.7% and 10.5% during the month, closing at 41.9 fils and 43.4 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 97.6 million (34% lower than the monthly average for the last twelve months), to end the month at 722 fils. National Bank of Kuwait SAKP "NBK" came next with a traded value of KD 95.7 million (26% lower than the monthly average for the last twelve months), to close the month's trading at 873 fils. Ahli United Bank BSC "AUB-BH" came next with a traded value of KD 62.7 million (29% lower than the monthly average for the last twelve months), to close the month's trading at 226 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
Jan-20	6,325			Jan-20	7,033			Jan-20	4,922		
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%
Dec-20	5,546	86.6	1.6%	Dec-20	6,051	42.5	0.7%	Dec-20	4,552	179.3	4.1%
Jan-21	5,780	234.0	4.2%	Jan-21	6,308	256.8	4.2%	Jan-21	4,741	189.0	4.2%

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
Jan-20	869,449			Jan-20	4,216,051			Jan-20	48,303		
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	98,815	38,546.1	64.0%
Dec-20	922,080	(1,251,843)	-57.6%	Dec-20	4,877,446	(643,890)	-11.7%	Dec-20	40,090	(58,724.2)	-59.4%
Jan-21	844,906	(77,174)	-8.4%	Jan-21	6,050,969	1,173,523	24.1%	Jan-21	42,245	2,154.9	5.4%

LTM: last twelve months

- The All-Share Index (PR) closed the 1st month of 2021 in the green zone with a surge of 4.2% and YTD of 4.2% to close at a level of 5,780 points.
- The Premier Market Index (PR) closed the month of January 2021 with marginal growth at 4.2% M-o-M to close at 6,308 points. Additionally, the Premier Market Index (PR) has a YTD of 4.2% in 2021.
- The Main Market Index (PR) showed in the first month of 2021 similar level with an increase 4.2% and marginal YTD of 4.2% to close at a level of 4,741 points.
- Trading activity showed opposite performance during the month. This as evidenced by the fact that the monthly traded volume surged by 24.1% compared to the previous month to reach 6.1 billion shares. However, monthly value traded saw opposite performance with a drop of 8.4% to reach KWD 844.9 million as compared to KWD 922.1 million during the previous month.
- The average monthly traded value went up during the month of January 2021 by 5.4% to an average daily traded value of KWD 42.2 million compared to KWD 40.1 million in December 2020.

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