

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 29 July 2020



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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					
	29-Jul-20	30-Jun-20	31-Dec-19	%Chg MTD	% Chg YTD
All-Share Index (PR)	4,968	5,131	6,282	-3.2% ▼	-20.9% ▼
Premier Market Index (PR)	5,415	5,607	6,976	-3.4% ▼	-22.4% ▼
Main Market Index (PR)	4,086	4,190	4,911	-2.5% ▼	-16.8% ▼
All-Share Index (TR)	5,975	6,143	7,255	-2.7% ▼	-17.6% ▼
Premier Market Index (TR)	6,558	6,768	8,095	-3.1% ▼	-19.0% ▼
Main Market Index (TR)	4,819	4,904	5,588	-1.7% ▼	-13.8% ▼

Note: Percentage change from the end of June 2020

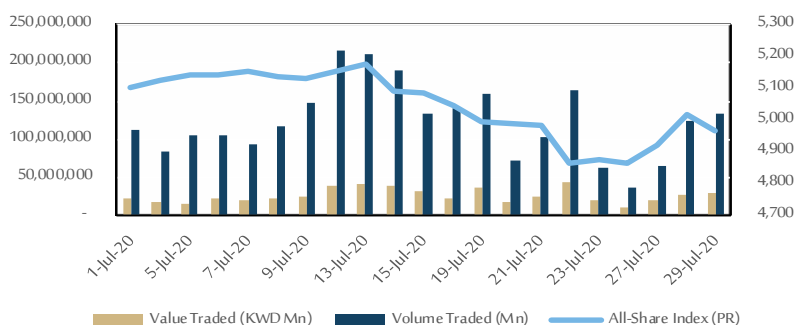
Highest and lowest indices level				
	During the Month		During 2020	
	High	Low	High	Low
All-Share Index (PR)	5,177	4,862	6,393	4,444
Premier Market Index (PR)	5,661	5,260	7,141	4,661
Main Market Index (PR)	4,221	4,072	4,929	3,979
All-Share Index (TR)	6,211	5,838	7,385	5,135
Premier Market Index (TR)	6,841	6,357	8,286	5,409
Main Market Index (TR)	4,962	4,802	5,624	4,802

Market Indicators			
	29-Jul-20	%Chg MTD	
Market Cap KWD	31,026,490,182	-3.2% ▼	
Daily average volume traded (shares/ day)	122,511,762	-30.6% ▼	
Daily average value traded (KWD/ day)	25,176,175	-23.2% ▼	

Note: Percentage change from the end of June 2020

Net profit for Companies in Kuwait Boursa		
KWD	LTM *	%Chg
Net profit of kuwait Boursa's Companies	2,233,144,651	-12.1% ▼

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



Kuwaiti Boursa Indices after recording positive performance for three consecutive months, the Kuwait witnessed the largest decline in the GCC in July 2020 led by a broad decline during the month. In fact, all the market indices closed the month of July 2020 in the red zone and the deepest decline went for the large cap index with a decrease of 3.4% M-o-M. In fact, the All Share Index (PR) loosed 3.2% primarily on the back of the 3.4% drop in the Kuwait Premier Market Index (PR). These losses were in line with a drop in the Main Market Index (PR) by 2.5%.

In fact, the performance of the Kuwaiti indices in July 2020 was higher than all the GCC. The drop in the seventh month of 2020 increased the yearly losses of the Kuwait Boursa as it further increased YTD-2020 performance with the Premier Market index declining by 22.4%, All Share Index falling by 20.9% while Main Market increase losses to 16.8%.

Average Daily Traded Value in July 2020 dropped by 23.2% to KD 25.2 million compared to KD 32.8 million in the previous month. Also, the average daily traded volume went down by 31% in the same month to a daily average of 122.5 million compared to a daily average of 176 million shares.

Trading activity on the exchange decreased significantly compared to the previous month. Accordingly, Value traded went down by 26.7% to KWD 528 Mn compared to KWD 721 Mn in June 2020. Also, total traded volume dropped at higher rate of 33.8% to reach an amount of 2.6 Bn shares compared to 3.9 Bn shares in June 2020.

Within the Premier Market index, most of the constituents 16 out of the 18 constituents ended the month of July 2020 in the red zone as topped by Kuwait Projects Company Holding KSCP leading the losers chart with a monthly loss of 14.9% followed by Boubyan Petrochemical Company KSCP and Mabane Company KPSC by 12.4% and 10.8% to reach 148 fils, 538 fils and 604 fils, respectively. However, the gainers chart was topped by Ahli United Bank BSC with a gain of 6.3% followed by Agility Public Warehousing Co KSCP with a monthly gain of 0.3% to reach 187 fils, and 640 fils, respectively.

Kuwait Boursa Sectors' Indices Performance

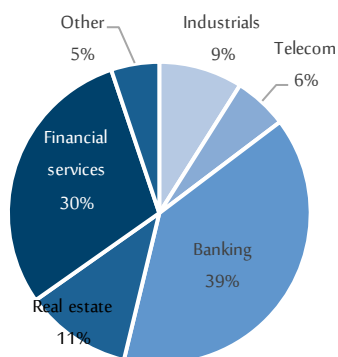
Market sector Indices							
Sector	Index			Price to	Price to	Dividend	ROE%
	29-Jul-2020	Pct Change %		Earning	Book Value	Yield	
Oil and Gas	1,095.3	0.4%	▲	29.3	0.79	0.00%	3.1%
Basic materials	762.5	-6.7%	▼	14.9	0.93	4.77%	6.2%
Industrials	773.6	-2.8%	▼	14.0	0.90	0.42%	6.6%
Consumer goods	723.5	-1.7%	▼	(130.1)	1.43	0.00%	-1.1%
Health care	839.2	2.2%	▲	49.0	4.27	0.00%	8.7%
Consumer services	755.2	-2.9%	▼	40.1	0.86	0.00%	2.3%
Telecom	1,010.1	-2.5%	▼	12.1	1.52	5.38%	14.2%
Banking	1,123.9	-3.1%	▼	16.2	1.44	2.92%	10.3%
Insurance	938.2	-1.8%	▼	8.5	0.87	4.75%	10.3%
Real estate	845.9	-5.3%	▼	57.6	0.64	1.01%	2.8%
Financial services	836.3	-3.6%	▼	12.7	0.59	1.67%	4.1%
Technology	465.6	-5.9%	▼	(62.0)	0.50	0.00%	-0.8%

Note: Percentage change from the end of June 2020

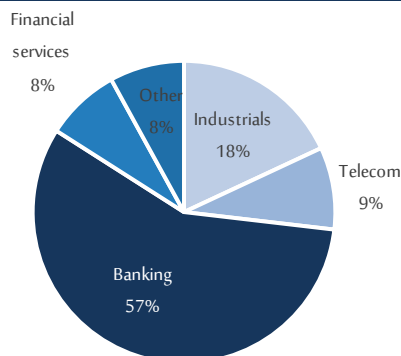
Market Indices activities						
Sector	Value			Volume		
	29-Jul-2020	Pct Change %		29-Jul-2020	Pct Change %	
Oil and Gas	836,323	-72.4%	▼	47,818,921	-73.4%	▼
Basic materials	9,833,322	6.4%	▲	28,035,847	16.9%	▲
Industrials	95,417,086	-12.7%	▼	230,441,973	-41.9%	▼
Consumer goods	2,965,166	-39.1%	▼	9,441,816	-78.0%	▼
Health care	1,797	-23.3%	▼	3,004	-20.1%	▼
Consumer services	4,310,315	-51.2%	▼	40,755,444	-0.9%	▼
Telecom	46,546,321	9.6%	▲	147,701,672	-18.5%	▼
Banking	302,338,215	-33.6%	▼	1,005,197,934	-29.3%	▼
Insurance	235,308	35.7%	▲	6,049,132	237.5%	▲
Real estate	23,994,551	-26.6%	▼	294,889,106	-53.8%	▼
Financial services	42,208,027	-24.2%	▼	762,192,049	-20.4%	▼
Technology	26,230	-49.3%	▼	423,908	-45.8%	▼

Note: Percentage change from the end of June 2020

Traded Volume



Traded Value



In terms of sector performance, most of the sector indices closed the month of July 2020 in the red zone with exception for the Health Care Index and Oil & Gas Index. The Basic Materials index was the biggest decliner during the month with a decline of 6.7% followed by Technology and Real Estate indices with declines of 5.9% and 5.3%, respectively.

The Basic Material index recorded the worst performance among the market sectors during the month with a monthly losses of 6.7%. The loss was primarily on the back of the loss in the 4 shares in the index with Boubyan Petrochemicals seeing the steepest decline of 12.4%. The Technology index was next at 5.9% followed by Real Estate Index by 5.3% as majority of the stocks in the RE sector were in the red zone. In terms of YTD-2020 sector performance, only the Consumer Goods sector was in the green with a gain of 13.9% whereas most of the sectors showed double digit declines led by the Covid-19.

On the other hand, the gainers charts were topped by the Health Care Index with a monthly gain of 2.2% M-o-M followed by the Oil & Gas Index by a gain of 0.4%.

losses for the Banking sector was by 3.1% M-o-M as shares of large-cap banks NBK and KFH saw drop during the month by 3.9% and 5.6%, respectively, while Gulf Bank seeing the biggest drop of 10.4% during the month.

In terms of value traded in July 2020, most of the sector traded value dropped during the month as Oil & Gas and Consumer Services indices were the main losers in term of liquidity performance which showed drop by 72.4%, and 51.2%, respectively.

The banking sector was the most traded sector accounted for 57% of the total value traded followed by Industrial and Telecom by 18% and 9% 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 39%, 30% and 11%, respectively.

Top Gainers and Losers

Companies' Top Gainers During The Period

Company	Close (fils)	%Chg MTD	Value (KWD)	Volume ('000)	Monthly Turnover
Future Kid Entertainment and Real Estate Co	87.9	14.9%	1,190	15	-88%
Advanced Technology Co KSCP	660.0	10.0%	1,797	3	379%
Credit Rating and Collection Company KSCP	35.2	10.0%	5,517	177	433%
Inovent BSC Public	58.7	8.7%	41,613	719	-69%
National Industries Company KPSC	162.0	6.6%	45,681	292	33%
Ahli United Bank BSC	187.0	6.3%	96,512,285	533,805	25%
Tamdeen Investment Co KSCP	250.0	5.5%	46,866	199	-46%
Wethaq Takaful Insurance Co KCSP	25.2	5.0%	149,315	5,517	5262%
Gulf Investment House KSCP	55.5	4.7%	456,655	9,224	-19%
Al Masaken International Real Estate Develop.	38.3	4.6%	13	1	-100%

Note: Percentage change from the end of June 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**
Fujairah Cement Industries Co PSC	30.0	-25.0%	75,329	2,233	-41%
Ream Real Estate Company KSCP	64.5	-22.8%	2,271	25	-91%
Osoul Investment Co KSCP	81.7	-22.2%	1,497,344	19,205	627%
Real Estate Trade Centers Company	26.0	-21.9%	38,044	1,408	-64%
Al-Enmaa Real Estate Company KSCP	37.5	-18.8%	128,748	3,293	-92%
Tijara and Realestate Investment Co.	41.0	-17.8%	2,089	46	-96%
Kuwait Remal Real Estate Co KPSC	14.0	-16.2%	81,477	5,694	-60%
KGL Logistics Company KPSC	23.5	-15.2%	491,607	20,557	-48%
Kuwait Projects Company Holding KSCP	148.0	-14.9%	6,577,681	46,739	57%
Kuwait Resorts Company KPSC	47.0	-14.5%	1,446,328	29,499	314%

Note: Percentage change from the end of June 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**
Ahli United Bank BSC	187	6.3%	96,512	533,805	25%
Kuwait Finance House KSC	578	-5.6%	81,692	141,628	-39%
National Bank of Kuwait SAKP	789	-3.9%	63,780	83,352	-39%
Agility Public Warehousing Co KSCP	640	0.3%	54,092	84,366	83%
Mobile Telecommunications Company KSCP	550	-0.9%	42,320	78,673	-13%
Gulf Bank KSCP	190	-10.4%	24,215	125,341	-32%
Mabane Company KPSC	604	-10.8%	14,277	23,473	8%
Boubyan Bank KSCP	531	-0.2%	12,456	24,120	19%
Gulf Cable and Electrical Industries Co KPSC	565	1.3%	11,744	20,999	97%
Kuwait International Bank KSCP	167	-4.6%	11,487	72,769	-55%

Note: Percentage change from the end of June 2020

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

Future Kid Entertainment and Real Estate Co was the top gainer in July 2020 with a monthly gain of 14.9% M-o-M to close at 87.9 fils, (total trading values during the month went down by 88% compared to the average trading value of the last twelve months). Followed by Advance Technology Co KPSC which surged by 10.0% to close the month at 660 fils (total trading values during the month went up by 379% compared to the average trading value of the last twelve months).

Fujairah Cement Industries Co PSC topped the losers chart during the seventh month of 2020 as it went down by 25% to close at 30 fils, followed by Ream Real Estate Company KSCP and Osoul Investment Co KSCP which decayed by 22.8% and 22.2% during the month, closing at 64.5 fils and 81.7 fils, respectively.

Ahli United Bank BSC "AUB" was the top performer in terms of value traded during the month with a trading value of KD 96.5 million (25% higher than the monthly average for the last twelve months), to end the month at 187 fils. Kuwait Finance House KSC "KFH" came next with a traded value of KD 81.7 million (39% lower than the monthly average for the last twelve months), to close the month's trading at 578 fils. National Bank of Kuwait SAKP "NBK" came next with a traded value of KD 63.8 million (39% lower than the monthly average for the last twelve months), to close the month's trading at 789 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
Jul-19	6,117			Jul-19	6,744			Jul-19	4,882		
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%
Jul-20	4,968	(162.5)	-3.2%	Jul-20	5,415	(191.8)	-3.4%	Jul-20	4,086	(104.1)	-2.5%

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
Jul-19	978,903			Jul-19	4,679,630			Jul-19	42,561		
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	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	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%

LTM: last twelve months

- The All-Share Index (PR) closed the 7th month of 2020 in the red zone with a drop of 3.2% and YTD of -20.9% to close at a level of 4,968 points.
- The Premier Market Index (PR) closed the month of July 2020 with an decrease by 3.4% M-o-M to close at 5,415 points. Additionally the Premier Market Index (PR) has improved its a YTD to -22.4% as of July 2020.
- The Main Market Index (PR) ended the seventh month of 2020 with a drop in the index as it scored an decrease of 2.5% M-o-M to close at 4,086 points and its YTD ended at a -18.8% record as of July 2020.
- Trading activity went down significantly during the month. This was evidence by the fact that the monthly traded volume decreased by 33.8% compared to the previous month to reach 2.6 billion shares. Moreover, monthly value traded saw huge drop but at a lower rate of 26.7% to reach KWD 528 million as compared to KWD 721 million during the previous month.
- The average monthly traded value went also down during the month of July 2020 by 23.2% to an average daily traded value of KWD 25.2 million compared to KWD 32.8 million in June 2020.

Disclaimer

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