

Arzan Financial Group

Monthly Report

Kuwait Boursa Performance

For the month ended on 31 May 2018



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Kuwait Boursa Performance Analysis

Market Indices

	31-May-18	30-Apr-18	%Chg MTD	% Chg YTD
All-Share Index (PR)	4,736	4,799	-1.3% ▼	-4.6% ▼
Premier Market Index (PR)	4,691	4,779	-1.8% ▼	-5.2% ▼
Main Market Index (PR)	4,816	4,835	-0.4% ▼	-3.5% ▼
All-Share Index (TR)	5,261	5,299	-0.7% ▼	-2.4% ▼
Premier Market Index (TR)	5,242	5,328	-1.6% ▼	-3.2% ▼
Main Market Index (TR)	5,258	5,212	0.9% ▲	-0.8% ▼

Note: Percentage change from the end of April 2018

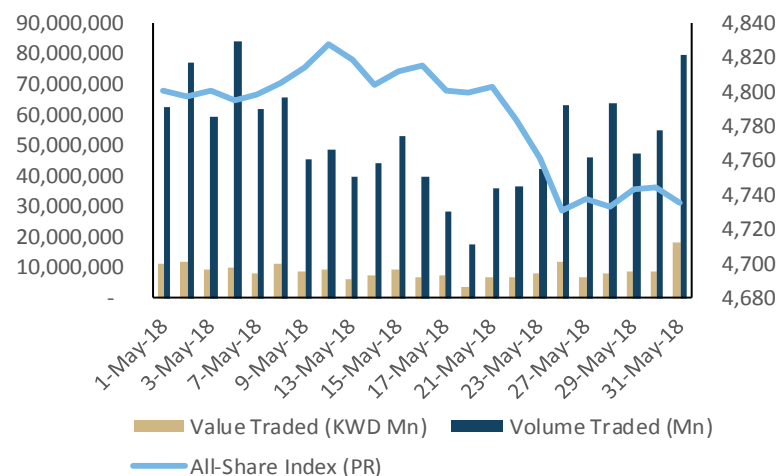
Highest and lowest indices level

	During the Month		Beg. of 2018	
	High	Low	High	Low
All-Share Index (PR)	4,829	4,731	5,055	4,731
Premier Market Index (PR)	4,797	4,684	5,072	4,684
Main Market Index (PR)	4,886	4,799	5,058	4,780
All-Share Index (TR)	5,349	5,254	5,489	5,235
Premier Market Index (TR)	5,357	5,234	5,553	5,234
Main Market Index (TR)	5,323	5,200	5,372	5,200

Market Indicators

	31-May-18	%Chg MTD
Market Cap KWD	26,950,427,677	-1.1% ▼
Daily average volume traded (shares / day)	52,039,998	-19.0% ▼
Daily average value traded (KWD/day)	8,902,069	-22.4% ▼

Note: Percentage change from the end of April 2018



Source: Thomson Reuters and Arzan Analysis

Kuwait's headline indices continued to decline for the second consecutive month in May-18. The decline was based in the three main shares indices which are (All-Share Index, Premier Market & Main Market)

The Premier index declined the most during the month by 1.8% indicating relatively larger selling in large-cap stocks. The All Share Index declined at a slightly slower pace of 1.3% while the Main Market Index declined by at a marginal rate of 0.4%.

Trading activity deteriorated in May 2018, albeit significantly, as the average daily traded volume dropped by 19.4% to reach 52.03 million shares compared to the previous month of 64.2 million shares. Additionally, the average daily traded value went down parallelly with the ADT Volume by 22.4% to KD 8.9 million during the month compared to KD 11.5 million in the previous month.

Trading activity decline in May-18 mainly owing to the month of Ramadan. Total monthly traded volume declined by 10.8% to reach 1.20 billion shares compared to 1.34 billion shares during the previous month. Also, total monthly traded value traded fall by 12.7% to KD 207.4 million compared to KD 237.7 million in April 2018.

The large-cap Premier Market Index sliding 1.8% as 13 out of the sixteen constituents recorded decline during the month. National Industries Group, Burgan Bank and Mobile telecommunication declined the most by 5.7%, 5.4% and 3.8% respectively. The only 3 stocks showed positive performance during May 2018 were GFH Financial Group, Boubyan Bank Boubyan Petrochemical by a monthly increase of 6.5%, 3.1% and 1.9% respectively.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index		Price to Earning	Price to Book Value	Dividend Yield	ROE%
	31-May-2018	Pct Change %				
Oil and Gas	1,038.1	5.8% ▲	18.7	0.8	2.7%	4.2%
Basic materials	1,031.4	-2.2% ▼	17.7	1.2	0.0%	6.8%
Industrials	947.0	-4.3% ▼	14.2	1.1	0.8%	8.0%
Consumer goods	870.4	-2.9% ▼	28.3	1.5	2.9%	5.3%
Health care	999.6	0.3% ▲	119.4	5.3	0.0%	4.4%
Consumer services	1,064.4	0.5% ▲	26.0	1.2	3.1%	4.7%
Telecom	791.0	-3.7% ▼	11.4	1.2	7.6%	10.2%
Banking	965.8	-0.7% ▼	14.7	1.4	1.5%	9.4%
Insurance	926.8	-0.4% ▼	10.4	0.9	0.4%	8.4%
Real estate	950.4	-1.4% ▼	20.8	0.7	0.3%	3.5%
Financial services	982.6	0.9% ▲	12.5	0.7	1.3%	5.2%
Technology	873.0	-13.8% ▼	7.9	0.8	0.0%	10.1%

Note: Percentage change from the end of April 2018

Market Indices activities

Sector	Value		Volume	
	31-May-2018	Pct Change %	31-May-2018	Pct Change %
Oil and Gas	1,313,172	53.5% ▲	17,944,040	-36.0% ▼
Basic materials	11,092,346	-10.3% ▼	19,318,927	-5.0% ▼
Industrials	29,975,938	-5.3% ▼	111,840,770	40.8% ▲
Consumer goods	3,609,126	-43.0% ▼	9,599,840	-62.0% ▼
Health care	10,094	-88.9% ▼	77,542	-32.0% ▼
Consumer services	6,098,342	-51.6% ▼	43,265,559	-59.4% ▼
Telecom	16,845,339	-22.8% ▼	54,367,344	-16.5% ▼
Banking	100,237,815	-13.0% ▼	292,765,539	-1.3% ▼
Insurance	363,563	95.9% ▲	1,791,206	53.0% ▲
Real estate	10,527,260	-26.0% ▼	206,920,085	-31.1% ▼
Financial services	27,219,500	21.6% ▲	439,383,865	4.7% ▲
Technology	135,118	148.2% ▲	1,187,678	154.1% ▲

Note: Percentage change from the end of April 2018

In terms of sector performance, the majority of the Kuwaiti indices declined during the month of May-18. The Technology Index witnessed the steepest decline of 13.8% primarily on the back of a 20.5% decline in shares of Automated Systems Co in addition to a 2.4% decline in shares of Osos Holding. The Industrial Index recorded the second highest monthly decline of 4.3% followed by the Telecom Index and the Consumer Goods Index with declines of 3.7% and 2.9%, respectively. The decline in the Telecom sector came as a result of a decline in all the constituent stocks in the index, which was also the case with the Consumer Goods index.

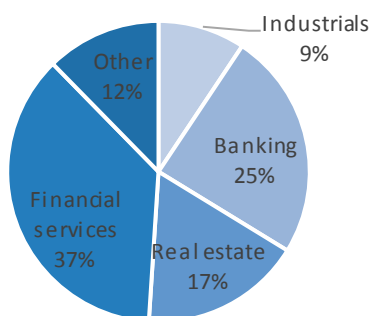
On the other hand, the Oil & Gas was the only index that reported noticeable gains during the month at 5.8% after a majority of the constituent stocks reported positive performance during the month followed by the financial services index with a marginal increase of 0.9%.

In terms of value traded in May-18, the indices had a varied performance as the technology index was the best performing with an upsurge of 148% followed by Insurance which increased by 95.9% compared to the previous month. In opposite, Health care index showed the steepest decline among the Kuwait Boursa indices by 88.9% after that consumer services declined by 51.6% and consumer goods by 43%.

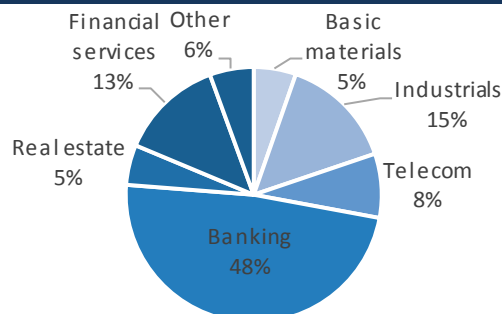
The banking sector was the most traded sector in term of value with 48% of the total value traded followed by the industrial and financial services by 15% and 13%, respectively.

Financial Services Sector, Banking Sector and Real Estate Sector were the most traded sectors based on monthly volume traded during the month with a share of 37%, 25% and 17%, respectively.

Traded Volume



Traded Value



Top Gainers and Losers

Companies' Top Gainers During The Period

Company	Close (fils)	%Chg MTD	Value (KWD)	Volume	Monthly Turnover**
Al Madar Finance and Investment Co KSCP	73.9	184.2%	926,226	5,371,001	410.1%
Kuwait Cable Vision Company KPSC	30.0	41.5%	529	21	-91.8%
Gulf North Africa Holding Co KPSC	48.0	31.5%	2,427,535	301,267	721.3%
Hilal Cement Company KSCP	86.0	28.4%	5,195	1,520	71.8%
Commercial Bank of Kuwait KPSC	486.0	24.6%	720,227	429	77.0%
National Industries Company KPSC	183.0	22.0%	47,251	-	-45.1%
Bayan Investment Co KSCP	39.0	21.9%	242,154	1,080	-75.5%
Energy House Holding Company KSCP	31.8	19.1%	25,112	7,000	-15.9%
Gulf Investment House KSCP	20.5	17.1%	427,465	584,794	111.8%
Specialities Group Holding Company KPSC	63.0	16.7%	228,474	61,050	-4.5%

Note: Percentage change from the end of April 2018

** 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	Monthly Turnover**
Mena Real Estate Co KSCP	27.0	-44.4%	29,576	-	-87.8%
Tamkeen Holding Co	11.1	-33.5%	1,025	25,000	-99.4%
Alrai Media Group Co KSCP	103.0	-24.3%	219,160	1,000	-3.3%
Future Kid Entertainment and Real Estate Co KSCP	96.0	-23.2%	40,018	400	201.6%
Metal and Recycling Co KSCP	50.0	-23.1%	1,454	-	-91.4%
Warba Insurance Company KSCP	60.3	-22.7%	20,282	20,021	5.2%
Kuwait Foundry Company KPSC	196.0	-21.3%	190,558	11,159	1.0%
Automated Systems Co KPSC	120.0	-20.5%	118,496	25,000	423.2%
Gulf Franchising Holding Co KSCP	24.0	-20.0%	7,412	-	-97.0%
Kuwait Investment Company KPSC	109.0	-18.7%	471,512	2,061	-64.2%

Note: Percentage change from the end of April 2018

** 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)	Volume	Monthly Turnover**
National Bank of Kuwait SAKP	723.0	-3.1%	31,556,327	3,598,544	-8.5%
Kuwait Finance House KSCP	512.0	-0.6%	31,185,625	6,727,876	-21.1%
Mobile Telecommunications Company KSCP	375.0	-3.8%	16,150,708	4,867,271	-57.3%
Boubyan Bank KSCP	500.0	3.1%	8,263,267	5,740,654	67.3%
Agility Public Warehousing Co KSCP	730.0	-3.4%	8,153,261	988,936	-46.6%
Ahli United Bank BSC	168.0	-2.9%	8,082,476	2,527,346	-44.7%
Boubyan Petrochemical Company KSCP	855.0	1.9%	7,696,687	154,120	64.8%
Human Soft Holding Company KSCP	3,320.0	-13.3%	7,631,341	1,300	-15.0%
Gulf Bank KSCP	261	-1.9%	6,178,962	8,828,631	-25.0%
National Industries Group Holding KPSC	150.0	-5.7%	5,703,536	1,531,627	-15.8%

Note: Percentage change from the end of April 2018

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

Al Madar Finance and Investment Company was the top gainer in May 2018 with a monthly gain of 184% compared to last month's to close at 73.9 fils, (total trading values during the month went up by 410% compared to the average trading value of the last twelve months). Followed by Kuwait Cable Vision Company Company which surged by 41.5% to close the month at 30 fils (total trading values during the month dropped by 91.8% compared to the average trading value of the last twelve months).

Mena Real Estate Company topped the losers chart as it went down by 44% to close at 27 fils, followed by Tamkeen Holding Company and Al Rai Media Group which decayed by 33.5% and 24.3% during the month, closing at 11.1 fils and 103 fils respectively.

National Bank of Kuwait "NBK" was the top performer in terms of value traded during the month with a trading value of KD 31.5 million (8.5% lower than the monthly average for the last twelve months), to end the month at 723 fils. Kuwait Finance House "KFH" came next with a traded value of KD 31.2 million (21% lower than the monthly average for the last twelve months), to close the month's trading at 512 fils. Mobile Telecommunications Company KSCP "Zain" followed with a value of KD 16.1 million (57.3% lower than the monthly average for the last twelve months), closing at a price of 375 fils.

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