

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 28 February 2019



Content

Section Name	Page Number
Kuwait Boursa Performance Analysis	3
Kuwait Boursa Sector Indices	5
Top gainers and losers	6

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

	28-Feb-19	31-Jan-19	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,232	5,206	0.5% ▲	3.0% ▲
Premier Market Index (PR)	5,482	5,430	1.0% ▲	4.1% ▲
Main Market Index (PR)	4,773	4,798	-0.5% ▼	0.7% ▲
All-Share Index (TR)	5,825	5,795	0.5% ▲	3.0% ▲
Premier Market Index (TR)	6,135	6,077	1.0% ▲	4.1% ▲
Main Market Index (TR)	5,231	5,256	-0.5% ▼	0.9% ▲

Note: Percentage change from the end of January 2019

Highest and lowest indices level

	During the Month		Beg. of 2019	
	High	Low	High	Low
All-Share Index (PR)	5,276	5,186	5,276	5,110
Premier Market Index (PR)	5,539	5,406	5,539	5,305
Main Market Index (PR)	4,805	4,753	4,815	4,753
All-Share Index (TR)	5,874	5,773	5,874	5,686
Premier Market Index (TR)	6,198	6,049	6,198	5,937
Main Market Index (TR)	5,265	5,209	5,274	5,209

Market Indicators

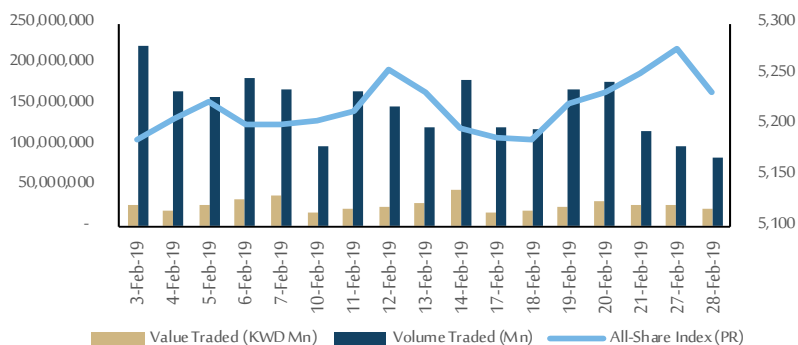
	28-Feb-19	%Chg MTD
Market Cap KWD	30,113,233,282	0.7% ▲
Daily average volume traded (shares / day)	147,266,608	-18.2% ▼
Daily average value traded (KWD/ day)	25,791,698	-7.0% ▼

Note: Percentage change from the end of January 2019

Net profit of listed Companies in Kuwait Boursa

KWD	LTM-2018	%Chg
Net profit of kuwait Boursa's Companies	1,894,525,351	11.2% ▲

Note: Percentage change from the end of Last Twelve Month 2017



Kuwaiti stock market benchmarks were mixed during February 2019 as the large-cap stocks Index beating Main Market performance. The increase was based in the All-Share Index, and Premier Market Index (PR). The Premier index (PR) surged the most during the month by 1.0% indicating relatively larger buying power in large-cap stocks. In opposite, The Main Market Index (PR) declined by 0.5%. The net effect was reflected in the All Share Index (PR) that recorded a gain of 0.5% resulting in YTD-19 gain of 3.0%.

Average Daily Traded Value recorded a decline in February 2019 with a drop of 7.0% to KD 25.8 million during the month compared to KD 27.7 million in the previous month. Also, the average daily traded volume had significantly decline by 18.2% during the month Feb-2019 to a daily average of 147.3 million compared to a daily average of 180 million shares.

Trading activity on the Kuwaiti Boursa increased in the first month of 2019. Total traded shares during the month went up at a significant growth rate of 59.3% to reach a total traded shares amounted to 3.9 billion. Also, total traded value during the month increased but at a slightly rate of 6.3% in the same period to KWD 610.4 million compared to KWD 574 million in the previous month.

The net profit for all the companies listed in Kuwait Boursa increased by 11.2% in the last twelve months ended by 2018 compared to the same period of the last year to reach an amount of KWD 1.9 billion.

During the month, Qurain Petrochemicals and Human Soft were added in the Premier Index pushing the share of the 19-stock index to 70% in terms of market cap. Within the Premier Market index, 10 out of the 19 constituents closed in the green zone in Feb-19 with Ahli United Bank BSC leading the gainers chart during the month at 6.4% followed by Burgan Bank at a rate of 5.8% and Gulf Bank at a rate of 5.2%. On the other hand, the losers chart during the month where topped by Kuwait Projects Company Holding and the newcomer on the market Human Soft Holding Company with a loss of 9.0% and 7.7%, respectively.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index			Price to Earning	Price to Book Value	Dividend Yield	ROE%
	28-Feb-2019	Pct Change %					
Oil and Gas	1,224.1	5.9%	▲	14.1	0.9	0.0%	6.7%
Basic materials	1,162.8	-0.5%	▼	19.8	1.4	3.7%	6.9%
Industrials	931.5	0.1%	▲	13.3	1.1	1.3%	8.4%
Consumer goods	601.2	-1.2%	▼	56.0	1.1	3.5%	2.0%
Health care	875.1	-6.8%	▼	73.3	5.0	1.0%	6.8%
Consumer services	945.7	1.2%	▲	25.6	1.0	2.6%	4.1%
Telecom	904.8	-0.7%	▼	10.3	1.3	0.7%	13.0%
Banking	1,156.0	1.7%	▲	14.6	1.6	3.0%	10.7%
Insurance	986.0	1.4%	▲	9.8	0.9	2.1%	9.1%
Real estate	848.6	-3.8%	▼	17.4	0.7	0.5%	3.8%
Financial services	972.9	-1.3%	▼	14.6	0.7	1.6%	4.6%
Technology	858.5	9.3%	▲	8.0	0.8	0.0%	10.3%

Note: Percentage change from the end of January 2019

Market Indices activities

Sector	Value		Volume			
	28-Feb-2019	Pct Change %	28-Feb-2019	Pct Change %		
Oil and Gas	4,073,334	-52.8%	▼	106,854,615	-60.7%	▼
Basic materials	4,520,116	-59.8%	▼	8,242,366	-63.4%	▼
Industrials	34,041,654	-32.3%	▼	115,836,564	-38.6%	▼
Consumer goods	3,350,180	-47.1%	▼	9,289,466	-44.3%	▼
Health care	2,518	-12.4%	▼	29,417	-1.3%	▼
Consumer services	2,806,278	-58.3%	▼	27,813,885	-67.6%	▼
Telecom	28,084,283	8.9%	▲	71,708,322	-19.1%	▼
Banking	294,456,481	-25.2%	▼	911,082,147	-23.1%	▼
Insurance	368,207	-49.3%	▼	6,097,455	-35.4%	▼
Real estate	26,113,770	-40.8%	▼	577,959,768	-42.9%	▼
Financial services	40,636,390	-35.7%	▼	668,568,679	-37.9%	▼
Technology	21,439	-32.0%	▼	196,907	-31.0%	▼

Note: Percentage change from the end of January 2019

In terms of sector performance, the sector performance chart was mixed during the month with the Technology index topping the monthly performance chart after gaining 9.9%. The Oil & Gas index was next on the list with a gain of 5.9% which was driven by the increase of NAPESCO share price of 18% due to the huge recorded net profit in 2018, followed by the banking Index increased by 1.7%. On the decliners side, Health Care Index and Real Estate Index recorded the biggest monthly declines of 6.8% and 3.8%, respectively.

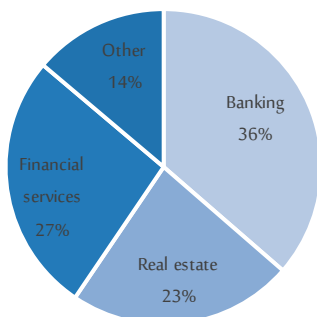
The large cap banking index recorded a growth for the second constituent month of the current year 2019, at a rate of 1.7% as shares of all the Kuwaiti banks recorded gains 8 out of the 10 banks in the sector during the month. Banking index got support from full year earnings for Burgan, Gulf Bank, AUB and CBK with double digit net profit growth in 2019.

In terms of value traded in Feb 2019, all the indices had ended the month in the red zone with exception for the Telecom Index with a marginal upsurge of 8.9%. In fact, Basic Materials Index showed the steepest decline among the Kuwait Boursa indices by 59.8%, followed by Consumer Services Index and Oil & Gas Index which showed lower liquidities level during the month by 58.3% and 52.8%, respectively.

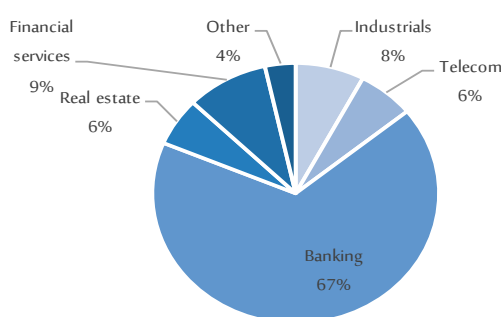
The banking sector was the most traded sector accounted for 67% of the total value traded followed by Financial Services and the Industrial by 9% and 8% respectively.

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 36%, 27% and 23%, 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	Monthly Turnover**
Kuwait Cable Vision Company KPSC	25	92.3%	337	21,044	-36.4%
Shuaiba Industrial Company KPSC	200	30.7%	21	115	-99.7%
Effect Real Estate Company KPSC	19	25.8%	18,323	1,290,690	342.5%
Kuwait Syrian Holding Co KSC	51	21.4%	307,297	6,652,891	-35.5%
National Petroleum Services Co.	1,030	16.6%	145,527	147,743	-14.7%
Mena Real Estate Co KSCP	48	15.3%	3,700,708	80,577,400	1102.9%
Kuwait Remal Real Estate Co KPSC	46	14.4%	744,455	18,163,892	214.5%
Kuwait Reinsurance Company KSCP	136	12.4%	13,406	110,030	108.4%
National Cleaning Co KSCP	64	12.1%	235,978	3,892,086	30.2%
Egypt Kuwait Holding Co SAE	420	10.5%	230,325	562,583	-12.7%

Note: Percentage change from the end of January 2019

** 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**
Hayat Communications Co KSCP	30.1	-56.3%	263	7,089	-98.2%
National Consumer Holding Co.	30.0	-53.8%	6,688	222,932	402.3%
Metal and Recycling Co KSCP	36.0	-41.5%	1,060	25,999	-79.8%
Wethaq Takaful Insurance Co KSCP	33.2	-21.9%	173,721	5,422,990	418.9%
Al Mazaya Holding Company KSCP	59.6	-17.0%	2,972,845	47,044,721	64.5%
Ithmaar Holding BSC	23.6	-15.7%	1,627,688	72,466,623	-31.6%
Tamdeen Real Estate Co KPSC	301.0	-13.5%	5,198	26,708	-79.8%
Sanam Real Estate Company KSCP	33.4	-13.2%	8,487	800,409	24.4%
United Projects for Aviation Services	545.0	-12.9%	14,099	24,432	-80.1%
ALAFCO Aviation Lease and Finance	284.0	-12.6%	838,854	2,865,930	-33.7%

Note: Percentage change from the end of January 2019

** 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**
Gulf Bank KSCP	284.0	1.4%	94,196,856	351,985,162	305.2%
National Bank of Kuwait SAKP	874.0	0.7%	62,888,330	77,241,983	10.9%
Ahli United Bank BSC	248.0	6.9%	48,238,755	203,689,993	100.9%
Kuwait Finance House KSCP	625.0	2.8%	39,026,904	66,589,168	-31.6%
Mobile Telecommunications Co.	453.0	0.0%	26,912,007	61,259,706	-14.5%
Burgan Bank SAKP	310.0	6.2%	20,996,646	72,457,691	179.8%
Agility Public Warehousing Co.	821.0	6.1%	15,595,150	20,799,086	-13.0%
Kuwait International Bank KSCP	290.0	0.0%	9,736,897	35,655,412	-23.2%
Warba Bank KSC	220	0.0%	9,556,887	45,848,857	49.4%
Aayan Leasing and Investment Co.	49.2	1.4%	9,113,429	215,931,132	96.7%

Note: Percentage change from the end of January 2019

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

Kuwait Cable Vision Company KPSC was the top gainer in February 2019 with a monthly gain of 92.3% M-o-M to close at 25 fils, (total trading values during the month dropped by 36.4% compared to the average trading value of the last twelve months). Followed by Shuaiba Industrial Company KPSC which surged by 30.7% to close the month at 200 fils (total trading values during the month went down by 100% compared to the average trading value of the last twelve months).

Hayat Communications Co KSCP topped the losers chart during the second month of 2019 as it went down by 56.3% to close at 56.2 fils, followed by National Consumer Holding Co. and Metal and Recycling Co KSCP which decayed by 53.8% and 41.5% during the month, closing at 30 fils and 36 fils, respectively.

Gulf Bank KSCP "GBK" was the top performer in terms of value traded during the month with a trading value of KD 94.2 million (305% higher than the monthly average for the last twelve months), to end the month at 284 fils. National Bank of Kuwait SAKP "NBK" came next with a traded value of KD 62.9 million (10.9% higher than the monthly average for the last twelve months), to close the month's trading at 874 fils. Ahli United Bank BSC "AUB" came next with a traded value of KD 48.2 million (100.9% higher than the monthly average for the last twelve months), to close the month's trading at 248 fils

Last 12 Months Kuwait Indices Performance

All-Share Index (PR)			
Month	Index (Close)	Point Change	%Chg
Feb-18	4,979		
Mar-18	5,000	21.0	0.4%
Apr-18	4,799	(201.0)	-4.0%
May-18	4,736	(63.3)	-1.3%
Jun-18	4,890	154.7	3.3%
Jul-18	5,168	277.2	5.7%
Aug-18	5,132	(35.3)	-0.7%
Sep-18	5,128	(4.3)	-0.1%
Oct-18	5,042	(85.8)	-1.7%
Nov-18	5,109	67.0	1.3%
Dec-18	5,080	(29.6)	-0.6%
Jan-19	5,206	126.4	2.5%
Feb-19	5,232	25.7	0.5%

Premier Market Index (PR)			
Month	Index (point)	Point Change	%Chg
Feb-18	4,983		
Mar-18	5,000	17.4	0.3%
Apr-18	4,779	(221.3)	-4.4%
May-18	4,691	(88.1)	-1.8%
Jun-18	4,905	214.3	4.6%
Jul-18	5,297	392.2	8.0%
Aug-18	5,262	(35.2)	-0.7%
Sep-18	5,344	82.1	1.6%
Oct-18	5,234	(109.7)	-2.1%
Nov-18	5,318	83.6	1.6%
Dec-18	5,267	(50.5)	-0.9%
Jan-19	5,430	162.7	3.1%
Feb-19	5,482	52.1	1.0%

Main Market Index (PR)			
Month	Index (point)	Point Change	%Chg
Feb-18	4,844		
Mar-18	5,000	156.0	3.2%
Apr-18	4,835	(165.1)	-3.3%
May-18	4,816	(18.6)	-0.4%
Jun-18	4,864	47.2	1.0%
Jul-18	4,933	69.5	1.4%
Aug-18	4,897	(35.5)	-0.7%
Sep-18	4,736	(161.8)	-3.3%
Oct-18	4,694	(41.9)	-0.9%
Nov-18	4,730	36.3	0.8%
Dec-18	4,739	8.6	0.2%
Jan-19	4,798	59.5	1.3%
Feb-19	4,773	(25.1)	-0.5%

LTM: last twelve months

Monthly Value Traded			
Month	Value (KWD '000)	(Chg '000)	%Chg
Feb-18	207,257		
Mar-18	227,326	20,068	10%
Apr-18	240,816	33,559	6%
May-18	204,748	(22,578)	-15%
Jun-18	242,071	1,255	18%
Jul-18	612,589	407,842	153%
Aug-18	356,411	114,340	-42%
Sep-18	523,800	(88,789)	47%
Oct-18	309,840	(46,572)	-41%
Nov-18	284,811	(238,989)	-8%
Dec-18	574,464	264,625	102%
Jan-19	610,442	325,631	6%
Feb-19	438,459	(136,005)	-28%

Monthly Volume Traded			
Month	(Volume '000)	(Chg '000)	%Chg
Feb-18	1,316,203		
Mar-18	1,156,360	(159,843)	-12%
Apr-18	1,348,416	32,213	17%
May-18	1,196,920	40,560	-11%
Jun-18	1,016,596	(331,820)	-15%
Jul-18	2,892,052	1,695,132	184%
Aug-18	1,781,004	764,408	-38%
Sep-18	2,098,974	(793,078)	18%
Oct-18	1,484,658	(296,346)	-29%
Nov-18	2,143,526	44,553	44%
Dec-18	2,484,601	999,943	16%
Jan-19	3,959,021	1,815,495	59%
Feb-19	2,503,532	18,931	-37%

Average Daily Traded Value			
Month	(KWD '000)	(Change Mn)	%Chg
Feb-18	11,514		
Mar-18	10,825	(689)	-6.0%
Apr-18	12,081	1,256	11.6%
May-18	8,902	(3,179)	-26.3%
Jun-18	13,448	4,546	51.1%
Jul-18	26,634	13,186	98.0%
Aug-18	20,965	(5,669)	-21.3%
Sep-18	26,190	5,225	24.9%
Oct-18	13,471	(12,719)	-48.6%
Nov-18	16,754	3,282	24.4%
Dec-18	26,112	9,358	55.9%
Jan-19	27,747	1,635	6.3%
Feb-19	25,792	(1,956)	-7.0%

LTM: last twelve months

- The All-Share Index (PR) ended the second month of 2019 in the green zone with monthly increase of 0.5% and YTD of 3.0% to close at a level of 5,232 points.
- The Premier Market Index (PR) closed the month of Feb 2019 with a marginal growth at 1.0% M-o-M to close at 5,482 points. Additionally the Premier Market Index (PR) has a YTD of 4.1% in 2019.
- The Main Market Index (PR) ended the first month of 2019 in the red zone with a marginal decline of 0.5% and YTD of 0.7% to close at a level of 4,773 points.
- Trading activity remained weak during the month owing to lesser number of trading days. Monthly volume of shares traded declined by 37% to 2.5 billion shares. On the other hand, monthly value traded saw a slightly lower decline of 28% to reach KWD 439 million as compared to KWD 610 million during the previous month.
- The average monthly traded value dropped during the month of Feb-2019 by 7.0% to an average daily traded value of KWD 25.7 million compared to KWD 27.7 million in January 2019.

Disclaimer

It should be noted that this report does not constitute investment recommendations or whether investors should continue to own their investments. The report was prepared only for the purpose of viewing and should not be relied upon for any other purpose.

This report is prepared for general circulation and was sent to you as a customer for the purpose of providing general information only, it is not intended to offer or provide advice regarding the purchase or sale of any security or investment.

Although the information in this report has been gathered from sources that the company believes to be reliable, we have not verified independently whether it is inaccurate or incomplete. There is no responsibility on the company for any losses arising directly or indirectly from this information.

