

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 24 February 2020



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Kuwait Boursa Performance Analysis

Market Indices					
	24-Feb-20	30-Jan-20	31-Dec-19	%Chg MTD	% Chg YTD
All-Share Index (PR)	6,072	6,325	6,282	-4.0% ▼	-3.3% ▼
Premier Market Index (PR)	6,730	7,033	6,976	-4.3% ▼	-3.5% ▼
Main Market Index (PR)	4,769	4,922	4,911	-3.1% ▼	-2.9% ▼
All-Share Index (TR)	7,016	7,309	7,255	-4.0% ▼	-3.3% ▼
Premier Market Index (TR)	7,809	8,161	8,095	-4.3% ▼	-3.5% ▼
Main Market Index (TR)	5,442	5,617	5,588	-3.1% ▼	-2.6% ▼

Note: Percentage change from the end of January 2020

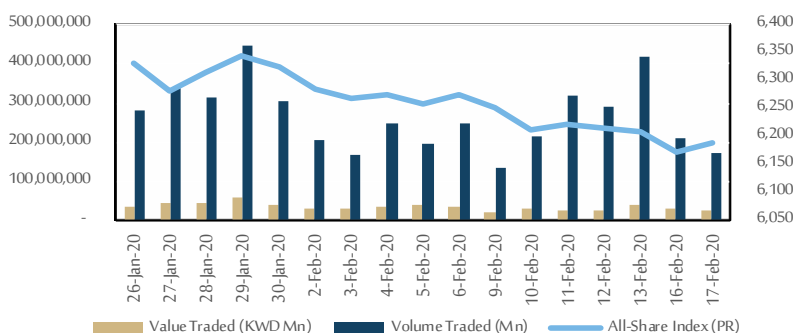
Highest and lowest indices level				
	During the Month		During 2020	
	High	Low	High	Low
All-Share Index (PR)	6,287	6,116	6,393	6,049
Premier Market Index (PR)	7,002	6,775	7,141	6,692
Main Market Index (PR)	4,885	4,812	4,929	4,769
All-Share Index (TR)	7,264	7,067	7,385	6,985
Premier Market Index (TR)	8,125	7,862	8,286	7,765
Main Market Index (TR)	5,617	5,490	5,624	5,490

Market Indicators			
	24-Feb-20	%Chg MTD	
Market Cap KWD	37,461,990,973	-3.9% ▼	
Daily average volume traded (shares / day)	218,385,586	-6.8% ▼	
Daily average value traded (KWD / day)	30,719,932	-36.4% ▼	

Note: Percentage change from the end of January 2020

Net profit for Companies in Kuwait Boursa		
KWD	LTM *	%Chg
Net profit of kuwait Boursa's Companies	2,579,298,695	4.2% ▲

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



Kuwaiti Boursa Indices witnessed strong decline in February 2020 after recording one of the best performance in 2019 among all the financial markets around the world. The increase was based in the three main indices which are (All-Share Index, Premier Market & Main Market). All the three benchmarks declined during the month with the Premier Market index seeing the biggest drop of 4.3% followed by the Main Market index that saw a decline of 3.1%. The net impact on the All Share Market Index was a fall of 4.0%.

The drop in the second month of 2020 cross off all the gain in January 2020 recorded by Kuwaiti indices and this was resulting in a YTD-2020 decline of 3.3% for the All Share Market Index and 3.5% for the Premier Market Index and 2.9% for the Main Index.

In fact, the drop in the Kuwaiti indices in Feb-20 was in line with most of the GCC and global markets as the number of coronavirus cases surged are getting bigger and spread vastly between the global countries. Nevertheless, the investors are looking forward to hear news related to the china's ability to control Corona Virus, which caused the disruption of the chine economy during Jan-2020.

Average Daily Traded Value in February 2020 dropped by 36.4% to KD 30.7 million compared to KD 48.3 million in the previous month. Also, the average daily traded volume slightly declined by 6.8% in Feb-20 to a daily average of 218 million compared to a daily average of 234 million shares.

Trading activity saw significant drop in February 2020 compared to the previous month. Accordingly, Value traded decreased by 39.9% to KWD 522 Mn compared to KWD 870 Mn in Jan-20. Total traded volume declined by 12% to reach an amount of 3.7 Bn shares compared to 4.2 Bn shares in January 2020.

Within the Premier Market index, most of the constituents 17 out of the 18 constituents ended the month of January 2020 in the red zone as topped by Qurain Petrochemical Industries Company KSCP leading the losers chart with a monthly loss of 11.7% followed by Gulf Bank KSCP and Mabane Company KPSC by 8.7% and 7.1%, to reach 272 fils, 285 fils and 849 fils respectively. However, Human Soft Holding Company was the only gainer within the premier constituents with gain of 2.3% to close at KWD 3,190

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index		Price to Earning	Price to Book Value	Dividend Yield	ROE%
	24-Feb-2020	Pct Change %				
Oil and Gas	1,306.9	1.1% ▲	20.6	0.97	0.00%	6.2%
Basic materials	839.3	-7.9% ▼	11.4	0.94	6.61%	8.3%
Industrials	897.4	-3.5% ▼	14.0	1.00	0.61%	7.3%
Consumer goods	611.5	-2.6% ▼	19.3	1.21	0.00%	5.3%
Health care	851.3	-1.7% ▼	123.4	4.39	0.41%	5.1%
Consumer services	1,005.2	-3.9% ▼	31.3	1.03	0.00%	3.6%
Telecom	1,048.1	-2.5% ▼	10.8	1.56	0.79%	14.4%
Banking	1,438.6	-4.4% ▼	17.3	1.79	2.52%	10.4%
Insurance	977.7	0.9% ▲	7.9	0.76	2.24%	9.5%
Real estate	1,033.9	-3.6% ▼	33.0	0.75	0.12%	2.4%
Financial services	1,044.6	-4.2% ▼	12.2	0.74	2.30%	5.9%
Technology	451.8	-9.5% ▼	12.5	0.48	0.00%	3.8%

Note: Percentage change from the end of January 2020

Market Indices activities

Sector	Value		Volume	
	24-Feb-2020	Pct Change %	24-Feb-2020	Pct Change %
Oil and Gas	4,139,872	106.8% ▲	187,479,292	113.3% ▲
Basic materials	11,464,382	-11.6% ▼	31,803,131	24.0% ▲
Industrials	46,910,669	-48.4% ▼	221,140,568	-9.4% ▼
Consumer goods	4,296,043	136.0% ▲	31,332,674	227.8% ▲
Health care	110	-78.5% ▼	157	-76.1% ▼
Consumer services	3,821,106	-1.1% ▼	34,054,853	-13.1% ▼
Telecom	37,963,215	-40.6% ▼	417,930,912	25.7% ▲
Banking	301,803,812	-41.9% ▼	555,140,497	-42.9% ▼
Insurance	149,861	-72.5% ▼	1,553,085	-20.0% ▼
Real estate	42,085,402	-6.1% ▼	1,010,626,929	51.4% ▲
Financial services	69,593,938	-46.0% ▼	1,221,329,797	-33.5% ▼
Technology	3,201	-93.4% ▼	51,599	-93.0% ▼

Note: Percentage change from the end of January 2020

In terms of sector performance, the sector performance chart were inline for with the market indices performance with exception for the Oil & Gas Index and Insurance Index which grew during February 2020 by 1.1% and 0.9%, respectively. The two indices have also outperformed the rest of the market in terms of YTD-2020 performance with gains of 5.5% for the Oil & Gas index and 2.5% for the Insurance index.

The gain in the Oil & Gas Index was driven mainly by the gain in shares of NAPESCO and Burgan Co. for Drilling that more than offset declines in the rest of the companies in the sector. The stock of NAPESCO went up by 3.9% after the Company announced the completion of signing two contract amounted to KWD 117.3 million. Also, the gain in the insurance sector was a results of the recorded gain in the 4 of the 8 constituents in the sector.

In opposite, Technology sector recorded the steepest drop among th sector market indices during the month with a decline of 9.5%. Also, the Basic Materials index followed with the a decline of 7.9% followed by Banks and Financial Services Indices with relatively smaller declines of 4.4% and 4.2%, respectively.

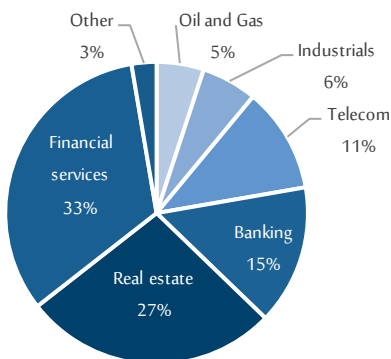
Banking Index monthly loss was one of the worst among sector indices performance and this was on the back of the fact that all the 11 Kuwaiti banking stocks recorded losses in February 2020 topped by CBK with a 9.9% loss, followed by GBK and KFH by 8.7% and 5.1%, respectively.

In terms of value traded in Feb-20, Consumer Goods Index and Oil & Gas Index were the inly indices that showed growth in liquidity by 136% and 107% respectively. Meanwhile, all the other indices showed a decline its value traded levels topped by Technology sector by 93.4% followed by Health care and insurance by 78.5% and 72.5%, respectively

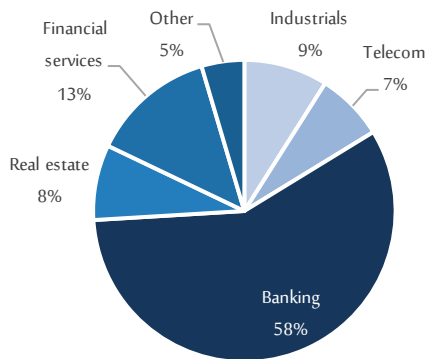
The banking sector was the most traded sector accounted for 58% of the total value traded followed by Financial Services and Industrial by 13% and 9% respectively.

Financial Services Sector, Real Estate Sector and Banking Sector were the most traded sectors based on monthly traded volume during the month with a share of 33%, 27% and 15%, respectively.

Traded Volume



Traded Value



Top Gainers and Losers

Companies' Top Gainers During The Period

Company	Close (fils)	%Chg MTD	Value (KWD '000)	Volume ('000)	Monthly Turnover
Investors Holding Group Company KSCP	11.3	41.3%	4,925	384,086	533%
Al Mal Investment Company KPSC	12.4	37.8%	943	69,509	393%
Wethaq Takaful Insurance Co KCSP	28.1	22.2%	1	55	-94%
Future Kid Entertainment and Real Estate Co KSCP	109.0	21.1%	5	57	-56%
Al Massaleh Real Estate Co KSCP	38.0	20.3%	27	860	23%
Kuwait Reinsurance Company KSCP	185.0	17.1%	5	31	-3%
Al Madar Finance and Investment Co KSCP	102.0	15.9%	398	4,220	-85%
Osos Holding Group Co KSCP	113.0	10.8%	509	4,386	321%
National Ranges Co KPSC	9.3	10.7%	312	29,784	388%
First Dubai for Real Estate Development Co KSCP	48.5	10.5%	4,717	97,368	1037%

** 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 '000)	Volume ('000)	Monthly Turnover**
Taameer Real Estate Investment Co.	23.6	-24.8%	1,318	49,693	11%
Tamdeen Investment Co KSCP	300.0	-24.8%	20	57	-85%
Dar Al Thuraya Real Estate Co KPSC	57.9	-20.8%	27	419	68%
Bayan Investment Co KSCP	37.0	-18.7%	144	3,790	55%
AAN Digital Services Co KSCP	13.0	-18.2%	5,017	360,172	455%
Al Masaken International Real Estate	39.3	-18.1%	0	1	-98%
IFA Hotels and Resorts Co KSCP	51.5	-16.4%	25	454	9%
Fujairah Cement Industries Co PSC	43.0	-15.7%	162	3,410	-4%
Shuaiba Industrial Company KPSC	127.0	-14.8%	42	304	269%
Noor Financial Investment Co KPSC	154.0	-14.0%	6,010	35,236	102%

** 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 KSC	794	-5.1%	96,941	118,928	-14%
National Bank of Kuwait SAKP	1,013	-3.5%	89,004	86,536	-11%
Ahli United Bank BSC	324	-4.7%	67,227	201,868	-1%
Mobile Telecommunications Company	560	-2.8%	31,095	54,347	-36%
Agility Public Warehousing Co KSCP	795	-6.5%	18,845	23,022	-21%
Gulf Bank KSCP	285	-8.7%	17,616	58,868	-68%
Arzan Financial Group for Financing	40	-0.2%	12,725	339,526	183%
Mabane Company KPSC	849	-7.1%	10,522	11,892	0%
Human Soft Holding Company KSCP	3,190	2.3%	9,760	2,982	-3%
Kuwait International Bank KSCP	274	-2.8%	8,578	31,159	-63%

Note: Percentage change from the end of January 2020

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

Investors Holding Group Company KSCP was the top gainer in February 2020 with a monthly gain of 41.3% M-o-M to close at 11.3 fils, (total trading values during the month went up by 533% compared to the average trading value of the last twelve months). Followed by Al Mal Investment Company KPSC which surged by 37.8% to close the month at 12.4 fils (total trading values during the month went up by 393% compared to the average trading value of the last twelve months).

Taameer Real Estate Investment Development Co. topped the losers chart during the second month of 2020 as it went down by 24.8% to close at 23.6 fils, followed by Tamdeen Investment Co KSCP and Dar Al Thuraya Real Estate Co KPSC which decayed by 24.8% and 20.8% during the month, closing at 300 fils and 57.9 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 96.9 million (14% lower than the monthly average for the last twelve months), to end the month at 794 fils. National Bank of Kuwait SAKP "NBK" came next with a traded value of KD 89.0 million (11% lower than the monthly average for the last twelve months), to close the month's trading at 1013 fils. Ahli United Bank BSC "AUB-BH" came next with a traded value of KD 67.2 million (1% lower than the monthly average for the last twelve months), to close the month's trading at 324 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
Feb-19	5,232			Feb-19	5,482			Feb-19	4,773		
Mar-19	5,618	386.2	7.4%	Mar-19	5,987	504.7	9.2%	Mar-19	4,917	144.3	3.0%
Apr-19	5,630	12.2	0.2%	Apr-19	6,047	60.5	1.0%	Apr-19	4,829	(88.5)	-1.8%
May-19	5,732	101.7	1.8%	May-19	6,242	194.9	3.2%	May-19	4,737	(92.2)	-1.9%
Jun-19	5,832	100.5	1.8%	Jun-19	6,377	134.8	2.2%	Jun-19	4,767	29.9	0.6%
Jul-19	6,117	284.5	4.9%	Jul-19	6,744	367.1	5.8%	Jul-19	4,882	115.1	2.4%
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%

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
Feb-19	438,459			Feb-19	2,503,532			Feb-19	25,792		
Mar-19	817,153	378,694	86.4%	Mar-19	3,650,166	1,146,633	45.8%	Mar-19	38,912	13,120.3	50.9%
Apr-19	702,672	(114,481)	-14.0%	Apr-19	3,641,765	(8,400)	-0.2%	Apr-19	33,461	(5,451.5)	-14.0%
May-19	617,069	(85,603)	-12.2%	May-19	2,257,251	(1,384,514)	-38.0%	May-19	28,049	(5,412.0)	-16.2%
Jun-19	660,162	43,093	7.0%	Jun-19	2,623,166	365,915	16.2%	Jun-19	36,676	8,627.1	30.8%
Jul-19	978,903	318,741	48.3%	Jul-19	4,679,630	2,056,463	78.4%	Jul-19	42,561	5,885.3	16.0%
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%

LTM: last twelve months

- The All-Share Index (PR) closed the 2nd month of 2020 in the red zone with strong decline of 4.0% and YTD of -3.3% to close at a level of 6,072 points.
- The Premier Market Index (PR) closed the month of February 2020 with clear reduction at 4.3% M-o-M to close at 6,730 points. Additionally the Premier Market Index (PR) has a YTD of -3.5% in 2020.
- The Main Market Index (PR) ended the second month of 2020 with a decrease in the index records by 3.1% M-o-M to close at 4,769 points and YTD ended at a -2.9% record.
- Trading activity went down significantly during the month. This as evidence by the fact that the monthly traded volume dropped by 11.9% compared to the previous month to reach 3.7 billion shares. Moreover, monthly value traded saw higher decrease of 39.9% to reach KWD 522.2 million as compared to KWD 869.5 million during the previous month.
- The average monthly traded value went also down during the month of February 2020 by 36.4% to an average daily traded value of KWD 30.7 million compared to KWD 48.3 million in January 2020.

Disclaimer

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