

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 31 January 2019



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Kuwait Boursa Performance Analysis

Market Indices

	31-Jan-19	31-Dec-18	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,206	5,080	2.5% ▲	2.5% ▲
Premier Market Index (PR)	5,430	5,267	3.1% ▲	3.1% ▲
Main Market Index (PR)	4,798	4,739	1.3% ▲	1.3% ▲
All-Share Index (TR)	5,795	5,652	2.5% ▲	2.5% ▲
Premier Market Index (TR)	6,077	5,894	3.1% ▲	3.1% ▲
Main Market Index (TR)	5,256	5,185	1.4% ▲	1.4% ▲

Note: Percentage change from the end of December 2018

Highest and lowest indices level

	During the Month		Beg. of 2019	
	High	Low	High	Low
All-Share Index (PR)	5,258	5,110	5,258	5,110
Premier Market Index (PR)	5,501	5,305	5,501	5,305
Main Market Index (PR)	4,815	4,755	4,815	4,755
All-Share Index (TR)	5,853	5,686	5,853	5,686
Premier Market Index (TR)	6,156	5,937	6,156	5,937
Main Market Index (TR)	5,274	5,203	5,274	5,203

Market Indicators

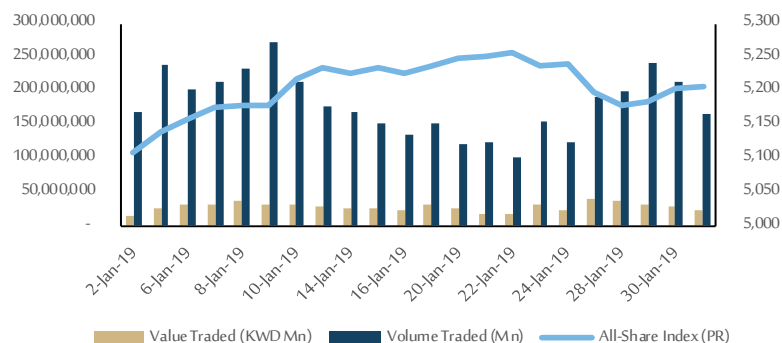
	31-Jan-19	%Chg MTD
Market Cap KWD	29,888,144,017	2.4% ▲
Daily average volume traded (shares / day)	179,955,520	59.3% ▲
Daily average value traded (KWD/ day)	27,747,377	6.3% ▲

Note: Percentage change from the end of December 2018

Net profit of listed Companies in Kuwait Boursa

KWD	9M-2018	%Chg
Net profit of kuwait Boursa's Companies	1,642,359,113	9.6% ▲

Note: Percentage change from the end of 9M-2017



Kuwaiti stock market witnessed a broad-based surge during January-19 as all the market indices witnessed gains during the first month of 2019. The increase was based in the three main shares indices which are (All-Share Index, Premier Market & Main Market). The Premier index (PR) surged the most during the month by 3.1% indicating relatively larger buying power in large-cap stocks. The All Share Index (PR) went up parallelly but at a slower pace of 2.5% driven by the lowest increase among the market indices as the Main Market Index increased by 1.3%.

Average Daily Traded Value recorded a significant surge in January 2019 with a growth of 6.3% to KD 27.7 million during the month compared to KD 26.1 million in the previous month. Also, the average daily traded volume had significantly increase by 59.3% during the month Jan-19 to a daily average of 179.95 million compared to a daily average of 112.9 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 9.6% in the first nine months of the current year compared to the same period of the last year to reach an amount of KWD 1.6 billion.

Within the Premier Market index, 11 out of the 17 constituents closed in the green zone in Jan-2019 with Ahli United Bank BSC leading the gainers chart during the month at 13.7% followed by Gulf Bank KSCP at a rate of 11.1% and Kuwait International Bank KSCP at a rate of 9.8%. On the other hand, the losers chart during the month where topped by Integrated Holding Co KSCC and Mezzan Holding Company KSCP with a loss of 10.7% and 9.6%, respectively.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index			Price to Earning	Price to Book Value	Dividend Yield	ROE %
	31-Jan-2019	Pct Change %					
Oil and Gas	1,156.4	1.2%	▲	21.6	0.9	2.3%	4.2%
Basic materials	1,169.3	0.9%	▲	20.0	1.4	3.6%	6.9%
Industrials	930.2	-3.5%	▼	13.8	1.1	2.0%	8.2%
Consumer goods	608.8	-7.2%	▼	18.8	1.0	4.4%	5.3%
Health care	938.8	-0.9%	▼	104.9	4.6	1.0%	4.4%
Consumer services	934.7	-5.2%	▼	22.3	1.1	3.6%	4.7%
Telecom	910.9	2.6%	▲	11.5	1.2	6.7%	10.5%
Banking	1,137.0	4.1%	▲	15.1	1.9	1.0%	12.5%
Insurance	972.2	-2.1%	▼	11.0	0.9	3.6%	8.4%
Real estate	882.4	1.5%	▲	18.2	0.7	0.5%	3.6%
Financial services	985.6	5.6%	▲	13.8	0.7	2.5%	4.7%
Technology	785.7	0.0%	↔	8.0	0.8	0.0%	10.1%

Note: Percentage change from the end of December 2018

Market Indices activities

Sector	Value			Volume		
	31-Jan-2019	Pct Change %		31-Jan-2019	Pct Change %	
Oil and Gas	8,630,745	73.1%	▲	272,239,702	66.9%	▲
Basic materials	11,239,244	-43.0%	▼	22,493,941	-5.8%	▼
Industrials	50,263,890	-23.2%	▼	188,603,379	60.3%	▲
Consumer goods	6,332,372	76.4%	▲	16,679,444	29.2%	▲
Health care	2,873	-98.8%	▼	29,810	-87.7%	▼
Consumer services	6,736,958	65.9%	▲	85,822,131	122.4%	▲
Telecom	25,785,555	-58.1%	▼	88,684,190	-36.2%	▼
Banking	393,457,418	15.5%	▲	1,184,721,703	40.2%	▲
Insurance	726,750	169.5%	▲	9,433,416	972.4%	▲
Real estate	44,084,908	77.6%	▲	1,012,748,900	126.5%	▲
Financial services	63,166,226	28.4%	▲	1,077,421,155	54.8%	▲
Technology	25,048	-9.6%	▼	230,716	-7.0%	▼

Note: Percentage change from the end of December 2018

In terms of sector performance, the sector performance chart was mixed during the month with the Financial Services index topping the monthly performance chart after gaining 5.6%. The Bank index was next on the list with a gain of 4.1% after all the banks recorded gains during the month barring KFH that declined marginally. Telecom index was next on the monthly performance chart with a gain of 2.6%.

On the decliners side, Consumer Goods and Consumer Services indices recorded the biggest monthly declines of 7.2% and 5.2%, respectively, following steep

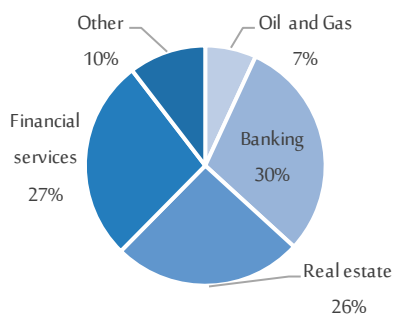
The large cap banking index recorded a huge growth during the first month of 2019 at 4.1% as shares of all the Kuwaiti banks recorded gain during the month barring KFH that declined marginally. Banking index got support from full year earnings for NBK, Boubyan Bank, KIB and Warba Bank with double digit net profit growth in 2018.

In terms of value traded in Jan 2019, the indices had a varied performance as the Insurance index was the best performing with an upsurge of 169.5% followed by Real Estate and Consumer Goods which increase at a rate of 77.6% and 76.4%, respectively. In opposite, Health care index showed the steepest decline among the Kuwait Boursa indices by 98.8%, Telecom Index came next as it declined by 58% followed by Basic Material Index at 43%.

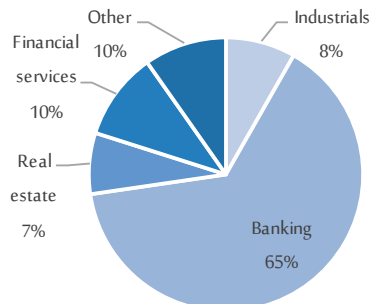
The banking sector was the most traded sector accounted for 65% of the total value traded followed by Financial Services and the Industrial by 10% and 8% respectively.

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 30%, 27% and 26%, 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**
Effect Real Estate Company KPSC	15.1	65.9%	8,556	569,166	34.0%
Wethaq Takaful Insurance Co KCSP	42.5	52.3%	295,056	7,485,978	2940.7%
Kuwait and Middle East Financial Investment Co KSCP	47.0	46.9%	660,482	15,865,034	1110.1%
Aayan Leasing and Investment Co KSCP	48.5	30.0%	16,703,504	425,334,076	324.6%
Real Estate Trade Centers Company KPSC	28.0	27.3%	405,067	15,543,221	1858.0%
Kuwait Foundry Company KPSC	240.0	25.7%	2,508,946	10,985,878	1033.7%
Kuwait Real Estate Holding Co KPSC	31.0	24.0%	16,778	636,620	30.2%
Abyaar Real Estate Development Company KSCP	18.7	23.0%	5,505,597	309,463,868	514.7%
Al Madina for Finance and Investment Co KSCP	25.1	22.4%	2,662,760	108,487,202	874.9%
Egypt Kuwait Holding Co SAE	380.0	16.9%	310,897	920,215	9.6%

Note: Percentage change from the end of December 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**
IFA Hotels and Resorts Co KSCP	56.2	-36.9%	71,667	1,221,351	551.5%
Kuwait Cable Vision Company KPSC	13.0	-35.0%	719	52,839	-24.4%
Palms Agro Production Co KSCP	47.0	-21.7%	475	14,713	21.6%
Yiaco Medical Company KPSC	85.0	-20.6%	2,873	29,810	-27.8%
Shuaiba Industrial Company KPSC	153.0	-18.6%	7,026	41,220	-33.4%
Mashaer Holding Co KSCP	73.5	-12.2%	11,733,646	158,007,745	956.2%
Integrated Holding Co KSCC	750.0	-10.7%	5,726,991	7,248,674	-42.9%
Fujairah Cement Industries Co PSC	56.8	-10.6%	318,025	5,590,981	113.7%
National Real Estate Co KSCP	81.6	-10.3%	504,032	5,851,435	-42.4%
Mezzan Holding Company KSCP	452.0	-9.6%	6,061,656	13,075,704	101.0%

Note: Percentage change from the end of December 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**
Gulf Bank KSCP	280.0	11.1%	90,167,127	341,204,988	388.1%
Kuwait Finance House KSCP	608.0	-0.5%	86,461,303	141,708,762	53.5%
National Bank of Kuwait SAKP	868.0	4.1%	81,464,314	96,600,793	48.6%
Ahli United Bank BSC	232.0	13.7%	74,321,514	336,737,976	268.5%
Mobile Telecommunications Company KSCP	460.0	2.4%	23,566,037	53,283,238	-32.3%
Kuwait International Bank KSCP	290.0	9.8%	21,473,093	79,435,104	71.4%
Aayan Leasing and Investment Co KSCP	48.5	30.0%	16,703,504	425,334,076	324.6%
Agility Public Warehousing Co KSCP	774.0	-3.5%	14,968,013	19,957,072	-22.9%
Human Soft Holding Company KSCP	3,200.0	-2.4%	14,806,407	4,758,318	45.1%
Warba Bank KSC	220.0	4.8%	14,103,932	65,245,523	130.5%

Note: Percentage change from the end of December 2018

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

Effect Real Estate Company KPSC was the top gainer in January 2019 with a monthly gain of 65.9% M-o-M to close at 15.1 fils, (total trading values during the month increased by 34% compared to the average trading value of the last twelve months). Followed by Wethaq Takaful Insurance Co KCSP which surged by 52.3% to close the month at 42.5 fils (total trading values during the month went up by 2941% compared to the average trading value of the last twelve months).

IFA Hotels and Resorts Co KSCP topped the losers chart as it went down by 36.9% to close at 56.2 fils, followed by Kuwait Cable Vision Company KPSC and Palms Agro Production Co KSCP which decayed by 35% and 21.7% during the month, closing at 13 fils and 47 fils, respectively.

Gulf Bank KSCP "GBK" was the top performer in terms of value traded during the month with a trading value of KD 90.2 million (388% higher than the monthly average for the last twelve months), to end the month at 280 fils. Kuwait Finance House "KFH" came next with a traded value of KD 86.5 million (53.5% higher than the monthly average for the last twelve months), to close the month's trading at 608 fils. National Bank of Kuwait SAKP "NBK" came next with a traded value of KD 81.5 million (48.6% higher than the monthly average for the last twelve months), to close the month's trading at 868 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-18	4,956			Jan-18	4,922			Jan-18	4,954		
Feb-18	4,979	23.4	0.5%	Feb-18	4,983	61.0	1.2%	Feb-18	4,844	(110.3)	-2.2%
Mar-18	5,000	21.0	0.4%	Mar-18	5,000	17.4	0.3%	Mar-18	5,000	156.0	3.2%
Apr-18	4,799	(201.0)	-4.0%	Apr-18	4,779	(221.3)	-4.4%	Apr-18	4,835	(165.1)	-3.3%
May-18	4,736	(63.3)	-1.3%	May-18	4,691	(88.1)	-1.8%	May-18	4,816	(18.6)	-0.4%
Jun-18	4,890	154.7	3.3%	Jun-18	4,905	214.3	4.6%	Jun-18	4,864	47.2	1.0%
Jul-18	5,168	277.2	5.7%	Jul-18	5,297	392.2	8.0%	Jul-18	4,933	69.5	1.4%
Aug-18	5,132	(35.3)	-0.7%	Aug-18	5,262	(35.2)	-0.7%	Aug-18	4,897	(35.5)	-0.7%
Sep-18	5,128	(4.3)	-0.1%	Sep-18	5,344	82.1	1.6%	Sep-18	4,736	(161.8)	-3.3%
Oct-18	5,042	(85.8)	-1.7%	Oct-18	5,234	(109.7)	-2.1%	Oct-18	4,694	(41.9)	-0.9%
Nov-18	5,109	67.0	1.3%	Nov-18	5,318	83.6	1.6%	Nov-18	4,730	36.3	0.8%
Dec-18	5,080	(29.6)	-0.6%	Dec-18	5,267	(50.5)	-0.9%	Dec-18	4,739	8.6	0.2%
Jan-19	5,206	126.4	2.5%	Jan-19	5,430	162.7	3.1%	Jan-19	4,798	59.5	1.3%

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 Mn)	(Change Mn)	%Chg
Jan-18	148,983,132			Jan-18	2,613,431			Jan-18	15		
Feb-18	207,257,373	58,274,241	39.1%	Feb-18	1,316,203	(1,297,228)	-49.6%	Feb-18	12	(3.2)	-21.6%
Mar-18	227,325,848	20,068,475	9.7%	Mar-18	1,156,360	(159,843)	-12.1%	Mar-18	11	(0.7)	-6.0%
Apr-18	240,816,390	13,490,542	5.9%	Apr-18	1,348,416	192,056	16.6%	Apr-18	11	0.6	5.9%
May-18	204,747,598	(36,068,792)	-15.0%	May-18	1,196,920	(151,496)	-11.2%	May-18	9	(2.6)	-22.4%
Jun-18	242,071,196	37,323,598	18.2%	Jun-18	1,016,596	(180,324)	-15.1%	Jun-18	13	4.5	51.1%
Jul-18	612,589,244	370,518,048	153.1%	Jul-18	2,892,052	1,875,456	184.5%	Jul-18	27	13.2	98.0%
Aug-18	356,411,314	(256,177,930)	-41.8%	Aug-18	1,781,004	(1,111,048)	-38.4%	Aug-18	21	(5.7)	-21.3%
Sep-18	523,800,394	167,389,080	47.0%	Sep-18	2,098,974	317,970	17.9%	Sep-18	26	5.2	24.9%
Oct-18	309,839,687	(213,960,707)	-40.8%	Oct-18	1,484,658	(614,316)	-29.3%	Oct-18	13	(12.7)	-48.6%
Nov-18	284,811,358	(25,028,329)	-8.1%	Nov-18	2,143,526	658,868	44.4%	Nov-18	17	3.3	24.4%
Dec-18	574,464,321	289,652,963	101.7%	Dec-18	2,484,601	341,074	15.9%	Dec-18	26	9.4	55.9%
Jan-19	610,442,301	35,977,980	6.3%	Jan-19	3,959,021	1,474,421	59.3%	Jan-19	28	1.6	6.3%

LTM: last twelve months

- The All-Share Index (PR) ended the first month of 2019 in the green zone with monthly increase of 2.5% and YTD of 2.5% to close at a level of 5206 points.
- The Premier Market Index (PR) closed the month of Jan 2019 with a remarkable growth at 3.1% M-o-M to close at 5430 points. Additionally the Premier Market Index (PR) has a YTD of 3.1% in 2019.
- The Main Market Index (PR) ended the first month of 2019 in the green zone with monthly increase of 1.3% and YTD of 1.3% to close at a level of 4798 points.
- Trading activities for Kuwait Boursa both value and volume traded had increased during the first month of 2019 by 6.3% and 59.3%, respectively. The monthly value traded reached KWD 610.4 million compared to the previous month while the monthly traded volume reached 3.96 million shares compared to 2.48 million shares in December 2018.
- The average monthly traded value surged during the month of Jan-19 by 6.3% to an average daily traded value of KWD 28 million compared to KWD 14.7 million in December 2018.

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