

Arzan Financial Group

Monthly Market Report

Kuwait Boursa Performance

For the month ended on 30 June 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

	30-Jun-19	30-May-19	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,832	5,732	1.8% ▲	14.8% ▲
Premier Market Index (PR)	6,377	6,242	2.2% ▲	21.1% ▲
Main Market Index (PR)	4,767	4,737	0.6% ▲	0.6% ▲
All-Share Index (TR)	6,733	6,606	1.9% ▲	19.1% ▲
Premier Market Index (TR)	7,400	7,231	2.3% ▲	25.5% ▲
Main Market Index (TR)	5,418	5,378	0.7% ▲	4.5% ▲

Note: Percentage change from the end of May 2019

Highest and lowest indices level

	During the Month		Beg. of 2019	
	High	Low	High	Low
All-Share Index (PR)	5,917	5,726	5,917	5,110
Premier Market Index (PR)	6,497	6,229	6,497	5,305
Main Market Index (PR)	4,803	4,720	5,058	4,698
All-Share Index (TR)	6,821	6,599	6,821	5,686
Premier Market Index (TR)	7,525	7,216	7,525	5,937
Main Market Index (TR)	5,454	5,361	5,665	5,361

Market Indicators

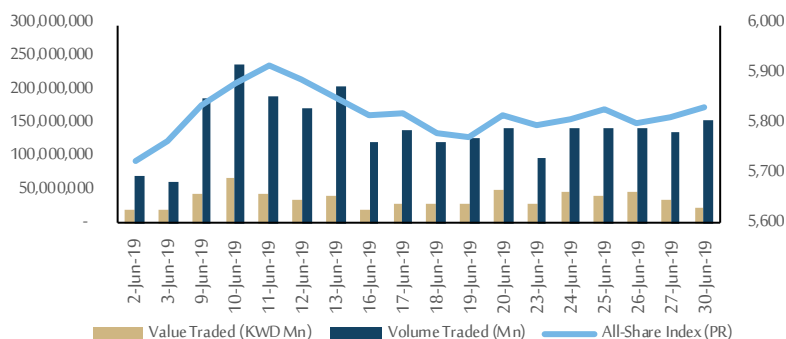
	30-Jun-19	%Chg MTD
Market Cap KWD	35,607,698,648	0.6% ▲
Daily average volume traded (shares / day)	145,731,465	42.0% ▲
Daily average value traded (KWD/day)	36,675,685	30.8% ▲

Note: Percentage change from the end of May 2019

Net profit of listed Companies in Kuwait Boursa

KWD	LTM *	%Chg
Net profit of kuwait Boursa's Companies	2,121,718,904	9.9% ▲

Note: Percentage change from the end of Last Twelve Month as end of Q1-2019



Kuwait Boursa maintained its leadership as the best performing GCC market during first half of the year 2019.

The Premier Index (PR) grew by 21% YTD and the All Share Index (PR) rose by 14.8% driven by the high expectations of Kuwait's inclusion of the Morgan Stanley Emerging Markets Index, which was achieved during the last week of June 2019.

In June 2019 the monthly performance controlled all the market indices as All Share Index (PR) gained 1.8% during the month. This was coming mainly on the back of large cap stocks which expected to derive foreign inflows by MSCI amounted to USD 2.4 billion as indicated by a 2.2% rise in the Premier Market index (PR) while the main market index (PR) increased by 0.6% during the month.

Average Daily Traded Value surged in June 2019 by 30.8% to KD 36.7 million during the month compared to KD 28.0 million in the previous month. Also, the average daily traded volume significantly increased by 42.0% during June 2019 to reach a daily average of 145.7 million compared to a daily average of 102.6 million shares.

Trading activity had increased in June 2019. Value traded went up by 7.0% in June-19 to an amount of KWD 660.2 million compared to KWD 617.1 million in the previous month. Total traded volume in June-19 grew at bigger advances of 16.2% to reach a traded shares accounted for 2.62 billion shares compared to 2.26 billion shares in the previous month.

During the month, Within the Premier Market index, most of the constituents 13 out of the 19 constituents ended the month in the green zone topped by Mezzan Holding Company KSCP leading the gainers chart during the month at 15.9% followed by Burgan Bank KPSC at a rate of 9.4% and Integrated Holding Co KSCC by 6.7%. On the other hand, the losers chart during the month where topped by Human Soft Holding Co. and Qurain Petrochemical Industries Co. with a loss of 8.5% and 7.7%, respectively.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index			Price to Earning	Price to Book Value	Dividend Yield	ROE %
	30-Jun-2019	Pct Change %					
Oil and Gas	1,150.7	1.6%	▲	13.6	0.9	0.0%	6.4%
Basic materials	1,106.3	-5.2%	▼	15.5	1.2	2.7%	8.0%
Industrials	902.9	1.7%	▲	13.5	1.1	0.8%	8.2%
Consumer goods	779.8	12.0%	▲	65.7	1.5	0.0%	2.3%
Health care	942.1	-2.1%	▼	96.0	5.0	0.0%	5.2%
Consumer services	952.0	-0.9%	▼	(47.9)	1.1	1.4%	-2.2%
Telecom	991.6	0.7%	▲	11.0	1.5	5.8%	13.4%
Banking	1,354.3	2.6%	▲	16.9	1.8	2.6%	10.7%
Insurance	931.8	-1.5%	▼	8.8	0.8	3.7%	9.4%
Real estate	934.3	0.6%	▲	29.3	0.7	0.8%	2.4%
Financial services	1,036.7	0.4%	▲	12.4	0.8	0.6%	6.1%
Technology	622.0	-11.3%	▼	11.0	0.7	0.0%	6.5%

Note: Percentage change from the end of May 2019

Market Indices activities

Sector	Value		Volume			
	30-Jun-2019	Pct Change %	30-Jun-2019	Pct Change %		
Oil and Gas	820,174	-21.9%	▼	19,380,017	-42.6%	▼
Basic materials	7,238,626	-34.6%	▼	11,961,742	-45.7%	▼
Industrials	66,666,766	45.1%	▲	174,905,562	68.4%	▲
Consumer goods	2,296,944	172.9%	▲	22,038,647	460.1%	▲
Health care	-	-100.0%	▼	-	-100.0%	▼
Consumer services	2,600,762	7.7%	▲	12,311,151	-36.3%	▼
Telecom	72,362,860	45.9%	▲	155,544,967	40.2%	▲
Banking	402,651,679	-2.1%	▼	939,508,142	-2.0%	▼
Insurance	662,486	144.7%	▲	2,496,672	26.3%	▲
Real estate	27,066,767	-28.7%	▼	435,543,984	4.2%	▲
Financial services	77,790,455	38.1%	▲	849,424,357	45.4%	▲
Technology	9,156	-50.6%	▼	99,587	-54.6%	▼

Note: Percentage change from the end of May 2019

In terms of sector performance, most of the Sector performance chart showed positive performance during the month as the Consumer Goods index led the gainers with a monthly performance of 12% compared to the previous month primarily led by an equivalent gain in shares of Mezzan Holding. Also, the Consumer Goods Index was the second best performing index among the other market indices during the first half of the year with a returns of YTD 18.9%.

The Banking was the second best performing index during June 2018 as it surged by 2.6%. Also, Banking Sector was the best performing in terms of returns as the index is topping YTD chart with a gain of 23.9%. The was driven by the fact that most of the banking sector's constituents were expected to attract foreign inflows amounted to USD 2.4 billion by MSCI EM. Nevertheless, the significant growth in term of banks' net profit were attractive for this performance with considering most of the banks increased their dividend payout ratio.

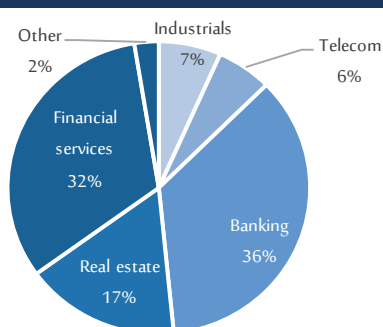
On the decliner's side, the Technology index witnessed the steepest decline both for 1H 2019 and the month of June 2019 at -20.8% and -11.3%, respectively.

In terms of value traded in June 2019, the sector indices showed a mixed performance during the month. In fact, Consumer Goods Index showed higher liquidity as it grew by 173%, followed by Insurance Index and Telecom Index which showed an increase in their level of liquidity by 144.7% and 45.9%, respectively.

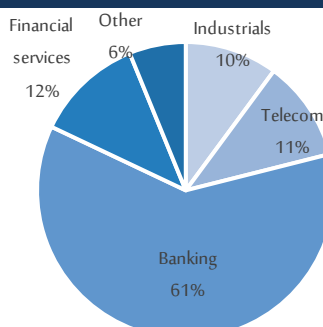
The banking sector was the most traded sector accounted for 61% of the total value traded followed by Financial Services Index and Telecom Index by 12% and 11% respectively.

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%, 32% and 17%, 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**
Gulf Franchising Holding	188.0	275.2%	760	6,504	-90.5%
Palms Agro Production	75.0	85.2%	441	5,877	-77.1%
National Consumer Holding Co.	55.0	83.3%	0	1	-100.0%
Hayat Communications	89.2	82.0%	19,321	297,511	130.5%
Wethaq Takaful Insurance	34.5	27.8%	9,466	276,359	-83.4%
Manazel Holding	28.9	27.3%	509,371	17,841,573	61.4%
Al Eid Food Company	56.0	24.4%	2,422	44,040	-59.8%
KAMCO Investment Co.	85.0	21.4%	37,606	479,321	-28.4%
Bayan Investment Co KSCP	43.6	16.9%	72,011	1,760,442	-37.2%
Aqar Real Estate Investments Co	68.9	16.8%	23,421	347,660	250.9%

Note: Percentage change from the end of May 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**
Tamkeen Holding Co	6.5	-42.5%	30,903	5,232,086	258.0%
IFA Hotels and Resorts Co KSCP	45.0	-27.4%	24,252	551,042	104.8%
Metal and Recycling Co KSCP	70.0	-20.5%	20	290	-98.9%
Al Mal Investment Company KPSC	13.8	-20.2%	151,235	9,578,043	-67.9%
National International Holding Co	60.5	-19.2%	166,062	2,670,282	91.0%
Amwal International Investment Co.	46.0	-17.3%	7,832	152,761	-91.8%
Energy House Holding Company	22.3	-15.8%	57,035	2,369,588	-32.1%
Kuwait Cable Vision Company KPSC	21.1	-15.6%	1,156	55,000	-40.1%
Tijara and Realestate Investment Co.	41.0	-14.9%	6,927	159,552	-73.8%
National Cleaning Co KSCP	58.0	-12.7%	60,595	1,034,688	-55.8%

Note: Percentage change from the end of May 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**
Kuwait Finance House KSCP	714.0	5.0%	115,013,320	165,426,248	51.1%
National Bank of Kuwait SAKP	978.0	0.9%	90,837,545	92,823,301	15.0%
Ahli United Bank BSC	263.0	4.8%	78,993,797	302,390,583	81.2%
Mobile Telecommunications Co.	529.0	1.0%	70,852,520	128,704,185	85.3%
Gulf Bank KSCP	303.0	-3.2%	39,418,426	127,273,650	-19.0%
National Industries Group Holding	227.0	3.2%	33,043,748	146,731,243	115.0%
Agility Public Warehousing Co KSCP	768.0	5.3%	31,646,141	41,188,333	46.0%
Kuwait International Bank KSCP	274.0	-2.5%	21,880,663	77,440,000	15.3%
Warba Bank KSC	248	0.4%	20,917,921	84,564,633	94.7%
Burgan Bank KPSC	350.0	9.4%	18,415,349	54,339,277	36.0%

Note: Percentage change from the end of May 2019

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

Gulf Franchising Holding was the top gainer in June 2019 with a monthly gain of 275% M-o-M to close at 188 fils, (total trading values during the month went down by 91% compared to the average trading value of the last twelve months). Followed by Palms Agro Production Co. KSCP which surged by 85.2% to close the month at 75fils (total trading values during the month went down by 77% compared to the average trading value of the last twelve months).

Tamkeen Holding Co. topped the losers chart during the sixth month of 2019 as it went down by 42.5% to close at 6.5 fils, followed by IFA Hotels and Resorts Co KSCP and Metal and Recycling Co KSCP which decayed by 27.4% and 20.5% during the month, closing at 45 fils and 70 fils, respectively.

Kuwait Finance House KSCP "KFH" was the top performer in terms of value traded during the month with a trading value of KD 115 million (51% higher than the monthly average for the last twelve months), to end the month at 714 fils. National Bank of Kuwait SAKP "NBK" came next with a traded value of KD 90.8 million (15% higher than the monthly average for the last twelve months), to close the month's trading at 978 fils. Ahli United Bank BSC "AUB-BH" came next with a traded value of KD 78.9 million (81% higher than the monthly average for the last twelve months), to close the month's trading at 263 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
Jun-18	4,890			Jun-18	4,905			Jun-18	4,864		
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%
Feb-19	5,232	25.7	0.5%	Feb-19	5,482	52.1	1.0%	Feb-19	4,773	(25.1)	-0.5%
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%

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
Jun-18	242,071			Jun-18	1,016,596			Jun-18	13,448		
Jul-18	612,589	370,518	153.1%	Jul-18	2,892,052	1,875,456	184.5%	Jul-18	26,634	13,185.9	98.0%
Aug-18	356,411	(256,178)	-41.8%	Aug-18	1,781,004	(1,111,048)	-38.4%	Aug-18	20,965	(5,668.9)	-21.3%
Sep-18	523,800	167,389	47.0%	Sep-18	2,098,974	317,970	17.9%	Sep-18	26,190	5,224.6	24.9%
Oct-18	309,840	(213,961)	-40.8%	Oct-18	1,484,658	(614,316)	-29.3%	Oct-18	13,471	(12,718.7)	-48.6%
Nov-18	284,811	(25,028)	-8.1%	Nov-18	2,143,526	658,868	44.4%	Nov-18	16,754	3,282.3	24.4%
Dec-18	574,464	289,653	101.7%	Dec-18	2,484,601	341,074	15.9%	Dec-18	26,112	9,358.4	55.9%
Jan-19	610,442	35,978	6.3%	Jan-19	3,959,021	1,474,421	59.3%	Jan-19	27,747	1,635.4	6.3%
Feb-19	438,459	(171,983)	-28.2%	Feb-19	2,503,532	(1,455,489)	-36.8%	Feb-19	25,792	(1,955.7)	-7.0%
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%

LTM: last twelve months

- The All-Share Index (PR) ended the sixth month of 2019 in the green zone with monthly marginal increase of 1.8% and YTD of 14.8% to close at a level of 5,832 points.
- The Premier Market Index (PR) closed the month of June 2019 with a growth at 2.2% M-o-M to close at 6,377 points. Additionally the Premier Market Index (PR) has a YTD of 21.1% in 2019.
- The Main Market Index (PR) showed in the sixth month of 2019 a marginal increase of 0.6% and YTD of 0.6% to close at a level of 4,767 points.
- Trading activity went up during the month. Monthly volume of shares traded surged compared to the previous month at 2.6 billion shares. Moreover, monthly value traded saw a higher level of 7.0% to reach KWD 660 million as compared to KWD 617 million during the previous month.
- The average monthly traded value went also up during the month of June 2019 by 30.8% to an average daily traded value of KWD 36.7 million compared to KWD 28 million in May 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.

