

# Arzan Financial Group

**Monthly Report**

**Kuwait Boursa Performance**

**For the month ended on 29 November 2018**



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# Kuwait Boursa Performance Analysis

## Market Indices

	29-Nov-18	31-Oct-18	%Chg MTD	% Chg YTD
All-Share Index (PR)	5,109	5,042	1.3% ▲	5.8% ▲
Premier Market Index (PR)	5,318	5,234	1.6% ▲	10.9% ▲
Main Market Index (PR)	4,730	4,694	0.8% ▲	-2.0% ▼
All-Share Index (TR)	5,685	5,611	1.3% ▲	8.4% ▲
Premier Market Index (TR)	5,951	5,857	1.6% ▲	13.4% ▲
Main Market Index (TR)	5,176	5,136	0.8% ▲	1.0% ▲

Note: Percentage change from the end of October 2018

## Highest and lowest indices level

	During the Month		Beg. of 2018	
	High	Low	High	Low
All-Share Index (PR)	5,127	5,032	5,287	4,731
Premier Market Index (PR)	5,340	5,217	5,466	4,684
Main Market Index (PR)	4,766	4,670	5,058	4,670
All-Share Index (TR)	5,706	5,600	5,883	5,235
Premier Market Index (TR)	5,976	5,838	6,117	5,234
Main Market Index (TR)	5,215	5,110	5,441	5,110

## Market Indicators

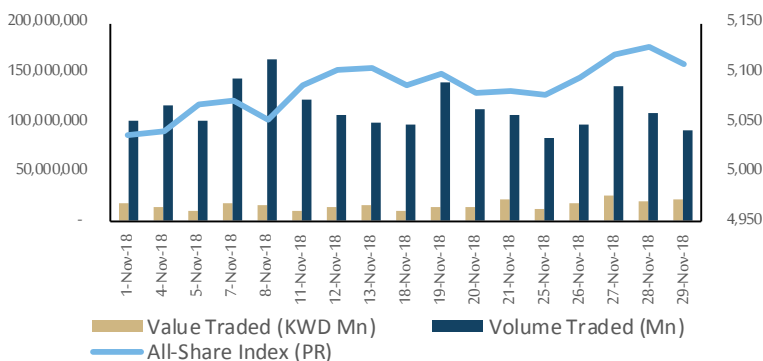
	29-Nov-18	%Chg MTD
Market Cap KWD	29,259,421,406	2.1% ▲
Daily average volume traded (shares / day)	112,817,183	74.8% ▲
Daily average value traded (KWD/ day)	16,753,609	24.4% ▲

Note: Percentage change from the end of October 2018

## Net profit of listed Companies in Kuwait Boursa

KWD	9M-2018	%Chg
Net profit of kuwait Boursa's Companies	1,596,483,603	7.3% ▲

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



Kuwait Boursa's indices posted best performance for month November 2018 where the gain was recorded by all the market indices. This was evident by the fact that the All-share index (PR), and Main Market Index (PR) increased by 1.3%, and 0.8%, respectively.

In addition, gains were led by large-cap stocks as seen from the 1.6% gains for the Premier Market index. Thereby, the gains pushed up the YTD-18 gains as the Premier market index closed at 5,318 points with a YTD 2018 gain of 10.9%, while that of the Main Market Index and the All Share Index stood at -2.0% and 5.8%, respectively.

Average Daily Trading activity recorded a significant surge in November 2018 compared to the previous months. The average daily traded volume had a significant increase by 74.8% to reach 112.8 million shares compared to the previous month of 64.6 million shares. Additionally, the average daily traded value deteriorated significantly with a fall of 24.4% to KD 16.7 million during the month compared to KD 13.5 million in the previous month.

Total Trading activities had a mixed performance during the month of November 2018 as a result of higher trades in small-cap stocks. as a result of higher trades in small-cap stocks. Monthly volume increased by 44% to 2.14 billion shares despite the decline in monthly value traded which dropped by 8.1% to reach KWD 284.9 million as compared to KWD 309.9 million in the previous month.

The net profit for all the companies listed in Kuwait Boursa increased by 7.3% 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, 12 out of the 17 constituents reported positive performance during the month with Kuwait International Bank leading the gainers chart at 10.5% followed by Mabanee Company at 5.1% and National Industries Group at 4.5%. On the other hand, the Premier's constituents losers during the month where topped by Mezzan Holding Group with a loss of 10.2% followed by Agility & and Kuwait Projects at 2.2% and 1.9%, respectively.

# Kuwait Boursa Sectors' Indices Performance

## Market sector Indices

Sector	Index			Price to Earning	Price to Book Value	Dividend Yield	ROE %
	29-Nov-2018	Pct Change %					
Oil and Gas	1,131.8	1.4%	▲	20.2	0.8	2.5%	4.2%
Basic materials	1,190.6	-1.9%	▼	20.1	1.4	3.6%	6.9%
Industrials	963.4	-1.0%	▼	14.2	1.2	1.7%	8.3%
Consumer goods	732.7	-8.1%	▼	23.4	1.2	3.5%	5.3%
Health care	964.6	-3.1%	▼	115.0	5.1	0.9%	4.4%
Consumer services	990.4	2.6%	▲	23.6	1.1	3.4%	4.7%
Telecom	907.7	3.4%	▲	12.0	1.2	7.2%	10.2%
Banking	1,090.3	1.7%	▲	16.3	1.5	2.8%	9.4%
Insurance	944.5	-1.1%	▼	10.7	0.9	3.7%	8.4%
Real estate	885.3	3.0%	▲	20.0	0.7	1.3%	3.3%
Financial services	961.1	2.1%	▲	12.3	0.6	3.0%	5.1%
Technology	785.7	-13.6%	▼	8.0	0.8	0.0%	10.1%

Note: Percentage change from the end of October 2018

## Market Indices activities

Sector	Value			Volume		
	29-Nov-2018	Pct Change %		29-Nov-2018	Pct Change %	
Oil and Gas	3,917,713	273.8%	▲	137,198,769	546.2%	▲
Basic materials	11,559,674	-22.1%	▼	15,435,466	-44.3%	▼
Industrials	33,458,971	-33.2%	▼	111,240,645	5.1%	▲
Consumer goods	2,680,266	-27.3%	▼	10,151,587	22.6%	▲
Health care	565	-79.5%	▼	2,558	-87.9%	▼
Consumer services	5,946,711	121.6%	▲	103,555,630	281.6%	▲
Telecom	20,505,785	-37.9%	▼	65,759,552	-48.6%	▼
Banking	147,964,617	-8.2%	▼	507,654,401	6.6%	▲
Insurance	209,298	-21.0%	▼	1,444,680	-3.7%	▼
Real estate	23,520,123	41.0%	▲	501,692,178	73.8%	▲
Financial services	35,036,610	33.5%	▲	689,345,699	72.2%	▲
Technology	76,000	33.9%	▲	273,296	-37.9%	▼

Note: Percentage change from the end of October 2018

In terms of sector performance, The sector performance chart was almost equally split between gainers and losers although gainers mainly included large-cap sectors. The Telecom index topped the monthly performance chart with a gain of 3.4% as the earnings led gains in shares of Viva Kuwait and Zain. The Real Estate index recorded a gain of 3.0% and was second on the monthly list despite a drop in quarterly earnings report of the most real estate companies in Q3-2018 as compared to Q3-2017.

The negative sector performers during November 2018 included the Technology index with a largest loss of 13.6%, followed by the Consumer goods and health care indices which fell by 8.1% and 3.1% respectively.

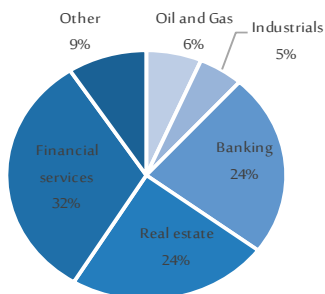
The large-cap Banking Index stood in November 2018 by a gain of 1.7% M-o-M. This was correlated with the fact that earnings for the Banking sector in Q3-2018 stood strong with only CBK reporting a drop in Q3-2018 earnings while aggregate sector reported double digit earnings growth for the period.

In terms of value traded in November 2018, the market indices had a mixed performance as the Oil & Gas Index and Consumer Services Index had the highest growth in term of value traded by 273.8% and 121.6% respectively. Nevertheless, the health care index and Telecom index were the worst performing with a down-surge of 79.5% and 37.9%, respectively.

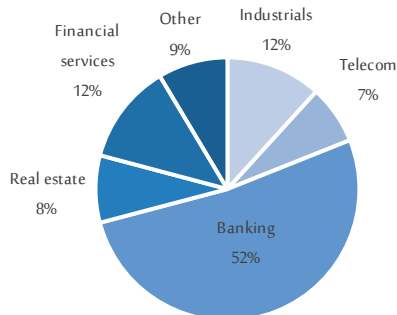
The banking sector was the most traded sector accounted for 52% of the total value traded followed by the Industrial and financial services by 12% and 12%, respectively.

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 32%, 24% and 24%, 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 Co KSCP	249.0	232.0%	531	9,409	-99.1%
Amar Finance and Leasing Company KSCP	48.0	48.1%	539	12,200	-95.8%
Al Masaken International Real Estate Development Co KSCP	62.0	44.5%	14,635	231,618	383.7%
Kuwait Remal Real Estate Co KPSC	45.4	38.0%	682,785	16,854,388	89.6%
International Financial Advisors KPSC	30.2	36.0%	3,674,427	116,051,619	619.3%
Al Deera Holding Co KPSC	20.0	22.0%	83,434	3,924,373	503.2%
International Resorts Company KPSC	22.7	20.1%	334,856	15,233,806	148.9%
Mena Real Estate Co KSCP	33.1	19.2%	592,954	19,884,722	223.0%
Osos Holding Group Co KSCP	112.0	17.9%	57,497	668,987	-44.4%
Arzan Financial Group for Financing and Investment KPSC	30.8	16.7%	309,880	10,656,061	228.2%

Note: Percentage change from the end of October 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**
Kuwait Cable Vision Company KPSC	8.0	-73.3%	59	7,195	-96.2%
Effect Real Estate Company KPSC	14.0	-30.0%	481	34,355	-94.0%
Metal and Recycling Co KSCP	50.0	-26.5%	213	3,549	-96.9%
Ras Al Khaimah for White Cement and Construction Materials Co	69.0	-18.7%	7,600	105,192	-85.5%
Automated Systems Co KPSC	108.0	-13.6%	22,102	202,500	-17.7%
ACICO Industries Company KSCP	170.0	-12.8%	202,176	1,143,145	69.7%
Heavy Engineering Industries and Shipbuilding Company KSCP	424.0	-12.0%	6,082,474	14,026,104	60.9%
Warba Insurance Company KSCP	66.0	-12.0%	25,619	492,555	-32.0%
Sokouk Holding Co KSCP	40.4	-11.8%	202,922	4,816,364	-72.2%
Mezzan Holding Company KSCP	566.0	-10.2%	2,531,751	4,257,080	-17.3%

Note: Percentage change from the end of October 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**
Kuwait Finance House KSCP	598.0	1.9%	33,127,758	57,989,868	-34.8%
Gulf Bank KSCP	269.0	3.5%	28,725,083	112,297,529	140.3%
National Bank of Kuwait SAKP	830.0	1.0%	27,180,223	35,493,275	-41.6%
Ahli United Bank BSC	209.0	1.0%	23,931,863	128,088,238	43.8%
Mobile Telecommunications Company KSCP	462.0	3.6%	18,589,129	43,972,784	-40.6%
Kuwait International Bank KSCP	263.0	10.5%	14,107,392	56,739,599	56.8%
Agility Public Warehousing Co KSCP	812.0	-2.2%	11,931,173	15,871,776	-29.4%
Boubyan Petrochemical Company KSCP	1,028.0	0.9%	9,341,975	9,552,061	37.9%
Burgan Bank SAKP	283.0	2.9%	7,619,235	28,474,989	36.3%
Commercial Real Estate Co KPSC	84.2	-0.4%	6,274,720	77,519,477	303.9%

Note: Percentage change from the end of October 2018

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

Gulf Franchising Holding Co KSCP was the top gainer in November 2018 with a monthly gain of 232% M-o-M to close at 249 fils, (total trading values during the month dropped by 99% compared to the average trading value of the last twelve months). Followed by Amar Finance and Leasing Company KSCP which surged by 48.1% to close the month at 48 fils (total trading values during the month dropped by 95.8% compared to the average trading value of the last twelve months).

Kuwait Cable Vision Company KPSC topped the losers chart as it went down by 73.3% to close at 8 fils, followed by Effect Real Estate Company KPSC and Metal and Recycling Co KSCP which decayed by 30% and 26.5% during the month, closing at 14.0 fils and 50.0 fils, respectively.

Kuwait Finance House "KFH" was the top performer in terms of value traded during the month with a trading value of KD 33.1 million (34.8% lower than the monthly average for the last twelve months), to end the month at 598 fils. Gulf Bank KSCP "GBK" came next with a traded value of KD 28.7 million (140.3% higher than the monthly average for the last twelve months), to close the month's trading at 269 fils. National Bank of Kuwait KSCP "NBK" came next with a traded value of KD 27.2 million (41.6% lower than the monthly average for the last twelve months), to close the month's trading at 830 fils.

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