

OIL PRICES FALL FOR 6TH SESSION AS RECOVERY HOPES WANE

LONDON: Oil prices fell for a sixth session to trade at almost 12-year lows yesterday as slowing growth in China rattled investors' hopes for demand this year and traders increased bets against any near-term recovery. Brent crude futures were down by 47 cents at \$33.08 a barrel by 0935 GMT, off 15 percent in a week, while US West Texas Intermediate (WTI) crude was down 52 cents at \$32.64 per barrel. Speculators increased their net-short positions to a record high in the week to last Tuesday, in a sign that they are losing faith in a price rise anytime soon.

Analysts pointed to China's slowdown, which saw a slide in the yuan and two emergency suspensions in stock trading markets last week, as the main reasons for lower oil and commodity prices. Yesterday, turbulence gripped Chinese markets once again, as blue-chip stocks fell by another 5 percent and overnight interest rates for the yuan outside of China soared to nearly 40 percent, their highest since the launch of the offshore market. "If the first week is anything to go by we are in for a long, volatile and very exhausting year. The week started

on a bad note and ended on a good one but the market response, worryingly, was the same to both - sell, sell, sell," David Hufton, of oil brokers PVM Oil Associates, wrote in a note.

"China has torpedoed the hopes of the optimists. The third leg of the financial crisis involving emerging markets that the IMF, World Bank, BIS and various messengers of doom had warned of has come into play," he said. Morgan Stanley said yesterday that oil prices in the \$20s were possible, especially if the dollar surges more against

other currencies. "A 15 percent CNY (Chinese yuan) depreciation alone could send oil into the \$20s," the bank said. Yesterday's decline adds to last week's more than 10 percent drop in both Brent and WTI prices. Goldman Sachs analysts, who have also said oil could hit \$20 a barrel, said in a note on Friday that sustained lower prices were needed in the first quarter "so producers will move budgets down to reflect \$40 a barrel oil for 2016".

Oil prices have fallen over 70 percent since the downturn began in mid-2014 as soaring global production sees hundreds of thousands of barrels of crude produced every day without a buyer.

Adding to overproduction is slowing demand, especially in China where growth has dropped to its lowest rate in a generation and experts see few signs of improvement for the next few years.

"Chinese oil data are finally starting to reflect weak economic activity. Implied oil demand in China contracted 4.9 percent (537,300 thousand bpd) month on month and 2.0 percent (216,700 thousand bpd) year on year in November, the first decline since July 2014," Barclays bank said in a note on Friday. "We expect further compression in growth rates this year, with an average of 300,000 barrels per day (2.7 percent)," it said.

Gold down
Gold retreated yesterday as the dollar rose versus the euro, but was still around a nine-week high as pressure on Asian stock markets continued to support investors' flight to safety. Asian shares sank to their lowest in over four years after the People's Bank of China guided the yuan's midpoint rate sharply stronger, a move that might calm concerns about a competitive devaluation but only added to market confusion as to Beijing's ultimate intent on its currency policy.

European shares were steadier, slightly weighing on bullion prices, usually seen as a safer bet by investors. Spot gold was down 0.1 percent at \$1,103.06 an ounce by 1301 GMT, while US gold futures gained 0.5 percent to \$1,103.60. "Gold should be a lot higher, you've got all the China concerns, the Middle East tensions ... clearly there is a lot of overhead selling, which is capping the price," Societe Generale analyst Robin Bhar said.

Gold climbed to its highest since early November on Friday, adding more than 4 percent to its value this year, on concerns over the Chinese economy and tumbling stock markets. Perceived missteps by China's authorities in controlling their share market and currency have led to concerns Beijing might lose its grip on economic policy too. —Reuters

Daily Kuwait Stock Exchange Report									
Monday 11 January 2016									
Index	Change	Closing	Last Closing	High	Low				
Price index	▼ -31.40	5,387.04	5,418.53	5,420.84	5,370.49				
Weighted Index	▼ -1.40	365.30	366.70	368.24	365.25				
KXSX 15	▼ -3.42	857.94	861.36	867.53	856.80				
Trades									
Security	High	Low	Volume	Value (KD)	Trades	Last	Change		
MARIN	114	104	4100	427	2	114	▲ 10.0		
IKARUS	83	79	19,111	1,546	3	83	▼ -1.0		
IPG	0.0	0.0	0	0	0	320	— 0.0		
NAPESCO	0.0	0.0	0	0	0	680	— 0.0		
ENERGYH	0.0	0.0	0	0	0	39.0	— 0.0		
GPI	47.0	46.5	382,580	17,895	20	46.5	▼ -1.0		
ARAR	114	114	10,000	1,140	2	114	▼ -8.0		
Oil & Gas			415,791	21,000	27	816.35	▲ 2.20		
KFOUC	210	210	20,000	4,200	1	210	— 0.0		
DFCC	495	475	115,194	56,417	7	475	▼ -20.0		
ALKOUT	0.0	0.0	0	0	0	610	— 0.0		
ALQURAIN	184	182	230,031	42,319	23	182	— 0.0		
Basic Materials			365,225	102,936	31	923.25	▼ -13.45		
KCEM	0.0	0.0	0	0	0	370	— 0.0		
REFRI	300	300	957	287	1	300	— 0.0		
CABLE	350	345	24,480	8,543	3	345	▼ -5.0		
SHIP	0.0	0.0	0	0	0	146	— 0.0		
PCEM	0.0	0.0	0	0	0	1,040	— 0.0		
PAPER	0.0	0.0	0	0	0	390	— 0.0		
MRC	0.0	0.0	0	0	0	79	— 0.0		
ACICO	290	280	1,400	390	3	280	— 0.0		
GGMC	0.0	0.0	0	0	0	490	— 0.0		
HCC	0.0	0.0	0	0	0	132	— 0.0		
KPAK	0.0	0.0	0	0	0	360	— 0.0		
KBMM	0.0	0.0	0	0	0	250	— 0.0		
NICBM	250	230	7,200	1,670	7	250	— 0.0		
EQUIPMENT	53	52	135,150	7,113	6	52	▼ -2.0		
NOCCI	0.0	0.0	0	0	0	99	— 0.0		
GYPSUM	0.0	0.0	0	0	0	102	— 0.0		
SALDOOKH	74	74	10,000	740	1	74	▼ -4.0		
AGLTY	440	425	3,514,525	1,513,334	112	425	▼ -5.0		
EDU	238	238	20	5	1	238	▲ 10.0		
CLEANING	0.0	0.0	0	0	0	38.0	— 0.0		
CITYGROUP	0.0	0.0	0	0	0	405	— 0.0		
KGL	0.0	0.0	0	0	0	40.0	— 0.0		
KGPC	0.0	0.0	0	0	0	218	— 0.0		
HUMANSOFT	950	900	700	600	2	900	— 0.0		
NAFAIS	0.0	0.0	0	0	0	154	— 0.0		
SAFWAN	0.0	0.0	0	0	0	320	— 0.0		
GFC	30.5	26.5	16,700	499	5	30.0	▲ 1.0		
MAYADEEN	20.0	19.0	1,521,557	29,064	44	19.5	— 0.0		
CGC	0.0	0.0	0	0	0	780	— 0.0		
MITCC	65	63	608,000	38,985	20	65	— 0.0		
UPAC	650	650	940	611	1	650	— 0.0		
ALAFCC	206	206	50,000	10,300	5	206	— 0.0		
MUBARRAD	77	75	115,100	8,888	9	77	▲ 1.0		
LOGISTICS	52	50	373,002	19,133	21	51	▼ -2.0		
SCEM	85	82	251,000	20,607	4	85	▼ -2.0		
GCEM	73	70	151	11	2	73	▲ 1.0		
QCEM	0.0	0.0	0	0	0	75	— 0.0		
FCEM	72	70	166,000	11,697	4	70	— 0.0		
RKWC	100	100	100	10	1	100	▲ 5.0		
SPEC	89	79	20,100	1,590	4	88	▼ -1.0		
Industrials			6,817,082	1,673,946	256	1010.44	▲ 1.55		
KSH	0.0	0.0	0	0	0	220	— 0.0		
NSH	0.0	0.0	0	0	0	82	— 0.0		
PAPCO	0.0	0.0	0	0	0	106	— 0.0		
CATTL	128	124	136,000	17,050	14	124	▼ -2.0		
DANAH	80	78	227,570	17,471	8	80	— 0.0		
POULT	0.0	0.0	0	0	0	196	— 0.0		
FOOD	2,020	2,000	58,296	117,092	11	2,000	▼ -60.0		
Consumer Goods			421,866	161,614	33	1070.45	▼ -8.47		
MHC	0.0	0.0	0	0	0	180	— 0.0		
ATC	0.0	0.0	0	0	0	920	— 0.0		
YIACO	0.0	0.0	0	0	0	124	— 0.0		
Health Care			0	0	0	912.40	— 0.00		
KCIN	0.0	0.0	0	0	0	950	— 0.0		
KHOT	0.0	0.0	0	0	0	220	— 0.0		
SULTAN	0.0	0.0	0	0	0	61	— 0.0		
CABLETV	27.5	22.5	6,100	138	4	27.5	— 0.0		
EYAS	335	330	430,965	142,111	2	335	▲ 25		
IFHR	0.0	0.0	0	0	0	204	— 0.0		
QULAFUEI	104	100	189,014	19,283	39	104	▼ -4		
MUNTAZAHAT	95	92	30,200	2,779	2	95	— 0.0		
JAZERA	840	830	44,891	37,514	9	830	▼ -20		
SOOR	106	100	31,780	3,317	16	100	▼ -4		
FUTUREKID	0.0	0.0	0	0	0	110	— 0.0		
ALNAWADI	0.0	0.0	0	0	0	83	— 0.0		
ALRAI	142	136	3,747	525	5	142	▲ 2		
ZIMAH	100	93	360,697	33,236	23	100	▲ 2		
UFIG	0.0	0.0	0	0	0	140	— 0.0		
KOUJIFOOD	0.0	0.0	0	0	0	650	— 0.0		
Mezzan	1,100	1,080	685,999	753,055	25	1,080	— 0.0		
Consumer Services			1,772,553	991,958	125	980.07	▲ 3.80		
ZAIN	350	340	704,533	241,942	33	340	▼ -5		
ODREDO	1,080	1,060	4,792	5,080	4	1,060	— 0.0		
HITSTELEG	27.0	26.5	1,097,537	29,524	17	27.0	▲ 1		
VIVA	990	990	702,776	695,748	144	990	— 0.0		
Telecommunications			2,509,038	972,294	198	588.50	▼ -0.28		
NBK	780	760	1,150,112	885,803	36	770	— 0.0		
GDK	250	250	1,500	375	1	250	— 0.0		
CBK	500	500	200,000	100,000	3	500	▼ -10		
ABK	0.0	0.0	0	0	0	365	— 0.0		
ALMUTAHED	510	510	414,463	211,376	8	510	— 0.0		
KIB	220	216	328,444	71,598	12	216	▼ -4		
BURG	360	355	771,514	276,887	25	355	▼ -15		
KFIN	510	480	8,604,009	4,297,086	249	495	▲ 15		
BOUBYAN	435	430	283,300	122,979	25	430	▼ -5		
AUB	204	200	497,027	100,235	19	202	— 0.0		
ITHMR	43.0	40.5	1,753,959	72,399	63	41.5	▼ -1		
WARBANK	190	186	606,432	114,195	107	190	— 0.0		
Banks			14,611,360	6,252,913	548	869.38	▼ -5.16		
KINS	0.0	0.0	0	0	0	315	— 0.0		
GINS	0.0	0.0	0	0	0	750	— 0.0		
AINS	470	465	2,500	1,173	2	470	▼ -20.0		
WINS	100	100	319	32	2	100	— 0.0		
KUWAITRE	0.0	0.0	0	0	0	200	— 0.0		
FTI	0.0	0.0	0	0	0	56	— 0.0		
WETHAQ	0.0	0.0	0	0	0	41.0	— 0.0		
BKIKWT	0.0	0.0	0	0	0	355	— 0.0		
Insurance			2,819	1,204	4	1103.02	▼ -6.88		
SOKOUK	43.5	41.5	463,0918	198,339	67	42.0	▼ -2.0		
KRE	51	50	2,278,644	114,506	27	51	▼ -1.0		
URC	0.0	0.0	0	0	0	94	— 0.0		
NRE	88	85	55,100	4,684	3	85	▲ 1.0		
SRE	0.0								