

# WORLD STOCKS WOBBLE AS STIMULUS HOPES FADE

**LONDON:** World stocks mostly fell yesterday as a broad rise in government bond yields suggested investors are expecting less central bank stimulus and higher interest rates than before. France's CAC 40 slipped 0.2 percent to 4,460 and Germany's DAX was down 0.3 percent to 10,545. Britain's FTSE 100 fell 0.6 percent to 6,970. US shares were set to drift lower with Dow and S&P 500 futures both down 0.1 percent. A drop in bond prices, which pushes up bond yields, indicated that investors are predicting tighter monetary policies from central banks. That includes the possibility of an interest rate increase in the US in coming months as well as potentially less stimulus in the eurozone and UK bond yields

were rising in many advanced economies, particularly the US, UK and Germany, albeit from near-record lows. Central bank stimulus is credited with propping up company share prices in recent years, so the possibility of tighter money tends to weigh on stocks. "This move in bond markets could well have further to run, particularly since we have inflation data out this week from Europe, the UK and the US, as well as the latest European Central Bank rate meeting," said Michael Hewson, chief market analyst at CMC Markets.

a slew of quarterly earnings reports in the US. Bank earnings will be a feature of the week. Yesterday, Bank of America said its third-quarter profits rose nearly 6 percent from a year earlier, helped by strong results in investment banking and trading. The \$4.45 billion figure better than analysts had expected, leading investors to bid up the bank's shares by 2 percent in pre-market trading. The report followed better-than-expected earnings from Citigroup and JPMorgan Chase, and helped steady investor nerves about a sector that is ailing in Europe and seen a scandal engulf Wells Fargo. Most Asian markets swung lower yesterday following healthy gains at the end of last week, as

investors bet that the Federal Reserve will raise interest rates before the end of the year. Shares had soared Friday after data showed the first rise in Chinese factory prices for more than four years, fuelling hopes the world's number two economy is reaching the end of a years-long growth slowdown.

Analysts said comments from Fed boss Janet Yellen Friday suggested the US central bank would raise borrowing costs but at a steady pace. Yellen said running a "high-pressure economy" could help it overcome the damage caused by the global financial crisis. "If nothing else, this is another lower-for-longer prescription.

However, these comments do not preclude a 25-basis-point rate hike this year as another step in the normalization process," Thomas Simons, senior economist at Jefferies LLC in New York, wrote in a note to clients. Most experts predict a rise by December at the latest and are closely watching the release this week of US industrial output and inflation data. The prospect of higher borrowing costs weighed on Asian markets in the morning but some staged a recovery as the day wore on. Tokyo ended 0.3 percent higher, with a pick-up in the dollar against the yen helping exporters, while Seoul was 0.2 percent up. But Shanghai closed 0.7 percent lower and Sydney shed 0.8 percent, while Singapore sank 0.2 percent and Wellington tumbled 0.9 percent.

Australia had been held in China. While it is not clear why they are being questioned, the Australian Broadcasting Corporation said it understood they were seized over soliciting Chinese big spenders to gamble in overseas casinos. "The casino industry is in a sensitive position as recent Chinese government policy has been anti-corruption," Ronald Wan, chief executive of Partners Capital International in Hong Kong, told Bloomberg News. Sands China sank 3.3 percent, Wynn Macau lost 2.7 percent and Galaxy Entertainment dived 4.3 percent.

Japan's benchmark Nikkei 225 wobbled but finished 0.3 percent higher at 16,900.12. South Korea's Kospi rose 0.2 percent to 2,027.61, while Australia's S&P/ASX 200 dipped 0.8 percent to 5,388.70. Hong Kong's Hang Seng fell 0.8 percent to 23,037.54 and the Shanghai Composite index fell 0.7 percent to 3,041.17.

The SET of Thailand dropped 0.2 percent to 1,474.39 and other markets in Southeast Asia were mostly lower. In Sydney, Crown Resorts-owned by billionaire James Packer-plunged almost 14 percent. Bangkok's market dipped 0.2 percent, having soared Friday as news of the death of Thailand's king fuelled bargain-buying after heavy selling in his final days. The dollar strengthened Friday on the prospects of higher rates and maintained its gains in Asia. The greenback bought 104.10 yen in Tokyo, from 104.16 yen in New York but still well up from the 103.66 yen Thursday. The euro bought \$1.0985 from \$1.0974 Friday but weaker than Thursday's \$1.1056. The pound remains bolted at three-decade lows as traders fret over Britain's plans to leave the European Union. — Agencies

## BANK EARNINGS

There will also be a lot of interest this week on

Global

Daily Kuwait Stock Exchange Report

Monday 17 October 2016

Index	Change	Closing	Last Closing	High	Low
Price Index	▼ -22.04	5,287.11	5,309.15	5,308.71	5,267.27
Weighted Index	▼ -2.03	343.18	345.21	345.18	341.85
KSX 15	▼ -5.23	797.33	802.56	803.39	792.50

Volume	77,023,887
Value (KWD)	13,994,786
Number of Trades	2,138

Security	Trades						
	High	Low	Volume	Value (KD)	Trades	Last	Change
MARIN	0.0	0.0	0	0	0	92	▼ 0.0
IKARUS	27.5	26.0	89,660	2,421	5	27.0	▲ 0.5
IPG	0.0	0.0	0	0	0	345	▼ 0.0
NAPESCO	0.0	0.0	0	0	0	780	▼ 0.0
ENERGYH	44.5	44.0	1,900	84	2	44.0	▼ -1.0
GPI	36.5	35.5	359,030	12,955	13	36.5	▼ -0.5
ABAR	0.0	0.0	0	0	0	89	▼ 0.0
<b>Oil &amp; Gas</b>			<b>450,590</b>	<b>15,460</b>	<b>20</b>	<b>744.90</b>	<b>▼ -2.77</b>

Security	Trades						
	High	Low	Volume	Value (KD)	Trades	Last	Change
SOKOUK	28.0	27.0	1,252,186	34,333	47	27.0	▼ -2.0
KRE	49.5	49.5	497,000	24,602	24	49.5	▲ 0.5
URC	96	96	100	10	1	96	▲ 5.0
NRE	75	73	940,756	69,543	29	74	▼ 0.0
SRE	0.0	0.0	0	0	0	365	▼ 0.0
TAM	0.0	0.0	0	0	0	540	▼ 0.0
AREEC	140	140	30,000	4,200	2	140	▼ -2.0
MASSALEH	0.0	0.0	0	0	0	40.5	▼ 0.0
ARABREC	26.0	25.0	2,717,672	68,908	44	25.5	▼ -0.5
ERESCO	39.5	39.0	235,361	9,182	9	39.0	▼ -0.5
MABANEE	820	800	709,390	571,974	27	800	▼ 0.0
INJAZZAT	68	66	217,900	14,571	11	67	▼ -1.0
INVESTORS	20.0	19.5	1,151,909	22,466	30	20.0	▼ 0.0
IRC	26.0	23.0	321,001	7,385	28	24.5	▲ 0.5

Security	Trades						
	High	Low	Volume	Value (KD)	Trades	Last	Change
KFOUC	166	164	80,500	13,217	8	164	▼ -2.0
BPCC	450	445	175,327	78,283	4	450	▼ 0.0
ALKOUT	0.0	0.0	0	0	0	600	▼ 0.0
ALQURAIN	194	194	55,784	10,822	8	194	▼ 0.0
<b>Basic Materials</b>			<b>311,611</b>	<b>102,322</b>	<b>20</b>	<b>891.76</b>	<b>▼ -1.76</b>

KCEM	0.0	0.0	0	0	0	370	▼ 0.0
REFRI	300	300	40,000	12,000	2	300	▼ 0.0
CABLE	370	360	57,915	20,926	11	360	▼ -10.0
SHIP	150	150	10	2	1	150	▼ -2.0
PCEM	940	940	19,900	18,706	4	940	▼ -10.0
PAPER	250	230	6,117	1,447	4	250	▲ 10.0
MRC	0.0	0.0	0	0	0	66	▼ 0.0
ACICO	290	280	22,500	6,332	4	290	▲ 10.0
GGMC	0.0	0.0	0	0	0	350	▼ 0.0
HCC	0.0	0.0	0	0	0	128	▼ 0.0
KBMMC	0.0	0.0	0	0	0	190	▼ 0.0
NICBM	0.0	0.0	0	0	0	206	▼ 0.0
EQUIPMENT	42.0	40.5	903,277	36,964	47	41.0	▼ -1.5
NCCI	0.0	0.0	0	0	0	50	▼ 0.0
GYPSPM	0.0	0.0	0	0	0	102	▼ 0.0
SALBOOKH	59	54	376,162	20,609	22	55	▼ -4.0
AGLTY	470	465	1,231,281	573,371	22	465	▼ -5.0
EDU	0.0	0.0	0	0	0	192	▼ 0.0
CLEANING	38.0	37.5	127,000	4,813	5	37.5	▼ -1.5
KGL	45.5	45.0	476,617	21,451	19	45.0	▼ -1.0
KPCP	0.0	0.0	0	0	0	170	▼ 0.0
HUMANSOFT	1,600	1,600	12,827	20,523	3	1,600	▲ 100.0
NAFAIS	0.0	0.0	0	0	0	182	▼ 0.0
SAFWAN	385	385	20,000	7,700	2	385	▼ 0.0
GFC	0.0	0.0	0	0	0	30.5	▼ 0.0
MAYADEEN	28.5	28.0	1,109,415	31,296	19	28.5	▼ 0.0
CGC	650	600	11,600	7,170	7	650	▼ 0.0
MTCC	51	48.0	813,500	39,879	45	48.0	▼ -3.0
UPAC	0.0	0.0	0	0	0	680	▼ 0.0
ALAFACO	0.0	0.0	0	0	0	214	▼ 0.0
MUBARRAD	50	48.0	463,753	22,603	17	48.0	▼ -3.0
LOGISTICS	0.0	0.0	0	0	0	72	▼ 0.0
SCEM	0.0	0.0	0	0	0	82	▼ 0.0
GCEM	73	73	30,000	2,190	2	73	▼ 0.0
QIC	0.0	0.0	0	0	0	68	▼ 0.0
FCEM	79	78	501,455	39,455	15	78	▼ -1.0
RKWC	88	88	257	23	1	88	▲ 5.0
SPEC	0.0	0.0	0	0	0	77	▼ 0.0
<b>Industrials</b>			<b>6,223,586</b>	<b>887,459</b>	<b>252</b>	<b>1175.69</b>	<b>▲ 9.64</b>

KSH	0.0	0.0	0	0	0	138	▼ 0.0
NSH	0.0	0.0	0	0	0	64	▼ 0.0
PAPCO	92	92	10,000	920	1	92	▼ -4.0
CATTL	212	210	29,003	6,110	2	210	▼ -8.0
DANAH	85	84	225,066	18,911	11	85	▼ -1.0
POULT	176	176	10,000	1,760	1	176	▼ 0.0
FOOD	2,600	2,580	124,500	323,590	7	2,600	▲ 20.0
<b>Consumer Goods</b>			<b>398,569</b>	<b>351,291</b>	<b>22</b>	<b>1101.07</b>	<b>▼ -10.22</b>

MHC	0.0	0.0	0	0	0	200	▼ 0.0
ATC	0.0	0.0	0	0	0	920	▼ 0.0
YIACO	0.0	0.0	0	0	0	198	▼ 0.0
<b>Health Care</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>1051.00</b>	<b>▼ 0.00</b>

KCIN	0.0	0.0	0	0	0	950	▼ 0.0
KHOT	0.0	0.0	0	0	0	300	▼ 0.0
SULTAN	51	50	125,000	6,370	6	51	▲ 1.0
CABLETV	61	61	293	18	1	61	▲ 5.0
EYAS	0.0	0.0	0	0	0	385	▼ 0.0
IFAHR	0.0	0.0	0	0	0	158	▼ 0.0
QULAFUEL	110	108	211,711	23,285	7	108	▼ -2.0
MUNTAZAHAT	75	72	230,100	16,821	10	75	▼ -1.0
JAZEERA	840	820	24,320	20,187	5	820	▼ -20.0
SOOR	108	108	18,853	2,036	7	108	▼ 0.0
FUTUREKID	97	97	7,477	725	1	97	▼ 0.0
ALRAI	0.0	0.0	0	0	0	142	▼ 0.0
ZIMAH	40.0	39.0	1,296,659	50,956	69	39.0	▼ 0.0
UFIG	0.0	0.0	0	0	0	170	▼ 0.0
Mezzan	960	950	325	309	2	960	▼ 0.0
<b>Consumer Services</b>			<b>1,914,738</b>	<b>120,707</b>	<b>108</b>	<b>905.96</b>	<b>▲ 1.00</b>

ZAIN	340	330	652,317	218,293	33	330	▼ -5.0
OOREDOO	1,100	1,100	1,778	1,956	5	1,100	▼ 0.0
HITSTELEC	34.5	33.5	5,148,348	174,659	90	33.5	▼ -1.0
VIVA	870	860	104,595	90,352	44	860	▼ 0.0
<b>Telecommunications</b>			<b>5,907,038</b>	<b>485,259</b>	<b>172</b>	<b>561.51</b>	<b>▼ -3.83</b>

NBK	580	560	12,310,075	7,016,734	190	570	▼ -10.0
GBK	226	226	5,000	1,130	1	226	▼ -2.0
CBK	390	380	102,637	39,958	5	380	▼ -10.0
ABK	310	305	90,530	27,622	9	305	▼ -5.0
ALMUTAHED	380	380	150	57	1	380	▼ -5.0
KIB	186	182	828,866	152,515	21	182	▼ -2.0
BURG	320	310	3,377,000	1,063,720	24	320	▼ 0.0
KFIN	465	460	1,812,337	835,748	40	465	▼ 0.0
BOUBAYAN	385	380	1,027,620	390,616	42	385	▼ 0.0
ATH	192	190	222,700	42,338	9	190	▼ 0.0
IUMHR	32.0	30.0	1,414,500	43,695	29	31.5	▼ -1.0
WARBABANK	164	160	1,377,339	224,113	72	162	▼ -2.0
<b>Banks</b>			<b>22,568,754</b>	<b>9,838,247</b>	<b>443</b>	<b>767.41</b>	<b>▼ -6.37</b>