

Business

WALL STREET WEEK AHEAD

2017's lumps of coal could be 2018's diamonds

SAN FRANCISCO: Investors saddled in 2017 with the market's worst performers, including Under Armour and General Electric, may do well to remember as December draws to an end that lumps of coal sometimes turn into diamonds. As investment advisors rebalance clients' portfolios in the final weeks of the year, the instinct to dump stocks that have been left behind in surging markets - or that fall out of favor with analysts - can be self-destructive.

With the S&P 500's rally pushing price/earnings multiples to highs not seen since 2002, laggards overlooked by a rush to

own technology and other high-growth stocks may attract bargain-hunting investors heading into 2017. "A contrarian strategy of buying beaten-up names might have a good year," said Tim Ghriskey, chief investment officer of Solaris Group in Bedford Hills, New York. Ghriskey in recent months bought shares of General Electric, which has slumped 45 percent this year as it struggles with a shift from coal and gas to renewable energy. He believes the 125-year-old conglomerate will claw its way back to growth, or might be split into multiple companies.

Some of the worst-performing stocks of

2016 roared back to life in 2017, including Vertex Pharmaceuticals and medical device maker Illumina. Those two companies this year have rebounded 69 percent or more. As he rebalances clients' portfolios this month, Jake Dollarhide, head of Longbow Asset Management in Tulsa, Oklahoma, is investing more in Kroger Co and other supermarkets that took a beating after Amazon.com said in June it was buying Whole Food Markets. Kroger has lost 20 percent year to date and it recently traded at 14 times expected earnings, compared to its five-year average of 27. "Grocery is local; it's not an internet play. And

Kroger has the footprint to not even notice that Amazon is around," Dollarhide said.

Investors following the Dogs of the Dow investment strategy each year buy components of the Dow Jones Industrial Average with the highest dividend yield, betting that those stocks have been oversold. Currently, those companies include Verizon Communications, International Business Machines and Exxon Mobil, all with dividend yields of 3.7 percent or more. Those three stocks were also Dogs of the Dow at the start of this year, and they have underperformed. But an investor following that strategy last

December also would have bought Boeing, which has nearly doubled in 2017, Caterpillar, which is up 64 percent, and Cisco Systems, which has risen 28 percent.

In the past 12 months, however, it has surged back with a 25 percent rally. Due partly to increased competition from Nike, Under Armour has slumped 48 percent year to date, making it the S&P 500's third-worst-performing stock. Last January, most analysts recommended buying Under Armour's shares and none recommended selling. Now, most analysts are neutral on the yoga-pant pioneer. —Reuters

Daily Kuwait Stock Exchange Report							
Sunday 24 December 2017							
Index	Change	Closing	Last Closing				
Price index	▼ -71.06	6,342.66	6,413.72				
Weighted Index	▼ -0.55	400.23	400.78				
KSX 15	▼ -1.59	910.99	912.58				

Security	High	Low	Volume	Value (KD)	Trades	Last	Change
IPG	415	415	100	42	1	415	▲ 15.0
NAPESCO	0.0	0.0	0	0	0	800	— 0.0
ENERGYH	0.0	0.0	0	0	0	29.0	▲ 0.0
GPI	30.2	29.4	1,949,385	58,178	54	29.9	▲ 0.6
ABAR	0.0	0.0	0	0	0	84	— 0.0
Oil & Gas			1,949,485	58,219	55	978.74	▲ 10.00

Security	High	Low	Volume	Value (KD)	Trades	Last	Change
KFOUC	265	245	48,367	11,994	15	246	▼ -10.0
BPCC	663	645	558,751	366,104	31	660	▲ 15.0
ALKOUT	0.0	0.0	0	0	0	600	— 0.0
ALQURAIN	318	318	44,002	13,993	6	318	▼ -2.0
Basic Materials			651,120	392,091	52	1232.09	▼ -4.30

Security	High	Low	Volume	Value (KD)	Trades	Last	Change
KCEM	474	474	1,300	616	1	474	— 0.0
CABLE	427	427	850	278	1	427	▲ 3.0
SHIP	216	206	24,020	4,950	5	207	▲ 1.0
PCEM	0.0	0.0	0	0	0	940	— 0.0
PAPER	273	273	400	109	1	273	▲ 23.0
MRC	75	70	530	37	3	75	▼ -0.0
ACICO	257	254	80,500	20,484	12	257	▲ 2.0
HCC	0.0	0.0	0	0	0	170	— 0.0
NICBM	0.0	0.0	0	0	0	195	— 0.0
EQUIPMENT	0.0	0.0	0	0	0	34.9	— 0.0
NCCI	0.0	0.0	0	0	0	90	— 0.0
GYPSPUM	95	95	50,000	4,750	1	95	— 0.0
SALBOOKH	60	52	1,013	60	3	59	▲ 4.3
AGLTY	804	797	626,831	501,438	51	800	▼ -6.0
EDU	0.0	0.0	0	0	0	301	— 0.0
CLEANING	0.0	0.0	0	0	0	51	— 0.0
KGL	66	56	17,187	963	2	66	— 0.0
KPCO	145	145	25,000	3,625	1	145	▲ 10.0
HUMANSOFT	3,740	3,720	45,500	170,100	12	3,740	— 0.0
NAFAIS	1,200	880	961	849	3	880	▼ -220.0
GFC	65	65	1,600,020	104,001	2	65	▲ 4.6
SHOOTING	22.0	20.5	155,038	3,208	11	22.0	▲ 1.0
CGC	0.0	0.0	0	0	0	477	— 0.0
MTCC	0.0	0.0	0	0	0	56	— 0.0
UPAC	580	580	550	319	1	580	▼ -5.0
ALFACO	385	380	30,580	11,691	2	380	▼ -5.0
MUBARRAD	69	67	10,000	671	3	69	▲ 1.2
LOGISTICS	47.1	46.2	179,080	8,312	19	47.0	▲ 0.2
SCOM	0.0	0.0	0	0	0	82	— 0.0
GCEM	81	81	1	0	1	81	▲ 5.9
QIC	0.0	0.0	0	0	0	80	— 0.0
FCEM	0.0	0.0	0	0	0	77	— 0.0
RKWC	0.0	0.0	0	0	0	82	— 0.0
SPEC	0.0	0.0	0	0	0	73	— 0.0
Industrials			2,849,141	836,472	135	1848.77	▼ -70.40

Security	High	Low	Volume	Value (KD)	Trades	Last	Change
SOKOUK	0.0	0.0	0	0	0	48.9	— 0.0
KRE	57	55	851,042	47,640	38	57	▲ 1.4
URC	0.0	0.0	0	0	0	73	— 0.0
NRE	125	122	97,637	12,063	7	124	— 0.0
SRE	0.0	0.0	0	0	0	350	— 0.0
TAM	0.0	0.0	0	0	0	400	— 0.0
AREEC	176	166	4,820	800	3	166	▼ -9.0
MASSALEH	36.0	32.5	7,640	248	2	36.0	— 0.0
ARABREC	30.8	30.5	27,967	853	2	30.8	▲ 0.3
ERESCO	33.9	33.0	52,923	1,772	3	33.9	▲ 0.9
MABANEE	715	710	54,600	38,784	9	710	— 0.0
INJAZZAT	80	80	100	8	1	80	▲ 2.9
INVESTORS	17.5	17.2	1,984,056	34,370	40	17.4	▲ 0.1
IRC	29.1	27.0	124,650	3,371	10	29.1	— 0.0
ALTJARIA	93	92	8,657	797	2	93	— 0.0
SNAM	0.0	0.0	0	0	0	35.0	— 0.0
AAYANRE	0.0	0.0	0	0	0	74	— 0.0
AQAR	0.0	0.0	0	0	0	67	— 0.0
ALAQARIA	29.9	29.9	1,500	45	1	29.9	— 0.0
MAZAYA	0.0	0.0	0	0	0	111	— 0.0
TJARA	0.0	0.0	0	0	0	57	— 0.0
TAAMEER	29.5	28.5	94,708	2,743	7	29.5	▼ -0.3
ARKAN	84	84	100	8	1	84	▲ 2.7
ARGAN	0.0	0.0	0	0	0	150	— 0.0
ABYAAR	21.4	21.1	407,401	8,614	10	21.2	▼ -0.1
MUNSHAAT	70	68	84,500	5,789	6	68	▼ -2.6
FIRSTDUBAI	43.9	42.0	251,595	10,623	11	42.6	▼ -0.7
KBT	43.9	43.0	142,000	6,138	10	43.9	— 0.0
REAM	0.0	0.0	0	0	0	345	— 0.0
MENA	17.2	16.3	931,684	15,410	45	16.9	▲ 0.1
ALMUDON	33.5	31.0	30,100	933	2	33.5	— 0.0
MARAKEZ	32.5	32.5	100	3	1	32.5	— 0.0
REMAL	41.0	37.1	1,611,866	64,124	49	40.7	▲ 1.7
Mashaar	0.0	0.0	0	0	0	68	— 0.0
Real Estate			6,769,646	255,117	260	897.37	▼ -1.00

Security	High	Low	Volume	Value (KD)	Trades	Last	Change
KINV	115	114	82,000	9,349	10	114	— 0.0
FACIL	0.0	0.0	0	0	0	170	— 0.0
IFA	29.0	28.5	733,956	21,213	30	28.9	▲ 0.6
NINV	100	98	225,902	22,394	11	99	— 0.0
KPROJ	293	287	2,055	602	3	293	— 0.0
COAST	33.0	31.6	110,580	3,495	4	32.9	▲ 0.3
SECH	55	54	91,867	4,967	8	55	▲ 0.1
ARZAN	30.0	26.0	363,988	10,864	4	30.0	▼ -0.9
MARKAZ	109	108	15,925	1,722	3	109	▲ 1.0
KMEFIC	20.0	20.0	13,000	260	4	20.0	▼ -3.0
ALAMAN	55	55	225,535	12,388	5	55	▲ 1.0
ALOLA	0.0	0.0	0	0	0	40.0	— 0.0
ALMAL	26.4	25.0	945,807	23,788	64	25.3	▼ -0.6
GIH	0.0	0.0	0	0	0	22.5	— 0.0
AAYAN	36.5	36.0	2,694,135	97,576	68	36.4	▲ 0.4
BAYANINV	49.0	47.6	60,000	2,926	3	49.0	▲ 0.2
OSOUL	56	56	1,168	65	1	56	— 0.0
KFC	45.4	45.0	4,112	186	2	45.0	— 0.0
KAMCO	68	68	1,000	68	1	68	▼ -2.0
NIH	54	53	44,820	2,376	5	53	— 0.0
UNICAP	0.0	0.0	0	0	0	40.1	— 0.0
MADAR	24.0	24.0	121,000	2,904	3	24.0	— 0.0
ALDEERA	25.5	25.2	11,000	279	4	25.2	▼ -0.7
ALSALAM	0.0	0.0	0	0	0	40.5	— 0.0
EKTTITAB	31.9	31.9	50,500	1,611	2	31.9	▼ -0.1
ALMADINA	35.2	35.0	700	25	2	35.0	▼ -0.6
NOOR	63	61	2,002,914	125,151	84	62	▲ 0.4
TAMINV	0.0	0.0	0	0	0	295	— 0.0
EXCH	0.0	0.0	0	0	0	158	— 0.0
KSHC	28.9	27.8	454,651	12,717	22	28.1	▼ -0.1
ASIYA	40.5	38.6	55,150	2,152	13	40.0	▲ 0.1
GNAC	36.2	35.6	39,738	1,415	2	36.2	▲ 0.9
AMWAL	0.0	0.0	0	0	0	33.9	— 0.0
ALMINTIAZ	159	158	579,800	92,140	14	158	▼ -2.0
MANAZEL	30.1	29.0	186,500	5,433	11	30.0	▲ 0.7
NIND	156	151	7,895,132	1,212,573	154	153	▲ 2.0
BIHC	37.4	33.0	1,053	39	3	37.0	▲ 1.0
SENERGY	34.8	33.5	5,940	199	5	34.8	— 0.0
AGHC	0.0	0.0	0	0	0	85	— 0.0
KPPC	54	53	724,329	38,428	26	53	▲ 0.6
TAHSSILAT	23.3	23.3	444	10	1	23.3	— 0.0
EKHOLDING	0.0	0.0	0	0	0	244	— 0.0
GFH	125	121	587,998	71,961	31	122	▼ -1.0
INOVEST	80	78	1,538,824	121,898	64	79	▲ 1.2
Financial Services			19,871,523	1,903,173	667	613.00	— 0.00

Security	High	Low	Volume	Value (KD)	Trades	Last	Change
ASC	131	131	12,264	1,607	2		