



KSE STOCKS DROP UNDER SELLING PRESSURE

BAYAN WEEKLY MARKET REPORT

KUWAIT: Kuwait Stock Exchange (KSE) ended last week in the red zone. The Price Index closed at 5,708.75 points, down by 0.21 percent from the week before closing, the Weighted Index decreased by 0.06 percent after closing at 386.41 points, whereas the KSX-15 Index closed at 925.54 points down by 0.46 percent. Furthermore, last week's average daily turnover decreased by 7.35 percent, compared to the preceding week, reaching KD 12.55 million, whereas trading volume average was 157.40 million shares, recording a growth of 11.04 percent.

Kuwait Stock Exchange ended last week's trading activity with varied losses to its three indicators, as a result to the continued control of the speculative activity over the market trading behavior, among a concentration on the small-cap stocks in particular. Also, the stock market initiated the first session of the week with losses to

the three indicators, whereas the Price Index lost 12.88 point, affected by the speculative operations executed on the small-cap stocks and the selective selling operations on some operational and leading stocks, to end the session in the red zone, with an increase in the trading volume by 25.12 percent.

On the second trading session of the week, the market was able to realize a grouped increases to all its indices after a series of declines, among an active purchasing activity that included many small-cap stocks and collection operations executed on the leading stocks especially in the Banks Sector, which pushed the liquidity levels to increase by 10.17 percent or KD 1.14 million. Moreover, the market continued its gains for the three indices on Tuesday's session, supported by the purchasing activity on the large-cap stocks, with a limited

increase in the cash liquidity. Furthermore, the stock market recorded different closings in the pre-final trading session of the week, as the Weighted and KSX-15 indices could not realize gains, and returned to the red zone due to the profit collection operations executed on the large-cap stocks, whilst the Price Index succeeded in continuing its positive performance to close at 5,739.32 point, among a noticeable increase in the trading value by 24.24 percent.

The market ended the last session of the week in the red zone on Thursday's session, affected by the selling operations that were executed on most of the previously traded stocks during the week, whereas the Price Index decreased by 30.57 point, among a declined liquidity levels that reached around 28.86 percent compared to the previous session.

On the other hand, the market cap for KSE reached by the end of last week KD 25.64 billion, down by 0.06 percent from its level in a week earlier, which was around KD 25.66 billion. However on an annual level, the market cap for KSE listed companies recoded a decline of 8.35 percent compared to its level in 2014, where it reached then KD 27.98 billion.

As far as KSE annual performance, the Price Index ended last week recording 12.65 percent annual loss compared to its closing in 2014, while the Weighted Index decreased by 11.96 percent, and the KSX-15 contracted by 12.68 percent.

Sectors' Indices

Six of KSE's sectors ended last week in the green zone, and six recorded declines. Last week's highest gainer was the Banks sector, achieving 1.23

percent growth rate as its index closed at 933.27 points. Whereas, in the second place, the Basic Materials sector's index closed at 985.28 points recording 0.94 percent increase. The Telecommunication sector came in third as its index achieved 0.93 percent growth, ending the week at 564.92 points.

On the other hand, the Insurance sector headed the losers list as its index declined by 2.80 percent to end the week's activity at 1,082.49 points. The Technology sector was second on the losers' list, which index declined by 2.22 percent, closing at 897.32 points, followed by the Consumer Services sector, as its index closed at 1,000.47 points at a loss of 1.87 percent. The Consumer Goods sector was the least declined during last week, as its index recorded a weekly loss of 0.01 percent, closing at 1,072.40 point.

Sectors' Activity

The Real Estate sector dominated a total trade volume of around 302.96 million shares changing hands during last week, representing 38.50 percent of the total market trading volume. The Financial Services sector was second in terms of trading volume as the sector's traded shares were 23.04 percent of last week's total trading volume, with a total of around 181.30 million shares.

On the other hand, the Banks sector's stocks were the highest traded in terms of value; with a turnover of around KD 21.37 million or 34.06 percent of last week's total market trading value. The Real Estate sector took the second place as the sector's last week turnover was approx. KD 11.92 million representing 19.01 percent of the total market trading value. — Prepared by the Studies & Research Department, Bayan Investment Co.

SECTORS' WEEKLY TRADING ACTIVITY				
Sector	Volume	To Market %	Value	To Market %
OIL & GAS	37,838,284	4.81%	1,069,386	1.70%
BASIC MATERIALS	1,339,654	0.17%	367,213	0.59%
INDUSTRIALS	84,790,074	10.77%	8,385,055	13.37%
CONSUMER GOODS	3,490,512	0.44%	1,289,274	2.06%
HEALTH CARE	365,463	0.05%	55,288	0.09%
CONSUMER SERVICES	35,266,024	4.48%	3,494,503	5.57%
TELECOMMUNICATIONS	25,285,419	3.21%	4,627,636	7.38%
BANKS	112,873,368	14.34%	21,367,653	34.06%
INSURANCE	110,537	0.01%	9,636	0.02%
REAL ESTATE	302,959,713	38.50%	11,924,612	19.01%
FINANCIAL SERVICES	181,304,294	23.04%	10,043,324	16.01%
TECHNOLOGY	1,381,432	0.18%	95,427	0.15%

SECTORS INDICES PERFORMANCE					
Sector	Last Week Closing	Previous Week Closing	Weekly Ch. %	Annual Ch. %	
OIL & GAS	795.42	797.59	-0.27%	-25.17%	
BASIC MATERIALS	985.28	976.10	0.94%	-12.91%	
INDUSTRIALS	1,069.73	1,067.96	0.17%	-0.06%	
CONSUMER GOODS	1,072.40	1,072.46	-0.01%	-12.52%	
HEALTH CARE	947.11	940.11	0.74%	0.73%	
CONSUMER SERVICES	1,000.47	1,019.57	-1.87%	-7.50%	
TELECOMMUNICATIONS	564.92	559.74	0.93%	-0.97%	
BANKS	933.27	921.94	1.23%	-7.15%	
INSURANCE	1,082.49	1,113.70	-2.80%	-8.06%	
REAL ESTATE	930.49	928.01	0.27%	-17.65%	
FINANCIAL SERVICES	642.68	644.84	-0.33%	-22.77%	
TECHNOLOGY	897.32	917.65	-2.22%	-2.07%	

MARKET ACTIVITY			
	Last Week	Previous Week	Ch. %
Volume	787,004,774	567,004,439	38.80%
Value (K.D)	62,729,007	54,162,021	15.82%
Deals	17,137	12,991	31.91%

MARKET CAPITALISATION (K.D.)			
Last Week	Previous Week	Weekly Ch. %	Annual Ch. %
25,644,039,498	25,660,627,765	-0.06%	-8.35%

TOP GAINERS OF THE WEEK				
Company	Last Week Closing	Previous Week Closing	Ch. (fils)	Ch. %
REMAL	42.00	38.00	4.0	10.53%
ITHMR	51.00	47.00	4.0	8.51%
MRC	65.00	60.00	5.0	8.33%
SANAM	40.00	37.00	3.0	8.11%
MTCC	47.50	44.00	3.5	7.95%

TOP LOSERS OF THE WEEK				
Company	Last Week Closing	Previous Week Closing	Ch. (fils)	Ch. %
ABAR	90.00	108.00	-18.0	-16.67%
SENERGY	14.00	15.50	-1.5	-9.68%
SULTAN	77.00	85.00	-8.0	-9.41%
MUNTAZAH	98.00	108.00	-10.0	-9.26%
MARKAZ	100.00	108.00	-8.0	-7.41%

KSE INDICES				
	Price Index	Weighted index	KSX 15	
Weekly	Last week	5,708.75	386.41	925.54
	Previous week	5,720.65	386.63	929.84
	Change (Point)	-11.90	-0.22	-4.30
	Change (%)	-0.21%	-0.06%	-0.46%
Annual	Last year	6,535.72	438.88	1,059.95
	Change (Point)	-826.97	-52.47	-134.41
	Change (%)	-12.65%	-11.96%	-12.68%

US STOCKS RISE, OVERLOOKING GROWTH, EARNINGS FEARS

WALL STREET WEEKLY REPORT

NEW YORK: US stocks enjoyed one of their best weeks of the year as investors grew more confident that dovish monetary policy would persist, overlooking concerns about earnings and slower economic growth. The broad-based S&P 500 gained 63.53 points (3.26 percent) at 2,014.89, notching the biggest weekly gain since December 2014. The Dow Jones Industrial Average advanced 612.12 (3.72 percent) to 17,084.49, its best gain since February, while the tech-rich Nasdaq Composite Index rose 122.69 (2.61 percent) to 4,830.47.

Stocks kept their momentum from last Friday, when markets rallied after a poor US jobs report was seen as dimming the prospects for a speedy Federal Reserve interest rate hike.

"What's happening is people are comfortable moving back into stocks because they see the Fed as out of the picture for the time being," said Chris Low, chief economist at FTN Financial.

That view was only strengthened by Thursday's minutes from the Fed September 16-17 monetary policy meeting, when the central bank voted to delay a rate hike, citing worries about slowing global growth and its impact on the US economy. "Recent global and financial market developments might restrain economic activity somewhat as a result of the higher level of the dollar and possible effects of slower economic growth in China and in a number of emerging-market and commodity-producing economies," the minutes said.

On Tuesday, the International Monetary Fund, warning of increasing risks from the slowdown in China, cut its global growth

forecast to just 3.1 percent this year and 3.6 percent next year, each 0.2 percentage point lower than its July forecast.

Early earnings are lackluster

Also of concern were early signs that

third-quarter earnings will disappoint. Analysts are expecting that earnings for S&P 500 companies will be 5.12 percent lower than in the year-ago period, according to S&P Capital IQ. Alcoa, traditionally an early reporter, said third-quarter profit fell 70.4

percent to \$44 million as the company trimmed its outlook for key Chinese businesses. Agricultural seed giant Monsanto reported a quarterly loss of \$495 million and announced plans to cut 2,600 jobs, while

fast-food company Yum Brands, parent of KFC and Taco Bell chains, lowered its earnings forecast due to sluggish sales in China.

Some analysts caution that the momentum that lifted the market this week could erode.

"The big concern remains on China and the emerging-market economies," said Tom Cahill, portfolio strategist at Ventura Wealth Management.

"To the extent the Fed is out of the way for now, these markets can stabilize, but there's still a lot of concerns out there." Prominent activist investors drove other major announcements this week. Mining company Freeport-McMoRan rallied on news that it reached a deal with Carl Icahn to appoint two Icahn associates to the board and is considering spinning off its oil and gas business.

General Electric got a boost when activist investor Nelson Peltz's Trian Fund Management took a one percent stake in the industrial conglomerate. Peltz also figured into the surprise announcement that DuPont chief executive Ellen Kuhlman would resign, only months after turning back a Peltz campaign to win four board seats in the 213-year-old chemical company.

In other executive news, Twitter gained momentum after announcing that interim chief and co-founder Jack Dorsey would stay on as chief executive.

Earnings season picks up considerably next week with reports from General Electric, Netflix and JPMorgan Chase and other large banks. Key economic reports include September US retail sales and the Fed's Beige Book report of economic conditions. —AFP



NEW YORK: The facade of the New York Stock Exchange, in New York. —AP