

BAYAN WEEKLY MARKET REPORT

Boursa Kuwait equities rally on renewed buying interest

Indices pare losses recorded last week

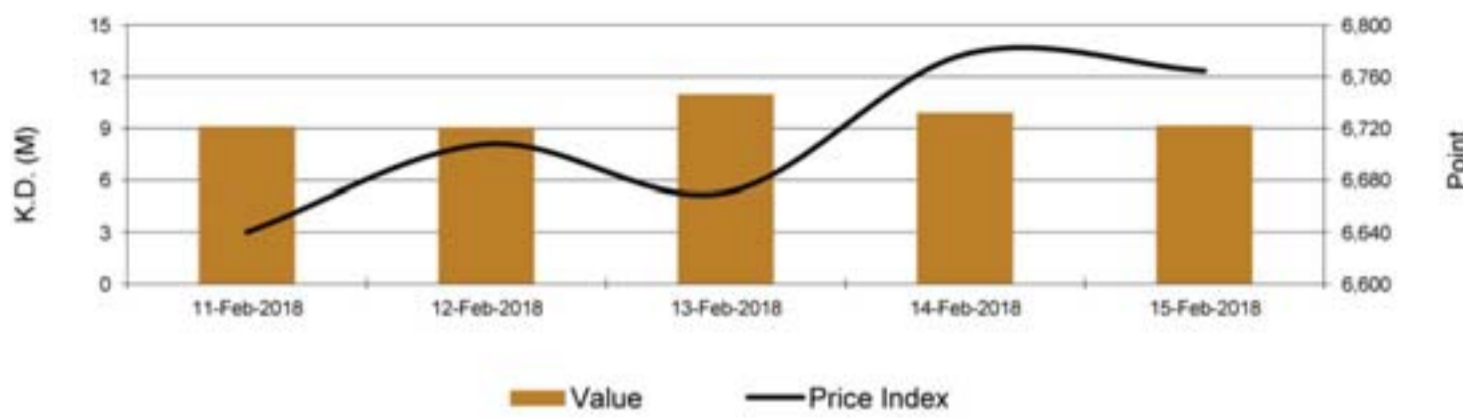
KUWAIT: Boursa Kuwait ended last week in the green zone. The Price Index closed at 6,764.28 points, up by 1.65 percent from the week before closing, the Weighted Index increased by 0.09 percent after closing at 410.66 points, whereas the KXS-15 Index closed at 946.48 points up by 0.43 percent. Furthermore, last week's average daily turnover decreased by 29.23 percent, compared to the preceding week, reaching KD 9.64 million, whereas trading volume average was 62.44 million shares, recording a decrease of 33.94 percent.

Boursa Kuwait indices were able to record mixed gains by the end of the week to compensate a part of its losses recorded in the previous period. The Boursa witnessed such performance in light of the purchasing trend that included many listed stocks especially the small-cap ones, amid optimism of some traders in the listed companies' results for 2017, especially after finishing the Banks' from disclosing its annual results, which were mostly positive.

Also, despite the gains recorded by the Boursa during the last week, its market capitalization declined by 1.04 percent compared to its level in a week earlier, where delisting of Nafais Holding Company during the last week contributed to the decline, where its market

cap of KD 316.28 million was deducted from the total market cap of the Boursa, to reach by the end of the week KD 27.26 billion, compared to KD 27.54 billion in a week earlier. The market gains contracted since the beginning of year 2018 reaching KD 316 million, with a growth of 1.17 percent only compared to its value at the last day of the previous year, where it reached then KD 26.94 billion. (Note: The market cap of the listed companies in the

Last Five Days Activity



recording 5.56 percent annual gain compared to its closing in 2017, while the Weighted Index increased by 2.30 percent, and the KXS-15 recorded 3.46 percent growth.

Sectors' Indices

Eight of Boursa Kuwait's sectors ended last week in the red zone, four recorded increases. The Health Care sector headed the losers list as its index declined by 9.95 percent to end the week's activity at 1,396.54 points. The Industrial sector was second on the losers' list, which index declined by 2.22 percent, closing at 1,803.58 points, followed by the Consumer Services sector, as its index closed at 868.23 points at a loss of 1.71 percent. The Basic Materials sector was the least declining as its index closed at 1,317.16 points with a 0.10 percent decrease.

On the other hand, last week's highest gainer was the Real estate sector, achieving 10.89 percent growth rate as its index closed at 1,196.58 points, followed by the Technology sector's index closed at 527.27 points recording 3.88 percent increase. The Oil & Gas sector came in third as its index achieved 0.66 percent growth, ending the week at 972.77 points.

Sectors' Activity

The Banks sector dominated a total trade volume of around 112.71 million shares changing hands during last week, representing 36.10 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 27.29 percent of last week's total trading volume, with a total of around 85.20 million shares.

On the other hand, the Banks sector's stocks were the highest traded in terms of value: with a turnover of around K.D 24.13 million or 50.08 percent of last week's total market trading value. The Financial Services sector took the second place as the sector's last week turnover was approx. KD 8.09 million representing 16.79 percent of the total market trading value. —Prepared by: Studies & Research Department - Bayan Investment Co.

Small caps make solid gains

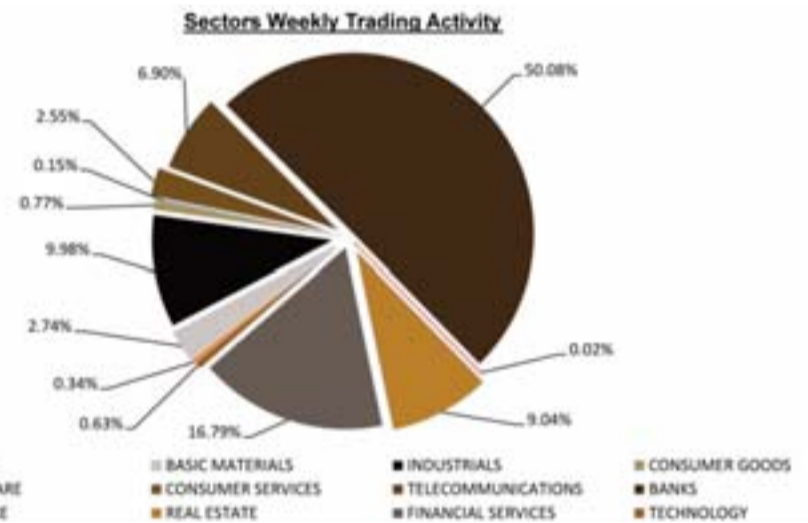


Regular Market is calculated based on the average number of outstanding stocks as per the latest available official financial statements. Boursa Kuwait is currently witnessing a general state of watch by the traders, waiting for the listed companies' results for year 2017, especially that most of the listed companies did not disclose its results yet, despite that half of the legal disclosure period have passed, and will end by the end of March 2018. In addition, the number of the listed companies that disclosed its financial results for 2017 reached by the end of last week 50 company, with around KD 1.39 billion in net profits, and with a growth of 12.28 percent compared to the same companies' results for year 2016, where it reached around KD 1.24 billion.

Moreover, the Boursa initiated its first session of the week recording a noticeable drop for its three indices, affected by the profit collection operations executed on many traded stocks during the session, and headed by the leading stocks that witnessed strong increases since the beginning of the year, which negatively reflected on the performance of the Weighted and KXS-15 indices in particular, the indices that measure the performance of such stocks. The Boursa witnessed on the second session a fluctuation to its three indices, where the Price Index was able to realize good gains and was able to end the session in the green zone, to compensate all its losses recorded earlier in the week, supported by the random purchasing operations witnessed in the last minutes of the session and concentrated on a limited number of small-cap stocks, while the Weighted and KXS-15 indices continued its decline affected by the profit collection operations executed on some heavy stocks.

Furthermore, the Boursa continued its fluctuation in the mid-week session with changing positions, whereas the Weighted and KXS-15 indices were able to redirect to the green zone with relatively good gains, to compensate some of its losses recorded in the previous two sessions, while the Price Index ended the session in the red zone, affected by the quick profit collection operations that included some small-cap stocks. On Wednesday's session

of the quick profit collection operations to be in control over some small-cap stocks, which lightened the Index's weekly gains, while the Weighted and KXS-15 indices continued its increase, which enabled it to transfer to the green zone on the weekly level. For the annual performance, the Price Index ended last week



S&P 500 caps off strongest week in five years

NEW YORK: The S&P 500 rose marginally on Friday to mark its biggest weekly increase in five years, although earlier gains evaporated after the indictment of Russians for meddling in the 2016 presidential election sent investors into defensive mode before a long weekend.

A market correction sparked by inflation concerns earlier in February raised fears that a nine-year bull market had ended, but data on consumer prices and retail sales this week left investors less worried, returning the stock market to its upward trajectory.

The office of US Special Counsel Robert Mueller charged 13 Russian nationals and three Russian companies accused of interfering with US elections in an effort to support then-candidate Donald Trump. The S&P 500 had been up over half a percent but lost nearly all of that after the announcement of the indictments.

"The market was looking for an excuse to roll over and Russia headlines would do it. You've had such a rally for the week, and people have been looking for an excuse to take profits heading into the weekend," said Dennis Dick, a proprietary trader at Bright Trading LLC in Las Vegas.

Investors snapped up shares of Johnson & Johnson, Abbvie and Pfizer, all up more than 1.4 percent and supporting the S&P 500 more than any other stocks.

A strong fourth-quarter reporting season and deep corporate tax cuts introduced this year have led analysts to increase their estimates for 2018 S&P 500 earnings growth to



NEW YORK: A trader works on the floor at the closing bell of the Dow Industrial Average at the New York Stock Exchange in New York. — AP

19 percent from 12 percent in early January. "The fundamental story has not changed," said Ben Phillips, Chief Investment Officer of EventShares. "We really have not seen the tax reform start flowing through yet into company earnings. We think it's going to cause a second wave of earnings optimism."

The Dow Jones Industrial Average rose 0.08 percent to end at 25,219.38 points, while the S&P 500 gained 0.04 percent to 2,732.22.

The Nasdaq Composite dropped 0.23 percent to 7,239.47. The Dow rose 4.25 percent for the week, its strongest weekly gain since November 2016. The Nasdaq rose 5.31 percent for the week, its best week since December 2011. The S&P 500's 4.3 percent gain for the week was its biggest weekly advance since January 2013. But it remains down nearly 5 percent from its record high on Jan. 26.

US stock markets will remain closed on Monday for the Presidents Day holiday. They are unlikely to return to the unusually calm conditions seen last year, even though equities have already recovered more than half the ground lost in the recent sell-off and traders

have rapidly dialed down fear.

Economic data out on Friday painted a rosy picture. Homebuilding increased to more than a one-year high in January, boosted by strong increases in the construction of single- and multi-family housing units. A different report showed import prices jumped last month. The CBOE volatility index, known as Wall Street's fear gauge, edged up to 19.4 but remained way off the 50-point level it hit during the peak of the sell-off.

Coca-Cola rose 0.45 percent after the company reported better-than-expected profit and sales as it sold more teas, coffees and vitamin water. Among the big decliners was Kraft Heinz, which dropped 2.63 percent after quarterly profit and sales missed analysts' estimates.

Advancing issues outnumbered declining ones on the NYSE by a 1.43-to-1 ratio; on Nasdaq, a 1.34-to-1 ratio favored advancers. Volume on US exchanges was 7.1 billion shares, below the 8.5 billion average for the full session over the last 20 trading days. — Reuters

MARKET ACTIVITY			
	Last Week	Previous Week	Change (%)
Volume	312,216,345	472,636,624	-33.94%
Value (K.D.)	48,183,524	68,082,423	-29.23%
Deals	2,047	18,528	-88.95%

MARKET CAPITALISATION (K.D.)			
	Last Week	Previous Week	Weekly Ch. %
	27,255,456,146	27,542,092,527	-1.04%
			Annual Ch. %
			1.17%

STOCKS' ACTIVITY				
Total Listed Stocks	Traded Stocks	Up	Down	No Change
176	162	55	81	40

TOP GAINERS				
Company	Last Week Closing	Previous Week Closing	Ch. (Fils)	Ch. %
REAM	1,572.00	1,000.00	572.0	57.20%
SANAM	33.00	28.00	5.0	17.86%
ABAR	82.00	70.00	12.0	17.14%
CABLETV	20.00	18.00	2.0	11.11%
CBK	440.00	400.00	40.0	10.00%

TOP LOSERS				
Company	Last Week Closing	Previous Week Closing	Ch. (Fils)	Ch. %
YIACO	127.00	192.00	-65.0	-33.85%
KHOT	197.00	246.00	-49.0	-19.92%
NCCI	72.00	89.00	-17.0	-19.10%
PTHMR	46.20	53.50	-7.3	-13.64%
MENA	31.50	36.30	-4.8	-13.22%

MOVES BY VOLUME				
Company	Last Week Closing	Previous Week Closing	Total Volume (Stock)	To Market (%)
WARBABANK	232.00	226.00	39,284,668	12.58%
PTHMR	46.20	53.50	27,470,463	8.80%
ALIMITAZ	144.00	152.00	18,300,318	5.86%
KINV	142.00	130.00	15,926,616	5.10%
MAZAYA	110.00	107.00	14,110,905	4.52%

MOVES BY VALUE				
Company	Last Week Closing	Previous Week Closing	Total Value (K.D.)	To Market (%)
NBK	760.00	751.00	5,504,595	11.42%
KFIN	592.00	594.00	4,683,269	9.72%
BOUBAYAN	480.00	471.00	4,051,220	8.41%
ZAIN	453.00	463.00	3,108,702	6.45%
PTHMR	46.20	53.50	2,757,242	5.72%

SECTORS TRADING ACTIVITY				
Sector	Volume	To Market %	Value	To Market %
OIL & GAS	2,004,777	0.64%	163,285	0.34%
BASIC MATERIALS	3,011,094	0.96%	1,320,791	2.74%
INDUSTRIALS	27,360,422	8.76%	4,807,929	9.98%
CONSUMER GOODS	1,370,716	0.44%	373,351	0.77%
HEALTH CARE	536,700	0.17%	71,087	0.15%
CONSUMER SERVICES	4,568,126	1.46%	1,230,156	2.55%
TELECOMMUNICATIONS	11,080,944	3.55%	3,325,502	6.90%
BANKS	112,706,379	36.10%	24,131,234	50.08%
INSURANCE	104,890	0.03%	9,848	0.02%
REAL ESTATE	60,978,298	19.53%	4,354,280	9.04%
FINANCIAL SERVICES	85,197,581	27.29%	8,092,071	16.79%
TECHNOLOGY	3,296,418	1.06%	303,991	0.63%

SECTORS INDICES PERFORMANCE				
Sector	Last Week Closing	Previous Week Closing	Weekly Ch. %	Annual Ch. %
OIL & GAS	972.77	966.43	0.66%	0.95%
BASIC MATERIALS	1,317.16	1,318.53	-0.10%	5.00%
INDUSTRIALS	1,803.58	1,844.62	-2.22%	-1.95%
CONSUMER GOODS	814.53	826.99	-1.51%	-0.96%
HEALTH CARE	1,396.54	1,550.87	-9.95%	-7.55%
CONSUMER SERVICES	868.23	883.32	-1.71%	-3.65%
TELECOMMUNICATIONS	543.18	547.75	-0.83%	-2.72%
BANKS	952.26	950.42	0.19%	4.34%
INSURANCE	1,022.24	1,038.85	-1.60%	-7.58%
REAL ESTATE	1,196.58	1,079.04	10.89%	28.24%
FINANCIAL SERVICES	628.43	631.58	-0.50%	1.54%
TECHNOLOGY	527.27	507.60	3.88%	10.18%