BAYAN WEEKLY MARKET REPORT

Boursa Kuwait stocks fluctuate amid buy & hold, profit-booking

Speculative deals on small caps hit stocks

KUWAIT: Boursa Kuwait ended last week with mixed performance. The Premier Market Index closed at 5,378.62 points, up by 0.48 percent, the Main Market Index decreased by 0.08 percent after closing at 4,949.13 points, and the All-Share Index closed at 5,226.03 points down by 0.29 percent. Furthermore, last week's average daily turnover decreased by 26.95 percent, compared to the preceding week, reaching around KD 21.14 million, whereas trading volume average was about 91.67 million shares, recording a decrease of 27.05 percent.

Boursa Kuwait witnessed during the last week a fluctuated performance included some buy & hold and profit collection operations executed on most of the listed stocks in the Market especially the Premiere Market. It also included some speculative operations on small-cap stocks which caused its three indices to close mixed by the end of last week, in light of the decline of the purchasing activity on the Banks and leading stocks, which caused it to lose part of its gains realized in the previous weeks, and lead to weakness in the trading indicators on the weekly level, despite the positive financial results announced by some listed companies for the first half of year 2018 and the disclosures released during the last week on the mergers deal of one local bank with another GCC bank where both are listed in Boursa Kuwait, in addition to the disclosure related to the sale of shares in one listed company in the Industrial Sector of the main market.

On the other hand, Boursa Kuwait is currently witnessing a general state of watch for the listed companies financial results for the first half of year 2018, especially that most of the listed companies did not disclose its results yet. By the end of last week, the number of companies that disclosed its fiscal financial results for the period ended on 30 June 2018 reached 38 company out of 175 listed company in the market, including companies with different year end, realizing net profit of around KD 347.85 million for the second quarter of year 2018, up by 15.22 percent from the same company's results for the same period of year 2017, where it was approximately KD 301.89 million.

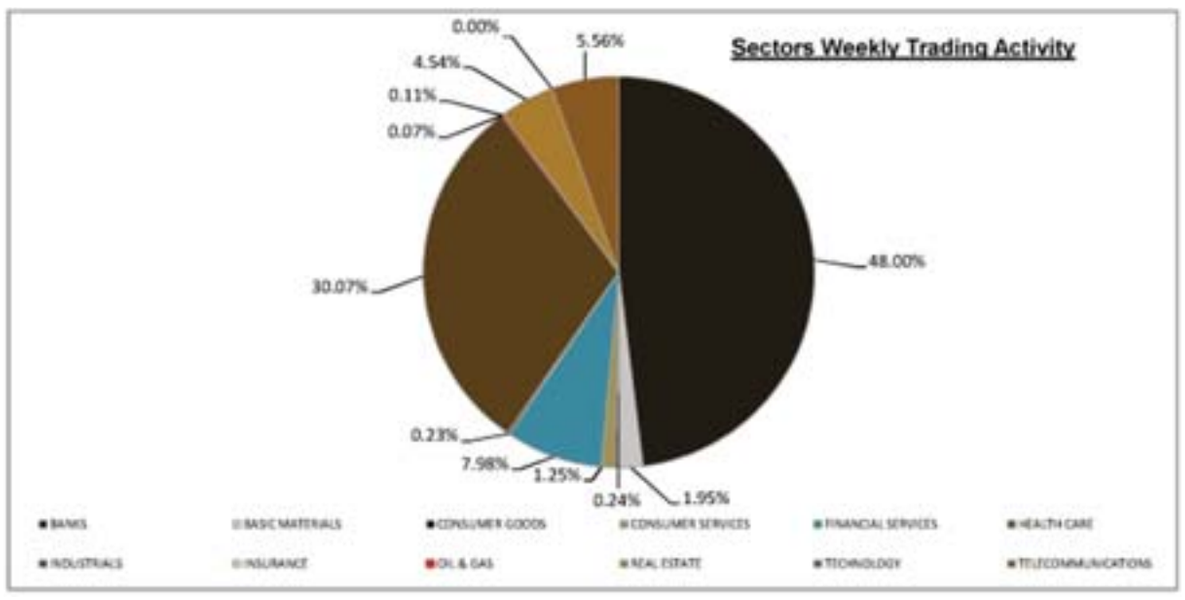
Moreover, Boursa Kuwait recorded weekly gains of around KD 76.23 million, as its market capitalization reached by the end of last week approx. KD 28.79 billion, up by 0.27 percent from its level in a week earlier, where it was about KD 28.71 billion. The market cap gains for the Boursa since the application of the new market segmentation reached around KD 930.11 million, up by 3.34 percent. (Note: The market cap of the listed companies in the Market is calculated based on the weighted average number of outstanding shares as per the latest available financial statements).

Last week witnessed trading over 156 stock out of 175 listed stock in the Market, where prices of 57 stock increased against prices of 81 stock decreased, and prices of 37 stock remained at no change.

Sectors' Indices

Six of Boursa Kuwait's sectors ended last week in the red zone, and six recorded increases. Last week's highest loser was the Consumer Goods sector, as its index declined by 4.31 percent to end the week's activity at 896.20 points, The Consumer Services sector was second on the losers' list, which index declined by 1.28 percent, closing at 1,061.42 points, followed by the Insurance sector, which index declined by 0.62 percent, closing at 947.68 points.

On the other hand, last week's highest gainer was the Technology sector, achieving 6.61 percent growth rate as its index closed at 938.48 points. The Oil & Gas sector came in the second place, as its index closed at 1,059.77 points recording 1.29 percent increase, followed by Industrial sector, achieving 1.05 percent growth rate as its index closed at 1,009.27 points



Sectors' Activity

The Banks sector dominated a total trade volume of around 173.59 million shares changing hands during last week, representing 37.87 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 23.24 percent of last week's total trading volume, with a total of around 106.50 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 50.74 million or 48 percent of last week's total market trading value. The Industrial sector took the second place as the sector's last week turnover was approx. KD 31.78 million representing 30.07 percent of the total market trading value. *—Prepared by the Studies & Research Department, Bayan Investment Co.*

Exxon Mobil shares slump again on dismaying results

NEW YORK: US oil giant Exxon Mobil reported another round of disappointing results on Friday, sending shares sharply lower at it moved to address rising criticism of its communications and operations. The company's share price fell 2.8 percent to $81.92 following the report, the third quarter in a row that has seen Wall Street punish the company for weak results.

"This quarter was a low point in terms of volumes in the upstream and downstream," senior vice president Neil Chapman said on a conference call. Chapman said some of the decline in oil and natural gas production was due to the sale of low-quality projects and made sense as a strategy to boost profitability.

"There are some plays that are more productive... easier to extract and at lower cost," he said. "Volume is not our focus. Value is our focus." Related to this strategy, Exxon Mobil has shifted its emphasis in US shale investment from natural gas to oil because of better returns, he said.

Net income at Exxon Mobil jumped 18 percent in the second quarter to $4.0 billion compared to the same period a year earlier. That translated into 92 cents a share, well below the $1.27 expected by analysts. Revenues rose 26.6 to $73.5 billion, the company announced.

Rival oil giant Chevron reported quarterly profits had more than doubled to $3.4 billion, while revenues had climbed 22.5 percent to $42.2 billion. Investors rewarded the company, as Chevron shares climbed 1.6 percent to $125.97. The results follow jumps in profits reported Thursday for Royal Dutch Shell and Total and illustrate the bounce from oil prices. US crude futures mostly traded in a range of $65 to $75 a barrel during the quarter, up from the $45 to $50 range in the year-ago period.

Output and refining drop

But Exxon Mobil reported another significant slide in oil and gas production, which fell seven percent to 3.6 million barrels a day of oil-equivalent. The company said natural gas output was especially weak, diving 10 percent, due in part to downtime in Qatar, Australia and Papua New Guinea, which returned to normal output levels in April after a February earthquake hit production for more than a month. Downtime in refining also affected results, due mostly to an unusually high number of planned refining outages at various plants and some unplanned maintenance following incidents at facilities in the first quarter, the company said. Chaplan said the company was not happy with the downstream results but operations should return to normal in the second half of 2018. "We're all over it in terms of getting to our normal reliability performance," Chaplan said.

Transparency drive

Chaplan's appearance on Exxon Mobil's conference marked a shift from the oil company's longstanding practice of only staffing the call with the corporate secretary, a low-ranking executive compared with the practice at most large companies.

Chief executive Darren Woods has pledged more transparency to Wall Street, a point reiterated by Chapman on the call. Exxon Mobil has also taken steps to address longstanding criticism by environmentalists of its policy on climate change, appointing climate scientist Susan Avery to its board of directors.

This year's annual meeting was the first in more than a decade that Exxon Mobil did not face a shareholder vote on climate change on a proposal from critics after the company agreed to publish a report on the effect of climate policies on the company's business. But Andrew Logan, director of oil and gas programs at environmental nonprofit Ceres, said Exxon Mobil had still not allowed the group to meet with Avery and that Exxon Mobil had yet to articulate a viable plan for transitioning its business to one that is more climate-friendly. — AFP

Bayt.com weekly report

Tricks to use when you are stuck in a job interview

One of the most stressful situations we face when it comes to interviews is the fear of being late or being underdressed. However, have you ever felt stuck when facing a tough interview question? This situation is one of the most difficult situations anyone can face. We tend to imagine the interview process in our minds, but we don't plan for the unexpected tough question and subsequent awkward freeze.

Regardless of how prepared you are for the interview, or how long it took you to ace the answers you had in mind, in some cases unprepared and unexpected questions arise during the interview.

Bayt.com career experts have gathered all the tips you'd need to get out of this difficult situation. And the first rule is: breathe. You can do this. We know how stressful this can be, so to ease it for you, continue on reading to know how to handle it professionally.

Before we get started, one thing to be aware of; some questions asked during the interview don't have a right or wrong answer. These questions are meant to test or observe how you process your thoughts and solve problems that arise under pressure. Therefore, you must be true to yourself and the process instead of trying to figure out what the perfect answer is.

1. Take your time

This doesn't mean taking a long pause and letting the 'Uh', 'Um' or anything similar come up. One thing you could say here is 'that's a good question; let me gather my thoughts around it'. It will show the interviewer that you are taking the proper consideration and allow you a minute or two to come up with a good answer.

2. Ask for further clarification

Candidates need to understand that an interview process is not an interrogation; it is rather a two way communication. Asking for clarifications and explanations are perfectly fine if you find yourself unclear on a certain question. Just ask for the details and mention that your intention is to give the best possible answer. Remember, body language is important here too, smile and be sincere.

3. Ask to keep it for later

If you find yourself completely thrown off by a question and totally unable to answer, you can follow the strategy of asking the interviewer to come back to it later and ask you another question meanwhile. Inform them that you prefer to come back to this later on during the interview. This will help you by allowing your thoughts to reorder and you can come up with an answer as you go through other less unexpected questions.

4. Change the topic

To clear things out, do not avoid the question, just redirect the conversation smoothly. For example, if this question reminds you of a situation you had in your previous job or is related to a situation you faced then mention it. Tell the situation and how you handled it to solve the problem or to make a decision. Make sure you do not go too far from the question though and circle back to it if possible.

5. Reduce the tension with some sense of humor

Building a connection with the interviewer is highly important. No one likes sitting in a stiff and tensed place for thirty minutes to an hour or more. If you are having a nice and enjoyable conversation, then most likely the interviewer won't notice that you are stressed or unable to answer a specific question. Throw in some sense of humor and use your personality; however, make sure it is appropriate and professional.

6. Stay focused on your body language

The way you present yourself physically is equally important as your answers and voice tone. Keep eye contact, and stay in a neutral position. Try not to do anything that makes you look defensive such as crossing your arms, or avoiding eye contact. Maintaining a neutral body language sends the interviewer a message that you are intending to answer the question, and that alone can ease the situation.

Keep in mind that preparation and research are the foundation for any successful interview. Also, the best and most experienced individuals are sometimes caught off guard, and that is normal in an interview. Stay positive and give it your best.

Spain dreams big on US gas

MADRID: When the US and EU agreed to boost gas trade to Europe this week, Spain would have been justified in crying victory, having only recently offered its services with its many liquified natural gas (LNG) ports.

There's a slight problem, though: it may have the capacity to import gas but it's badly connected to the European network of pipelines, an issue on the table at a trilateral meeting between French, Portuguese and Spanish leaders in Lisbon on Friday.

For years, Spain and Portugal have called for an end to their isolation from European networks of electricity and gas distribution. And whereas electricity connections are being built, there is little progress on gas.

Many ports, few pipelines

During a NATO summit at the beginning of July in Brussels, US President Donald Trump criticised EU dependence on Russian gas and asked Europeans to buy US gas instead.

Madrid immediately offered its services, Foreign Minister Josep Borrell revealed this week.

"Us Spaniards are importing more and more American gas, which already represents 25 percent of our supply, and Portugal and Spain have terminals that would allow us to unload American LNG tankers and transport the gas via pipelines," he told reporters.

As if answering Madrid's offer, Trump, joined by European Commission chief Jean-Claude Juncker, said Wednesday that the two key economies reached an agreement to boost EU imports of US gas, which is liquified and transported by tanker before being gasified again.

Spain has six regasification terminals, more than any other European country. But so far there is just one pipeline linking it to France and the rest of Europe. Not enough, says Spain.

"If American gas arrives on the (Iberian) peninsula and can't go any further, we have a problem," said Borrell. As such, Madrid has long been promoting the construction of a second pipeline through the northeastern region of Catalonia.

The project, called Midcat, was broached at a first trilateral summit on energy connections in March 2015 in Madrid.

But Gonzalo Escribano, an energy expert at Spain's Elcano Institute think tank, said Friday's meeting was unlikely to yield any progress.

"We don't know who would pay, and the French are putting the brakes on," he said.

Not viable

Why? A European Commission viability study published in April sheds some light on France's reluctance. It concluded that the Midcat pipeline, which would cost more than 440 million euros ($510 million), would not benefit any EU country ... apart from Spain and Portugal.

The main reason is that other countries further north-like France-also have LNG ports, so why pay for another pipeline? The LNG terminal at "Montoir in France is 8,966km (5,570 miles) far from Corpus Christi, in Texas, and Bilbao in Spain is 8,969km far," the report noted.

European gas imports are on the rise as production drops due to "the decline of indigenous supply sources on the continent," including in the United Kingdom and Netherlands, "two key pillars of European supply," said consultants IHS Markit in a May report.

But for now, Europe's "32 regasification terminals have large amounts of spare capacity," they noted.

Thierry Bros, a researcher at the Oxford Institute for Energy Studies, estimates current LNG import facilities are only running at about 26 percent of full capacity.

So there is a way to go before LNG terminals further north reach saturation point. That's why the issue is unlikely to be resolved on Friday at a meeting that will focus more on electricity connections. A deal on financing construction of a 370-kilometre long power line linking France to Spain via the Bay of Biscay is to be signed, the European Commission said in a statement Friday.

The commission will finance 30 percent of the project by bringing 578 million euros to the table, an unprecedented amount for an energy project. — AFP

EXCHANGE RATES

BAHRAIN EXCHANGE COMPANY WLL

CURRENCY	BUY	SELL
Europe		
British Pound	0.391485	0.405385
Czech Korune	0.005790	0.015090
Danish Krone	0.043400	0.048400
Euro	0. 346798	0.360498
Georgian Lari	0.137568	0.137568
Hungarian	0.001143	0.001333
Norwegian Krone	0.033073	0.038273
Romanian Leu	0.064947	0.081797
Russian ruble	0.004850	0.004850
Slovakia	0.009051	0.019051
Swedish Krona	0.030416	0.035416
Swiss Franc	0.299091	0.310091
Australasia		
Australian Dollar	0.216869	0.228889
New Zealand Dollar	0.200256	0.209756
America		
Canadian Dollar	0.227361	0.236361
US Dollars	0.299250	0.304550
US Dollars Mint	0.299750	0.304550
Asia		
Bangladesh Taka	0.003065	0.003856
Chinese Yuan	0.043271	0.046771
Hong Kong Dollar	0.036901	0.039651
Indian Rupee	0.003864	0.004636
Indonesian Rupiah	0.000017	0.000023
Japanese Yen	0.002652	0.002832
Korean Won	0.000262	0.000277
Malaysian Ringgit	0.071568	0.077568
Nepalese Rupee	0.002622	0.002962
Pakistan Rupee	0.001772	0.002542
Philippine Peso	0.005649	0.005949
Singapore Dollar	0.217553	0.227553
Sri Lankan Rupee	0.001587	0.002167
Taiwan	0.001587	0.010589
Thai Baht	0.008770	0.009320
Arab		
Bahraini Dinar	0.789541	0.806041
Egyptian Pound	0.014319	0.020037
Iranian Riyal	0.000084	0.000085
Iraqi Dinar	0.000197	0.000257
Jordanian Dinar	0.423552	0.432552
Kuwaiti Dinar	1.000000	1.000000
Lebanese Pound	0.000156	0.000256
Moroccan Dirhams	0.020543	0.044543
Omani Riyal	0.781604	0.787284
Qatar Riyal	0.079033	0.083973
Saudi Riyal	0.079807	0.081107
Syrian Pound	0.001286	0.001506
Tunisian Dinar	0.110626	0.118626
Turkish Lira	0.057252	0.067552
UAE Dirhams	0.081165	0.087552
Yemeni Riyal	0.000986	0.001066