

ABK CAPITAL  
**KUWAIT**  
MARKET  
MONTHLY  
REPORT

2023



# Kuwait Market Monthly Report

November 2023

## Market Performance

Kuwait's All Share Index closed high at 1.9% MoM 6,653.8 points in November 2023. The total volume traded rose 7.9% MoM to 3.9BLN, the number of deals decreased 7.7% MoM to 234,727 and the total value traded increased 4.9% MoM to KWD 1.01BLN. The increase in the market was mainly due to the financial services and real estate sectors.

As per the third estimate released by the Bureau of Economic Analysis, the US real GDP was up 5.2% YoY in Q3 2023 as opposed to the 2.1% YoY increase in Q2 2023. The update primarily reflected increases in consumer spending, private inventory investment, exports, state and local government spending, federal government spending, residential fixed investment, and nonresidential fixed investment. Real personal consumption expenditure (PCE) increased 0.1% in October 2023, and personal income rose 0.2% MoM in October 2023 compared with 0.4% in September 2023. The increase in current-dollar personal income in October primarily reflected increases in personal income receipts on assets and compensation that were partly offset by a decrease in personal current transfer receipts. The US current account deficit stood at **USD 64.3BLN** in October 2023 against a deficit of **USD 61.2BLN** in September 2023. Total exports were USD 258.8BLN in October 2023, USD 2.6BLN less than the amount in September 2023. Furthermore, total imports stood at USD 323.0BLN in October 2023, an increase of USD 0.5BLN from that in September 2023.

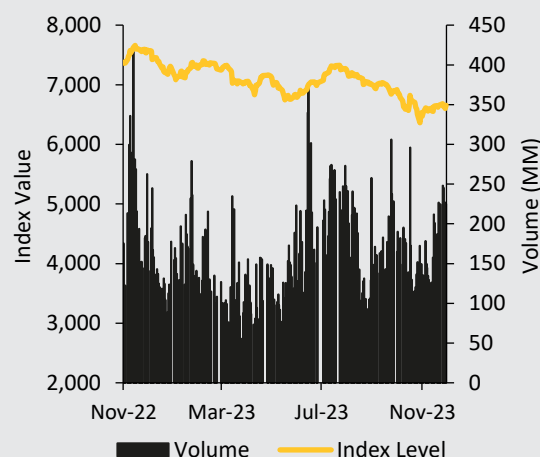
According to Eurostat, the EU's statistical office, the Euro area's annual inflation rate is expected to be 2.4% in November 2023, down from 2.9% in October 2023. The first estimate for the Euro Area's international trade surplus was EUR 6.7BLN in August 2023 as opposed to a deficit of EUR **54.4BLN** in August 2022. As per the latest data released by the Office for National Statistics, the UK's consumer price index (CPI) rose 4.6% YoY in October, down from 6.7% YoY in September 2023. However, CPI, including owners and occupiers' housing costs (CPIH), in the UK edged up 4.7% YoY in October 2023, down from 6.3% YoY in September.

Based on the latest data released by the National Bureau of Statistics, China's CPI dropped by 0.2% YoY in October 2023 against a flat reading in September 2023. Food prices fell 4.0% YoY in October 2023. According to the Statistics Bureau of Japan, CPI stood at 3.3% YoY in October 2023 compared with 3.0% in September 2023. As a result of high prices of transportation and food, the figure came in above the Bank of Japan's 2.0% target for the 19<sup>th</sup> straight month.

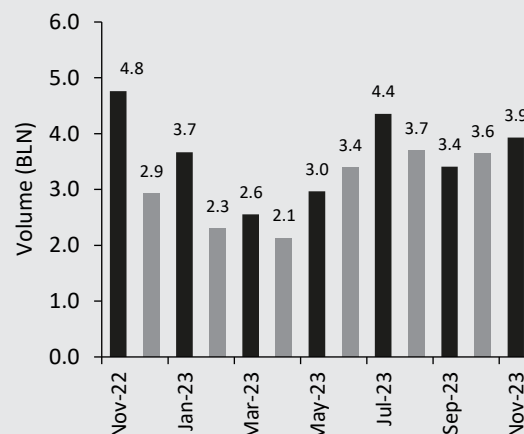
Kuwait Market Summary	November, 2023	October, 2023	Change (%)
Open	6,541.22	6,893.13	(5.1)
High	6,689.75	6,934.36	(3.5)
Low	6,470.57	6,357.12	1.8
Close	6,653.84	6,531.76	1.9
Volume traded (MM)	3,929.05	3,642.73	7.9
Value Traded (KWD MM)	1,016.86	969.62	4.9
No. of deals	234,727	254,353	(7.7)
No. of advances	84	27	211.1
No. of declines	53	112	(52.7)
No. of unchanged	13	11	18.2

## Kuwait Index Performance

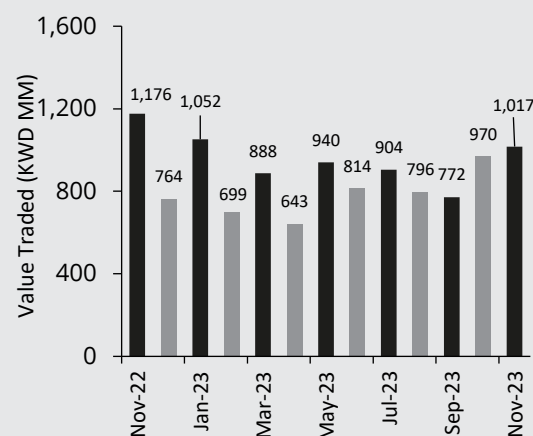
### Benchmark Index and Volume Trade



### Monthly Volume Traded (BLN)



### Monthly Value Traded



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## Top Gainers and Losers

The market breadth was broadly negative; 84 stocks rose, and 53 stocks declined, while 13 remained unchanged.

### Top Five Gainers

Particulars	Close (KWD Fils)	MTD (%)	YTD (%)	Market Capitalization (KWD MM)	Volume (MM)	EPS (KWD Fils)	BVPS (KWD Fils)	P/E (x)	P/B (x)
IFA HOTELS & RESORTS CO.	564.00	98.59	1885.92	50.61	113.12	0.02	11.74	10.81	6.62
INTERNATIONAL FINANCIAL ADVISERS HOLDING	278.00	47.09	180.52	47.12	267.52	0.02	4.00	5.18	1.11
THE ENERGY HOUSE CO	74.50	43.27	246.51	2.36	0.07	0.05	10.08	3.38	0.75
AL-DEERA HOLDING CO.	270.00	32.35	68.75	18.72	0.44	0.07	5.58	20.08	1.51
UNICAP INVESTMENT AND FINANCE	63.00	31.52	3.45	10.71	9.56	NA	10.53	NA	0.66

### Top Five Losers

Particulars	Close (KWD Fils)	MTD (%)	YTD (%)	Market Capitalization (KWD MM)	Volume (MM)	EPS (KWD Fils)	BVPS (KWD Fils)	P/E (x)	P/B (x)
KUWAIT CEMENT COMPANY	125.00	(15.54)	(43.95)	105.52	32.76	0.21	0.00	26.06	0.00
DAR AL THURAYA REAL ESTATE CO.	134.00	(13.55)	(37.38)	22.71	0.01	0.37	8.39	50.21	1.12
ARKAN AL-KUWAIT REAL ESTATE CO.	75.30	(13.45)	(35.09)	21.85	0.81	0.40	7.29	29.93	0.55
JAZEERA AIRWAYS CO.	1279.00	(12.40)	(32.68)	321.20	11.02	0.02	0.00	22.35	0.00
TAAMEER REAL ESTATE INVESTMENT CO.	12.80	(11.72)	(39.05)	3.47	22.15	NA	19.48	NA	0.25

### Top Five by Volume

Particulars	Close (KWD Fils)	MTD (%)	YTD (%)	Market Capitalization (KWD MM)	Volume (MM)	EPS (KWD Fils)	BVPS (KWD Fils)	P/E (x)	P/B (x)
ARZAN FINANCIAL GROUP	196.00	20.25	70.43	132.76	322.58	0.15	6.92	29.38	1.36
INTERNATIONAL FINANCIAL ADVISERS HOLDING	278.00	47.09	180.52	47.12	267.52	0.02	4.00	5.18	1.11
SOKOUK HOLDING CO.	48.20	19.90	109.57	22.98	237.77	0.11	19.14	5.50	0.92
KUWAIT REAL ESTATE COMPANY	186.00	16.98	72.22	147.47	236.34	0.08	6.72	14.78	1.25
KUWAIT FINANCE HOUSE	699.00	2.19	(15.07)	9990.74	224.89	0.03	2.83	17.70	1.98

Source: Bloomberg; NM – Not Meaningful; NA – Not Available

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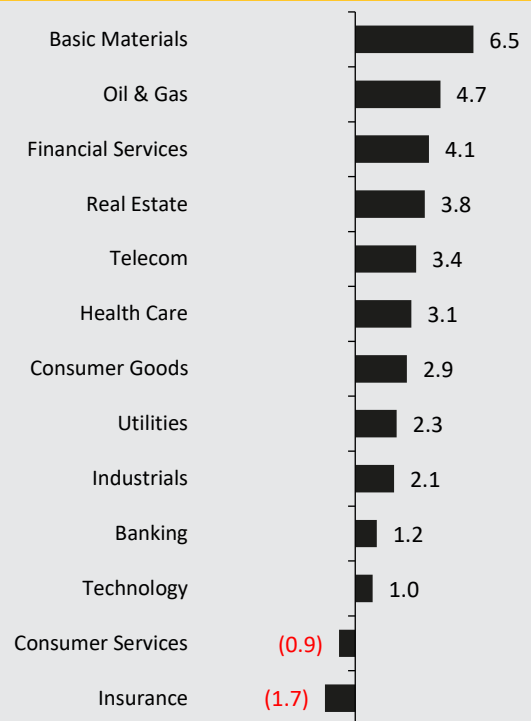
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## Performance by Sector

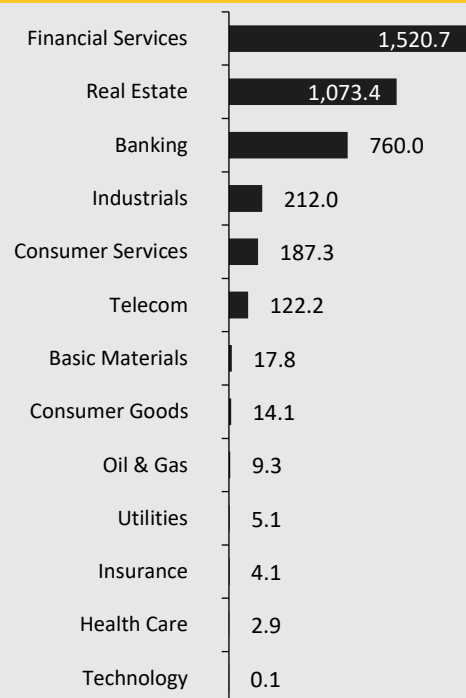
- Banks:** The sector closed 1.2% higher at 1,596.3 points during the month. Gulf Bank (up 6.8%) rose the most, followed by Burgan Bank (up 4.3%) while Commercial Bank of Kuwait (down 8.5%) was the top Loser. The sector recorded 55,841 transactions. Total volume and value traded stood at 760.0MM and KWD 348.5MM, respectively.
- Basic Materials:** The sector closed 6.5% higher at 807.0 points during the month. Alkout Industrial Projects Co. (up 10.0%) rose the most, followed by Boubyan Petrochemical Co. (up 5.9%). The sector recorded 3,173 transactions. Total volume and value traded stood at 17.8MM and KWD 10.8MM, respectively.
- Consumer Goods:** The sector closed 2.9% higher at 601.8 points during the month. Mezzan Holding Co (up 3.4%) rose the most, while Livestock Transport & Trading Com. (down 1.0%) was the top Loser. The sector recorded 983 transactions. Total volume and value traded stood at 14.1MM and KWD 7.0MM, respectively.
- Consumer Services:** The sector closed 0.9% lower at 1,489.6 points during the month. Jazeera Airways Co. (down 12.4%) declined the most, followed by Kuwait National Cinema (down 9.6%) while Ifa Hotels & Resorts Co. (up 98.6%) was the top gainer. The sector recorded 22,884 transactions. Total volume and value traded stood at 187.3MM and KWD 73.2MM, respectively.
- Financial Services:** The sector closed 4.1% higher at 1,202.9 points during the month. International Financial Advisers Holding (up 47.1%) rose the most, followed by Al-Deera Holding Co. (up 32.4%) while Gulf Investment House (down 8.4%) was the top Loser. The sector recorded 60,746 transactions. Total volume and value traded stood at 1.5BLN and KWD 266.9MM, respectively.
- Healthcare:** The sector closed 3.1% higher at 482.2 points during the month. Advanced Technology Company (up 11.4%) rose the most, whereas AL-Maidan Clinic for Oral Health Services Co. and Yiaco Medical Co. ended flat. The sector recorded 29 transactions. Total volume and value traded stood at 2.9MM and KWD 1.3MM, respectively.
- Industrials:** The sector closed 2.1% higher at 906.3 points during the month. National Cleaning Co. (up 14.3%) rose the most, followed by Heavy Engineering Industries and Ship Building Co. (up 10.9%) while Kuwait Cement Company (down 15.5%) was the top Loser. The sector recorded 26,375 transactions. Total volume and value traded stood at 212.0MM and KWD 118.2MM, respectively.
- Utilities:** The sector closed 2.3% higher at 468.4 points during the month. Shamal Az-Zour Al-Oula Power and Water Company K.S.C.P, being the only company in the sector, increased 2.3%. The sector recorded 831 transactions. Total volume and value traded stood at 5.1MM and KWD 0.9MM, respectively.

## Market Composition

### Monthly Sector Index Returns (%)



### Monthly Volume Traded (Million)



## Market Composition

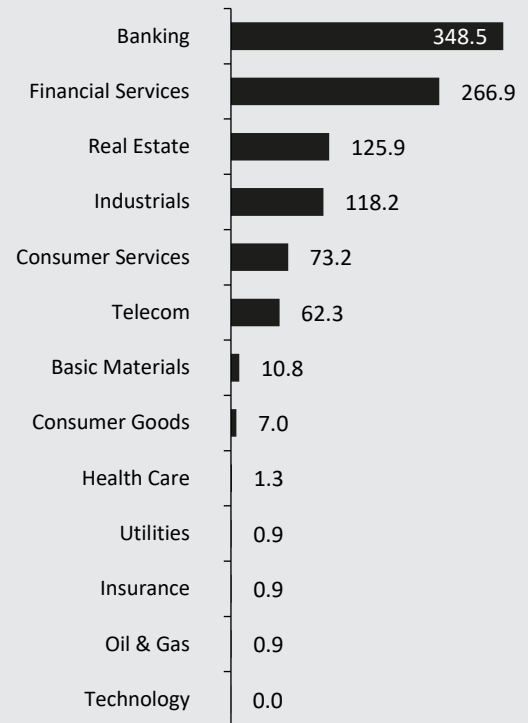
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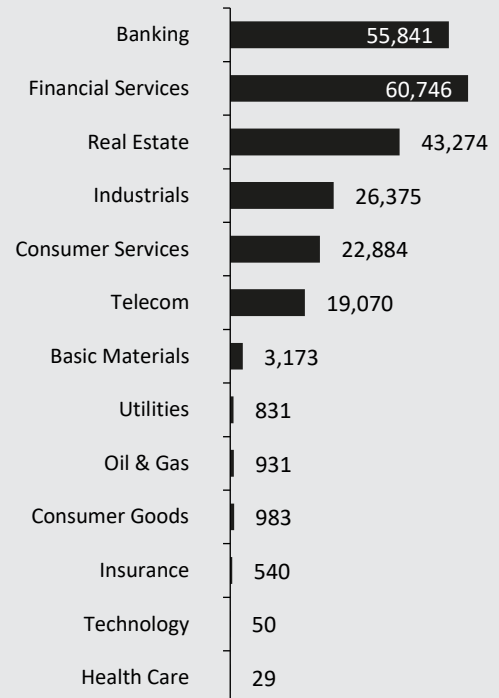
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- Insurance:** The sector closed **1.7%** lower at 2,200.4 points during the month. Al-Ahleia Insurance Company (down **3.9%**) declined the most, followed by GULF INSURANCE GROUP (down **2.7%**) while First Takaful Insurance Company (up 13.0%) was the top gainer. The sector recorded 540 transactions. Total volume and value traded stood at 4.1MM and KWD 0.9MM, respectively.
- Oil & Gas:** The sector closed 4.7% higher at 944.2 points during the month. The Energy House Co (up 43.3%) rose the most, followed by National Petroleum Services Company (up 7.2%) while Senergy Holding Company (K.S.C.P) (down **3.0%**) was the top Loser. The sector recorded 931 transactions. Total volume and value traded stood at 9.3MM and KWD 0.9MM, respectively.
- Real Estate:** The sector closed 3.8% higher at 1,196.7 points during the month. Al-Mazaya Holding Co. (up 30.3%) rose the most, followed by Sokouk Holding Co. (up 19.9%) while Dar Al Thuraya Real Estate Co. (down **13.5%**) was the top Loser. The sector recorded 43,274 transactions. Total volume and value traded stood at 1.1BLN and KWD 125.9MM, respectively.
- Technology:** The sector closed 1.0% higher at 609.6 points during the month. Automated Systems Company, being the only company in the sector, increased 1.0%. The sector recorded 50 transactions. Total volume and value traded stood at 0.1MM and KWD 9899.8, respectively.
- Telecom:** The sector closed 3.4% higher at 1,088.8 points during the month. Kuwait Telecommunications Co. (up 7.4%) rose the most, followed by National Mobile Telecommunications Co. (up 5.8%). The sector recorded 19,070 transactions. Total volume and value traded stood at 122.2MM and KWD 62.3MM, respectively.

## Monthly Value Traded (KWD MM)



## Number Of Deals





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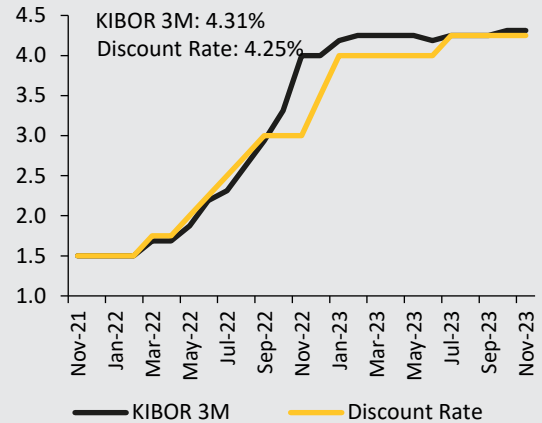
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## Kuwait – Economy and Industry News

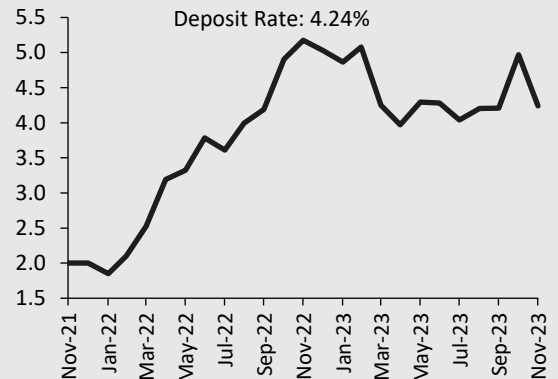
- ◆ The Central Bank of Kuwait (CBK) reported that the broad money supply (M2) increased to KWD 39.34BLN in October 2023 from KWD 39.06BLN in September 2023.
- ◆ Kuwait's annual inflation rate rose slightly to 3.8% YoY in October 2023 from 3.7% YoY in September 2023. Moreover, monthly consumer prices increased 0.4% MoM in October 2023 compared with a 0.3% MoM rise in September 2023.
- ◆ According to the Minister of Oil Dr. Saad Al-Barrak, Kuwait will voluntarily cut crude oil output by 135,000 barrels per day for first three months of 2024.
- ◆ According to the Central Bank of Kuwait, the total assets of local banks increased by about KWD 986.0MM in October 2023 to KWD 86.4BLN compared to KWD 85.4BLN in September 2023.
- ◆ Kuwait's trade surplus with Japan narrowed **17.0%** to JPY 102.6BLN in October 2023 compared with that in October 2022, down for the first time in two months due to weak exports.
- ◆ Kuwait's overall exports to Japan was down **12.2%** YoY to JPY 123.9BLN in October 2023.
- ◆ The report of the National Center for Development Research of the General Secretariat of Planning revealed that Kuwait the volume of foreign investment in Kuwait reached KWD 5.0BLN by the end of the first half of 2023.
- ◆ According to the Turkish Minister of Trade, Omar Polat, Turkey is seeking to raise the volume of investment with Kuwait to USD 5.0BLN.
- ◆ Kuwait real estate market booms in October 2023 with the cumulative value to KWD 323.4MM, a significant leap from the KWD 218.1MM recorded in the preceding month of September.

### Monetary Indicators

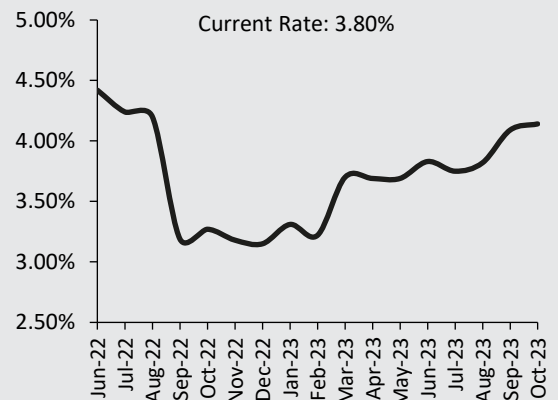
#### Interest Rate (%)



#### Deposit Rate (%)



#### Inflation Rate (%)



Source: Bloomberg

Note: Kuwait Inflation data available till Oct 2023

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## Kuwait Corporate Developments

- ◆ Borgan Bank agreed to sell 52.0% stake in Borgan Bank - Turkey (BBT) to Rawabi Holding company, owned by Kuwait Projects Company (Holding) KIPCO.
- ◆ Al Ahli Bank of Kuwait issues KWD 50.0MM subordinated bonds under tier 2 capital.
- ◆ Moody's affirms Kuwait Insurance Company's A3 insurance financial Strength Rating with stable outlook.
- ◆ Kuwait Finance House (KFH) Shareholders ratified merger between KFH And Ahli United Bank.
- ◆ National Petroleum Services Company KSCP (NAPESCO) boards approve to submit preliminary non-binding offer to purchase 52.9% of an un-listed oil field services company. Purchase price is expected to be between KWD 14.3MM and KWD 15.8MM.
- ◆ Moody's affirms long-term deposit ratings of Commercial Bank of Kuwait KPSC by changing outlook to positive from stable.
- ◆ Advanced Technology renews contract to increase credit facilities to KWD 15.5MM.
- ◆ Injazat Real Estate development signs initial agreement to divest one of assets in Kuwait for KWD 10.0MM.
- ◆ Kuwait's Raha closes round of pre-series A funding at USD 7.0MM, led by Soor Capital and EWTP Arabia Capital while bringing total investments raised by tech start-up to USD 14.0MM.
- ◆ Kuwait's Al Eid Food signs an agreement to buy 99.0% stake in Alashraf Market Center Company for KWD 20.5 MM.
- ◆ Kuwait's Kipco- Panther Media Group Ltd (OSN) signs conditional binding agreement to combine its streaming platform OSN+ with Anghami Inc. KIPCO- Panther Media Group is going to invest up to USD 50.0MM in Anghami.
- ◆ Capital markets Authority (CMA) approves Al-Mazaya Holding capital increase to KWD 52.6MM from KWD 48.5MM, equivalent to 8.4% of co's issued and paid-up capital.
- ◆ Airbus and ALAFCO reached an agreement to terminate the contract for the purchase order of a320neo Aircraft.
- ◆ Ali Alghanim Sons automotive unit signs framework agreement with Egypt, which aims to develop automotive sector in Egypt.
- ◆ Combined Group Contracting was awarded KWD 15.2MM contract by the ministry of public works to implement infrastructure improvement related works in Qortuba region.
- ◆ United Real Estate- subsidiary Tamleek United Real Estate concluded an agreement to sell its full stake in Meduis R.E. Development in Egypt at a value of EGP 1.62bln.
- ◆ The Kuwait Foreign Petroleum Exploration Company (KUFPEC) agreed on the last month to sell all its assets in Norway to Poland's Orlen, which operates in Norway under the name PGNIG Upstream for USD 454.0MM. This investment was one of the company's most successful operations, from acquisition to exit.
- ◆ Kuwait Hotels board approves to sign banking facilities agreement to finance Co's activities within credit limit of KWD 6.0MM.

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