

Kuwait Weekly Report

June 17, 2021

TOP BUY RECOMMENDATIONS ON FUNDAMENTALS

	Close Price	Target Price	PE	PBV	D/Y
Zain	590	700	14	2.3	5.6%
Mabanee	742	800	35	1.9	0.7%
Mezzan	657	700	18	1.7	2.7%
Humansoft	3,650	4,500	8	3.2	11.1%

TOP RECOMMENDATIONS ON TECHNICALS

	Price	S1	S2	R1	R2
Boubyan Petrochemical	918	911	900	930	960
Warba Bank	260	252	247	270	290
Combined Group Contr.	346	337	320	380	400
Mabanee	742	735	725	761	790

Top Gainers

Company	Price	% Chg	Volume
Advanced Technology Co.	550	20.9%	30,124
Kuwait Foundry Company	380	15.2%	976,622
Al Eid Food Company	200	13.0%	5,481,028
Gulf Investment House	301	12.3%	40,148,296
Dar Al Thuraya Real Estate	98.4	10.4%	28,235

Top Losers

Company	Price	% Chg	Volume
Munshaat Real Estate	60	-13.9%	653,245
Kuwait Syrian Holding Co	29.7	-13.9%	20,503
National Consumer Holding	52.8	-13.0%	879,983
Kuwait Hotels Co	62.8	-10.3%	90,797
Umm Al Qaiwain General Inv.	70.1	-8.8%	781,921

Group's Company's statistics

Company	High	Low	Volume	Traded Value
Oula Fuel Marketing	145	139	297,207	42,522
Soor Fuel Marketing	144	138	372,287	52,553
KBT	81.5	75.6	4,317,373	340,325
Al Maidan Clinic	-	-	-	-

Global Market Statistics

Company	Value	%ΔWTD	%Ytd
S&P 500	4,223.7	0.1%	14.1%
Nasdaq	13,983.0	1.2%	10.0%
Hangseng	28,558.6	-0.6%	8.2%
DAX	15,701.6	0.8%	15.6%

Bursa Kuwait Index Performance

	Value	Δ WTD%	Δ YTD %
BK Premier Index	6,948	1.5%	14.8%
BK Main 50 Index	5,572	1.0%	20.2%
BK All Share Index	6,394	1.4%	15.3%

GCC Market Performance

	Value	Δ WTD%	Δ YTD %
Saudi (TASI)	10,872	0.46%	25.11%
Abu Dhabi (ADI)	6,647	-1.03%	31.74%
Dubai (DFM)	2,863	0.71%	14.88%
Qatar (QE)	10,740	0.15%	2.91%

Group's Listed Companies News

- KBT disclosed corporate action regarding the change of dates of capital decrease of 3.5% (which will be distributed to shareholders) due to the procedures with Ministry of Trade and Industry.

- Maidan Clinic announced its financial results for the year end 31 March 2021.

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Top Buy Recommendations

Zain: Offering decent dividend yield at current levels, losses were contained in Iraq and significant growth in revenue was witnessed in Sudan.

Mabaneer: With gradual reopening of economy and lifting of Covid restrictions, Mabaneer will benefit from increase in its Avaneues mall footfall and hotel occupancy. Hotel in Bahrain Avenues mall will start operations in the next quarter while Company has finally decided to go ahead with its giant project in Riyadh which will boost its revenue growth after its completion in 2025.

Mezzan Holding: Recently added to the MSCI emerging market index. Earnings grew by 98% in 2020 mainly on better margins and lower finance costs. Business model provides resilience against any cyclical changes e.g. pandemic etc.

Humansoft: Announced better than expected 1Q21 results. Sustained impact of Covid related lockdowns and discounted fee by reducing operating expenses. Balance sheet is strong. Offering attractive dividend yield at current price.

Market Commentary

Kuwait stock market continued its positive momentum this week and Boursa Kuwait All Share Index gained 1.4% while Premier index gained 1.5% during the week. Index heavyweight NBK moved up 0.5% and KFH gained 2.9% while Mabaneer surged 2.8%. Investors are focusing on movement of international oil prices and overall situation of Covid related lockdowns and macroeconomic data in US which will set the tone for path of interest rates. Federal Reserve signalled hawkish tone on future course of interest rates and announced to raise interest rates atleast two times by the end of 2023 keeping in view the latest inflation figures.

International oil prices gained 3% to USD 72 per barrell. On the hopes of elevated levels of internation oil price, banking sector may see increased liquidity while contracting companies will also benefit from improved economic outlook.

Outlook:

Markets are expected to remain positive with oil, banks, contracting and consumer sectors are expected to remain major beneficiaries of the positive macroeconomic data and recent gains in oil prices.

Upcoming events

20/06/2021 Boursa Kuwait AGM/ EOGM
21/06/2021 Burgan Bank ex dividend date for 5% cash, 5% bonus shares
24/06/2021 National Real Estate ex dividend date for 5% bonus shares
24/06/2021 Arzan Financial Group AGM