

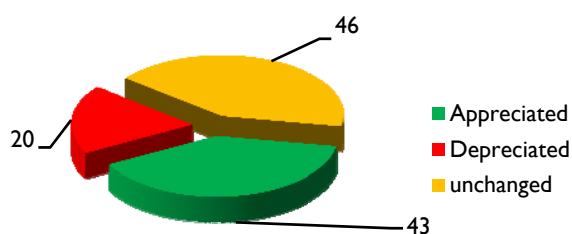
KSE Daily Round-Up

October 30th, 2011

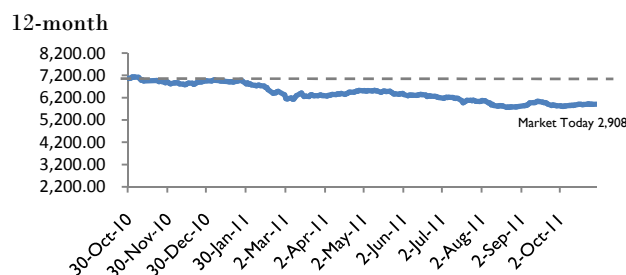
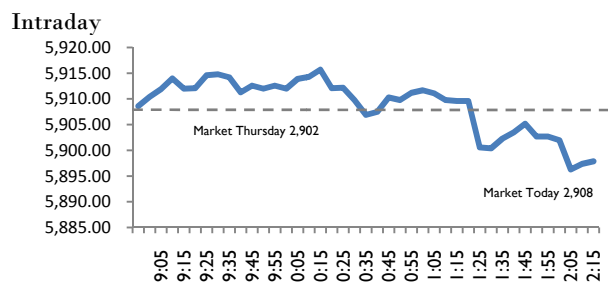
MARKET COMMENTARY

KSE started the week with a green close, responding to a set of good news boosting regional and global markets. Investors gained confidence in the performance of global economy after European leaders agreed to expand the region's bailout fund in order to overcome the sovereign debt crisis and the U.S. economy expanded in the third quarter at the fastest pace in a year (an annual rate of 2.5 percent compared to the 1.3 percent increase seen in the second quarter). KSE gained 0.11 percent (6.40 points) to close at 5,908.50 points. The Investment sector was the top gainer; increasing by 0.64%; along with being the most active in terms of turnover (29%) and total traded volume (45%). KBROJ added 3.03 percent to close at 340 fils and GLOBAL jumped 5.38 percent. Qurain Petrochemical Industries Co. (ALQURAIN) added 0.90 percent, upon announcing its financial results for the nine months period ended September 30th, 2011, posting a net profit of KWD 20.45 million, as opposed to a net loss of KWD 1.58 million in the corresponding period a year earlier. The services sector lost 0.07%, mainly due to a 4.23 percent price decrease of Aviation Lease and Finance Co. (ALAFCO) despite the good financial results recorded by the company for the year ended September 30th, 2011 (a net profit of KWD 46.72 million, as opposed to KWD 10.77 million in the corresponding period a year earlier).

TRADED STOCKS



INDEX PERFORMANCE



MARKET PERFORMANCE2

Market	Today	Thursday
Turnover	20,340,650	24,218,890
Volumes	153,557,500	165,850,000
Trades	2,505	2,585

PRICE PERFORMERS

Top Gainers		%Chg	Top Losers		%Chg
NRE	132.0	8.20	KCIN	1,000.0	-9.09
BAYANINV	35.5	7.58	ADNC	16.5	-5.71
JAZEERA	380.0	7.04	MUNSHAAT	25.0	-5.66
CITYGROUP	630.0	6.78	CATTL	270.0	-5.26
ALRAI	81.0	6.58	ALAFCO	340.0	-4.23

MOST ACTIVE PERFORMERS (MILLIONS)

By Turnover		By Volume	
ALAFCO	2.0	ALSAFAT	9.7
MABANEE	1.4	GLOBAL	9.1
KPROJ	1.1	MAZAYA	6.9
ZAIN	1.0	IFA	6.2
NIND	0.9	ALAFCO	5.8

ATTRACTIVENESS METER

Stock	CFV	Last Price	Diff. %	P/E	A	N	NA
					Attractiveness Meter		
NMTC	2.302	1.980	16.26	14.75			
ZAIN	1.076	0.930	15.70	3.66			
MABANEE	0.947	0.880	7.61	28.28			

NEWS AND EVENTS

Corporate News

Aviation Lease and Finance Co. (ALAFCO) disclosed its financial results for the year ended September 30th, 2011, posting a net profit of KWD 46.72 million, as opposed to KWD 10.77 million in the corresponding period a year earlier. Meanwhile, the Board of Directors recommended the distribution of 10 percent cash dividends for the year.

Qurain Petrochemical Industries Co. (ALQURAIN) disclosed its financial results for the nine months period ended September 30th, 2011, posting a net profit of KWD 20.45 million, as opposed to a net loss of KWD 1.58 million in the corresponding period a year earlier.

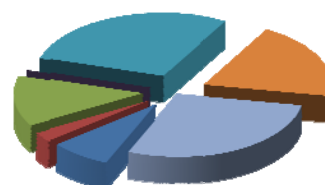
Real Estate Trade Centers Co. (MARAKEZ) disclosed its financial results for the nine months period ended September 30th, 2011, posting a net loss of KWD 391,628, as opposed to a net profit of KWD 1.61 million in the corresponding period a year earlier.

Ras Al Khaimah CO. for White Cement (RKWC) disclosed its financial results for the nine months period ended September 30th, 2011, posting a net profit of AED 57.85 million, as opposed to AED 59.70 million in the corresponding period a year earlier.

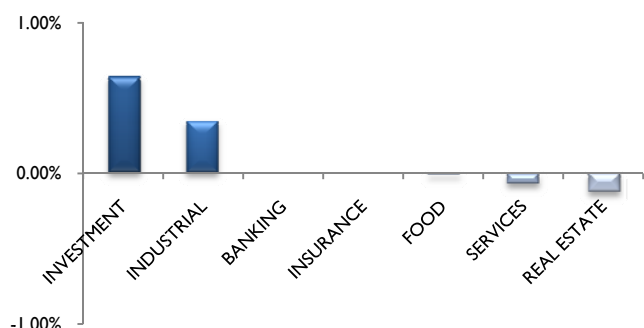
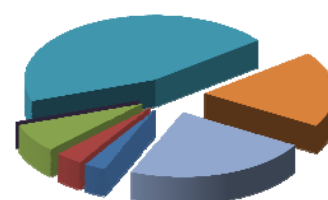
The Attractiveness Meter shows the difference between the current trading prices for stocks and their respective consensus fair values. Differences between these values from our perspective, places the investment at an Attractive (denoted by A), Neutral (denoted by N) or Not Attractive (denoted by NA) level. We base this view by assessing the current P/E multiples in line with the consensus fair values. Consensus fair values are arrived at using a methodical approach that is highly subjective. Please read the disclaimer on the final page of this report.

SECTOR ANALYSIS

By Turnover



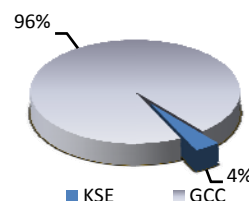
By Volume



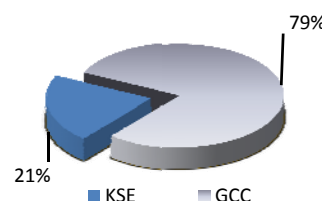
The Investment sector was the top gainer; increasing by 0.64%; followed by the Industrial sector; adding 0.35%. The Real Estate sector was the top loser, decreasing by 0.13%, while the Banking and Insurance sectors witnessed no change at all. The Investment sector was the most active in terms of turnover (29%) and total traded volume (45%).

MARKET TO REGION PERFORMANCE

By Turnover



By Volume



Domestic News

The latest figures released by the Finance Ministry showed that Kuwait's preliminary budget surplus amounted to 8.87 billion Kuwaiti dinars (32.2 billion US dollars) in the first half of the fiscal year ending March 31, 2012. Total income reached KD 13.93 billion - including oil revenue of KD 13.29 billion - while spending was KD 5.06 billion.

Regional and Global News

Moody's Investors Service has downgraded Egypt's government bond ratings by one notch to B1 from Ba3 on Thursday. The outlook remains negative. This came on the assumption that the country is suffering ongoing economic weakness and financial deterioration, as evidenced by the sharp loss in official foreign exchange reserves since the beginning of this year.

The Commerce Department in the U.S. mentioned that the gross domestic product growth during the third quarter accelerated in line with economist estimates. GDP increased at an annual rate of 2.5 percent in the third quarter compared to the 1.3 percent increase seen in the second quarter. The increase in GDP marks the fastest growth since the third quarter of 2010 and matches the expectations of economists. An acceleration in the pace of consumer spending growth contributed to the faster GDP growth, with spending rising by 2.4 percent in the third quarter after edging up by 0.7 percent in the second quarter. Core consumer prices, which exclude food and energy prices, rose by 2.1 percent in the third quarter compared to a 2.3 percent increase in the second quarter.

According to Reuters and the University of Michigan, consumer sentiment in the U.S. unexpectedly improved in the month of October. The consumer sentiment index for October was upwardly revised to 60.9 from the preliminary reading of 57.5. The index is above the September reading of 59.4. The current conditions index was also upwardly revised to 75.1 from the preliminary reading of 73.8 and is up from 74.9 in the previous month.

COMMODITY PRICES

Commodity	US \$
Oil (Dated Brent)/Barrel	109.91
Natural Gas/MMBtu	3.92
Electricity/megawatt hour	41.91
Gold/oz.	1,747.20
Silver/oz.	35.29
Platinum/oz.	1,651.80
Palladium/oz.	668.35

REGIONAL INDICES

Index		%Chg
DFMGI	1,415	2.60
ADI	2,508	1.51
TASI	6,229	-0.10
EGX30	4,452	2.60
KSE	5,908	0.11
BSEX	1,150	0.00
QE	8,619	0.98
MSM30	5,570	0.13
ASE	2,004	0.75

EXCHANGE RATES

Currency	KWD
US \$	0.273
€	0.387
£	0.441
¥	0.003
SR	0.072

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