

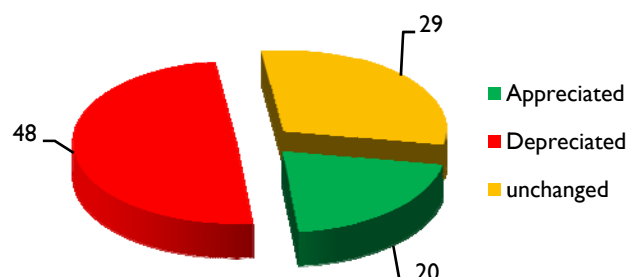
KSE Daily Round-Up

December 11th, 2011

MARKET COMMENTARY

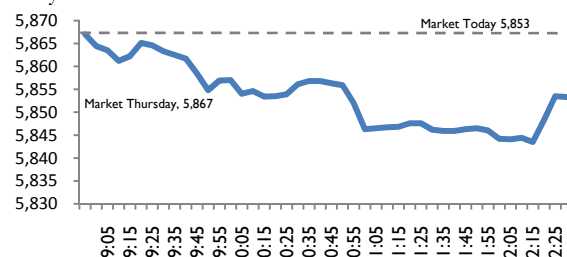
KSE started the week with a decrease of 0.23% to close at 5,853.30 points. Forty-eight stocks depreciated in prices, while only twenty appreciated and twenty-nine remained unchanged. Most of the sectors retreated, where the Banking sector was the top loser; decreasing by 0.81%; followed by the Investment sector losing 0.37%; with BAYANINV dropping 5.33% to close at 35.50 fils. The Services sector came third; losing 0.26%, where KCIN, GFC, ALNAWADI and ALRAI decreased by 8.33%, 5.88%, 4.76% and 4.41% respectively. ZAIN lost 1.1% and was one of the most active performers in terms of turnover with KD 1.4 million. GBK – despite witnessing no change- accounted for KD 12.1 million of turnover through 23.6 million shares of traded volume and 96 trades, which drove the Banking sector to acquire the largest share of the total market turnover (52%). The Investment sector was the most active in terms of volume, accounting for 43% of the overall traded quantity. GFH contributed alone by 31.4 million of traded shares to the total. The Industrial sector was the sole gainer, with a mild increase of 0.06%; Both EQUIPMENT and MARIN were on the gainers' list, increasing by 9.62% and 3.75%, respectively.

TRADED STOCKS

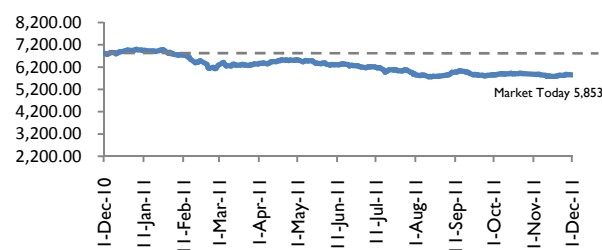


INDEX PERFORMANCE

Intraday



12-month



MARKET PERFORMANCE2

| Market | Today | Thursday |
|----------|-------------|-------------|
| Turnover | 26,308,830 | 20,562,070 |
| Volumes | 163,052,500 | 196,122,500 |
| Trades | 1,729 | 1,960 |

PRICE PERFORMERS

| Top Gainers | %Chg | Top Losers | %Chg |
|-------------|-------------|------------|--------------|
| EQUIPMENT | 57.00 9.62 | KCIN | 990.00 -8.33 |
| SHOP | 57.00 9.62 | GFC | 16.00 -5.88 |
| SANAM | 61.00 8.93 | BAYANINV | 35.50 -5.33 |
| ABYAAR | 27.50 3.77 | ALNAWADI | 80.00 -4.76 |
| MARIN | 166.00 3.75 | ALRAI | 130.00 -4.41 |

MOST ACTIVE PERFORMERS (MILLIONS)

| By Turnover | By Volume |
|-------------|-----------|
| GBK | GFH |
| KPROJ | GBK |
| ZAIN | IFA |
| GFH | KPROJ |
| IFA | ABYAAR |

ATTRACTIVENESS METER

| Stock | CFV | Last Price | Diff. % | P/E | A | N | NA |
|----------------|-------|------------|---------|-------|----------------------|---|----|
| | | | | | Attractiveness Meter | | |
| ZAIN | 1.076 | 0.900 | 19.56 | 3.54 | | | |
| NMTC | 2.302 | 1.940 | 18.66 | 14.45 | | | |
| MABANEE | 0.947 | 0.880 | 7.61 | 28.28 | | | |

NEWS AND EVENTS

Corporate News

Kuwait Commercial Complex Company (SHOP) disclosed its financial results for the nine months period ended September 30th, 2011, posting a net loss of KWD 9.0 million, as opposed to KWD 3.9 million in the corresponding period a year earlier.

Amar for Finance and Leasing Co. (AMAR) sold one of its investment property in the State of Kuwait for KD 1,950,000 cash, which resulted in realizing profit of KD 310,000. That transaction will affect the company's consolidated financial statements for the fourth quarter of 2011.

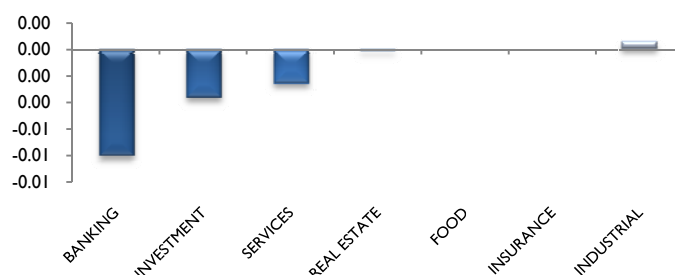
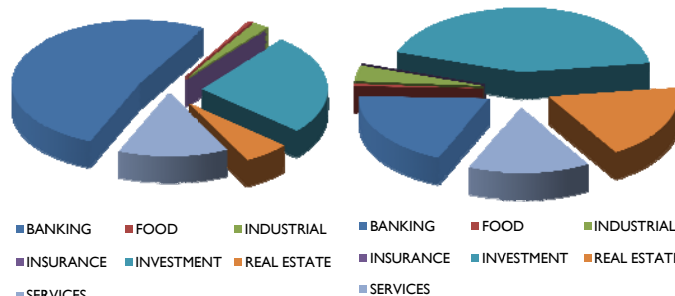
Combined Group Contracting Co. (CGC) reported that its Abu Dhabi's branch was awarded a contract to establish concrete floors, concrete trenches, sewer system and pumping stations for the port in Ghantoot region of UAE. The value of the contract is worth AED 58,200,000, which is equivalent to about KD 4,423,200.

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

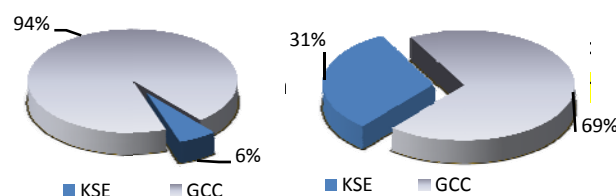


The Banking sector was the top loser; decreasing by 0.81%; followed by the Investment and Services sectors, losing 0.37% and 0.26%, respectively. The Industrial sector was the sole gainer, increasing by 0.06%. The Banking sector contributed by the largest share to the total market turnover (52%), while the Investment sector was the most active in terms of volume, accounting for 43 percent of the overall traded quantity.

MARKET TO REGION PERFORMANCE

By Turnover

By Volume



Regional and Global events

QNB Capital mentioned that the annual growth rate of bank credit to the private sector in Qatar has increased strongly in 2011. It has climbed steadily from 4.3 percent in January to reach a peak of 18.8 percent in August. Total bank credit to the private sector reached QAR 221 billion (\$ 60.7 billion) at the end of October, representing 61 percent of total domestic credit. The growth rate remains broadly in line with the average rate of 15 percent in 2009-10.

With reference to a median estimate of four analysts in a survey compiled by Bloomberg, Turkish economic growth is expected to decelerate to 5.9% annually in Q3, down from 8.8% in Q2. This could be attributed to a jump in inflation rate following Europe's crisis, which negatively affected the lira and Turkey's exports. Forecasts ranged from 4.1 percent to 7.3 percent.

The Latest report released by Reuters and the University of Michigan showed that U.S. consumer sentiment improved to 67.7 in December, up from 64.1 in November, and surpassing Economists' expectations of 66.0. That increase could be attributed to holiday season. The headline index surged to 61.1 in December jumping from 55.4 in November. Current economic conditions index witnessed a mild improvement to 77.9 from 77.6 over the same period. One-year inflation expectation declined to 3.1% in December, while the five-year inflation outlook remained constant at 2.7%.

Important Disclaimer: In providing this publication, Mubasher does not take any responsibility for decisions made on the basis of the contents of this report. All information/data contained in this report is drawn from sources believed to be reliable. Analysis, computations and calculations are done by professionals and experts in the field; yet the accuracy and completeness of the information is not guaranteed. In providing this report, Mubasher and/or its employees do not assume any responsibility or liability. No part or excerpt of this report may be redistributed, reproduced or conveyed in any form unless a written approval from Mubasher is legitimately obtained.

According to a report by the Office for National Statistics, U.K.'s output price inflation dropped more than expected to 5.4% in November, down from 5.7% in October and surpassing economists' expectations of 5.3%. Output price index surged 0.2% M-o-M in November after being flat in October. That increase reflects the jump in prices of petroleum products, tobacco & alcohol and chemical & pharmaceutical products. The increase in input prices (13.4%) was the lowest since December 2010. Moreover, total trade deficit - including both goods and services - retreated to GBP 1.6 billion in October from GBP 4.3 billion in September. The British Chambers of Commerce projects 0.9% overall growth for 2011. The economy grew 0.5% in Q3.

COMMODITY PRICES

| Commodity | US \$ |
|---------------------------|----------|
| Oil (Dated Brent)/Barrel | 108.62 |
| Natural Gas/MMBtu | 3.32 |
| Electricity/megawatt hour | 48.47 |
| Gold/oz. | 1,716.80 |
| Silver/oz. | 32.25 |
| Platinum/oz. | 1,515.80 |
| Palladium/oz. | 686.50 |

REGIONAL INDICES

| Index | | %Chg |
|-------|-------|-------|
| DFMGI | 1,396 | 0.91 |
| ADI | 2,458 | 0.69 |
| TASI | 6,288 | -0.23 |
| EGX30 | 3,963 | -0.16 |
| KSE | 5,853 | -0.23 |
| BSEX | 1,157 | -0.07 |
| QE | 8,806 | -0.02 |
| MSM30 | 5,605 | 0.76 |
| ASE | 1,977 | -0.17 |

EXCHANGE RATES

| Currency | KWD |
|----------|-------|
| US \$ | 0.276 |
| € | 0.370 |
| £ | 0.434 |
| ¥ | 0.003 |
| SR | 0.073 |

Email: research@mubasher.info

Phone: +202 2405 2355

Fax: +202 2405 2360

Web: www.mubasher.info