

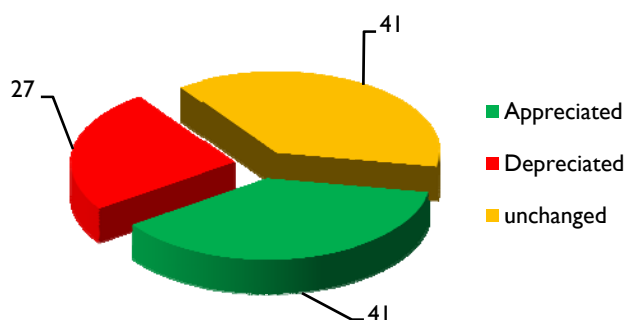
KSE Daily Round-Up

 December 20th, 2011

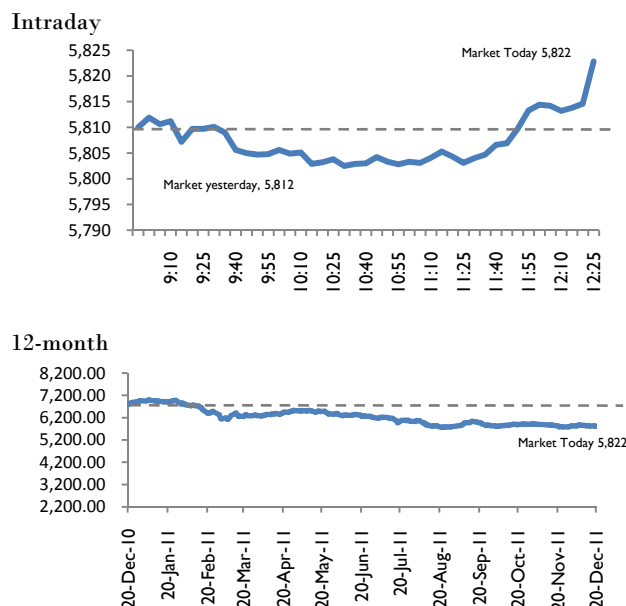
MARKET COMMENTARY

KSE altered its course, gaining 0.17% to close at 5,822.80 points. Most of the sectors advanced today. The Industrial sector was the top gainer; increasing by 0.58%; with PIPE jumping 7.46% and accounting for KD 0.4 million of the market's total turnover. The Insurance sector followed gaining 0.54%, owing to WINS's - its sole participant - 8.06% gain, being the second on the gainers' list after KBT that witnessed an 11.90% increase. NBK and KFIN were among the most active performers in terms of turnover with KD 2.2 million and KD 0.9 million, respectively. The Services sector contributed by the largest share to the total market turnover (29%), where ZAIN recorded KD 1.2 million of turnover through 47 trades. The Real Estate sector was the most active in terms of volume, accounting for 41 percent of the overall traded quantity. ABYAAR and FIRSTDUBAI were the two largest players in terms of traded volume, with 21.5 million and 8.2 million traded shares, respectively. The Banking sector was the sole loser, decreasing by 0.12%. Forty-one stocks appreciated in their prices, while twenty-seven depreciated and forty-one remained unchanged.

TRADED STOCKS



INDEX PERFORMANCE



MARKET PERFORMANCE2

Market	Today	Yesterday
Turnover	13,256,280	14,747,300
Volumes	115,227,500	115,092,500
Trades	1,797	1,707

PRICE PERFORMERS

Top Gainers	%Chg	Top Losers	%Chg
KBT	23.50	11.90 SAFRE	13.00 -13.33
WINS	134.00	8.06 UGB	192.00 -4.95
PIPE	144.00	7.46 MUNSHAAT	24.50 -3.92
SANAM	74.00	7.25 INVESTORS	12.50 -3.85
ALSALAM	91.00	5.81 ABYAAR	28.50 -3.39

MOST ACTIVE PERFORMERS (MILLIONS)

By Turnover		By Volume	
NBK	2.2	ABYAAR	21.5
ZAIN	1.2	FIRSTDUBAI	8.2
KFIN	0.9	THURAYA	7.4
REMAL	0.8	ALSALAM	5.8
THURAYA	0.7	HITSTELEC	5.1

ATTRACTIVENESS METER

Stock	CFV	Last Price	Diff. %	P/E	A N NA
					Attractiveness Meter
ZAIN	1.076	0.880	22.27	3.46	
NMTC	2.302	1.960	17.45	14.60	
MABANEE	0.947	0.870	8.85	27.96	

NEWS AND EVENTS

Corporate News

A 99% subsidiary company for OSOUL sold one of its buildings in Kuwait for KD 1,280,000, resulting in KD 20,000 of losses, which will be reflected on OSOUL's consolidated financial statements in the fourth quarter of FY 2011.

Alimtiiaz Investment Co. (ALIMTIAZ) got an approval from the Capital Market Authority to renew the validity of buying and selling up to 10% of its shares for a period of six months from 16/10/2011 to 16/04/2012.

Regional and Global events

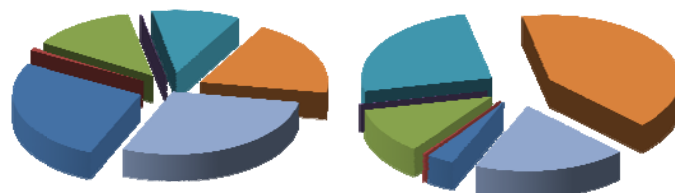
The Omani ministry of national economy mentioned that Oman's budget balance turned into a massive surplus of RO 830.1 million (\$ 2.15 billion) in the first 10 months of 2011, after registering a deficit of around RO 91.2 million (\$ 510 million) in the first 10 months of 2010. The massive surplus was mainly a result of a 60 percent rise in oil export earnings to nearly RO 7.15 billion from RO4.45 billion due to a sharp rise in crude prices and Oman's oil production to nearly 882,000 barrels per day from 860,000 bpd in the same period. High oil income boosted the country's total actual revenue by about 44 percent to RO 9.31 billion from RO 6.44 billion. Actual expenditure increased by nearly 19 percent to RO 6.95 billion from around RO 5.83 billion.

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.

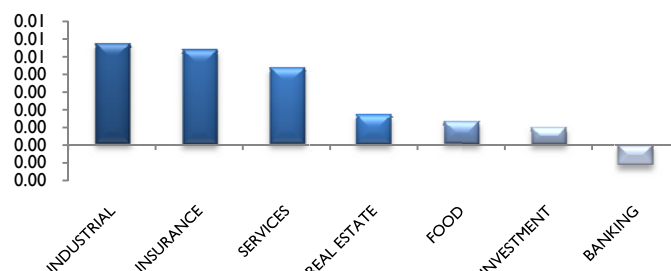
SECTOR ANALYSIS

By Turnover

By Volume



■ BANKING ■ FOOD ■ INDUSTRIAL ■ BANKING ■ FOOD ■ INDUSTRIAL
 ■ INSURANCE ■ INVESTMENT ■ REAL ESTATE ■ INSURANCE ■ INVESTMENT ■ REAL ESTATE
 ■ SERVICES

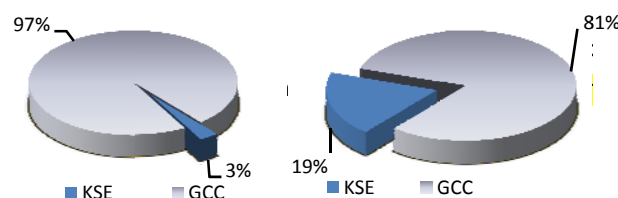


Most of the sectors advanced today. The Industrial sector was the top gainer; increasing by 0.58%; followed by the Insurance and Services sectors, gaining 0.54% and 0.44%, respectively. The Banking sector was the sole loser, decreasing by 0.12%. The Services sector contributed by the largest share to the total market turnover (29%), while the Real Estate sector was the most active in terms of volume, accounting for 41 percent of the overall traded quantity.

MARKET TO REGION PERFORMANCE

By Turnover

By Volume



The overall Consumer Price Index (CPI) for the United Arab Emirates reached 116.65 in November 2011, with comparison with the base year (2007 =100); It decreased by 0.02% compared to its value at the end of October 2011. It also declined by 0.09% compared to its value at the end of November 2010, while it increased by 0.94% during the first eleven months of the year 2011, according to the country's National Bureau of Statistics.

Jadwa Investments mentioned that strong oil prices in Saudi Arabia are expected to give the kingdom a budget surplus of as much as SAR 288 billion (\$ 77 billion) in 2012 to fund the country's ongoing massive public-spending projects. Saudi Arabia launched more than \$ 130 billion in projects related to jobs, housing and other public benefits since early 2011. The 2012 budget surplus is expected to be in the range of SAR 190 billion to SAR 288 billion.

With reference to the survey data from the market research group GfK, German consumer confidence is forecasted to remain constant at 5.6 points in January, after being previously expected to drop to 5.5 points. As for December, Consumer Confidence Index was also at 5.6 points. The economic expectations index jumped more than 6 points to record -0.9 in December. Income expectations indicator surged by 2.9 points to reach 34. However, willingness to buy didn't follow the improvement in both the economic and income expectations in December; with the indicator registering a market retreatment of 12.9 points to attain a reading of 27.4.

According to the latest survey published by Nationwide Building Society, U.K. Consumer confidence witnessed a humble increase in November to 40 from a reading of 36 in the prior month. Signs of inflation being under control is what probably drove consumer confidence up, the company said.

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Latest data from the Ministry of Economy, Trade and Industry showed that the Japanese all industry activity rose 0.8% M-o-M in October, following a 0.7% reduction in September, yet, it is less than the 1% forecasted increase. Industrial production surged 2.2%, altering a 3.3% decline in the prior month. Tertiary industry activity advanced 0.6% from a 0.4% fall in September. Government services increased 0.2% from 0.1% decrease in the previous month. However, construction activity dropped 3.9%. Y-o-Y, all industry activity jumped 0.2%, reversing the 0.6% drop in September.

COMMODITY PRICES

Commodity	US \$
Oil (Dated Brent)/Barrel	104.26
Natural Gas/MMBtu	3.10
Electricity/megawatt hour	43.01
Gold/oz.	1,600.60
Silver/oz.	28.98
Platinum/oz.	1,416.50
Palladium/oz.	613.00

REGIONAL INDICES

Index		%Chg
DFMGI	1,360	-0.98
ADI	2,373	-0.84
TASI	6,288	0.20
EGX30	3,706	-2.52
KSE	5,822	0.17
BSEX	1,144	-1.28
QE	8,780	0.41
MSM30	5,633	-0.67
ASE	1,975	-0.14

EXCHANGE RATES

Currency	KWD
US \$	0.278
€	0.362
£	0.433
¥	0.003
SR	0.074

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