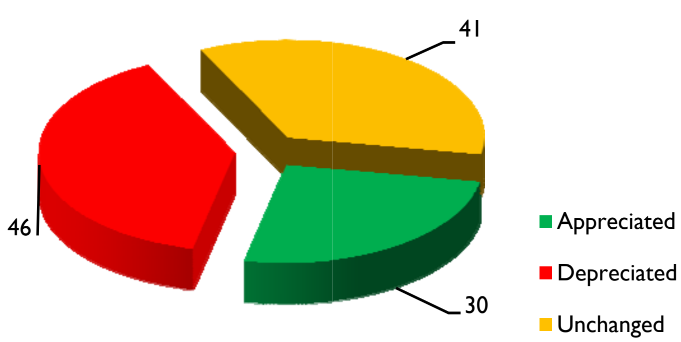
KSE Daily Round-Up

May 10th, 2012

Market Commentary

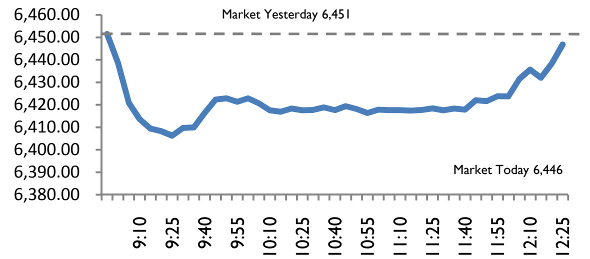
KSE retreated today by 0.07% to 6,446.80 points through 3,964 trades, with total volume of 407.403 million and total value of KD 29.543 million. The market was affected by a regional and global downward trend, as investors continued to focus on the turmoil in Europe. The Real Estate sector was the top loser, decreasing by 1.08%, where Investors Holding Group Company (INVESTORS) dropped 4.88% to 20 fils and Al Massaleh Real Estate Co. (MASSALEH) declined 6.06% to 124 fils. From the active stocks was; Gulf Finance House, recording KD 4.64 million as trading value to lead the active stocks in terms of turnover, along with decreasing by 3.70% to 52 fils. First Investment Company (ALOLA) remained without change at 148 fils after trading with total value of KD 2.35 million. The Services sector contributed by the largest share (27%) to the total market turnover, while, increasing by 0.47%. Hits Telecom Holding Co. (HITSTELEC) gained 3.41% to 91 fils through KD 1.04 million of traded value. Mobile Telecommunications Company (ZAIN) remained stable at 740 fils, with total turnover of KD 1.12 million.

Traded Stocks

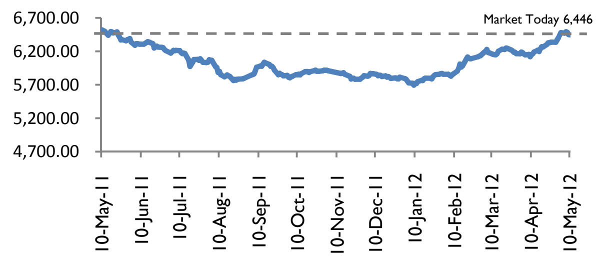


Index Performance

Intraday



12-month



Market Performance2

Market	Today	Yesterday
Turnover	29,543,310	31,162,240
Volumes	407,402,500	374,390,000
Trades	3,964	4,223

Price Performers

Top Gainers		%Chg	Top Losers		%Chg
PAPCO	112.0	7.69	ITHMR	53.0	-8.62
INOVEST	66.0	6.45	MRC	120.0	-7.69
MUNTAZAHAT	52.0	5.05	ADNC	33.5	-6.94
ALTIJARIA	87.0	3.57	MANAZEL	38.5	-6.10
SAFWAN	600.0	3.45	MASSALEH	124.0	-6.06

Most Active Performers (Millions)

By Turnover		By Volume	
GFH	4.6	GFH	90.5
ALOLA	2.4	INVESTORS	47.6
GCEM	2.0	ALSAFWA	47.3
REMAL	1.5	INOVEST	21.3
KFIN	1.5	GCEM	20.7

Attractiveness Meter

Stock	CFV	Last Price	Diff. %	P/E	A N NA Attractiveness Meter
ZAIN	1.076	0.740	45.41	10.69	
NMTC	2.302	2.360	-2.46	3.42	
MABANEE	0.947	1.020	-7.16	27.27	

News and Events

Corporate News

Kuwait Cement Company (KCEM) disclosed its financial results for the 3 months period ended on the 31st of March 2012, posting net profit of KD 5.13 million, as compared to net profit of KD 4.88 million in the prior year.

Ikarus Petroleum Industries Co. (IKARUS) disclosed its financial results for the 3 months period ended on the 31st of March 2012, posting net profit of KD 3.06 million, as compared to net profit of KD 0.20 million in the prior year.

Aref Energy Holding Company (AREFENRGY) disclosed its financial results for the 3 months period ended on the 31st of March 2012, posting net loss of KD 9.2 million, as compared to net loss of KD 0.6 million in the prior year.

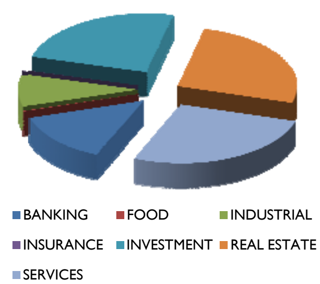
Human Soft Holding Co. (HUMANSOFT) disclosed its financial results for the 3 months period ended on the 31st of March 2012, posting net profit of KD 0.8 million, as compared to net profit of KD 0.2 million in the prior year.

Commercial Bank Of Kuwait (CBK) disclosed its financial results for the 3 months period ended on the 31st of March 2012, posting net profit of KD 0.3 million, as compared to net profit of KD 1.3 million in the prior year.

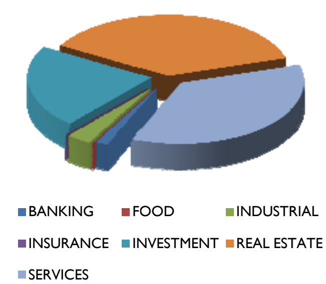
The Attractiveness Meter shows the difference between the current trading prices for stocks and their respective consensus fair values. Differences between these values from our perspective, places the investment at an Attractive (denoted by A), Neutral (denoted by N) or Not Attractive (denoted by NA) 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.

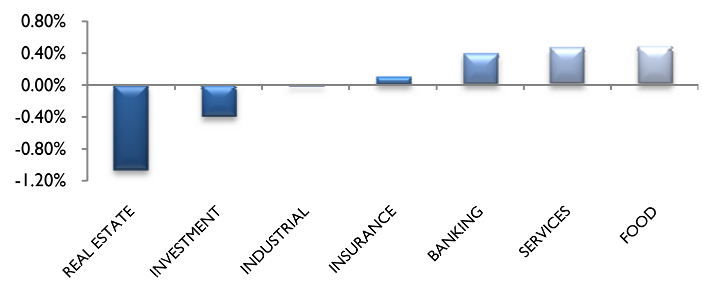
Sector Analysis

By Turnover



By Volume

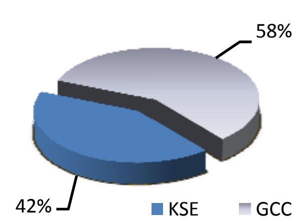




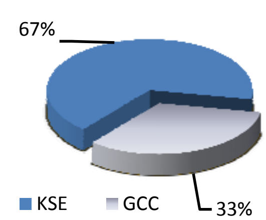
The Real Estate sector was the top loser, decreasing by 1.08%. The Investment and Industrial sectors followed; losing 0.41% and 0.02%, respectively. The Food sector was the top gainer, increasing by 0.49%. The Services sector contributed by the largest share to the total market turnover (27%), while the Real Estate sector was the most active in terms of volume, accounting for 37 percent of the overall traded quantity.

Market to Region Performance

By Turnover



By Volume



Regional and Global Events

The Egyptian Information Portal revealed that revenues from Suez Canal dropped 0.3% Y-o-Y to $433.1 million in April, compared to $434.6 million in the corresponding period a year ago. Revenues reached $428 million in March.

The Egyptian Prime Minister mentioned that it is expected that the net international reserves will increase in the next months, based on rebounding economic activity and tourism. It is estimated also that Suez Canal’s revenue will grow. The net international reserves rose by $100 million in April reaching $15.2 billion; however, they are still more than 50% below December’s 2010 levels.

Arab Monetary Fund (AMF) mentioned that Qatar had projected spending around QR 139.9 billion (AED 141 billion) and expected that revenues will reach to QR 162.47 billion (AED 163.5 billion) in its previous fiscal year which ended on March 31, creating a surplus of QR 22.53 billion. But the actual balance widened to around QR 26.7 billion in the first nine months of that year. The surplus came after actual revenue reached around QR 150.9 billion. It put spending at around QR 124.2 billion, which is also expected to have surpassed the forecast expenditure by the end of the fiscal year.

Combined lending by the top seven banks in the UAE climbed 0.6% in the first quarter to AED 749.5 billion ($ 204 billion). Morgan Stanley and Cairo-based EFG-Hermes Holding SAE both forecast a 5% increase in loan growth in 2012. According to the average forecasts of 12 analysts compiled by Bloomberg, UAE economic growth will decelerate to 3% this year from 4.9% in 2011.

The Commerce Department mentioned that Wholesale inventories in the U.S. rose by less than expected in the month of March. Wholesale inventories increased by 0.3 percent in March following a 0.9 percent increase in February. Economists had expected inventories to increase by about 0.6 percent. Wholesale sales rose by 0.5 percent in March compared to a 1.1 percent increase in the previous month.

The General Administration of Customs mentioned that China's export and import growth slowed notably in April. China's exports grew 4.9 percent Y-o-Y in April, slower than forecast for 9.1 percent growth. This was also weaker than March's 8.9 percent expansion. Meanwhile, imports rose 0.3 percent from last year, much weaker than the consensus estimate for a 12.5 percent growth. Imports had risen 5.3 percent in March. On a monthly basis, exports fell 1.5 percent compared to a steeper 9.7 percent slump in imports. The trade surplus for April amounted to $ 18.42 billion compared to expectations for a surplus of $ 7.93 billion. In March, the balance was in a surplus of $ 5.35 billion.

The National Statistics Office showed that UK industrial production dropped 0.3% in March from a month ago, compared to the 0.4% increase recorded in February. This level came in line with what economists expected. The manufacturing production rose 0.9% M-o-M in March, from the 1.1% decline a month ago, whereas economists forecasted the manufacturing output to increase by 0.5%.

Commodity Prices

Commodity	US $
Oil (Dated Brent)/Barrel	112.97
Natural Gas/MMBtu	2.48
Electricity/megawatt hour	34.99
Gold/oz.	1,588.80
Silver/oz.	29.05
Platinum/oz.	1,489.70
Palladium/oz.	612.50

Regional Indices

Index		%Chg
DFMGI	1,515	-0.78
ADI	2,478	-0.12
TASI	7,221	0.00
EGX30	5,014	-0.33
KSE	6,446	-0.07
BSEX	1,160	-0.02
QE	8,548	-0.66
MSM30	5,746	0.06
ASE	1,966	-0.28

Exchange Rates

Currency	KWD
US $	0.278
€	0.360
£	0.449
¥	0.003
SR	0.074

Email: research@mubasher.info
Phone: +202 2405 2355
Fax: +202 2405 2360
Web: www.mubasher.info