

Special Report

ARA Consumer Confidence Index – April 2019

# Durable Goods index flat

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However, a relevant positive development was registered in April: the Kuwaitization program achieved some success. The employment rate is expected to rise in the coming months because of the growth in national income that may exceed 3% and in the non-oil sector that reached 2.5%, which are considered good rates under the current circumstances.

**Demand for purchasing stable**  
ARA Purchase of Durable Goods Index maintained its 100-point ratio recorded in March. This stability reminds us of the results of this index since the beginning of the year, as the index reported 100 points repeatedly in January, March and April, which is considered a low ratio.

Research findings and figures reveal some anomalies, including:

On the level of governorates, Jahra added 54 points to its previous ratio on the Purchase of Durable Goods Index, while Mubarak El-Kabier dropped 85 points within a month. The private business owners

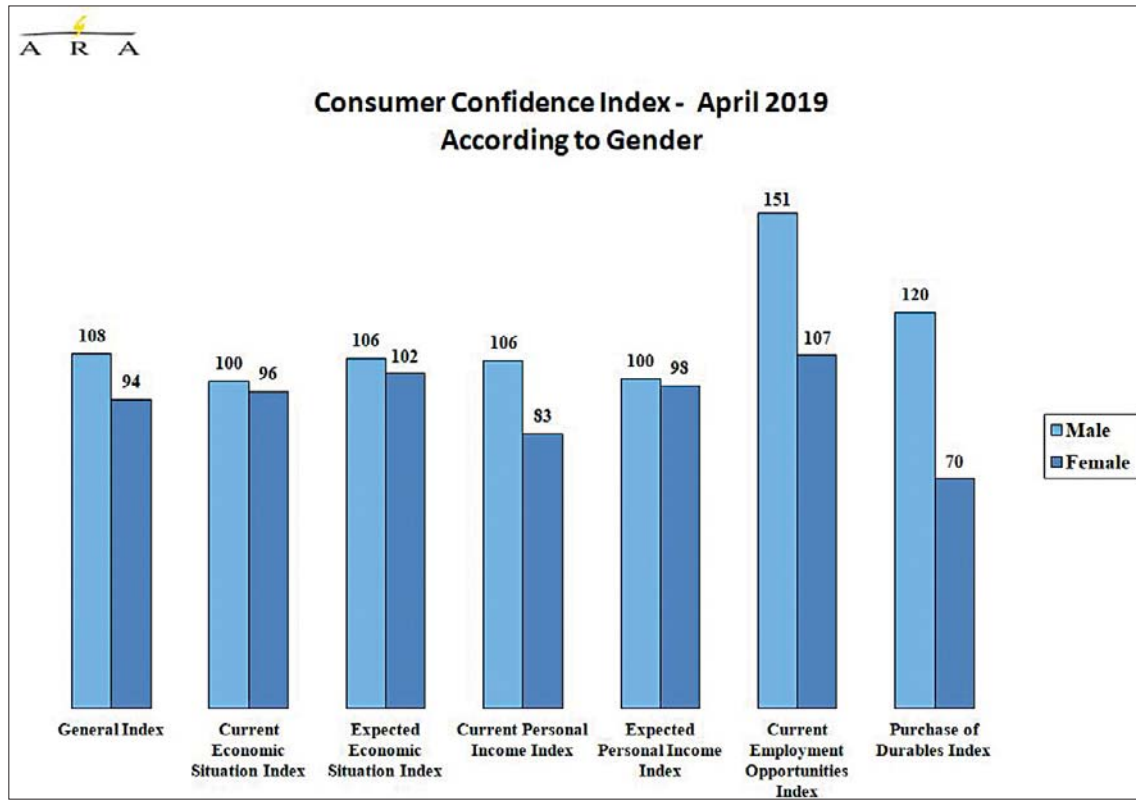
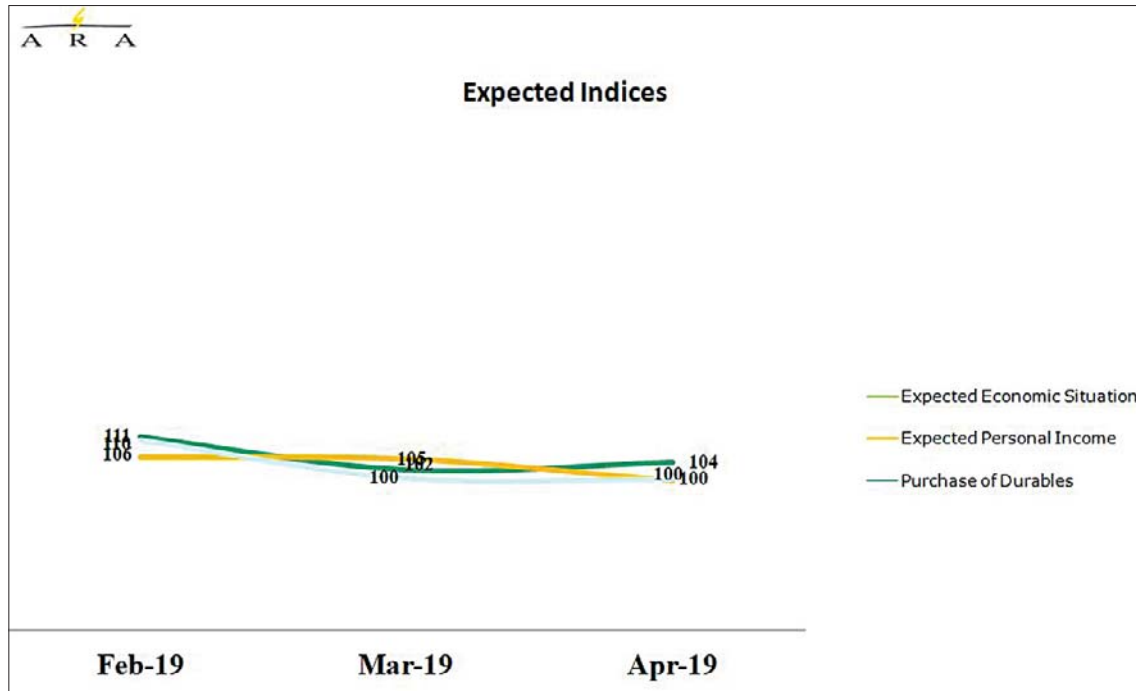


also dropped 35 points.

On the other hand, the earners of high and medium monthly salaries increased by 65 and 41 points, respectively.

These different findings prompt us to raise again the same question that was raised in ARA consumer confidence study in Kuwait in late March 2019: Is the low demand for purchasing the result of financial hardship suffered by some residents? Or is it the beginning of a new culture of spending characterized by rationalization with the aim of saving and investing at various levels?

confidence study in Kuwait in late March 2019: Is the low demand for purchasing the result of financial hardship suffered by some residents? Or is it the beginning of a new culture of spending characterized by rationalization with the aim of saving and investing at various levels?



## Escalation of tensions could damage aerospace firms: Airbus CEO

### Planemakers to suffer from 'lose-lose' trade war

LONDON, May 19, (RTRS): Airbus Chief Executive Guillaume Faury warned any further escalation of trade tensions would damage aerospace firms globally, including the European planemaker's US rival Boeing.

The United States and the EU have each threatened to impose billions of dollars of tit-for-tat tariffs on planes, tractors and food in the nearly 15-year trans-Atlantic dispute at the World Trade Organization over subsidies to Airbus and Boeing.

"The trade tensions that we see, we believe they are lose-lose tensions," Faury told reporters on a visit to London.

Boeing on Wednesday urged the US government, which has the first crack at imposing any tariffs since its WTO process is running several months ahead of the EU's, to restrict reprisals to European aircraft to avoid harming American manufacturers.

But Faury said it would be impossible for such firms to insulate themselves from the worsening trade climate, which has also led to a tariff war between the United States and China.

"These tensions, and the trade situation, are not supportive to any of the players in aerospace," he said.

"We don't think we'll be losing more than the other guys in that situation, but we think it should be resolved in one way or another that enables global businesses like avi-

ation to continue to grow," Faury said.

The new Airbus CEO, who stepped up from its planemaking division a month ago, repeated warnings over the impact of Britain's European Union exit, while using softer language than predecessor Tom Enders who had threatened to quit the UK.

Airbus, which makes wings in Britain and employs 14,000 people across the country, is using the delay in Brexit to "prepare for all scenarios," Faury said, adding that a no-deal Brexit remained on the table, even if less likely.

"Things have basically not changed, and therefore they are worsening. This long-lasting lack of clarity is ... a distraction," he said.

"The UK is really a place where we are part of the ecosystem. Our plants and our sites in the UK are very competitive. We would like this to continue, whatever happens."

Faury also warned of legal action against Germany over a ban on defence exports to Saudi Arabia. The ban has threatened a long-delayed border security contract with the kingdom, prompting Airbus to take financial charges.

Germany went along with a ban in October after the murder of Saudi journalist Jamal Khashoggi in Istanbul, irritating other European arms exporters including France, where Airbus is based.

"It's very important to have clar-

ity on what the rules will be, and how partners understand they can trust Germany as a partner," Faury said.

The row comes as France and Germany study a new combat jet, in which Airbus is the industrial partner on the German side.

Chancellor Angela Merkel on Wednesday said Germany's restrictive guidelines could leave its partners in despair and it would have to be more ready to compromise to be considered as a partner.

Faury again dismissed any boost to Airbus from the crisis facing Boeing over its grounded 737 MAX after two crashes.

"Safety is paramount to this industry, so we don't see anything positive on the current situation. We think trust of the passengers and people in aviation is very important when it comes to growth," he said.

European strategists have said Airbus has little long-term interest in destabilising the 737 MAX and triggering a costly new race to develop new models, and is worried about the impact of the crisis on certification rules. But day-to-day competition remains fierce and US industry sources have accused Airbus of trying to poach buyers who have yet to finalise MAX deals.

Faury said jet demand remained stronger than Airbus - which has limited short-term spare capacity - could meet alone.

KAMCO Boursa Kuwait Daily Report										
Prepared by KAMCO Investment Research Department										
19-May-2019										
Index Returns & Market Capitalization	Value	Daily Point Change	Percentage Change			Trading Indicators	Value	Daily Point Change	Daily Percent Change	YTD Daily Average
			DTD	MTD	YTD					
Premier Market Index	6,004.8	-103.04	-1.69%	-0.70%	14.00%	85,315	-50,612	-37.23%	161,201	
Main Market Index	4,749.9	-11.64	-0.24%	-1.63%	0.24%	19,353	-28,006	-59.14%	31,364	
All Share Market Index	5,576.0	-73.18	-1.30%	-0.96%	9.77%	4,005	-954	-19.24%	5,753	
Market Cap (KWD Million)	32,203.6	-422.03	-1.29%	-0.51%	11.00%					
Close	Vol Traded (000's)	Trades	Traded KWD 000	Change in Price (Daily %)	YTD (%)	Beta	Dividend Yield	P/E	P/BV	
SENERGY	0.023	2	5	0.0	-26.0%	1.41	0.00%	NM	0.31	
IREC	0.417	37	2	-1.5	-1.00	0.00	5.52%	12.8	0.83	
NAPESCO	0.973	5	1	4.9	-17.00	0.00	6.98%	9.3	2.69	
ENERGYH	0.028	0	1	0.0	0.00	0.00	0.00%	NM	0.89	
GPI	0.022	1,476	76	33.2	-24.4%	1.23	0.00%	NM	0.24	
ABAR	0.090	0	0	0.0	0.00	-5.3%	NA	0.00%	8.0	
Oil & Gas		1,520	85	53.6		4.77%		13.3	0.85	
KFOUC	0.250	0	0	0.0	0.00	30.9%	0.43	12.00%	33.4	
BPOC	0.921	224	40	207.4	-20.00	-5.5%	0.75	4.75%	1.69	
ALKOUT	0.840	0	0	0.0	0.00	0.0%	0.05	5.95%	13.5	
ALOURAIN	0.386	284	11	109.3	-2.00	7.2%	0.69	3.92%	9.4	
Basic Materials		509	51	316.7		0.9%		17.9	1.30	
SPEC	0.070	10	1	0.7	-0.90	2.5%	0.36	4.00%	7.0	
KGEM	0.297	0	0	0.0	0.00	-21.0%	0.46	4.91%	27.4	
CABAE	0.372	134	25	49.9	-9.00	6.0%	1.02	7.55%	9.3	
SHIP	0.403	1,136	110	465.4	-0.00	-6.7%	0.49	4.98%	7.5	
PCEM	1.255	8	2	10.5	5.00	10.3%	0.51	7.97%	12.2	
PAPER	0.165	0	0	0.0	0.00	-12.2%	0.17	10.15%	16.6	
MRC	0.088	0	0	0.0	0.00	39.7%	0.06	0.00%	NM	
ACICO	0.137	3	2	0.4	-1.00	-18.0%	0.43	3.63%	19.2	
HCC	0.125	20	4	2.4	-10.00	-11.6%	0.14	0.00%	NM	
NICBM	0.185	18	1	3.4	0.00	-7.5%	0.18	5.21%	16.8	
EQUIPMENT	0.023	140	10	3.2	-2.90	-13.3%	1.40	0.00%	NM	
NCCI	0.030	0	0	0.0	0.00	-31.8%	NA	0.00%	NM	
SALBOOKH	0.044	280	15	11.9	-2.50	10.3%	0.78	0.00%	NM	
AGLTY	0.719	0	178	825.5	-16.00	3.1%	1.49	1.71%	15.6	
EDU	0.315	0	0	0.0	0.00	1.6%	0.17	4.78%	NM	
CLEANING	0.065	0	0	0.0	0.00	13.2%	0.95	7.47%	11.1	
KGL	0.082	0	0	0.0	0.00	-13.9%	0.94	5.77%	6.6	
KPCPC	0.220	0	1	0.0	5.00	-4.3%	0.34	8.79%	5.2	
HUMANSOFT	3.400	31	42	106.6	-40.00	3.7%	0.41	5.42%	13.2	
GFC	0.059	0	0	0.0	0.00	-15.7%	NA	0.00%	NM	
SHOOTING	0.013	140	6	1.8	-0.60	-18.8%	1.79	0.00%	NM	
CGC	0.210	36	13	7.8	-16.00	-34.4%	0.00	8.07%	6.7	
UPAC	0.425	2	3	0.8	20.00	-33.1%	0.06	3.81%	7.2	
ALAFOC	0.259	7	5	1.7	0.00	-25.8%	0.39	3.86%	7.4	
MUBARRAD	0.059	122	9	7.2	-2.90	-9.5%	0.87	6.36%	5.8	
LOGISTICS	0.040	2,197	38	88.7	-1.50	-0.7%	0.52	0.00%	0.30	
INTEGRATED	0.550	233	72	127.7	0.00	-34.5%	0.12	7.27%	7.0	
SCHEM	0.065	0	1	0.0	-7.20	-25.4%	0.47	12.35%	16.2	
GCEM	0.060	0	0	0.0	0.00	-12.1%	0.45	13.40%	NM	
QIC	0.059	0	0	0.0	0.00	-11.7%	0.20	11.93%	16.4	
FCEM	0.049	440	12	21.0	-4.50	-23.6%	0.54	12.37%	15.4	
RKWC	0.062	0	0	0.0	0.00	-17.2%	0.18	8.06%	28.8	
Industrials		6,097	550	1,736.6		-7.2%		4.19%	13.3	
PAPCO	0.040	0	0	0.0	0.00	-33.3%	0.21	24.96%	NM	
CATTL	0.197	0	0	0.0	0.00	4.8%	0.38	2.45%	NM	
DANAH	0.028	13	4	0.4	-2.90	-26.2%	0.54	0.00%	NM	
MEZZAN	0.540	7	7	3.7	-2.00	8.0%	0.56	2.91%	21.9	
Consumer Goods		20	11	4.1		5.9%		60.1	1.32	
ATC	1.000	0	0	0.0	0.00	0.0%	NA	2.00%	22.6	
YIACO	0.067	0	0	0.0	0.00	-37.9%	0.61	0.00%	NM	
MIDAN	1.220	0	0	0.0	0.00	1.7%	0.01	0.41%	53.0	
Health Care		0	0	0.0		-0.5%		0.91%	NM	
KCIN	0.840	5	1	4.2	-30.00	-21.4%	0.16	5.48%	10.2	
KHOT	0.100	0	0	0.0	0.00	-23.1%	NA	0.00%	NM	
SULTAN	0.052	269	12	13.6	1.10	-1.3%	0.69	0.00%	12.1	
CABLETV	0.024	15	2	0.4	0.00	20.0%	0.39	0.00%	NM	
IFAHR	0.067	0	0	0.0	0.00	-25.3%	0.15	0.00%	NM	
OULAFUEL	0.116	131	7	15.3	-2.00	-1.7%	0.45	4.25%	12.3	
MUNTAZAHAT	0.056	50	2	2.6	-6.00	-1.2%	0.73	8.99%	8.5	
JAZEERA	0.860	196	16	168.5	-20.00	17.9%	0.28	4.07%	25.8	
SCOP	0.118	986	10	116.0	0.00	2.6%	0.39	4.20%	14.0	
FUTUREKID	0.103	0	0	0.0	0.00	8.4%	NA	11.49%	11.2	
ALRAI	0.041	10	2	0.4	-4.50	-32.1%	0.58	NM	NM	
JIYAD	0.053	191	6	10.0	-1.60	-25.3%	0.71	0.00%	10.5	
ALCID	0.044	0	0	0.0	0.00	-33.3%	NA	0.00%	3.1	
Consumer Services		1,853	58	331.3		-5.0%		4.85%	NM	
ZAIN	0.476	2,657	386	1,275.4	-10.00	6.0%	1.65	6.30%	10.5	
OOREDOO	0.668	65	18	43.5	-7.00	-6.4%	0.50	7.44%	11.3	
AAN	0.011	1,935	41	21.1	-1.60	-39.1%	1.62	0.00%	NM	
VIVA	0.803	26	15	20.6	-2.00	0.4%	0.74	4.98%	8.0	
Telecommunications		4,882	460	1,360.6		3.3%		6.23%	10.2	
NBK	0.946	1,144	200	1,084.2	-15.00	18.1%	1.34	3.47%	16.6	
GBK	0.299	8,949	108	2,887.9	-3.00	18.7%	0.93	31.8%	16.1	
CBK	0.537	0	2	0.1	22.00	18.1%	0.70	3.37%	16.8	
ABK	0.305	0	0	0.0	0.00	3.4%	0.61	4.55%	11.7	
ALMUTAHED	0.293	766	102	224.8	-6.00	3.6%	0.76	4.39%	11.8	
KIB	0.255	4,595	183	1,175.3	-5.00	0.5%	0.97	3.73%	13.2	
BURG	0.307	496	47	152.9	-13.00	16.0%	0.99	3.71%	9.8	
KFH	0.650	8,552	392	5,586.4	-11.00	17.0%	1.58	2.77%	19.9	
BOUBYAN	0.551	859	188	476.5	-14.00	18.8%	0.91	1.20%	28.3	
WARBANK	0.225	2,422	173	548.9	-6.00	7.1%	0.90	0.00%	26.5	
AUB	0.243	4,								