

SHARES SET FOR MONTHLY GAINS, DOLLAR RALLY STALLS

LONDON: Global shares steadied at one-month highs yesterday, on track for a third straight month of gain, while the dollar's recent rally to two-month peaks on expectations the U.S. interest rates could rise next month took a breather. European shares fell, hit by a drop in Volkswagen whose shares retreated after the German carmaker reported first-quarter earnings, although the region's stock markets were set for their best monthly performance since late 2015.

The pan-European STOXX 600 and FTSEurofirst 300 indexes were in the red, having

hit peaks in early trade. The broader MSCI world equity index, was up a tad at 1,676.96 points, its highest since late April. US stock futures pointed to a firm start on Wall Street where trading will resume after the Memorial Day holiday. Earlier, Japan's Nikkei index ended 1 percent higher, extending a 1.4 percent rally in the previous day. It is up 3.4 percent for May, thanks to a subdued yen.

The dollar index, which tracks the greenback against a basket of six major currencies, was flat at 95.524, off a two-month high of 95.968 struck

on Monday, but still on track for a 2.6 percent gain for the month—its best in six months. The dollar has risen recently on expectations of higher U.S. rates. Fed Chair Janet Yellen said on Friday that the central bank should hike rates "in the coming months" if economic growth picks up and the labor market continues to improve.

"The question for me here is whether the dollar can carry on rallying on the prospect of the Fed raising rates faster over the next 18 months than is priced in, as opposed to rallying only on expectations of a move in June or July," said Kit

Juckes, macro strategist at Societe Generale. Investors are awaiting key data this week before taking fresh positions. May's US private-sector ISM manufacturing data, due on Wednesday, and non-farm payrolls report on Friday will be scrutinized and solid readings could further heighten expectations for a move as soon as the Federal Reserve's next policy meeting on June 14-15. Economists predict the jobs report will show that US employers added 170,000 jobs, slightly more than they did in April. Hourly wages are expected to show a 0.2 percent increase from the previous month.

Mainland Chinese shares closed up more than three percent, while Hong Kong, Tokyo and Seoul also rallied, although volumes were low after Wall Street and London were closed for public holidays.

The greenback was boosted by remarks from Federal Reserve chair Janet Yellen that the US could raise interest rates "in the coming months" if data from the world's top economy continues to improve.

Traders saw this as a vote of confidence in the US economy, which has remained resilient even after the Fed raised rates for the first time in almost a decade in December. "US policy normalization and its likely impact has remained a key theme for markets," Mark Smith, a senior economist with ANZ Bank New Zealand, told Bloomberg News.

"The dilemma facing the data-dependent Fed is that some US data does not look as strong as it once did, with manufacturing under the pump." The prospect of an imminent US rate hike-traders now believe one is more likely than not in July—has seen the dollar post its best performance since September 2014 this month.

In Shanghai, shares jumped after Goldman Sachs predicted Chinese equities could be added to the MSCI's global benchmark indices for the first time. The US investment bank said there is now a 70 percent likelihood mainland shares will be included after changes to trading rules this month—a decision Bloomberg News said could attract some \$16 billion of investment flows. — Agencies

CHINESE YUAN EYED

Investors were also keeping an eye on the weakening Chinese yuan with worries about growth in the world's second-largest economy creeping back. The yuan was on track for its second largest monthly fall on record after the central bank softened its midpoint to a 5-year low. "The prospect of higher US interest rates will, in due course, test both the global markets and China's policy to manage its currency," said Jade Fu, investment manager at Heartwood Investment Management.

"In an environment of dollar strength, the People's Bank of China may well be forced to further depreciate the renminbi, risking the possibility of a one-off currency intervention."

Asian stocks rose yesterday, led by a surge in Shanghai, while the dollar edged higher as traders weighed the fallout from a likely US interest rate rise this summer.

Daily Kuwait Stock Exchange Report							Global	
Tuesday 31 May 2016								
Index	Change	Closing	Last Closing	High	Low		Volume	Value (KWD)
Price Index	▲ 21.45	5,400.33	5,378.88	5,401.80	5,375.11		171,404,428	15,082,289
Weighted Index	▲ 1.21	357.40	356.19	357.84	355.10			
KSJ 15	▼ -3.49	826.18	826.67	827.88	820.81			1,569

Security	Trades			Last	Change
	High	Low	Volume		
MARN	0.0	0.0	0	100	▲ 0.1
KARJUS	42.0	41.0	113,695	41.0	▼ -1.8
IPG	0.0	0.0	0	130	▲ 0.1
NAPESCO	190	200	310,000	217,103	▼ -28.3
ENERGYH	51	48.0	552,900	28,559	▼ -3.9
GPI	44.0	43.0	1,883,095	81,837	▲ 0.1
ABAR	93	93	1,500	140	▼ -6.1
Oil & Gas			2,881,182	336,351	▼ -13.33

Security	Trades			Last	Change
	High	Low	Volume		
KFOUC	82	178	70,348	12,821	▲ 0.1
BPCC	540	510	253,636	133,063	▲ 0.1
ALQUDT	800	550	72,180	39,900	▼ 0.0
ALQURAN	212	202	81,537	16,887	▲ 19.4
Bank Materials			478,301	202,830	▲ 13.41

Security	Trades			Last	Change
	High	Low	Volume		
SOKOLK	37.0	36.1	106,000	39,569	▲ 1.0
KRE	58	55	6,544,950	374,678	▼ 5.8
URC	83	89	40,526	3,763	▲ 1.0
NRK	90	98	323,593	29,759	▲ 1.0
SRE	350	350	2,200	770	▼ -18.0
TAM	0.0	0.0	0	0	▲ 3.0
AREEC	138	138	19,229	5,114	▼ 1.8
MASALEH	0.0	0.0	0	0	▲ 4.0
ARABREC	32.5	32.1	20,000	650	▲ 3.5
ERESCO	0.0	0.0	0	0	▲ 1.0
MUBANEE	800	790	8,223	6,196	▼ -10.0
INHAZZAT	74	71	47,790	3,157	▼ 7.0
INHAZZATP	25.6	21.1	4,163,686	61,126	▲ 0.8
IRC	34.5	32.1	2,448,829	82,117	▲ 1.0
ALTUJARIA	76	75	11,886,602	811,050	▼ -1.0
SANAM	33.0	32.1	17,000	550	▼ 3.5
AAYANRE	63	62	105,000	6,540	▼ 1.0
AQAR	0.0	0.0	0	0	▲ 0.0
ALAGARIA	23.5	22.1	77,761	1,190	▲ 3.5
MZAYA	122	120	1420,555	17,498	▲ 2.0
ADNC	14.5	14.1	2,201,010	31,218	▲ 1.5
THIMAR	0.0	0.0	0	0	▲ 0.0
TIARA	0.0	0.0	0	0	▲ 3.0
TAAVEER	23.5	23.1	235,000	5,323	▼ 1.0
ARKAN	89	87	31,773	5,400	▼ 1.0
ARGAN	150	148	13,620	2,003	▲ 1.0
ABYAR	24.5	24.1	452,400	10,860	▲ 1.5
MINGSHAAT	58	57	467,944	28,916	▲ 1.0
FIRSTDUBAI	71	64	9,204,611	63,904	▲ 2.0
KBT	41.0	40.1	2,470,702	103,352	▲ 1.0
REAM	0.0	0.0	0	0	▲ 1.0
MENA	23.0	23.1	16,000	2,024	▲ 1.0
ALMUDON	30.0	28.1	4,285,750	122,962	▼ 1.5
MURAKEZ	23.0	23.1	500	2	▲ 1.5
REML	34.5	33.1	311,020	10,423	▲ 1.5
MUSHAER	0.0	0.0	0	0	▲ 7.0
Real Estate			43,018,573	2,538,840	▲ 1.33

Security	Trades			Last	Change
	High	Low	Volume		
KINV	88	87	38,012	3,132	▲ 2.0
PCOL	184	180	501	80	▲ 1.0
IFA	0.0	0.0	0	0	▲ 3.0
NNV	95	92	11,338,088	968,380	▲ 1.0
KPROJ	520	500	1,403,085	71,688	▼ 1.0
COAST	0.0	0.0	0	0	▲ 1.0
SEICH	41.5	40.1	6,796,193	281,318	▼ 1.0
SGC	82	82	40,000	3,780	▲ 1.0
ARZAN	33.5	32.1	2,800,473	82,248	▲ 1.0
MURKAZ	0.0	0.0	0	0	▲ 1.0
NHEPIC	0.0	0.0	0	0	▲ 2.0
ALAMAN	51	50	24,569	6,385	▲ 1.0
ALOKA	0.0	0.0	0	0	▲ 1.0
AIMAL	28.5	27.1	8,622,333	236,833	▲ 1.0
GH	28.0	28.1	111,032,321	31,622	▲ 1.0
AJYAN	37.5	36.1	1,283,140	47,460	▲ 1.5
BAYANINV	33.5	33.1	107,500	3,601	▲ 1.0
OSUL	46.0	46.1	1,515	70	▲ 0.5
KPIC	0.0	0.0	0	0	▲ 3.0
KWGO	0.0	0.0	0	0	▲ 0.0
NH	54	51	75,467	3,866	▲ 1.0
ISKAN	0.0	0.0	0	0	▲ 3.0
MWDR	14.5	13.1	305,540	4,191	▲ 1.0
ALDEERA	41.0	39.1	1,800,756	72,236	▲ 1.5
ALSALAM	38.0	37.1	2,511,465	94,975	▲ 1.0
EXTITAB	34.5	34.1	2,908,378	80,956	▲ 1.0
AIMADINA	0.0	0.0	0	0	▲ 4.0
NOCR	0.0	0.0	0	0	▲ 1.0
IAMINV	0.0	0.0	0	0	▲ 3.0
EICH	0.0	0.0	0	0	▲ 1,500
TABA	0.0	0.0	0	0	▲ 7.0
KSHC	33.0	32.1	851,306	27,576	▲ 1.0
ASIA	0.0	0.0	0	0	▲ 3.0
GMHC	34.5	33.1	3,123,269	106,690	▲ 1.5
ARWAL	0.0	0.0	0	0	▲ 2.0
ALMINTAZ	69	69	420,000	42,720	▲ 1.0
MANAZEL	17.0	16.1	3,193,086	62,388	▲ 1.0
NND	112	110	303,779	58,186	▲ 1.0
BHC	29.5	29.1	1,094,050	32,128	▲ 0.5
SENERGY	0.0	0.0	0	0	▲ 1.0
AGHC	58	57	10,781	625	▲ 0.7
KPPC	0.0	0.0	0	0	▲ 4.5
TAHBSILA	53	52	2,500	151	▲ 0.2
JEERANH	0.0	0.0	0	0	▲ 7.0
EBHOLDING	0.0	0.0	0	0	▲ 1.28
GFH	68	67	337,628	36,032	▲ 1.0
INVEST	53	53	23,069	6,324	▲ 1.0
Financial Services			5,027,982	3,014,577	▲ 1.16

Security	Trades			Last	Change
	High	Low	Volume		
ASC	325	325	1,500	488	▲ 15.0
OSOS	110	104	300,398	31,750	▲ 8.0
FUTURE	89	87	152,000	14,856	▲ 2.0
HAYATCOMM	54	53	54,200	2,873	▲ 1.0
Technology			108,596	50,055	▼ -21.16

Security	Trades			Last	Change
	High	Low	Volume		
BARREEQ	0.0	0.0	0	0	▲ 1.0
AFQA	0.0	0.0	0	0	▲ 1.0
ALSHAMEL	0.0	0.0	0	0	▲ 4.0
EFFECT	44.5	43.1	39,718	6,164	▲ 2.0
ALWAN	34.0	30.1	166,010	5,407	▲ 1.0
MUSAKEN	0.0	0.0	0	0	▲ 7.0
DALQAN	0.0	0.0	0	0	▲ 3.0
ALED	0.0	0.0	0	0	▲ 9.0
MDAN	0.0	0.0	0	0	▲ 1,220
FLEX	0.0	0.0	0	0	▲ 4.0
THURAYA	0.0	0.0	0	0	▲ 1.38
KCLINIC	0.0	0.0	0	0	▲ 3.5
APAR	50	50	500	25	▲ 1.0
Parallel Market			106,228	11,856	▲ 13.55

Security	Trades			Last	Change
	High	Low	Volume		
KINS	0.0	0.0	0	0	▲ 1.0
GINI	0.0	0.0	0	0	▲ 1.0
AINS	0.0	0.0	0	0	▲ 1.0
KUWAITRE	0.0	0.0	0	0	▲ 1.0
FTI	0.0	0.0	0	0	▲ 1.0
WETHAQ	22.5	22.5	500	18	▲ 0.1
BKINVT	0.0	0.0	0	0	▲ 1.55
Insurance			500	16	▲ 2.26

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National Bank of Kuwait
Financial Markets
Daily Report
At 02:00 PM Previous Day

Global Stock Indices						
Index	Previous Close	Last Price	Change	Daily Performance %	Yearly Performance %	
Dow Jones	17,020.29	17,073.22	44.93	▲ 0.25	1.53	
NASDAQ	4,901.77	4,933.51	31.74	▲ 0.65	-1.48	
S&P 500	2,090.10	2,099.06	8.96	▲ 0.43	0.58	
Financial Times	6,270.79	6,263.24	-7.55	▼ -0.12	0.34	
DAX	10,133.43	10,299.62	-33.61	▼ -0.33	-3.84	
CAC 40	4,529.40	4,514.22	-15.18	▼ -0.34	-2.65	
Swiss	8,277.83	8,230.46	-47.37	▼ -0.57	-6.66	
Nikkei 225	17,068.02	17,231.98	166.96	▲ 0.98	-9.45	
Tuex	1,366.01	1,379.80	13.79	▲ 1.01	-10.86	
Hong Seng	20,629.39	20,815.09	185.70	▲ 0.90	-5.07	
Strait Times	2,496.75	2,491.06	-5.69	▼ -0.20	-3.18	

MENA Stock Indices						
Index	Previous Close	Last Price	Change	Daily Performance %	Yearly Performance %	