THE KUWAIT CAPITAL MARKET

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Kuwait is fast developing as an international capital market. A strong Kuwaiti Dinar, an active stock exchange market, and a host of investment companies syndicating loans and underwriting KD bond issues are considered a prerequisite for the development of such a market. Furthermore, the general political, economic and financial stability of the country has contributed to the emergence of Kuwait as one of the leading financial centers in the Arab Gulf. What follows is a brief survey of the historical development of the instruments and institutions that make up the Kuwait capital market.

I. THE KUWAITI DINAR

Since 1961, when the Kuwaiti dinar was created to take the place of the Indian rupee as domestic currency for the State of Kuwait, the currency has neither been devalued nor revalued. Its parity was fixed at 2.48828 grammes of fine gold and has never been altered.

The Kuwaiti Dinar emerged from both the Smithsonian Agreement and the second dollar devaluation with its gold parity unchanged. Alterations in the relative value of the Dinar which have taken place, have occured as a result of changes in the official parities of foreign currencies, or of their appreciation or depreciation in the foreign exchange market.

Following the floating of the Pound Sterling in June 1972, the Central Bank of Kuwait discontinued the practice of pegging the Kuwaiti Dinar to the Pound and from July 18, 1972 abolished all Kuwait's foreign exchange controls. Between June 1972 and February 1973, the Dinar was quoted against Sterling and the dollar within 1% either side of the official parities, according to the IMF arrangement whereby all former Sterling area currencies would be held within this narrow band.

Following the second devaluation of the U.S. dollar in February 1973, the Kuwaiti Dinar was among the group of currencies which maintained their previous gold parity, so that the currency was effectively revalued by 11.1% against the U.S. dollar. This caused

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considerable problems to the local banking system which had a large proportion of its assets in dollars, with the result that the authorities began working towards a more stable policy for their currency. Up until March 1975, the Central Bank maintained the currency against the dollar within 2% of parity.

On March 18, 1975, the Central Bank announced that it would no longer continue maintaining the rate against the dollar within 2 % of parity but, as stated by the Central Bank:

> "The Central Bank quotes the exchange rate of the Kuwaiti Dinar in terms of the U.S dollar on the basis of a basket of selected currencies, and in such a way that generally reflects trade and financial relations of Kuwait with the outside world, irrespective of the official margins."

This represented an attempt to guard the national currency against sudden, wide and destabilizing fluctuations of the currency in terms of European currencies and the Japanese Yen, thereby reducing possible upward pressures on domestic price levels resulting from any further downward movements of the U.S. dollar. The effect of this announcement was to bring about an immediate and temporary upward readjustment of the Kuwaiti Dinar against the dollar (of 1.65%).

Today, when the Central Bank opens at 8:00 a.m. Kuwait time, it quotes rates for the U.S. dollar and the Pound Sterling on the basis of New York closing rates, taking into account its policy of maintaining a stable average value for the Dinar. The Central Bank has switched to using the New York closing rate, instead of the earlier London closing rate, in order to reduce opportunities for arbitrage which used to arise whenever the difference between London and New York closing rates was at all significant. The value of the Dinar is thus determined daily by the Central Bank and whatever buying and selling takes place in Kuwait is around those rates; the Dinar, therefore, can not fluctuate freely according to market forces of supply and demand.

The Dinar is not held by a wide spectrum of individuals and institutions outside Kuwait and the Gulf; this is basically because there are no substantial flows of Dinars generated abroad. Although certain contracts are denominated in Dinars, foreign contractors normally sell their Dinars against foreign currencies and repatriate them. Since the number of Dinar accounts outside Kuwait is limited, the Kuwaiti Dinar cannot be used as a hedge currency; this is a basic difference between the Dinar and some strong European currencies which, by being used as a refuge from a weak dollar, have been pushed to revalue.

Arab Oil currencies probably have a reputation for being strong in comparison with the dollar. In fact the Kuwaiti Dinar has been a relatively stable currency, especially compared with such currencies as the Deutsche Mark, the Swiss Franc, and the Japanese Yen.

It has often been assumed that a country that has a large surplus on its balance of payments should revalue its currency to re-establish equilibrium. But this approach, which holds true for Western countries, does not apply to rich Arab economies. Historically Arab currencies in general, and the Kuwaiti Dinar in particular, have in fact been weaker against the dollar than most of the European currencies - in particular the Deutsche Mark and the Swiss Franc. The following figures help illustrate the historic trends of the Kuwaiti Dinar as compared with a number of European currencies:

U.S. DOLLAR PER CURRENCY UNIT

YEAR	DM	£ (St.)	Swiss Franc	KD
Jan 1970	0.271	2.40	0.23	2.79
Jan 1971	0.275	2.40	0.23	2.81
Jan 1972	0.309	2.57	0.25	3.00
Jan 1973	0.312	2.35	0.26	3.00
Jan 1974	0.355	2.22	0.29	3.45
Jan 1975	0.423	2.36	0.39	3.45
Jan 1976	0.384	2.02	0.38	3.40
Jan 1977	0.442	1.80	0.44	3.44
Jan 1978	0.476	1.91	0.50	3.56
Jan 1979	0.551	2.04	0.62	3.68
May 10, 1979	0.527	2.08	0.58	3.59

Source: Central Bank of Kuwait.

It can be seen that the Kuwaiti Dinar has only appreciated 29% against the dollar during the last 9 years, and 11% of that 29% took place in early 1973 as a result of the second official devaluation of the dollar. The comparative figures for both the Deutsche Mark and the Swiss Franc are considerably higher.

The main reason why the Kuwaiti authorities have always been opposed to the revaluation of the Dinar is because the oil exports of Kuwait are denominated in dollars. Therefore, whether the Kuwaiti Dinar revalues or not, the same amount of dollars will be received. A revaluation or devaluation of the Dinar would therefore have no impact whatsoever on the value of the country's exports. In a Western economy, any change in the parity of the currency vis-a-vis other currencies would make an important impact on exports and it is the expectation of that impact that leads a country to revalue or devalue. In oil-producing countries like Kuwait, there is only one major export item, and the value of the Kuwaiti currency has no impact on it.

There is another argument which, although true in a Western economy, does not apply in oil-producing countries. This is the view that a country which has had a substantial balance of payments surplus over a number of years should revalue because this surplus indicates that the external value of its currency - given the existing international trade pattern - is out of line with the currencies of other trading partners and therefore a readjustment is necessary. In oil-producing countries, the surplus is of a different kind from that of Germany, for instance, when its exports are higher than its imports. Kuwait has only one resource (oil), and this resource is depleting. Upon extraction, this oil becomes a capital asset, the proceeds from the sale of which are then reinvested in replacement assets. Oil income should be considered as a capital payment, therefore, and only the income from its reinvestment should form part of a traditional balance of payments calculation. This oil asset will one day be exhausted, and then the only major source of income will come from the investments made today with the proceeds of its sale. The fact that Kuwait does not have an "ordinary" balance of payments surplus makes the usual balance of payments argument for currency readjustments inoperative.

The most powerful argument against an official revaluation of the Kuwaiti Dinar probably lies in the fact that, as a result of the very large holdings of foreign assets by government, financial institutions and individuals, any revaluation would mean a substantial book loss which would be detrimental not only to the financial sector, but also to the economy as a whole. Whether or not the strengthening of the dollar against the Dinar over the past four months represents a significant trend for the future or merely a readjustment against an over-devaluation in the last quarter of 1978, it is probable that, in a medium-term perspective, the dollar/Dinar exchange rate will remain relatively stable compared to other currencies.

The implications of movements in the Dinar against both the dollar and other currencies are numerous for an investor whose assets and earnings base is mainly in K.D. If we assume, for the sake of an example, that inflation in Kuwait is currently running at 10% per annum and that an investor requires an annual real return of 3% on assets, then he must seek an annual compound growth rate of 13% on his investment. As Sections II & III will show, among capital market instruments available in Kuwait, only equities are capable of providing such a return; if the investor believes both that the risk return ratio in local equities is too high and also that, over the medium-term, his own business will generate such compound yields, then he is better off reinvesting in his own business. The disadvantage of this is that he is not spreading his overall risk and may be overdependent on fundamentally illiquid assets.

If we again assume that an investor should always keep a proportion of his assets in readily marketable instruments, then within Kuwait he has the alternatives of investing in fixed income securities yielding less than, or the same as, the inflation rate, or of investing in equities promising a considerably higher return, but subject to considerably greater variations in asset value, or of a mixture of both.

A professionally-managed portfolio of KD-denominated marketable securities, which can be liquidated within a short time span, enables both individuals and institutions to spread their medium-term asset risk and to put their short-term liquid assets to the best possible use for the highest possible yield.

The investor would still retain, however, all his assets denominated in Kuwaiti Dinars. In terms of prudent risk management, he should consider placing a proportion of his assets abroad; this would be particularly true if the inflation rate and capital market conditions in Kuwait were such that he could not obtain his required yield under any circumstances. He would then have to consider the exchange yield risks implicit in any foreign currency-denominated investments; although inflation rates do have an effect on currency parities, the inflation rate in the country in which he is investing is per se of no importance to him. What matters is that the net yield he would obtain from such an instrument in Kuwaiti Dinar terms should at least exceed the local inflation rate. He should therefore consider buying assets denominated in currencies which are (or are expected to be) strong or strengthening against the K.D. over the time span of the investment.

Since the Kuwaiti Dinar has historically been more closely tied to the fortunes of the dollar than other currencies (see graph in Appendix A), it can be argued that a foreign investment decision by a Kuwaiti investor is much more a dollar/world currency risk than a KD/dollar risk, i.e., would it be better, for instance, to purchase Swiss Franc bonds yielding 3% or dollar bonds yielding 10% ? This would obviously depend upon forward projections of the dollar/Swiss Franc exchange rate (on an historical basis the Kuwaiti Dinar has tended to follow the dollar as it devalued against the Swiss Franc).

II. FIXED INCOME SECURITIES

(A) The Bond Market

The origins of the KD bond market may be found in the period 1968-73, when the World Bank effected six private placements via the Kuwait Investment Company that amounted to KD 130 million. These bonds were placed in large blocks with government institutions and some banks in Kuwait. The first international publicly-quoted issue was launched in June 1974 and since then 48 issues for a total amount of some KD 350 million have been brought to the market. In addition to these international issues, the Industrial Bank of Kuwait has made three domestic bond issues and the Kuwait Real Estate Bank one issue.

Kuwaiti Dinar bonds are listed on a major European stock exchange, either Luxembourg or London. The size of issues has ranged from KD 3 million to KD 12 million, with the majority in the KD 5-6 million bracket. Maturities extend from 5 to 12 years, with the shorter-dated bonds usually containing a clause providing for a further five years' life at the option of the bondholder. Coupon rates are from 6 % to 9 %. Optional redemption clauses are usually more favorable to the borrower than in dollar issues, the borrower being allowed to call the issue after 3 years at declining prices starting at 102. Most Kuwaiti Dinar issues offer the borrower a currency availability clause which permits the borrower to make payment in dollars for interest or principal, should Kuwaiti Dinars be unavailable in the market in sufficient quantity at the time payments are due. Finally, most recent issues have featured a purchase fund, small in size but operating during the initial years if the market price of the bonds is below par, so as to provide a certain amount of support to the secondary market when needed. The percentage of each issue placed in Kuwait has tended to vary between 50 and 70%, and until 1978, substantially all the bonds issued were purchased by the Government or local institutions, with only a very small amount being taken down by individuals. A number of foreign financial institutions, particularly the Bahrain Offshore Banking Units, also came into the market, but their retail placing power has been limited, and until late 1978 they took advantage of the traditionally steep KD yield curve to take bonds onto their own books, funding their positions with short-term borrowed funds at a cost substantially below the return on their bond investments. When short-term KD interest rates soared late last year (and then stayed up), these institutions could only cover their positions at a loss and some heavy selling ensued in the secondary market, which contributed to bond prices coming down across the board.

There is only one active secondary market maker in K.D.-denominated bonds: the Arab Company for Trading Securities ("ACTS"). ACTS became operational in late 1977 and has contributed substantially to the development of a viable secondary market (its turnover in 1978 amounted to KD 142 million), which in turn has affected the primary market, enabling managing underwriters to begin to price issues more in line with market conditions. Since originally all KD bond issues tended to be priced at par or better and then "shelved" until maturity by the Government or local instiutions, the active individual investor used to find it hard to obtain a reasonable price if he wished to disinvest. ACTS usually quotes a dealing spread of % and its markets are always good for at least KD 100,000 nominal.

Borrowers in the KD bond market have tended to be Middle Eastern, East European, or LDC credit risks. However, the advantages of the interest rate differential between the KD and the dollar over the past year has attracted a number of credits such as the City of Oslo (rated AAA) and Occidental Petroleum (rated A) who in all probability would otherwise have stayed out of the market. Secondary market prices are also beginning to reflect credit ratings as well as general market conditions, as is witnessed in the following table (showing the credit risks in descending order):

Issue	Coupon	Maturity	Price	Current Yield	Yield to Maturity
City of Oslo	$7\frac{5}{8}$	1990	98 $\frac{1}{2}$ -99	7.70	7.91
Petroleos Mexicanos (PEMEX)	$8\frac{1}{2}$	1982/87	99 $\frac{1}{2}$-100 $\frac{1}{2}$	8.48	8.39

Development Bank of the Philippines	$8\frac{1}{2}$	1985/90	$96\frac{5}{8}$-$97\frac{1}{8}$	8.75	9.30
Turkiye Petrolleri	9	1981	87-90	10.00	14.40

(B) Negotiable Certificates of Deposit

A Certificate of Deposit (CD) is an instrument issued by a bank certifying that a specified sum has been deposited with the issuing bank on a stated date at a stated rate of interest for repayment on a specified date. A CD is freely negotiable and is usually issued in bearer form although it can be made payable to the order of a named party. The interest rate per annum is stated on the CD. The amount of interest is calculated on the basis of actual days elapsed over 365 days. On CDs with a maturity of one year or less, the interest is payable at maturity. On CDs with a maturity exceeding one year, the interest is paid on the anniversaries of the issue date and at maturity.

In 1977 the banks in Kuwait were looking for ways of lengthening their deposit maturity base, which had been averaging about 4 months. Legally there were no restrictions placed on them with regard to the issuance of medium term CDs, but they were hesitant to proceed in this direction due to the absence of any institution which could maintain a secondary market - a fundamental need for this type of money market instrument. This gap was filled by the creation of ACTS.

In October 1977, the Gulf Bank announced that it would issue KD 6 million of tranche CDs. The issue was divided into 3 tranches; KD 2 million of 1 year CDs at a rate of 7%; KD 2 million of 1 year CDs at a rate of 7 %; and KD 2 million of 2 year CDs at a rate of 7 %. Demand for all three tranches was substantial and the offering was subsequently increased in size to a total of KD 9 million.

Since this initial offering, there have been 4 more issues of fixed rate tranche CDs; KD 7 million for the Kuwait Real Estate Bank; KD 6 million for the Commercial Bank of Kuwait; and KD 7 million and KD

5 million for the Al-Ahli Bank of Kuwait. The Kuwait Real Estate Bank also issued in April 1978 the first KD floating rate CDs for an amount of KD 8 million.

The next step in this market was an obvious one. Immediately following the announcement of the Gulf Bank tranche CD offering, the Industrial Bank of Kuwait announced that it would post, on a daily basis, rates at which it would issue tap CDs in maturities ranging from 3 months to 3 years. Gulf Bank followed suit immediately after the closing of its tranche CD offering and subsequently the Commercial Bank of Kuwait also started issuing tap CDs.

The total volume of CDs now in issue is approximately KD 77 million (Tap 45 million, Tranche 42 million).

Secondary market activity in CDs has not been large. ACTS quotes a daily bid and offered rate for tap CDs of maturities of 1 month to 3 years. Spreads are normally of 1 per cent on maturities up to 9 months and of 1 per cent above 9 months. On the tranche CDs, spreads are usually of 1 per cent and the normal dealing unit is KD 100,000.

At times CDs can offer a higher return than other short or medium term investments; unlike time deposits, they do not lock up investors' funds for a definite period and they fill the gap between the demand and time deposit facilities normally offered by the banks and the longer term instruments available in the bond market. They provide a liquid outlet for funds not employed in investments in the Stock Exchange or in the bond market.

(C) Traded Promissory Notes

Until now, in the commercial sector, only Yusuf Ahmed Al-Ghanim & Sons has issued traded promissory notes. It is to be hoped that this sector will attract other first-class local borrowers, as it offers a further investment alternative in the Kuwait capital market.

III. EQUITIES

Wide investor interest in the Kuwait Stock Exchange really began in 1973, although it was not until 1975/76 that the market saw a prolonged bull rise fuelled by massive speculative interest in real estate-related stocks, with activity being almost exclusively confined to the Real Estate, Insurance and Investment Company sectors. During this period, many investors were making considerable forward deals on the expectations that the prices would rise still further over the following year. However, during 1977 there was a prolonged downward switchback from the high points reached in 1976. There were two attempts at a rally, the first in April, when the new market floor was opened, and the second early in August, sparked off by the launching of the new Arab Shipping Company shares on the Market. Neither was sustained and by mid-October the average of all share prices had fallen 25% from the peak levels and turnover was sluggish.

At the time it was easy to find reasons for this weakness in technical factors within the Market itself. These included the drain on Market liquidity of the large rights issues by the Banks and other companies and of the flotations of new companies, many, like Sharjah Group, from outside Kuwait. Later in the year came the self-inflicted wounds of the large forward positions entered into at the top of the Market in late 1976, now falling due for settlement in late 1977, and showing substantial losses for many over-optimistic buyers. At the same time a suspicion was growing that there was a marked slowing down in the economy as a whole and it was possible to view the Stock Market's weakness as no more than the most visible symptom of this. This view was in fact justified when company results were published early in 1978: almost without exception Industrial, Commercial and Real Estate Companies published profits for 1977 that were a long way below those earned in the boom year of 1976.

In October 1977, however, this was not yet clear. All that was certain was that the Market was depressed. Through November and December the downward drift continued. Eventually on December 18th the Government threw a life line. It was announced that for fifteen or so companies KFTCIC would buy any shares on offer at fixed prices.

The prices fixed were the lowest recorded in the previous three months. At once there was a short sharp upward movement headed by Bank shares. This was perhaps a little paradoxical as in fact hardly a single bank share was sold to the Government scheme, but at the same time the Banks were starting to announce their dividends for the year which mostly showed an improvement. They were therefore the obvious place for investors who had cashed in other shares to put their money.

Later in January support prices for the other shares in the list, which had no recent deals to act as a guide line, were also announced. These prices were on average about 10% lower than the latest recorded deals (by now about 6 months old).

There was therefore an immediate sharp drop in Industrial and Commercial companies, many of which had been rarely traded, to a little above the new support levels; buyers saw no reason why they should offer prices much above the Government support levels.

Nevertheless, the Market now had its firm basis. The Government had guaranteed a firm floor which set a limit on losses both on forward deals still outstanding and on new positions entered into. The Government in the process collected a large number of shares in a few companies where the support price looked generous in the light of the results now being published. In many companies, however, the sales of shares to the Support Fund were mostly by small holders of odd lots of less than 100 shares and few substantial amounts were flushed out. The Bank shareholders and those in two of the three Insurance companies firmly resisted all temptation to sell shares to the Fund. In all the Fund is estimated to have disbursed about KD 150 million over three months, about half of this on two companies, Gulf Insurance and United Real Estate, where the Government now held a majority stake.

It is probable that the Market would have found its own base without assistance from the Government, and some observers consider the Government's intervention extremely ill-judged. The total fall in the Market during 1977 was less than that on Wall Street during the same period.

Even at the support levels, Kuwaiti shares were very highly priced in terms of the companies' profits, dividends and assets as compared to those of most other countries.

Nevertheless, the Government did intervene and one will never know what might have happened had they not done so. The removal of KD 150 million worth of shares from the Market tended to make still fewer shares available for trading. In the event this was remedied by the decision of many companies at their General Meetings to split their shares to KD 1 nominal value.

As the companies' intentions became known, speculation in the Market built up throughout March as to how much premium the improved marketability was worth. The Companies' resolutions required the sanction of the Government, and during March the market moved nervously as the timing of this approval was eagerly anticipated.

The decision for the first group, including all the major Banks and Investment Companies, was finally announced on April 8th. At the same time the Support Fund. which had now become irrelevant, was closed down. The immediate result was an explosion in prices which was as quickly snuffed out by profit taking and lasted no more than a week.

This was partly because the delays during March in the Government's granting approval to the share split had already taken much of the steam out of the speculation. The rest of April saw the Market settling down and consolidating at the new prices. There was very heavy trading, particularly in Bank shares, which before the split had been so high-priced as to be beyond the reach of many investors.

From May onwards the Market advanced steadily with very high volumes. Banks dominated trading throughout, often accounting for 70% or more of the total value of business.

In August interest centered on the Investment Companies (notably KIIC). This was in marked contrast to the bull market of 1976 when the leaders were real estate and investment companies, whose prospects were boosted by high expectations, not always justified, of continued inflation of property values.

The 1978 bull market was largely based on the expectation of solid increases in the profits of the major Banks, all of which already had a history of continuous profit and asset growth in the past.

Total turnover for the year was just under KD 1,400 million, over 40% higher than the previous record set in 1976. This figure is fully comparable with that recorded by such well known international centers as Johannesburg, Brussels or Milan (see Appendix B).

Of this total over half was accounted for by the Banks, with Investment Companies, Real Estate Companies and Industrials sharing most of the balance.

The average level of all prices improved during the year by 35%, having fallen back a little from a peak gain of 45% reached early in October. Again Banks were outstanding performers with average gains of over 60% on the year, though they were eclipsed by the Insurance Companies who more than doubled their average share price and ended the year at their peak levels.

The most actively traded company was the Real Estate Bank which recorded 4,966 deals for a value of KD 250 million. 29 million shares were traded in this company. Other companies where volume exceeded

KD 100 million were Commercial Bank (KD 199 million), KIIC (KD 186 million) and National Bank (KD 127 million).

illion) and National Bank (KD 127 million).The biggest advances in

price were recorded by Kuwait Cement (up 203%), Al Ahleia Insurance (up 136%), Kuwait Insurance (up 125%) and Al Ahli Bank (up 116%).

It was noticeable in 1978 that despite the good performance of the Market overall, a number of shares actually ended the year lower than at the start. This indicates that Kuwaiti investors were becoming more discriminating than in the heady days of the 1976 boom, and that the market was more receptive to fundamentals than previously.

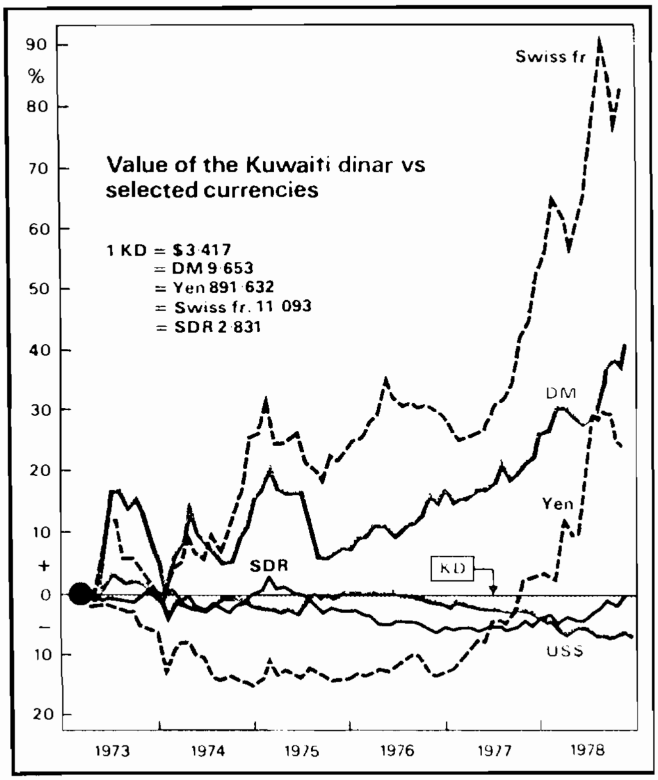
The Kuwait Stock Exchange has become considerably more sophisticated over the past three years. One of its major characteristics has always been that price movements and turnover have tended to occur on a sectoral basis. In 1976, interest was centered in real estate-related stocks, because of the then speculative real estate boom; interest in 1978 centered particularly on Bank stocks because of their historically high earnings record and large growth potential. It is noticeable that over a three-year period the most active stocks have always been in the financial sector (Banks, Insurance, Investment Companies and Real Estate); there are historical parallels here with the development of the Stock Exchange in London. The first industrial stocks to be listed in London came to the market in the late nineteenth century and early 1900s as the increasing demand for equity capital for expansion outran the internally generated funds of family-controlled business. The early years of the Stock Exchange were dominated by financially-oriented companies whose funds fuelled the industrial revolution. Many of the publicly-owned industrial or commercial companies listed on the Kuwait Stock Exchange have a short history and offer a spotty earnings record. The most successful industrial or commercial companies have remained in private hands, and the most successful publicly-quoted companies have been in the financial sector.

IV. CONCLUSION

Kuwait's financial sector has emerged as the second biggest wheel in the economy after the country's primary resource - oil and gas. Development has been largely empirical, however, and one of the major questions to be resolved is how far the authorities are ready to allow the capital market a truly international role. Allied to this are a number of subsidiary questions that must in due course be answered. Is the

Kuwaiti economy big enough to support an international dinar? Does Kuwait have an adequate legal framework within which a financial center could grow? How far does Kuwait wish to open its capital market to the outside world? And so on. The pace of change in the money and capital markets has been astonishing and progress will depend on the Government's policy and the skills and persuasiveness of the financial community in Kuwait.

APPENDIX A



Source: *Euromoney*, London, April 1979, p. 64

Appendix B

VALUE OF LISTED SHARES (£M)

		1977	1976
1.	New York	414,236	482,190
2.	Tokyo	127,658	98,895
3.	Germany	66,070	27,667
4.	London	60,320	40,997
5.	Toronto	30,336	31,971
6.	Zurich	16,857	11,563
7.	Paris	15,680	15,874
8.	American S.E.	14,161	13,949
9.	Johannesburg	13,330	7,798
10.	Amsterdam	12,403	11,589
11.	Madrid	8,837	13,892
12.	Hong Kong	6,375	6,857
13.	Brussels	5,720	5,829
14.	Stockholm	3,816	6,062
15.	Kuwait	3,656	4,647
16.	Copenhagen	1,100	977

Source: London Stock Exchange.

VALUE OF TURNOVER (£M)

		1977	1976
1.	New York	82,828	93,117
2.	Tokyo	53,218	44,158
3.	Germany	13,359	5,472
4.	London	10,084	7,031
5.	Amsterdam	4,345	3,364
6.	American S.E.	3,113	3,642
7.	Toronto	2,893	2,775
8.	Paris	1,958	2,327
9.	Rio	790	767
10.	Kuwait	696	1,848
11.	Johannesburg	463	444
12.	Brussels	344	410
13.	Madrid	290	868
14.	Stockholm	208	297
15.	Hong Kong	177	378
16.	Copenhagen	22	34

Source: London Stock Exchange

سوق رأس المال في الكو يت

د . نمر عيد

يهدف هذا البحث مناقشة أبرز خصائص واتجاهات سوق رأس المال في الكو يت. فقد اصبحت الكو يت بفضل الدينار وسوق البورصة النشط وشركات الاستثمار الكو يتية أهم سوق لرأس المال في الخليج العربي.

وقد عني البحث في ابراز المعالم التي ينطبع بها أعمال مركز مالي كالكو يت، ذلك ان وضوح هذه المعالم يحدد بالتالي طبيعة الخطوات اللازم اتخاذها أو التفكير فيها فيما يتصل بمجالات عمل هذا السوق المهم. وتتناول الدراسة تحليلا لقوة الدينار الكو يتي وحرص الدولة على ثبات قيمته الخارجية.

ثم يقدم الكاتب عرضا لنشوء وتطور سوق الاوراق المالية الثابتة الدخل مثل السندات وشهادات الايداع . ان سوق سندات الدين المقومة بالدينار الكو يتي هو أهم جزء في سوق رأس المال الكو يتي عموما . ففي الوقت الحاضر يبلغ عدد الاصدارات بهذه السوق ٥٢ اصدارا جاءت لصالح مقترضين دوليين وعرب . واخيرا يتطرق البحث الى سوق البورصة ونشاطها في الاعوام الثلاثة الماضية . لقد نجحت الكو يت في تنمية بورصتها واصبحت أهم سوق للاوراق المالية في الشرق الاوسط حيث تبلغ أسهمها المتداولة سنو ﻫ حوالي ٣ مليارات دولار و بهذا تحتل المرتبة العاشرة عالميا.

اضافة الى توافر الادوات الكافية وتنمية الاسس الهيكلية الضرور ية، فان نجاح سوق رأس المال الكو يتي يتوقف كذلك على مدى تقبل المقترض الدولي والعر بي له، واعتباره اياه سوقا تمو يليا مناسبا يوفر الاموال بالاحجام المطلو بة والشروط والتكاليف المناسبة و يشكل مجالا طيبا لتنو يع مصادر الاقتراض له بحيث لا ينحصر مستقبلا في المصادر التقليدية المعروفه لديه .