



Boursa Kuwait Announces Second Phase of Market Development

New market segmentation, market-capitalized indices, circuit breakers, and new listing requirements take the evolution of the stock exchange to the next level

Kuwait, April 1 2018: Boursa Kuwait announces that the second phase of market development, which encompasses transformational changes such as a three-tiered, segmented market, the introduction of new market-capitalized indices and circuit breakers on securities and indices to curb volatility, as well as entirely new listing requirements has begun on Sunday, April 1, 2018.

This phase will mark a milestone within Boursa Kuwait's mission to to develop a liquid, reliable and sound capital market providing issuers with efficient access to capital, and investors with diverse return opportunities, which is set to see Boursa Kuwait fortify its position as a leading regional exchange.

The new market segmentation is a particularly major step, creating a Premier, a Main and an Auction market, each with unique characteristics and obligations. Boursa Kuwait will also introduce new market-capitalized indices, which represent the segmented markets. All sectorial indices will be reset to reflect the start of the new markets.

As part of the second phase, the Boursa Kuwait Rulebook, which can be found on the website, will also be modified. All members must comply with the updated rules, which include new listing requirements reflective of the market segmentation effective 1 April 2018. Moreover, a circuit-breaker system on securities and indices will be launched as a measure to prevent potential market disruptions.

During the recent Annual Capital Markets Authority Conference, Boursa Kuwait CEO Mr. Khaled AbdulRazzaq AlKhaled highlighted that the second phase of market development is targeted at resolving some issues the market is currently still facing: “We believe that the platform and infrastructure we have developed in the past two years provides a solid foundation for the next chapter of Boursa Kuwait’s success story. As we make headway in the implementation of our market development plan, we will transform our capital market structure to become more attractive for local and international investors, which will allow us to work towards a higher classification by index providers.”

Boursa Kuwait has an unequivocal commitment to pursuing best practices and increasing transparency for the benefit of their stakeholders. Its strategy focuses on developing the overall market status and addressing the needs of market participants through the provision of investment tools, restructuring the market to increase its competitiveness and liquidity, and attracting investments from local and international investors.

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