

# U Capital Morning Brief

28 February 2019

Market Indices	Current Close	Change	D/D	YTD	Price to Earnings	Price to Book	Div Yield
	Index	Point	%	%	(x)	(x)	%
U Capital Oman 20 Index	860.66	2.63	0.31%	-2.01%	-	-	-
U Capital GCC 50 Index	1,389.68	9.04	0.65%	6.11%	-	-	-
U Capital MENA 200 Index	1,097.35	5.27	0.48%	5.00%	-	-	-
MSCI GCC Countries Index	573.46	0.52	0.09%	6.62%	14.61	1.86	3.7%
Muscat Securities Market	4,112.31	23.25	0.57%	-4.89%	8.48	0.79	6.3%
Saudi Stock Exchange	8,472.50	16.28	0.19%	8.25%	18.47	1.90	3.3%
Kuwait Stock Exchange	5,275.76	24.69	0.47%	3.86%	14.75	1.28	3.7%
Qatar Exchange	10,136.00	-119.97	-1.17%	-1.58%	14.16	1.49	4.3%
Bahrain Stock Exchange	1,418.53	3.89	0.27%	6.08%	9.09	0.88	5.7%
Dubai Financial Market	2,675.80	-7.94	-0.30%	5.77%	8.53	0.99	5.2%
Abu Dhabi Exchange	5,152.03	12.23	0.24%	4.82%	14.43	1.47	4.7%
Beirut Stock Exchange	937.64	1.45	0.15%	-4.00%	4.73	0.55	9.7%
Palestine Stock Exchange	540.77	-1.37	-0.25%	2.16%	11.14	1.22	4.4%
Tunis Se Index	7,152.52	-10.73	-0.15%	-1.64%	18.39	2.51	2.0%
EGX 30 Index	14,772.34	-114.51	-0.77%	13.32%	39.38	1.45	2.0%
Amman General Index	1,990.07	-4.37	-0.22%	4.26%	13.40	0.99	4.8%

\* Kuwait YTD data is not available as the Index was reconstituted in April'18

World Markets	Country	Value	D/D	YTD	Currency Cross Rates		
Europe			%	%	Currency	USD/1 Unit	Units/1 USD
FTSE 100	UK	7,107.2	-0.61%	5.6%	Australian Dollar (AUD)	0.714	1.400
DAX	Germany	11,487.3	-0.46%	8.8%	British Pound (GBP)	1.330	0.752
CAC 40	France	5,225.4	-0.26%	10.5%	Canadian Dollar (CAD)	0.760	1.315
United States					Chinese Renminbi (CNH)	0.150	6.682
DJIA	USA	25,985.2	-0.28%	11.4%	Egyptian Pound (EGP)	0.057	17.529
S&P 500	USA	2,792.4	-0.05%	11.4%	Euro (EUR)	1.138	0.879
NASDAQ	USA	7,554.5	0.07%	13.9%	Indian Rupee (INR)	0.014	71.119
Asia Pacific					Japanese Yen (JPY)	0.009	110.920
NIKKEI 225	Japan	21,482.3	-0.34%	7.3%	New Zealand Dollar (NZD)	0.685	1.461
HANG SENG	Hongkong	28,843.7	0.28%	11.6%	Omani Rial (OMR)	2.597	0.385
KSE 100 Index	Pakistan	38,728.9	0.09%	4.5%	Pakistani Rupee (PKR)	0.714	139.100
NSE Nifty 50	India	10,839.9	0.31%	-0.2%	Russian Ruble (RUB)	0.015	65.782
SHANGHAI Composite	China	2,950.7	-0.11%	18.3%	Singapore Dollar (SGD)	0.741	1.349
KOSPI Index	South Korea	2,221.9	-0.58%	8.9%	Turkish Lira (TRY)	0.188	5.321

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates		Current Rate %
	USD	%	%			
Oil				UAE		2.68
Brent Crude (per bbl)	66.2	-0.29%	22.5%	Saudi Arabia		2.91
WTI Crude (per bbl)	56.9	-0.07%	25.3%	Kuwait		2.63
Oman Crude Oil (Last Closing)	66.6	1.83%	24.5%	Oman		2.83
OPEC (per bbl)	64.1	-1.96%	24.3%	Qatar		2.85
				Bahrain		3.90
Precious Metals				GCC Latest 10-Yr Government Bond Yields		
Gold100 OZ (per oz)	1,318.7	-0.09%	2.8%		Maturity date	YTM, %
Silver (per oz)	15.7	0.02%	1.6%			
Platinum (per oz)	866.1	-0.38%	8.9%	Kuwait	3/20/2027	3.38
Other Metals				Abu Dhabi	10/11/2027	3.44
Copper, MT	6,507	0.21%	9.1%	Qatar	6/2/2026	3.50
Aluminium, MT	1,922	0.58%	4.1%	Saudi Arabia	3/4/2028	3.94
Lead, MT	2,136	2.10%	5.7%	Oman	1/17/2028	6.40
Zinc, MT	2,745	0.18%	11.3%	Bahrain	10/12/2028	6.26

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	100.14	2.45	1m	2.49
5 year	99.58	2.47	3m	2.63
10 year	99.64	2.67	6m	2.69
30 year	99.06	3.05	1 year	2.88

Source: Bloomberg

Note: All values are updated at 9:00 AM Muscat Time. Markets are closed on Saturday and Sunday

---

## OMAN ECONOMIC & CORPORATE NEWS

### **Oman mining projects worth over \$2bn on anvil**

Mining projects and initiatives with an investment value of over \$2 billion have been identified for implementation by the private sector, according to the Public Authority for Mining (PAM) – the regulatory authority and nodal agency for the mining industry in the Sultanate. The investment opportunities are linked to, among other things, the mining of gypsum, limestone, gabbro and aggregates, kaolin and silica quartz, said Hilal bin Mohammed al Busaidy (pictured), CEO of the Public Authority for Mining.

Source: [Oman Observer](#)

### **Tourism sector set to provide 26,000 jobs**

The tourism sector provides suitable job opportunities and there are efforts to increase Omanisation rate by boosting job-linked training and increasing awareness among youth and encouraging them to join the tourism sector. This was stated by Ahmed bin Nasser al Mehrzi, Minister of Tourism, when he was hosted by the Majlis Ash'shura on Wednesday. He also said that the hotel projects which are under construction in 2019 and 2020 will add some 6,552 rooms and hotel apartments, and this will provide approximately 4,586 job opportunities and not less than 26,000 direct jobs in the tourism sector.

Source: [Oman Observer](#)

### **OMAN'S INSURANCE SECTOR BY 10% THIS YEAR: S&P TO GROW**

Oman's insurance sector will expand by up to ten per cent growth this year, continuing to remain one of the fastest growing markets in the GCC, S&P Global Ratings said. 'We forecast that, following year-on-year gross-written premiums (GWP) growth of about 7.5 per cent in 2018, Oman's insurance sector will expand by up to ten per cent this year, again one of the leading markets in GCC in terms of growth', S&P said in GCC Insurance Outlook 2019 report released on Tuesday.

Source: [Muscat Daily](#)

### **Expat population in Oman falls at four-year low in 2019**

The population of expats in Oman declined in 2019 to its lowest since July 2015, Arab News said. The country continued to step up its Omanisation plans, which includes an expat visa ban, according to the news portal. On 25 February 2019, expat numbers in Oman totalled 2.04 million, accounting for 43.7% of the country's population, according to the National Center for Statistics and Information, Arab News added.

Source: [Mubasher](#)

### **Oman Telecommunication's Board proposes dividend**

The Board of Directors of the company has proposed a 50% cash dividend on the paid-up capital of the company as at Dec 31<sup>st</sup>, 2018., subject to regulatory and shareholder approvals at the AGM.

Source: [MSM](#)

### **Oman Chlorine's Board proposes dividend**

The Board of Directors of the company has proposed a 15% cash dividend on the paid-up capital of the company as at Dec 31<sup>st</sup>, 2018., subject to regulatory and shareholder approvals at the AGM on the 28<sup>th</sup> of March, 2019.

Source: [MSM](#)

---

## MIDDLE EAST ECONOMIC & CORPORATE NEWS

### **MIDEAST STOCKS-Qatar slides on sell-off, rest of Gulf mixed**

Qatar's index fell on Wednesday as it witnessed heavy selling from local and GCC investors, while Saudi Arabia inched up, partly lifted by corporate results. The Qatar index fell 1.2 percent, with 16 of its 20 stocks dropping. Blue-chips Qatar Insurance slid 6 percent and Qatar Islamic Bank was down 2 percent. The Qatar exchange, which jumped 21 percent in 2018, was one of the world's best-performing markets for the year, after limits were lifted on foreign ownership of shares.

Source: [Zawya](#)

### **SABB, Alawwal merger likely to complete in H1 2019, says chairman**

Saudi British Bank (SABB) is seeking to finalize a merger deal with Alawwal Bank in the first half (H1) of 2019, pending regulatory approvals, AlRiyadh newspaper reported, citing SABB chairman Khaled Suleiman Al-Olayan. "The merger talks have already reached an advanced stage," Al-Olayan noted.

Source: [Argaam](#)

---

**Saudi Aramco awards engineering deals for its Ras Al Khair project**

State-owned Saudi Aramco has awarded major contracts to two consortiums to carry out the engineering and construction works at King Salman International Complex for Maritime Industries & Services in Ras Al Khair, according to a company statement.

Source: [Argaam](#)

**Dubai Property Giant's Fabulous February Triggers Sentiment Test**

A rally in Emaar Properties PJSC, Dubai's biggest listed real-estate developer, has pushed the stock beyond a key level for the first time since 2017, testing sentiment among investors still wary about the health of the sector. The shares have climbed 14 percent in February, headed for the best month in three years. The gains have taken the stock beyond its 200-day moving average, a level it held for some five months the last time this happened.

Source: [Bloomberg](#)

**Petro Rabigh inks deal for fuel oil development**

Rabigh Refining and Petrochemical Co. (Petro Rabigh) has signed a contract with US-based Jacobs Engineering Group for the design and management of the Saudi company's fuel oil development project. The project will transform low-quality fuel oil to diesel and a group of other high-quality projects, Rabigh said in a bourse statement on Wednesday.

Source: [Mubasher](#)

**Saudi Prince showcases \$133.3bn project at Riyadh-based event**

Prince Faisal bin Bandar bin Abdulaziz, Riyadh's governor, has showcased \$133.3 billion (SAR 500 billion) construction projects at Future Projects Forum (FPF). Organised by the Saudi Contractors Authority (SCA), the two-day event is aimed at creating a platform that brings investors together with project owners and contractors to display and explore projects in the contracting sector.

Source: [Mubasher](#)

**Saudi 's Tadawul reveals changes to improve Nomu market for SMEs**

The Saudi Stock Exchange, also known as Tadawul, on Wednesday announced a series structural changes to Nomu, the parallel market supporting small and medium-sized companies. The changes are aimed at supporting the growth, development and sustainability of the market, increasing the number of listed companies and enhancing liquidity, a statement said.

Source: [Arabian Business](#)

**Saudi Aramco adds Goldman Sachs as bookrunner for planned bond –sources**

Saudi Aramco has added Goldman Sachs as a bookrunner for a planned bond which will help finance its purchase of a stake in Saudi Arabian Basic Industries Corp (SABIC) 2010.SE, two sources familiar with the matter told Reuters. The U.S. investment bank flew out a team of senior executives including partner Dina Powell, a veteran of the administration of U.S. President Donald Trump, to pitch for the deal, the sources said.

Source: [Zawya](#)

**Saudi Arabia, UAE, top markets in ME for outbound travel**

Emphasising on the ever-growing Middle East's business travel market, the seventh Annual Mice Arabia and Luxury Travel (Malt) Congress, the region's premier by invitation-only business platform concluded day 1 focusing on new disruptions in the Mice and Luxury Travel industry at the luxurious Rixos Premium Dubai JBR.

Source: [Zawya](#)

**INTERNATIONAL ECONOMIC & CORPORATE NEWS****Asian stocks shaky as Sino-U.S. trade optimism retreats**

Asian stocks struggled for traction on Thursday after cautious comments from U.S. Trade Representative Robert Lighthizer deflated some optimism that China and the United States were closing in on a trade deal. The dollar held onto its gains from Wednesday, supported by higher bond yields.

Source: [Reuters](#)

**China February factory activity shrinks to three-year low, export orders worst in a decade**

Factory activity in China contracted to a three-year low in February as export orders fell at the fastest pace since the global financial crisis, highlighting deepening cracks in an economy facing weak demand at home and abroad.

Source: [Reuters](#)

---

### Norway's wealth fund went on shopping spree during market turmoil

Norway's \$1 trillion sovereign wealth fund, the world's biggest, said on Wednesday it planned to keep increasing its investments in Britain, and it shrugged off uncertainties about Brexit. The fund, built from Norway's oil and gas revenues and one of the biggest investors in Britain, said 8.5 percent of its portfolio was in British equities, bonds and real estate at the end of 2018.

Source: [Zawya](#)

### COMMODITIES NEWS

### Saudi's Falih tells Trump 'we are taking it easy': CNBC

Saudi Energy Minister Khalid al-Falih said on Wednesday that OPEC and its partners were "taking it easy", in response to a tweet from U.S. President Donald Trump requesting that oil producers relax their efforts to boost oil prices. "The 25 countries are taking a very slow and measured approach. Just as the second half of last year proved, we are interested in market stability first and foremost," Falih said in Riyadh when asked to comment on Trump's tweet, footage on television channel CNBC showed.

Source: [Zawya](#)