

U Capital Morning Brief

14 March 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	860.20	2.40	0.28%	-2.06%	-	-	-	-
U Capital GCC 50 Index	1,369.01	11.31	0.83%	4.53%	-	-	-	-
U Capital MENA 200 Index	1,081.70	5.93	0.55%	3.50%	-	-	-	-
MSCI GCC Countries Index	566.26	3.26	0.58%	5.28%	14.53	1.84	3.8%	
Muscat Securities Market	4,074.27	-8.41	-0.21%	-5.77%	8.50	0.78	6.4%	
Saudi Stock Exchange	8,526.68	80.61	0.95%	8.94%	18.85	1.91	3.3%	
Kuwait Stock Exchange	5,302.50	-2.06	-0.04%	4.39%	14.92	1.29	3.7%	
Qatar Exchange	9,761.69	-4.19	-0.04%	-5.22%	13.63	1.43	4.5%	
Bahrain Stock Exchange	1,411.21	6.21	0.44%	5.53%	9.04	0.87	5.8%	
Dubai Financial Market	2,599.82	1.34	0.05%	2.77%	8.29	0.96	5.4%	
Abu Dhabi Exchange	4,819.83	-41.84	-0.86%	-1.94%	13.49	1.37	5.1%	
Beirut Stock Exchange	956.79	-17.35	-1.78%	-2.04%	4.83	0.56	9.5%	
Palestine Stock Exchange	545.56	0.68	0.12%	3.06%	10.99	1.23	4.4%	
Tunis Se Index	6,894.28	-83.99	-1.20%	-5.19%	17.67	2.42	2.1%	
EGX 30 Index	15,125.84	-14.02	-0.09%	16.03%	16.91	1.50	2.0%	
Amman General Index	1,986.76	-0.61	-0.03%	4.08%	13.57	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		
			%	%	Currency	USD/1 Unit	Units/1 USD
Europe					Australian Dollar (AUD)	0.706	1.416
FTSE 100	UK	7,159.2	0.11%	6.4%	British Pound (GBP)	1.324	0.755
DAX	Germany	11,572.4	0.42%	9.6%	Canadian Dollar (CAD)	0.751	1.331
CAC 40	France	5,306.4	0.69%	12.2%	Chinese Renminbi (CNH)	0.149	6.718
United States					Egyptian Pound (EGP)	0.057	17.416
DJIA	USA	25,702.9	0.58%	10.2%	Euro (EUR)	1.132	0.884
S&P 500	USA	2,810.9	0.69%	12.1%	Indian Rupee (INR)	0.014	69.583
NASDAQ	USA	7,643.4	0.69%	15.2%	Japanese Yen (JPY)	0.009	111.570
Asia Pacific					New Zealand Dollar (NZD)	0.684	1.463
NIKKEI 225	Japan	21,334.0	0.21%	6.6%	Omani Rial (OMR)	2.597	0.385
HANG SENG	Hongkong	28,799.8	-0.03%	11.4%	Pakistani Rupee (PKR)	0.715	139.000
KSE 100 Index	Pakistan	38,936.1	0.02%	5.0%	Russian Ruble (RUB)	0.015	65.402
NSE Nifty 50	India	11,367.5	0.23%	4.6%	Singapore Dollar (SGD)	0.738	1.355
SHANGHAI Composite	China	2,994.1	-1.09%	20.1%	Turkish Lira (TRY)	0.183	5.462
KOSPI Index	South Korea	2,151.9	0.16%	5.4%			

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates			Current Rate %
	USD	%	%	UAE	Saudi Arabia	Kuwait	
Oil							
Brent Crude (per bbl)	67.8	0.40%	24.9%				2.83
WTI Crude (per bbl)	58.4	0.26%	28.7%				2.90
Oman Crude Oil (Last Closing)	68.0	1.24%	27.0%				2.69
OPEC (per bbl)	66.3	0.44%	28.6%				2.82
Precious Metals							
Gold100 OZ (per oz)	1,303.3	-0.46%	1.6%				2.91
Silver (per oz)	15.5	-0.53%	-0.2%				2.91
Platinum (per oz)	834.7	-1.02%	4.9%				3.85
Other Metals							
Copper, MT	6,473	0.01%	8.5%				
Aluminium, MT	1,905	1.71%	3.2%				
Lead, MT	2,130	2.13%	5.4%				
Zinc, MT	2,847	0.32%	15.4%				
GCC Latest 10-Yr Government Bond Yields							
				Maturity date	YTM, %		
Kuwait				3/20/2027	3.39		
Abu Dhabi				10/11/2027	3.45		
Qatar				6/2/2026	3.48		
Saudi Arabia				3/4/2028	4.01		
Oman				1/17/2028	6.59		
Bahrain				10/12/2028	6.16		

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	99.85	2.43	1m	2.49
5 year	99.73	2.43	3m	2.59
10 year	99.98	2.63	6m	2.68
30 year	99.59	3.02	1 year	2.87

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

New Commercial Companies Law To Come Into Effect In April: Cma

Following the issuance of Oman's new Commercial Companies Law (CCL) enacted by Royal Decree No 18/2019, the Capital Market Authority (CMA) on Wednesday announced that all the matters related to listed companies [other than registrations] will come under the CMA's jurisdiction as per the new law.

Source: [Muscat Daily](#)

Shell Oman Marketing Wins New Contract

Shell Oman Marketing Company has been awarded the contract to operate and manage bunkering facilities at Mina Al Sultan Qaboos. The three-year contract has been awarded to Shell Oman by Muttrah Tourism Development Co LLC to manage the operations and maintenance of bunkering storage tanks and associated facilities at Mina Al Sultan Qaboos, Shell Oman said in a filing to the Muscat Securities Market.

Source: [Muscat Daily](#)

Phase 1 of Corporate Parks FZC launched at Sohar Freezone

Corporate Parks FZC yesterday held an inauguration ceremony on the completion of its Phase 1 building in Sohar Freezone. The ribbon-cutting ceremony took place on the ground floor of the Phase 1 building, in the presence of dignitaries M D Saini, Managing Director of Shapoorji Pallonji Middle East, Varinder Arora, Senior Vice President of Oman Shapoorji Company LLC, Kumar Mahadevan, Managing Director of Oman Shapoorji Company LLC and the Corporate Parks team.

Source: [Oman Observer](#)

Incorporation of 'one-person' companies authorised in Oman

The new Commercial Companies Law (CCL) enacted by Royal Decree 18/2019 last month allows the incorporation of companies owned by a sole individual – a move that will spur the issuance of Shariah-compliant Islamic financial products such as Sukuk and other Islamic investment funds, according to the Capital Market Authority (CMA).

Source: [Oman Observer](#)

720,000 Europeans to visit Oman over next five years

Arrivals from Europe to the GCC will increase 29 per cent over the period 2018 to 2023, driven by new and direct flight routes, a growing number of millennial and middle-class travellers and competitive air fares, according to the latest data released ahead of Arabian Travel Market (ATM) 2019, which takes place at Dubai World Trade Centre from April 28–May 1, 2019.

Source: [Oman Observer](#)

Oman accords top priority to 'blue economy'

Delegated by His Majesty Sultan Qaboos, Dr Ahmed bin Mohammed al Futaisi, Minister of Transport and Communications, is leading the Sultanate's delegation at the first World Congress on Maritime Heritage (WCMH). The Sultanate, represented by the Ministry of Transport and Communications, is the main sponsor of the congress.

Source: [Oman Observer](#)

OETC opens three projects at a cost of OMR3.6m

Oman Electricity Transmission Co (OETC) on Wednesday inaugurated three projects affiliated to the load dispatch centre. This include the inauguration of a new control system at the current control centre in Muscat, the inauguration of the new control room in Dhofar and the opening of the backup control centre

Source: [Times of Oman](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

MIDEAST STOCKS-Rising oil price boosts Saudi

Saudi Arabia's stock market rose on Wednesday as banks and petrochemical shares gained amid rising oil prices, while Abu Dhabi was pulled down by Emirates Telecommunications. Saudi Arabia's index was up 1 percent, with Al Rajhi Bank gaining 0.9 percent. The Middle East's largest petrochemical maker Saudi Basic Industries (SABIC) also rose 1 percent in active trade after it said it will merge its units Saudi Petrochemical Co and Arabian Petrochemical Co.

Source: [Reuters](#)

Herfy in talks with Asian countries for franchise deals: CEO

Herfy Food Services Co. is in preliminary talks with three East Asian countries to open new branches under franchise agreements. In an exclusive interview with Argaam, Khalid Al Saeed, the company's chief executive officer and managing

director, discusses how he expects Herfy to resume studies to boost the bakery division's capacity by adding new production lines while monitoring demand size and the impact of expat departures.

Source: [Argaam](#)

U.A.E. Regrets Inclusion on EU Blacklist of Tax Hideouts

The United Arab Emirates said it "regrets" being included in the European Union's list of alleged tax havens. The Arab world's second-largest economy was blacklisted despite its efforts to stay out of the group of 15 jurisdictions including neighboring Oman and small island nations. Its request for additional time to implement tax reforms was rejected.

Source: [Bloomberg](#)

Abu Dhabi to increase spending on tourism marketing by \$136mln over three years

The Abu Dhabi government has allocated a budget of half a billion United Arab Emirates dirhams for tourism marketing campaigns in the emirate to be spent over the next three years, the Department of Culture and Tourism (DCT) announced on Tuesday, adding that the Guggenheim Abu Dhabi project is 'still active'.

Source: [Zawya](#)

Abu Dhabi Stocks Drop, Matching Longest Losing Streak on Record

Abu Dhabi's equity benchmark ADX General Index dropped on Wednesday, matching the gauge's longest losing streak on record after extending its drop to a 10th session, as the index's biggest member First Abu Dhabi Bank PJSC is facing pressure by more attractively valued peers.

Source: [Bloomberg](#)

Emirates NBD targets \$1 bln with perpetual bond sale -document

Emirates NBD, Dubai's largest bank, is planning to raise \$1 billion through the sale of bonds with a 6.125 percent yield, a document issued by one of the banks leading the deal showed. The deal, which has received 3.85 billion in orders, will be an Additional Tier 1 perpetual bond not callable for six years.

Source: [Reuters](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

British pound surges the most in nearly two years after UK lawmakers vote to reject a no-deal Brexit

Sterling rose 2 percent after U.K. lawmakers rejected leaving the European Union without a withdrawal agreement. The rejection of a no-deal Brexit, passed with 312 votes to 278, set up another vote Thursday on whether its official departure date should be extended. Sterling extended its rally this year, posting its biggest gain since April 18, 2017 when the sterling gained 2.19 percent against the dollar.

Source: [CNBC](#)

China industrial output growth falls to 17-year low, but investment picks up

Growth in China's industrial output fell to a 17-year low in the first two months of the year, pointing to further weakness in the world's second-biggest economy. But investment picked up speed as the government fast-tracked more road and rail projects, offering some relief for policymakers as they work to avert a sharper slowdown, data showed on Thursday.

Source: [Reuters](#)

China consumption seen improving in March: stats bureau

China's statistics bureau said on Thursday it expected consumption to improve in March and economic growth to remain steady, after data showed industrial output growth fell to a 17-year low in the first two months of the year. The higher survey-based jobless rate in February was due to the Lunar New Year holidays, said bureau spokesman Mao Shengyong, adding that employment remained steady.

Source: [Reuters](#)

Asia Stocks Trade Mixed; Pound Pares Surge: Markets Wrap

Asian stocks traded mixed Thursday as investors digested a slew of economic data from China. The pound gave back some of Wednesday's surge as traders positioned for the next steps in the Brexit saga. Shares edged higher in Hong Kong and Japan, were little changed in South Korea and slipped in China after retail sales data was in line with expectations and industrial production data slightly below.

Source: [Bloomberg](#)

COMMODITIES NEWS

Saudi Arabia Goes to OPEC+ Talks Reluctant to Do Trump's Bidding

Four months ago, Saudi Arabia's devotion to its decades-old oil partnership with the U.S. was stronger than ever. President Donald Trump was poised to choke off crude exports from the kingdom's political nemesis, Iran. And the Saudis, shunned by other nations after the murder of journalist Jamal Khashoggi, were readily obliging the White House with record supplies.

Source: [Bloomberg](#)