

U Capital Morning Brief

13 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	862.38	3.39	0.39%	-1.81%	-	-	-
U Capital GCC 50 Index	1,361.97	0.02	0.00%	3.99%	-	-	-
U Capital MENA 200 Index	1,077.11	-0.19	-0.02%	3.06%	-	-	-
MSCI GCC Countries Index	563.01	1.25	0.22%	4.67%	14.45	1.83	3.8%
Muscat Securities Market	4,082.68	-2.76	-0.07%	-5.58%	8.52	0.78	6.4%
Saudi Stock Exchange	8,446.07	19.78	0.23%	7.91%	18.67	1.89	3.3%
Kuwait Stock Exchange	5,304.56	14.33	0.27%	4.43%	14.93	1.29	3.7%
Qatar Exchange	9,765.88	21.66	0.22%	-5.18%	13.64	1.43	4.5%
Bahrain Stock Exchange	1,405.00	-1.34	-0.10%	5.07%	9.00	0.87	5.8%
Dubai Financial Market	2,598.48	6.59	0.25%	2.72%	8.28	0.96	5.4%
Abu Dhabi Exchange	4,861.68	-8.72	-0.18%	-1.09%	13.61	1.38	5.1%
Beirut Stock Exchange	974.13	-2.27	-0.23%	-0.27%	4.92	0.57	9.3%
Palestine Stock Exchange	544.88	0.00	0.00%	2.93%	10.98	1.23	4.4%
Tunis Se Index	6,978.27	-61.53	-0.87%	-4.03%	17.89	2.45	2.1%
EGX 30 Index	15,139.86	41.74	0.28%	16.14%	16.93	1.50	2.0%
Amman General Index	1,987.37	2.41	0.12%	4.12%	13.58	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	USD/1 Unit	Units/1 USD
			%	%	Currency		
Europe							
FTSE 100	UK	7,151.2	0.29%	6.3%	Australian Dollar (AUD)	0.706	1.417
DAX	Germany	11,524.2	-0.17%	9.1%	British Pound (GBP)	1.309	0.764
CAC 40	France	5,270.3	0.08%	11.4%	Canadian Dollar (CAD)	0.748	1.336
United States							
DJIA	USA	25,554.7	-0.38%	9.5%	Chinese Renminbi (CNH)	0.149	6.716
S&P 500	USA	2,791.5	0.30%	11.4%	Egyptian Pound (EGP)	0.057	17.433
NASDAQ	USA	7,591.0	0.44%	14.4%	Euro (EUR)	1.129	0.886
Asia Pacific							
NIKKEI 225	Japan	21,217.3	-1.32%	6.0%	Indian Rupee (INR)	0.014	69.664
HANG SENG	Hongkong	28,752.1	-0.58%	11.2%	Japanese Yen (JPY)	0.009	111.320
KSE 100 Index	Pakistan	38,896.5	0.00%	4.9%	New Zealand Dollar (NZD)	0.684	1.462
NSE Nifty 50	India	11,335.5	0.30%	4.4%	Omani Rial (OMR)	2.597	0.385
SHANGHAI Composite	China	3,049.0	-0.37%	22.3%	Pakistani Rupee (PKR)	0.721	139.000
KOSPI Index	South Korea	2,146.3	-0.50%	5.2%	Russian Ruble (RUB)	0.015	65.625
					Singapore Dollar (SGD)	0.737	1.357
					Turkish Lira (TRY)	0.183	5.456

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %
	USD	%	%		
Oil					
Brent Crude (per bbl)	66.9	0.34%	23.1%	UAE	2.76
WTI Crude (per bbl)	57.2	0.55%	25.9%	Saudi Arabia	2.90
Oman Crude Oil (Last Closing)	67.1	0.33%	25.4%	Kuwait	2.69
OPEC (per bbl)	66.0	1.90%	28.1%	Oman	2.84
Precious Metals					
Gold100 OZ (per oz)	1,305.1	0.27%	1.8%	Qatar	2.91
Silver (per oz)	15.4	0.03%	-0.3%	Bahrain	3.85
Platinum (per oz)	836.1	0.04%	5.1%	GCC Latest 10-Yr Government Bond Yields	
Other Metals					
Copper, MT	6,472	1.01%	8.5%		
Aluminium, MT	1,873	1.41%	1.5%		
Lead, MT	2,085	0.48%	3.2%		
Zinc, MT	2,838	3.65%	15.0%		

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	99.88	2.42	1m	2.50
5 year	99.79	2.42	3m	2.61
10 year	100.11	2.61	6m	2.68
30 year	99.95	3.00	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

Oman hotel revenue grows by 14.3%

The total revenue of Omani hotels in the three-to-five-star category rose by 14.3 per cent to OMR22.70 million till the end of January 2019 compared to OMR19.8 million for the same period in previous year. However, hotel occupancy rates fell by 2.7 per cent to reach 62.4 per cent at the end of January 2019 against 64.2 per cent for the same period of 2018, according to the latest monthly statistics released by the National Centre for Statistics and Information (NCSI).

Source: [Times of Oman](#)

Al Maha Ceramics adds new quality control systems

Al Maha Ceramics, one of the leading ceramic tiles producers in Oman, successfully added an advanced quality control system to its manufacturing facility in Sohar. The company is renowned for its innovative product heritage backed up by superior quality endeavours to possess the cutting-edge technological developments in tiles production.

Source: [Times of Oman](#)

Marhaba Express calling Port of Duqm

Marhaba Express, a joint venture between Gold Star Line and Sarjak Container Lines, recently commenced its liner break-bulk service connecting West Coast of India and the Arabian Gulf namely, Nhava Sheva, Mundra, Duqm, Jebel Ali, Abu Dhabi, Shuhaiba, Umm Qasr, Dammam, Sohar and Nhavasheva.

Source: [Times of Oman](#)

Sultanate's Islamic banking sector posts world-leading growth rate

The pace of growth of Oman's Islamic banking industry has been ranked among the fastest globally, according to the Executive President of the Central Bank of Oman (CBO). Tahir Salim al Amri (pictured) cited the findings of the International Monetary Fund (IMF) policy paper, titled 'Core Principles for Islamic Finance regulations and Assessment Methodology', issued in May 2018, which identified Oman as a country with the highest growth in Islamic banking assets.

Source: [Oman Observer](#)

Capital Market Authority plans to issue Takaful regulations this year

Executive regulations governing Takaful activities (Shariah-compliant insurance services) are currently under finalisation and will be issued hopefully this year, according to the Executive President of the Capital Market Authority (CMA) of the Sultanate. Abdullah bin Salim al Salmi (pictured) said the new regulations, currently under review by the Ministry of Legal Affairs, will help spur the growth of an already thriving Takaful industry in Oman.

Source: [Oman Observer](#)

Construction industry contributes 9 per cent to Oman's GDP

The construction industry accounts for a 9 per cent share of Oman's GDP and is the country's largest employer, according to Heiderose Moossen, Manager — Vocational Training and Industry Relations, TSSC Department of the German University of Technology in Oman (GUtech).

Source: [Oman Observer](#)

NAMA RECEIVES 25 BIDS FOR PRIVATISATION OF MEDC, OETC

Nama Holding has announced that it received as many as 25 bids from 23 international investors for the privatisation of its two subsidiaries Oman Electricity Transmission Co (OETC) and Muscat Electricity Distribution Co (MEDC). The government-owned Nama Holding, the parent company of Nama Group, organised a press conference on Monday to announce the first round of the group's privatisation efforts for its subsidiary companies.

Source: [Muscat Daily](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

MIDEAST STOCKS-Global rally boosts most of Gulf, banks lift Saudi

Most major Gulf markets rose on Tuesday, lifted by financial and real estate stocks, mirroring a rally in global markets amid hopes for a U.S.-China trade deal and progress on Brexit. Saudi Arabia's index was up 0.2 percent with its largest lender, National Commercial Bank, gaining 1 percent and bank Samba Financial Group adding 1.1 percent.

Source: [Reuters](#)

Petrochem wins SAR 550m loan from SABB

National Petrochemical Company (Petrochem) on Tuesday has obtained a three-year Sharia-complaint facility at a value of SAR 550 million from Saudi British Bank (SABB). The facility is revolving, and it will be subject for renewal annually, according to Petrochem's statement to the Saudi Stock Exchange (Tadawul).

Source: [Mubasher](#)

Tadawul's inclusion in FTSE, S&P indices begins on March 18

The Saudi Stock Exchange (Tadawul) on Tuesday said that the inclusion of the first tranche of FTSE Russell and S&P DJI indices will take place on March 18 based on the closing prices as of March 14. The first tranche in FTSE index among the overall five tranches shall be executed with an inclusion factor of 10 percent.

Source: [Argaam](#)

Assets of Saudi investment funds up 1% in 2018

The total value of assets held by investment funds in Saudi Arabia edged up 1 percent year-on-year (YoY) to SAR 111.9 billion by the end of 2018, data issued by the Saudi Arabian Monetary Authority (SAMA) showed. The rise was driven by 3 percent YoY growth in the total value of local assets despite a 5 percent YoY drop in foreign assets.

Source: [Argaam](#)

MENA debt boom provides a route for private sector growth: IFC chief

Governments in the Middle East are becoming more receptive to growing private sector involvement in their economies because public sector debt in many markets is ballooning, an official from the World Bank's International Finance Corporation (IFC) has said.

Source: [Zawya](#)

Moody's - UAE real estate companies' credit quality is stable despite market weakness

Less-severe-than-expected property price falls will support continued sales. Revenues bolstered by diverse non-residential portfolios and mature assets. United Arab Emirates' real estate companies' credit quality in the coming 12 to 18 months will remain broadly stable despite the relatively weak real estate market outlook, Moody's Investors Service said today in a new report.

Source: [Moody's](#)

Saudi Arabia closes \$3.5bln privatisation deals: Official

Saudi Arabia has sealed six privatisation deals in the last two months, with a total value of \$3.5 billion (SAR 13.13 billion). The completed projects include four water projects, one in healthcare, and one in transport. "We are gearing up for a lot of transactions either in the process or in the pipeline and we want to make sure the process is done correctly," CEO of the National Centre for Privatisation and Public-Private Partnership (NCP) Turki al-Hokail told Reuters on Tuesday.

Source: [Zawya](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Pound edges up after May's Brexit defeat, more volatility expected

The pound edged up on Wednesday after turbulence following the defeat of British Prime Minister Theresa May's European Union exit deal, but investors braced for more volatility ahead of additional Brexit proceedings.

Source: [Reuters](#)

Uber hires more IPO underwriters as it prepares to go public: sources

Ride-hailing startup Uber Technologies Inc has hired a string of investment banks to its syndicate of initial public offering underwriters, as it ramps up preparations for a stock market debut, people familiar with the matter said on Tuesday.

Source: [Reuters](#)

Asian Stocks Drop as Rally Eases: Markets Wrap

Stocks in Asia dropped Wednesday as the positive sentiment at the start of the week faded for lack of fresh data alleviating global growth concerns. Shares posted losses across the region, with the heaviest declines coming in Japan, while futures signaled lower starts in Europe and the U.S. Earlier, the S&P 500 Index closed slightly higher.

Source: [Bloomberg](#)

COMMODITIES NEWS

Oil firms as Saudis trim exports, U.S. output forecast reduced

Oil prices edged higher on Wednesday, supported by planned cuts to Saudi exports and a reduced forecast for U.S crude output. International Brent crude oil futures LCOc1 were at \$66.93 a barrel at 0039 GMT, up 26 cents, or 0.4 percent, from their last close. Brent touched \$67.39 a barrel on Monday, its highest since Feb. 25.

Source: [Zawya](#)

U.S. Cuts Oil Production Forecast for the First Time in 6 Months

The U.S. government cut its oil production forecast for the first time in six months as drillers scale back in smaller shale plays and the U.S. Gulf of Mexico. While crude output is still expected to reach record levels, the Energy Information Administration trimmed its 2019 forecast to 12.3 million barrels a day -- 110,000 barrels-a-day lower than it had forecast previously. In 2020, production is expected to reach 13.03 million barrels a day -- 170,000 barrels a day lower than last month's estimate.

Source: [Bloomberg](#)

Gold hits near two-week high on Brexit uncertainties and a weaker dollar

As of 0130 GMT, spot gold was up 0.2 percent at \$1,303.74 per ounce, after touching its highest since March 1 earlier in the session at \$1,304.63. U.S. gold futures were up 0.4 percent at \$1,303.80 an ounce. Gold rose to its highest level in nearly two weeks on Wednesday, buoyed by safe haven demand from Brexit chaos and a fall in dollar after a softer U.S. data.

Source: [CNBC](#)