

U Capital Morning Brief

8 April 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	840.32	-0.12	-0.01%	-4.33%	-	-	-
U Capital GCC 50 Index	1,435.00	6.13	0.43%	9.57%	-	-	-
U Capital MENA 200 Index	1,119.00	7.97	0.71%	7.07%	-	-	-
MSCI GCC Countries Index	599.52	-0.74	-0.12%	11.46%	15.43	1.94	3.6%
Muscat Securities Market	3,970.49	30.95	0.79%	-8.17%	8.36	0.77	7.8%
Saudi Stock Exchange	9,011.11	-52.77	-0.58%	15.13%	20.26	2.02	3.1%
Kuwait Stock Exchange	5,795.87	63.96	1.12%	14.10%	16.46	1.44	3.4%
Qatar Exchange	10,192.19	2.63	0.03%	-1.04%	14.18	1.50	4.3%
Bahrain Stock Exchange	1,440.32	21.02	1.48%	7.71%	9.47	0.91	5.8%
Dubai Financial Market	2,780.95	4.66	0.17%	9.93%	9.95	1.01	4.9%
Abu Dhabi Exchange	5,052.49	20.31	0.40%	2.80%	14.17	1.45	4.8%
Beirut Stock Exchange	965.17	0.00	0.00%	-1.19%	5.12	0.60	10.3%
Palestine Stock Exchange	538.23	-0.15	-0.03%	1.68%	11.14	1.15	4.4%
Tunis Se Index	6,967.69	27.30	0.39%	-4.18%	17.99	2.45	2.1%
EGX 30 Index	15,135.47	-112.34	-0.74%	16.11%	16.37	1.50	2.1%
Amman General Index	1,906.89	-1.60	-0.08%	-0.10%	13.82	0.93	5.2%

World Markets	Country	Value	D/D	YTD	Currency Cross Rates	USD/1 Unit	Units/1 USD
			%	%	Currency		
Europe					Australian Dollar (AUD)	0.709	1.410
FTSE 100	UK	7,446.9	0.61%	10.7%	British Pound (GBP)	1.307	0.765
DAX	Germany	12,009.8	0.18%	13.7%	Canadian Dollar (CAD)	0.747	1.338
CAC 40	France	5,476.2	0.23%	15.8%	Chinese Renminbi (CNH)	0.149	6.725
United States					Egyptian Pound (EGP)	0.058	17.324
DJIA	USA	26,425.0	0.15%	13.3%	Euro (EUR)	1.123	0.891
S&P 500	USA	2,892.7	0.46%	15.4%	Indian Rupee (INR)	0.014	69.479
NASDAQ	USA	7,938.7	0.59%	19.6%	Japanese Yen (JPY)	0.009	111.390
Asia Pacific					New Zealand Dollar (NZD)	0.673	1.485
NIKKEI 225	Japan	21,775.0	-0.15%	8.8%	Omani Rial (OMR)	2.597	0.385
HANG SENG	Hongkong	30,023.5	0.29%	16.2%	Pakistani Rupee (PKR)	0.708	141.150
KSE 100 Index	Pakistan	37,363.3	-0.41%	0.8%	Russian Ruble (RUB)	0.015	65.300
NSE Nifty 50	India	11,655.9	-0.09%	7.3%	Singapore Dollar (SGD)	0.738	1.356
SHANGHAI Composite	China	3,243.6	-0.09%	30.1%	Turkish Lira (TRY)	0.177	5.646
KOSPI Index	South Korea	2,206.3	-0.15%	8.1%			

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %
	USD	%	%		
Oil				UAE	2.87
Brent Crude (per bbl)	70.7	0.43%	29.5%	Saudi Arabia	2.86
WTI Crude (per bbl)	63.4	0.48%	39.6%	Kuwait	2.69
Oman Crude Oil (Last Closing)	70.2	1.40%	31.1%	Oman	2.82
OPEC (per bbl)	68.8	-0.52%	33.4%	Qatar	2.91
				Bahrain	3.65

Precious Metals	Price	D/D	YTD	GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
		%	%			
Gold100 OZ (per oz)	1,296.5	0.38%	1.1%	Kuwait	3/20/2027	3.21
Silver (per oz)	15.1	0.18%	-2.3%	Abu Dhabi	10/11/2027	3.26
Platinum (per oz)	906.4	0.59%	13.9%	Qatar	6/2/2026	3.34
Other Metals				Saudi Arabia	3/4/2028	3.65
Copper, MT	6,401	-0.78%	7.3%	Oman	1/17/2028	6.46
Aluminium, MT	1,890	-0.26%	2.4%	Bahrain	10/12/2028	5.86
Lead, MT	1,986	-0.43%	-1.8%			
Zinc, MT	2,922	0.86%	18.4%			

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	100.27	2.28	1m	2.47
5 year	99.20	2.30	3m	2.59
10 year	101.19	2.49	6m	2.64
30 year	102.03	2.90	1 year	2.75

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

Local, intl funds to invest in rooftop PV systems

International developers backed by funding agencies — local and global — are expected to bid for the first wave of contracts for the installation of small-scale solar photovoltaic (PV) systems atop residential buildings in Muscat Governorate later this year, according to a top official of the Authority for Electricity Regulation Oman (AER). The regulator is overseeing the implementation of solar rooftop capacity in the Sultanate as part of its 'Sahim' initiative, with the capital city selected to spearhead the rollout of the landmark program.

Source: [Oman Observer](#)

Starcare in talks with investors to fund expansion plans in Oman

Starcare Group, the team credited with initiating international quality accreditations for hospitals in Oman is in discussion with various Oman based as well as foreign investors to raise capital to fund its expansions plans. Starcare, the company that started its first Hospital in Oman in 2011, is now a popular name among Omanis and expatriates alike. Apart from Oman, the company owns hospital and medical centres in India and UAE.

Source: [Oman Observer](#)

OMANI RIAL EXCHANGE RATE INDEX RISES 3.6%

The effective exchange rate index of the Omani rial rose 3.6 per cent to 104.0 points in the end of January 2019 compared to 100.4 points in the same period of 2018, indicating the currency's enhanced purchasing power. Total currency issued till the end of January stood at RO1.57bn against RO1.62bn issued in the previous year, marking a decline of 2.9 per cent, according to the figures released by the National Centre for Statistics and Information (NCSI).

Source: [MD](#)

Bounced cheque cases on the rise: Royal Oman Police

There has been an increase in the number of cases of bounced cheques, according to Royal Oman Police (ROP). The Royal Oman Police statistics of cases involving bounced cheques show that in 2018, 3,054 cases were registered, compared to 2,963 cases the year before.

Source: [Times of Oman](#)

Omani Women occupy 50 PC of positions in public sector

Empowering Omani women at various levels has always been the prime focus of the Ministry of Social Development and the initiatives towards this goal have brought in phenomenal results, according to an official at the ministry. Pointing out at the achievements of Omani women, he said in the public sector women hold around 50 per cent of positions and there is a preference for jobs in the education sector, with an increasing interest in the health sector.

Source: [Oman Observer](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Saudi private sector maintains growth, but employment declines: PMI

Underpinned by stronger increases in new orders and output across the non-oil private sector, the Emirates NBD Saudi Arabia Purchasing Managers' Index (PMI) climbed to 56.8 in March, from February's 56.6. The latest reading was the highest since December 2017 and indicated one of the strongest growth performances over the past three-and-a-half years, the survey found.

Source: [Argaam](#)

Saudi central bank revokes licence of Abdulaziz Abdullah Al-Zamil

Saudi Arabia's central bank has revoked foreign exchange firm Abdulaziz Abdullah al-Zamil Co's licence for exchange services. The regulator issued a resolution to cancel the company's licence to carry out money exchange and cash transfers, it said. The licence was revoked at the company's request, the central bank's statement said.

Source: [Zawya](#)

UAE-Saudi double tax avoidance agreement to lift trade, investment

The Avoidance of Double Taxation Agreement between the UAE and Saudi Arabia, which is expected to facilitate the two-way investment flow, boost bilateral trade and further bolster economic ties, has come into effect at the beginning of April after nearly a year the landmark pact was signed. The two countries signed the double income tax treaty, the first such agreement between two members of the GCC, in May 2018.

Source: [Zawya](#)

Abu Dhabi Fund for Development finances 78 healthcare projects

The Abu Dhabi Fund for Development (ADFD) has financed 78 healthcare projects in 16 countries with a total value of Dh4.1 billion, in the period since its inception in 1971 till December 2018. The fund's interest in healthcare projects reflects its keenness to support international efforts aimed at achieving the UN's Sustainable Development Goals, directly contributing to Goal Three - Good Health and Wellbeing.

Source: [Zawya](#)

UAE's Mubadala says Carlyle Group to buy 30-40% stake in Cepsa

U.S buyout firm Carlyle Group has agreed to buy a 30 to 40 percent stake in Spanish energy company Cepsa from Muabdal based on an enterprise value of \$12 billion, the Abu Dhabi wealth fund said on Monday. The deal is expected to close by the end of 2019 and final shareholding stakes of both parties will be confirmed then, state-owned Mubadala said. Mubadala will remain the majority shareholder of Cepsa. Equity for this investment will come from Carlyle International Energy Partners I and II, Carlyle Partners VII, Carlyle Europe Partners V and co-investors, the statement said.

Source: [Zawya](#)

Dubai Islamic Bank Considers Acquiring Noor Bank, Sources Say

Dubai Islamic Bank PJSC, the United Arab Emirates' biggest Islamic lender, is considering buying its smaller rival Noor Bank PJSC, people with knowledge of the talks said. The bank has held preliminary discussions with Dubai-based Noor Bank's shareholders, said the people, asking not to be identified because the information is private. Discussions are at an early stage and may not lead to a deal. The acquisition would create a lender with 275 billion dirhams (\$75 billion) in assets.

Source: [Bloomberg](#)

Abu Dhabi orders prompt payments to construction contractors and suppliers

Abu Dhabi, the capital of the United Arab Emirates, has instructed government departments and state-owned companies to pay construction contractors and suppliers within 30 days of receipt of invoices, a document seen by Reuters showed. Contractors in the UAE have been bruised over the past few years after a drop in oil prices slowed economic growth. In a circular from the Executive Council dated March 26, Abu Dhabi also asked to amend contracts so to oblige contractors and suppliers to pay subcontractors within 30 days of receipt of government payments.

Source: [Zawya](#)

UAE acquires 36% of total FDI flow in Arab states in – Report

The UAE has maintained its position as a regional and international destination that attracts foreign direct investment (FDI), coming in the first place among the Arab countries since the past five years, the UAE economy minister Sultan bin Saeed Al Mansoori said. The UAE has attracted approximately \$10.35 billion in 2017, accounting for 36% of the total FDI flow to the Arab countries, Al Mansoori added, according to a recent press release.

Source: [Mubasher](#)

Saudi Enaya's accumulated losses hit SAR 45.7m

Saudi Enaya Cooperative Insurance on Sunday announced that its accumulated losses fell to 15.2% of its capital as of 19 January. The Saudi firm's accumulated losses amounted to SAR 45.67 million of its total capital amounting to SAR 300 million, according to a statement to the Saudi Stock Exchange (Tadawul). The drop in accumulated losses is attributed to the increase in the company's share capital through the issuance of right shares amounting to SAR 200 million in January.

Source: [Mubasher](#)

Bahrain's GDP hits over BHD 3.2bn in Q4

Bahrain's gross domestic product (GDP) growth increased by 4.56% to more than BHD 3.212 billion during the fourth quarter of 2018, Information & eGovernment Authority's data revealed. The GCC nation's GDP in current prices rose 6.54% to BHD 3.58 billion in the three-month period ended last December, the authority's data added. The state-run agency attributed Bahrain's GDP growth to an expansion in the construction sector and commercial projects.

Source: [Mubasher](#)

Specialities Group's unit inks KWD 4.25m deal with KPA

Kuwait-based Specialities Group Holding on Sunday announced that its subsidiary Alghanim Specialities Co. signed a KWD 4.25 million contract with Kuwait Port Authority (KPA). The deal involves operating and maintaining bridge cranes and land equipment in Shuwaikh Port owned by KPA, according to a statement to Boursa Kuwait. The agreement will not affect the current financial position of the Kuwaiti firm, the statement added.

Source: [Mubasher](#)

Human Soft to pay KWD 22m dividends for FY18

The ordinary general meeting (OGM) of Human Soft Holding approved distributing 185% of the capital as cash dividends for fiscal year 2018. Human Soft will pay 185 fils per share to the entitled shareholders as dividends for FY18, at a total value of KWD 22.5 million, according to a bourse disclosure on Sunday. The Boursa Kuwait-listed company will pay the dividends on 29 April to the shareholders of record date on 21 April.

Source: [Mubasher](#)

Ezdan looking to nullify plan to delist from QSE as Qatar economy stays robust

Ezdan Holding Group is contemplating nullifying its earlier proposal to delist from the Qatar Stock Exchange (QSE) in view of the robust momentum in the domestic economy. In this regard, the group has decided to convene an extraordinary general assembly to discuss the issue. The time and date are yet to be decided, said a spokesman of Ezdan Holding Group. The Ezdan board had held a meeting on Saturday to consider the request of one of the shareholders of Al Tadawul Trading Group, which owns more than 25% stake, regarding nullifying the earlier proposal.

Source: [Gulf Times](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Nissan shareholders sever last ties with ousted Ghosn

Nissan Motor Co shareholders ousted erstwhile boss Carlos Ghosn as a director on Monday, severing his last ties with the company he rescued from near-bankruptcy two decades ago and from which he is now accused of siphoning funds. Shareholders, who had gathered for an extraordinary meeting just days after prosecutors arrested Ghosn in Tokyo again, also voted out another director, Greg Kelly, who has also been accused in the scandal. Both Ghosn and Kelly have denied the allegations against them.

Source: [Reuters](#)

Asia shares at seven-month peak as China talks stimulus

Asian shares inched up to seven-month highs on Monday as investors cheered a rebound in U.S. payrolls and hints of more stimulus in China, though there was some caution ahead of what is likely to be a tough U.S. earnings season. In a document published on the central government's website late on Sunday, Beijing said it would step up a policy of targeted cuts to banks' required reserve ratios to encourage financing for small and medium-sized businesses.

Source: [Reuters](#)

Big-time investors are snapping up China's junk bonds

Global investors are snapping up high-risk bonds in Asia — especially those offered by Chinese property developers — in a sign that investors are increasingly more willing to take bigger bets. Those debt securities, known as high-yield or junk bonds, fell out of favor for much of last year amid an escalating tariff fight between Washington and Beijing. China's deleveraging campaign and the strengthening U.S. dollar did not help either.

Source: [CNBC](#)

COMMODITIES NEWS

Oil hits highest since November 2018 amid OPEC cuts, U.S. sanctions

Oil prices rose to their highest level since November 2018 on Monday, driven upwards by OPEC's ongoing supply cuts, U.S. sanctions against Iran and Venezuela, and strong U.S. jobs data. International benchmark Brent futures were at \$70.65 per barrel at 0441 GMT on Monday, up 31 cents, or 0.4 percent from their last close. U.S. West Texas Intermediate (WTI) crude were up 31 cents, or 0.5 percent, at \$63.39 per barrel.

Source: [Reuters](#)

Copper producers gather; electric cars seen driving demand growth

Global copper producers are converging in Chile this week as tightening supply buoys prices, even as the industry grapples with declining ore quality, project delays and worries the U.S-China trade war may hit long-term demand. Despite these challenges, the industry is planning for substantial growth in the next decade thanks to an expected boom in production of electric vehicles, which use twice as much copper as internal combustion engines. Automakers are vowing to produce all-electric fleets.

Source: [Reuters](#)

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