

U Capital Morning Brief

10 June 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	827.02	2.48	0.30%	-5.84%	-	-	-	-
U Capital GCC 50 Index	1,378.64	16.32	1.20%	5.27%	-	-	-	-
U Capital MENA 200 Index	1,077.83	10.74	1.01%	3.13%	-	-	-	-
MSCI GCC Countries Index	584.96	8.00	1.39%	8.76%	15.23	1.95	3.9%	
Muscat Securities Market	3,954.74	12.92	0.33%	-8.53%	7.79	0.79	7.0%	
Saudi Stock Exchange	8,699.22	182.74	2.15%	11.15%	19.87	1.93	3.3%	
Kuwait Stock Exchange	5,837.20	72.61	1.26%	14.92%	16.49	1.51	3.3%	
Qatar Exchange	10,295.78	-23.55	-0.23%	-0.03%	14.47	1.58	4.2%	
Bahrain Stock Exchange	1,446.01	11.38	0.79%	8.13%	10.58	0.93	5.2%	
Dubai Financial Market	2,650.95	30.62	1.17%	4.79%	11.77	1.00	4.6%	
Abu Dhabi Exchange	4,956.25	-47.33	-0.95%	0.84%	14.69	1.47	5.0%	
Beirut Stock Exchange	852.43	-3.48	-0.41%	-12.73%	4.34	0.49	11.6%	
Palestine Stock Exchange	527.96	1.09	0.21%	-0.26%	10.30	1.20	4.5%	
Tunis Se Index	7,081.27	28.47	0.40%	-2.62%	18.35	2.38	2.1%	
EGX 30 Index	13,911.66	123.86	0.90%	6.72%	15.03	1.33	2.6%	
Amman General Index	1,806.52	0.21	0.01%	-5.36%	11.08	0.89	5.8%	

World Markets	Country	Value	D/D	YTD	Currency Cross Rates		
			%	%	Currency	USD/1 Unit	Units/1 USD
Europe					Australian Dollar (AUD)	0.697	1.435
FTSE 100	UK	7,331.9	0.99%	9.0%	British Pound (GBP)	1.271	0.787
DAX	Germany	12,045.4	0.77%	14.1%	Canadian Dollar (CAD)	0.753	1.328
CAC 40	France	5,364.1	1.62%	13.4%	Chinese Renminbi (CNY)	0.144	6.952
United States					Egyptian Pound (EGP)	0.060	16.760
DJIA	USA	25,983.9	1.02%	11.4%	Euro (EUR)	1.131	0.884
S&P 500	USA	2,873.3	1.05%	14.6%	Indian Rupee (INR)	0.014	69.434
NASDAQ	USA	7,742.1	1.66%	16.7%	Japanese Yen (JPY)	0.009	108.650
Asia Pacific					New Zealand Dollar (NZD)	0.663	1.508
NIKKEI 225	Japan	21,135.5	1.20%	5.6%	Omani Rial (OMR)	2.597	0.385
HANG SENG	Hongkong	27,513.4	2.03%	6.5%	Pakistani Rupee (PKR)	0.677	148.100
KSE 100 Index	Pakistan	34,999.7	-1.42%	-5.6%	Russian Ruble (RUB)	0.015	64.760
NSE Nifty 50	India	11,951.6	0.68%	10.0%	Singapore Dollar (SGD)	0.732	1.367
SHANGHAI Composite	China	2,855.6	0.98%	14.5%	Turkish Lira (TRY)	0.171	5.849
KOSPI Index	South Korea	2,096.9	1.18%	2.7%			

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates			Current Rate %
	USD	%	%	UAE	Saudi Arabia	Kuwait	Oman
Oil							
Brent Crude (per bbl)	63.6	0.55%	16.0%				2.67
WTI Crude (per bbl)	54.3	0.61%	19.6%				2.83
Oman Crude Oil (Last Closing)	61.8	2.71%	15.5%				2.69
OPEC (per bbl)	60.9	-0.26%	18.1%				2.86
Precious Metals							
Gold100 OZ (per oz)	1,328.2	-0.94%	3.6%	Kuwait			2.85
Silver (per oz)	14.8	-1.41%	-4.5%	Abu Dhabi			3.23
Platinum (per oz)	806.2	-0.10%	1.3%	Qatar			
Other Metals				Bahrain			
Copper, MT	5,799	-0.15%	-2.8%				
Aluminium, MT	1,764	-0.68%	-4.4%				
Lead, MT	1,832	-3.07%	-9.4%				
Zinc, MT	2,484	-0.76%	0.7%				

GCC Latest 10-Yr Government Bond Yields		
	Maturity date	YTM, %
Kuwait	20/03/2027	2.67
Abu Dhabi	11/10/2027	2.72
Qatar	02/06/2026	2.86
Saudi Arabia	04/03/2028	3.37
Oman	17/01/2028	6.48
Bahrain	12/10/2028	5.98

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	100.73	1.87	1m	2.41
5 year	100.48	1.90	3m	2.45
10 year	102.23	2.12	6m	2.37
30 year	105.61	2.60	1 year	2.35

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

OCCIDENTAL OMAN AWARDS SUPPORT AGREEMENTS TO FOUR SMES

With the aim of supporting and promoting entrepreneurship and Small and Medium Enterprises (SMEs) as one of the core elements of Occidental Oman in-country value (ICV) strategy, four SMEs were awarded support agreements as part of phase 4 of Occidental Oman's SME Development Program.

Source: [Muscat Daily](#)

Omani SME wins projects in Saudi Arabia

Qonsults, an Omani SME that already had a success story in Oman, has been awarded three mega projects in Kingdom of Saudi Arabia (KSA), which will lead to collaboration between Omani and Saudi companies in the field of E-commerce.

Source: [Times of Oman](#)

OMANTEL NAMES NEW CHAIRMAN

Oman Telecommunications Company (Omantel) has appointed H.E Abdulsalam Mohammed Al-Murshidi as the Chairman of the Board of the company in place of H.E Eng. Sultan bin Hamdoon Al-Harthy, the statement said.

Source: [Oman Observer](#)

100 foreign investment companies suspended

The Ministry of Commerce and Industry (MoCI) has suspended 100 foreign investment companies and decided not to deal with them in all entities associated with the Invest Easy Portal, as they did not comply with the rules and laws of foreign investment.

Source: [Oman Observer](#)

Oman's share index closes higher marginally

The MSM30 Index ended higher at 3,954.74 points, up by 0.33 per cent. The Sharia Index also followed suit, closing higher by 0.28 per cent at 540.11 points. A total number of 469 trades were executed during the day's trading session generating turnover of OMR487,000 with more than 5.27 million shares changing hands. Out of 26 traded stocks, 11 advanced, 8 declined and 7 remained unchanged.

Source: [Times of Oman](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Saudi off-plan sales to exceed SAR 70 bln: official

The estimated value of off-plan sales in the Saudi housing sector will exceed SAR 70 billion when units are sold out, Al-Eqtisadiyah newspaper reported, citing the ministry's spokesperson Saif Al-Swailem. Saudi Arabia's Ministry of Housing is working in partnership with 65 local and foreign developers on various residential projects.

Source: [Argaam](#)

Mideast Stocks: Saudi leads Gulf higher after Eid break

Saudi Arabia and Dubai led Gulf stocks higher on Sunday as regional markets resumed trade after last week's holidays, lifted by positive sentiment on global stocks and expected foreign fund inflows into the Riyadh market.

Source: [Zawya](#)

UAE business optimism remains robust in May

The UAE Purchasing Managers' Index, a gauge designed to give an overview of operating conditions in the non-oil private sector economy, recorded its third successive monthly increase in May to hit its highest since October 2014.

Source: [Zawya](#)

Sipchem inks primary hydrogen supply deal with Aramco's unit

Sahara International Petrochemical Company (Sipchem) signed on Thursday, 30 May a 20-year hydrogen supply agreement with Saudi Aramco Shell Refinery Company (SASREF), based in Jubail Industrial City. Under the deal, Sipchem will supply SASREF with the Hydrogen Gas that is required in SASREF's future production operations starting in 2020, according to a filing to the Saudi Stock Exchange (Tadawul) on Sunday.

Source: [Zawya](#)

KFH Capital arranges \$5bn sukuk issues

KFH Capital, the investment arm of Kuwait Finance House (KFH), has been placed in leading positions among regional and international sukuk issuers, the company's chief investment banking officer said. KFH Capital acted as one of the leading arrangers of the \$2 billion Turkish Government Sukuks, which received demands exceeded \$4.9 billion with a 5.8% returns

Source: [Decypha](#)

KFH Capital arranges 1st sukuk transaction for STC

Kuwait's KFH Capital has finalised the arrangement of its first sukuk issue transaction for the Saudi Telecom Company (STC), valued at \$1.25 billion. Abdullah Sulaiman Al Haddad, chief investment banking officer of KFH Capital, said that the ten-year transaction has a return of 3.89%.

Source: [Decypha](#)

Batelco to deliver commercial 5G services for first time in Bahrain

Bahrain Telecommunications (Batelco) announced the commercial launch of fifth generation (5G) wireless technology services in Bahrain. The kingdom's leading digital solutions provider will be the first in Bahrain to provide commercial 5G network services to its customers, Batelco said in a recent statement.

Source: [Decypha](#)

Kuwait offers \$87.5m aid for int'l organisations – Ministry

Kuwait provided around KWD 26.5 million (\$87.5 million) in aid for the budgets of international, Arab, and regional organisations, according to the foreign affairs ministry's data.

Source: [Decypha](#)

Dubai's real estate finances surpass AED 95bn in 5M

The total value of real estate transactions in Dubai, including purchasing and financing completed and under-construction commercial and residential properties, amounted to AED 95.2 billion in the first five months of 2019, rising 35% year-on-year.

Source: [Decypha](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

U.S. Stock Futures Rise as Mexico Strikes Deal to Avert Tariffs

U.S. stock-index futures rose after President Donald Trump announced late Friday that he would drop plans for tariffs on Mexico. S&P 500 Index contracts gained 0.2% as of 10:03 a.m. in Tokyo, paring an earlier jump of as much as 0.8%, after Trump said that plans for a 5% tariff on Mexican goods had been "indefinitely suspended." Dow Jones Industrial Average contracts advanced 0.2%, while those on the Nasdaq 100 added 0.3%. A retreat from haven assets weighed on the Japanese yen and the Swiss franc.

Source: [Bloomberg](#)

Chinese Exports Rebound, Imports Drop Amid Trade Tensions

China's export growth unexpectedly rebounded in May and imports dropped, as the trade standoff with the U.S. intensifies and both countries show no signs of deescalating tensions.

Source: [Bloomberg](#)

French Finance Minister Le Maire: 'A trade war would mean an economic crisis all over the world, and especially in Europe'

If trade tensions between the U.S. and China continue to escalate, that may have a "direct and very negative impact all over the world, especially Europe and the Eurozone," according to French Finance and Economy Minister Bruno Le Maire. In fact, Le Maire said the tariffs battle, which kicked off last year, has already reached beyond the world's two largest economies.

Source: [CNBC](#)

Exclusive: FCA-Renault revival may hinge on Nissan stake cut – sources

Nissan is poised to urge Renault to significantly reduce its 43.4% stake in the Japanese company in return for supporting a FCA-Renault tie-up, two people with knowledge of its thinking also told Reuters.

Source: [Reuters](#)

COMMODITIES NEWS

Oil rises as Saudi sees producers sticking with ongoing supply cuts

Oil prices rose on Monday after Saudi Arabia said producer club OPEC and Russia should keep supplies restricted at current levels, and in relief that the United States withdrew a tariff threat against Mexico, removing a cloud over the global economy.

Source: [Reuters](#)



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