

U Capital Morning Brief

12 August 2020

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	987.17	194.02	24.46%	17.02%	7.11	0.73	7.9%
U Capital GCC 50 Index	1,217.53	9.07	0.75%	-12.16%	19.52	2.04	4.3%
MSCI GCC Countries Index	491.98	5.67	1.17%	-13.64%	17.21	1.65	4.2%
Muscat Securities Market	3,572.62	-4.13	-0.12%	-10.26%	5.15	0.37	13.9%
Saudi Stock Exchange	7,626.23	90.27	1.20%	-9.09%	24.99	1.84	3.4%
Kuwait Stock Exchange	6,132.60	55.57	0.91%	-15.47%	17.00	1.21	3.9%
Qatar Exchange	9,523.63	105.75	1.12%	-8.65%	15.53	1.43	4.2%
Bahrain Stock Exchange	1,307.47	7.54	0.58%	-18.80%	12.17	0.81	5.5%
Dubai Financial Market	2,097.23	3.43	0.16%	-24.15%	7.35	0.75	4.6%
Abu Dhabi Exchange	4,368.21	14.49	0.33%	-13.94%	15.09	1.26	5.6%
Beirut Stock Exchange	604.81	-0.40	-0.07%	-23.01%	7.51	0.38	0.0%
Tunis Se Index	6,721.69	18.67	0.28%	-5.62%	18.64	2.22	0.7%
EGX 30 Index	10,919.47	-18.76	-0.17%	-21.79%	10.96	1.47	2.9%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	6,154.3	1.71%	-18.40%
DAX	Germany	12,946.9	2.04%	-2.28%
CAC 40	France	5,028.0	2.41%	-15.89%
United States				
DJIA	USA	27,686.9	-0.38%	-2.98%
S&P 500	USA	3,333.7	-0.80%	3.19%
NASDAQ	USA	10,782.8	-1.69%	20.17%
Asia Pacific				
NIKKEI 225	Japan	22,809.9	0.27%	-3.58%
HANG SENG	Hongkong	24,781.1	-0.47%	-12.09%
KSE 100 Index	Pakistan	40,978.6	1.02%	0.60%
NSE Nifty 50	India	11,270.3	-0.46%	-7.38%
SHANGHAI COMPOSITE	China	3,272.2	-2.04%	7.28%
SHANGHAI SHENZHEN CSI 300	China	4,578.4	-2.21%	11.76%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.712	1.405
British Pound (GBP)	1.302	0.768
Canadian Dollar (CAD)	0.750	1.334
Chinese Renminbi (CNH)	0.144	6.951
Egyptian Pound (EGP)	0.063	15.969
Euro (EUR)	1.172	0.853
Indian Rupee (INR)	0.013	74.809
Japanese Yen (JPY)	0.009	106.760
New Zealand Dollar (NZD)	0.654	1.528
Omani Rial (OMR)	2.598	0.385
Pakistani Rupee (PKR)	0.594	168.100
Russian Ruble (RUB)	0.014	73.136
Singapore Dollar (SGD)	0.728	1.375
Turkish Lira (TRY)	0.138	7.222

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	44.6	0.31%	-28.03%
WTI Crude (per bbl)	41.7	0.19%	-31.74%
Oman Crude Oil (Last Closing)	44.0	-0.29%	-34.74%
OPEC (per bbl)	45.0	0.31%	-33.77%
Precious Metals			
Gold100 OZ (per oz)	1,879.9	-1.67%	23.90%
Silver (per oz)	24.0	-3.22%	34.38%
Platinum (per oz)	931.5	0.04%	-3.63%
Other Metals			
Copper, MT	6,386	-0.16%	3.43%
Aluminium, MT	1,786	0.00%	-1.33%
Lead, MT	1,961	3.24%	1.74%
Zinc, MT	2,410	0.54%	6.07%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	0.53	-76.1%
Saudi Arabia	0.92	-58.8%
Kuwait	1.56	-43.2%
Oman	2.64	-6.1%
Qatar	1.15	-48.9%
Bahrain	2.28	-14.4%

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
KUWAIT	20/03/2027	1.23
UAE	16/04/2030	1.62
QATAR	16/04/2030	1.63
SAUDI ARABIA	22/10/2030	2.08
OMAN	01/08/2029	6.36
BAHRAIN	14/05/2030	5.20

Midswaps	Price	YTM %
3 year	99.85	0.2
5 year	99.86	0.3
10 year	99.78	0.6
30 year	97.81	1.3

USD Libor	Rate (%)	YTD
1m	0.17	-90.5%
3m	0.26	-86.5%
6m	0.33	-82.6%
1 year	0.46	-77.2%

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 oil price rises 29 cents

Dubai Mercantile Exchange (DME) said that Oman oil price (October Delivery 2020) reached US\$44.25 on Tuesday. The DME statement said that the price of Oman oil rose 29 cents from the price of Monday, which was US\$43.96. The average price of Oman oil (August Delivery 2020) has stabilised at US\$41.58, thus US\$7.90 per barrel higher than July Delivery 2020.

Source: [Times of Oman](#)

CBO issues treasury bills worth OMR59 million

Oman's central bank raised OMR59 million by way of allotting treasury bills on Tuesday. The treasury bills are for a maturity period of 28 days, from Wednesday, August 12 until September 9, 2020. The average accepted price reached 99.949 for every OMR100, and the minimum accepted price arrived at 99.945 per OMR100. The average discount rate and the average yield reached 0.65841 per cent and 0.65875 per cent, respectively.

Source: [Times of Oman](#)

CMA to launch new disclosure platform

A project for implementing the XBRL disclosure platform for the reporting of financial and non-financial information by all issuers listed on the Muscat Security Market (MSM) and other companies operating under any license from the Capital Market Authority (CMA) has been commissioned.

Source: [Times of Oman](#)

50pc excise tax on malt drinks, non-alcoholic beer

Malt drinks, non-alcoholic beers, ready-to-drink coffees and teas, and beverages containing artificial sweeteners are among a wide array of products that are liable to 50 per cent Excise Tax when the new levy comes into force in the Sultanate on October 1, 2020. Barring a few exceptions, potentially hundreds of different types of sweetened beverages and their variants will be brought under the purview of the new levy – part of an effort by member states of the Gulf Cooperation Council (GCC) including Oman to disincentive excessive consumption of products deemed potentially harmful to health.

Source: [Oman Observer](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Mideast Stocks: Saudi outperforms Gulf markets; Egypt extends losses

Saudi Arabia's stock market ended higher on Tuesday, boosted by gains in the banking sector, while the Egyptian bourse retreated for a second straight session. The kingdom's benchmark index advanced 1.2%, with Al Rajhi Bank rising 3.2% and oil giant Saudi Aramco adding 0.6%. Aramco is moving ahead with plans to boost crude output capacity by 1 million barrels per day (bpd) to 13 million bpd despite cuts in capital expenditure this year and next year, the state oil group's CEO Amin Nasser said on Monday.

Source: [Zawya](#)

Saudi cement sales jump 26% to 4.6 mln tons in July 2020

The aggregate sales of 17 Saudi cement producers increased 26% to 4.6 million tons in July 2020, compared to 3.6 million tons in the same month last year, data issued by Yamama Cement Company showed. Fourteen cement producers reported higher sales, topped by Al-Jouf Cement Co. with a year-on-year (YoY) surge of 87% in July. It was followed by United Cement Co. with (+67% YoY). The remaining three market players, posted lower sales. Northern Region Cement Co. took the first place with a decline of 39% YoY, followed by Riaydh Cement Co. and Eastern Province Cement Co. with 7% and 6% YoY, respectively.

Source: [Argaam](#)

Saudi White Cement sets IPO price guidance at SAR 20 for direct listing on Nomu

Saudi White Cement Co. announced the shares listing guide for the purpose of direct listing on the Nomu Parallel Market. The company set the price guidance for the initial public offering (IPO) in the parallel market at SAR 20. According to data compiled by Argaam, the Capital Market Authority (CMA) approved, on June 29, the first direct listing of Saudi White Cement Co. on the Nomu Parallel Market.

Source: [Argaam](#)

Dubai property transactions reach February level

Property transaction levels in Dubai in June hit what was previously recorded in February, setting a foundation for recovery of the local property sector for the second-half of 2020. The second-quarter Mo'asher report released by the Dubai Land

Department (DLD) and Property Finder showed that a strong June performance laid the foundation for a faster recovery. The market is seeing patterns of a V-shaped recovery, which is characterised by a rapid rise following a decline.

Source: [Zawya](#)

Enterprises less hit by COVID-19 urged to slash Saudi workers to 50% by Aug. 15

The General Organization for Social Insurance (GOSI) said that the September's support for Saudi workers in the private sector enterprises, impacted by the COVID-19 pandemic, will cover 70% of Saudi workers maximum in the worst-hit activities. On the other hand, the support will cover a maximum of 50% Saudi workers at the enterprises operating in other activities, GOSI said in a statement. The worst-hit COVID-19 activities include travel agencies, hospitality, tourism operators, reservation services and the related activities, air transport, sports activities, recreation and entertainment, arts and other personal services activities.

Source: [Argaam](#)

Bahrain's government revenue down 29 percent in first half of 2020

Bahrain's government revenue fell 29 percent in the first half of 2020 on the back of low oil prices and the coronavirus pandemic, the country's state news agency said on Monday. The Gulf country's oil revenue dropped 35 percent, while its non-oil revenue was down 13 percent, BNA said. Government spending increased 2 percent in the first half. In July, Bahrain said it would add around 177 million dinars (\$470 million) to its 2020 state budget in emergency spending to fight the new coronavirus pandemic.

Source: [Arabiya](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Dollar holds firm as U.S. bond yields jump

The dollar inched ahead on Wednesday, as a jump in U.S. yields pushed it higher against the Japanese yen, while the kiwi briefly hit a one-month low after the central bank extended its bond buying programme. The yield on 10-year U.S. debt, which rises when bond prices fall, made its steepest gain in two months on Tuesday ahead of the largest ever 10-year auction later on Wednesday.

Source: [Reuters](#)

Asian stocks fall on U.S. stimulus uncertainty

Asian stocks dipped on Wednesday on growing uncertainty over whether the U.S. lawmakers would agree on an additional round of big fiscal stimulus to support an economy still struggling with the novel coronavirus. Hopes of vaccine development, however, prompted some investors to reduce safe-haven assets such as gold and government bonds, and to buy back battered stocks of companies hit hardest by the virus.

Source: [FP](#)

Chinese stocks tumble as investors monitor coronavirus developments; gold prices plunge

Markets across Asia-Pacific rose in early trade. In Thailand, markets are closed for a holiday. In New Zealand, the central bank held the cash rate at 0.25% on Wednesday. It comes as the country increases restrictions again in Auckland as cases of local transmission were detected after being virus-free for 102 days, according to Reuters. U.S. markets swung between gains and losses overnight. Hopes of a new coronavirus relief package and optimism over Russia's claim of developing a vaccine had boosted stocks for much of the trading day.

Source: [CNBC](#)

U.S. airline stocks ease off of multi-week highs as S&P 500 gives up gains

Airline shares were nearing the highest closing prices since June as federal data showed travelers returning to air travel. Carriers and their labor unions are pushing for another \$25 billion in federal support to hold onto jobs until the end of March.

Source: [MSN](#)

COMMODITIES NEWS

Oil Prices Rise On Renewed Stimulus Hopes

Oil prices rose early on Tuesday as equity markets rallied on hopes that the U.S. is close to announcing another stimulus package to support the economy in response to the pandemic-driven slump. As of 10:13 a.m. EDT on Tuesday, WTI Crude was up 1.17 percent at \$42.47 and Brent Crude was rising 0.73 percent to \$45.34. Analysts believe that if Congress soon reaches some kind of a deal on a stimulus package, it would boost oil prices in the short term.

Source: [Oil Price](#)

Gold Price Falls As Dollar Holds On To Gains

Gold prices fell on Tuesday as the dollar's relative value against other currencies recovered, spurring some investors to lock in gains in bullion, which has soared to record levels of \$2,000 per ounce. Spot gold was down 0.5 per cent at \$2,017.53 per ounce by 0447 GMT (10:17 am in India), retreating from a record high of \$2,072.50 hit last week. US gold futures fell 0.6 per cent to \$2,026.90 per ounce.

Source: **NDTV**

Ubhar Capital SAOC (U Capital)

Ominvest Business Centre

Building no. 95

Way no. 501

Airport Heights

Tel: +968 2494 9000

Fax: +968 2494 9099

Email: research@u-capital.net

Website: www.u-capital.net



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