

U Capital Morning Brief

20 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	805.84	22.04	2.81%	-4.47%	7.27	0.74	7.8%
U Capital GCC 50 Index	1,256.16	2.23	0.18%	-9.37%	20.03	2.10	4.1%
MSCI GCC Countries Index	509.83	1.45	0.29%	-10.51%	17.96	1.71	4.1%
Muscat Securities Market	3,607.68	37.10	1.04%	-9.38%	5.20	0.37	13.7%
Saudi Stock Exchange	7,853.05	-0.52	-0.01%	-6.39%	25.49	1.90	3.4%
Kuwait Stock Exchange	6,269.26	13.20	0.21%	-13.58%	20.70	1.26	3.8%
Qatar Exchange	9,813.78	38.50	0.39%	-5.87%	15.97	1.47	4.1%
Bahrain Stock Exchange	1,355.31	6.35	0.47%	-15.83%	12.62	0.84	5.3%
Dubai Financial Market	2,246.78	22.17	1.00%	-18.74%	8.50	0.80	4.3%
Abu Dhabi Exchange	4,500.66	55.18	1.24%	-11.33%	16.42	1.30	5.4%
Beirut Stock Exchange	597.33	-3.39	-0.56%	-23.96%	7.41	0.40	0.0%
Tunis Se Index	6,683.34	11.88	0.18%	-6.16%	17.95	2.22	0.7%
EGX 30 Index	11,160.05	82.94	0.75%	-20.07%	11.34	1.50	2.8%

World Markets	Country	Value	D/D	YTD	Currency Cross Rates	USD/1 Unit	Units/1 USD
Europe			%	%	Currency		
FTSE 100	UK	6,112.0	0.58%	-18.97%	Australian Dollar (AUD)	0.718	1.393
DAX	Germany	12,977.3	0.74%	-2.05%	British Pound (GBP)	1.309	0.764
CAC 40	France	4,977.2	0.79%	-16.74%	Canadian Dollar (CAD)	0.757	1.322
United States					Chinese Renminbi (CNH)	0.145	6.920
DJIA	USA	27,692.9	-0.31%	-2.96%	Egyptian Pound (EGP)	0.063	15.932
S&P 500	USA	3,374.9	-0.44%	4.46%	Euro (EUR)	1.184	0.845
NASDAQ	USA	11,146.5	-0.57%	24.23%	Indian Rupee (INR)	0.013	74.976
Asia Pacific					Japanese Yen (JPY)	0.009	106.060
NIKKEI 225	Japan	22,857.8	-1.10%	-3.38%	New Zealand Dollar (NZD)	0.656	1.525
HANG SENG	Hongkong	24,699.3	-1.88%	-12.38%	Omani Rial (OMR)	2.597	0.385
KSE 100 Index	Pakistan	40,165.3	0.02%	-1.40%	Pakistani Rupee (PKR)	0.595	168.200
NSE Nifty 50	India	11,344.5	-0.56%	-6.77%	Russian Ruble (RUB)	0.014	73.296
SHANGHAI COMPOSITE	China	3,375.9	-0.94%	10.68%	Singapore Dollar (SGD)	0.730	1.370
SHANGHAI SHENZHEN CSI 300	China	4,688.8	-1.09%	14.46%	Turkish Lira (TRY)	0.137	7.296

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %	YTD %
	USD	%	%			
Oil						
Brent Crude (per bbl)	45.0	-0.79%	-27.44%	UAE	0.47	-78.9%
WTI Crude (per bbl)	42.5	-1.02%	-30.41%	Saudi Arabia	0.90	-59.5%
Oman Crude Oil (Last Closing)	44.7	0.34%	-33.77%	Kuwait	1.56	-43.2%
OPEC (per bbl)	45.5	1.22%	-33.06%	Oman	2.64	-6.1%
Precious Metals				Qatar	1.03	-54.1%
Gold100 OZ (per oz)	1,947.5	0.92%	28.36%	Bahrain	2.28	-14.4%
Silver (per oz)	27.2	1.70%	52.21%			
Platinum (per oz)	942.0	0.78%	-2.54%			
Other Metals						
Copper, MT	6,685	1.79%	8.28%			
Aluminium, MT	1,794	1.13%	-0.91%			
Lead, MT	2,012	1.21%	4.41%			
Zinc, MT	2,505	1.89%	10.26%			

Midswaps	Price	YTM %	USD Libor	Rate (%)	YTD
3 year	99.91	0.2	1m	0.16	-91.0%
5 year	99.90	0.3	3m	0.25	-86.7%
10 year	99.63	0.7	6m	0.32	-83.5%
30 year	99.42	1.4	1 year	0.45	-77.6%

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

Pact signed to finance social investment projects in Musandam

A Memorandum of Cooperation (MoC) has been inked to finance the creation of several social investment projects in the Governorate of Musandam. The pact was inked between OQ, Oman's global integrated energy company, and the office of the Minister of State and Governor of Musandam. It was signed by Sayyid Ibrahim bin Said Al Busaidi, Minister of State and Governor of Musandam, and Musab Al Mahruqi, Group CEO of OQ.

Source: [Times of Oman](#)

Oman secures global markets for its urea output

Swiss-based international agri-business trader Ameropa has announced that it has struck a deal with OQ Trading Limited (OQT), the trading arm of OQ – the Sultanate's global integrated energy company – to lift a sizable proportion of the urea output of the Oman-India Fertilizer Company's (OMIFCO) fertilizer project at Sur. Basel-headquartered Ameropa, which specialises in the marketing of fertilisers and grains around the world, said it has entered into a three-year offtake agreement covering part of the granular urea output of the OMIFCO plant.

Source: [Oman Observer](#)

MSM index ends marginally higher

Muscat Securities Market (MSM) general index (30) added 37.1 points, comprising a rise by 1.04 per cent to close at 3,607.68 points, compared to the last session, which stood at 3,570.58 points. The trading value stood at OMR1,566,834, comprising an increase of 3.4 per cent, compared to the last session, which stood at OMR1,515,013.

Source: [Times of Oman](#)

Oman Oil Price Declines 54 Cents

Dubai Mercantile Exchange (DME) said that Oman oil price (October Delivery 2020) today reached 44.31 US Dollars. The DME statement said that the price of Oman oil declined 54 cents from the price of yesterday (Tuesday), which was 44.85 US Dollars. The average price of Oman oil (September Delivery 2020) has stabilized at 43.62 US Dollars, thus 2.03 US Dollars per barrel higher than August Delivery 2020.

Source: [ONA](#)

193K phishing attacks reported in Q2

Computer and net users in the Sultanate were the target of an estimated 193K phishing attacks during the second quarter of this year – part of over 2.5 million attacks reported across the Gulf and Middle East region during the quarter, according to global cybersecurity company Kaspersky.

Source: [Oman Observer](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Abu Dhabi in talks for new bond issuance: Sources

The government of Abu Dhabi is in talks with banks for a new international bond issue, sources said, having already raised \$10 billion via debt issues this year to prop up its finances amid low oil prices and the coronavirus crisis. Hydrocarbon-dependent Gulf states have raised billions of dollars to refill state coffers this year and more deals are expected in coming months, with ratings agency S&P predicting a record \$100 billion jump in debt this year.

Source: [Alarabiya](#)

NMC Health says over 60 bidders have shown interest in international fertility business

Hospital group NMC Health has received expressions of interest from more than 60 potential bidders for its international fertility business, one of the first non-core assets it plans to sell as part of a recovery plan, its acting CEO said on Wednesday. NMC Healthcare LLC plans to file for administration in Abu Dhabi, the UAE-based hospitals operator said, as it targets a three-year recovery plan involving a debt moratorium, debt restructuring and asset sales.

Source: [Reuters](#)

DP World acquires feeder, regional trade operators

Unifeeder on Wednesday announced the acquisition of Transworld Feeders FZCO, Avana Logistek Limited, including its subsidiary Avana Global FZCO, and Transworld Feeders Pvt. Ltd., the containerised Indian coastal and EXIM feeder shipping operations of Shreyas Shipping and Logistics Limited, excluding vessels and bulk operations. The transaction, made via Unifeeder, through its Unifeeder ISC (Indian Subcontinent) platform, a majority owned subsidiary of DP World, is subject to regulatory approvals.

Source: [WAM](#)

Normalisation of ties with Israel will support UAE tourism and transport: Moody's

The agreement between Israel and the UAE to normalise their diplomatic relations will have important economic and geopolitical ramifications for both sovereigns, with the UAE particularly benefiting from enhanced tourism and transportation opportunities, while it will support Israel's improving security situation, global ratings agency Moody's said.

Source: [Zawya](#)

Saudi Arabia's PIF launches company to develop urban communities

The Public Investment Fund (PIF), Saudi Arabia's sovereign wealth fund, has launched ROSHN, a company that will develop integrated urban communities across the kingdom. The company will "follow international principles and practices in community planning and design" to develop new urban locations that will help to meet growing demand in the domestic housing market, PIF said in a statement. It will also help to localise global design skills.

Source: [The National](#)

Dubai cruise tourism ready to sail with new safety protocol

With the cruise industry getting ready to set sail again, Dubai has assured cruise tourists of the highest global safety standards at every stage of their travel journey from the time they disembark in the emirate. Addressing a webinar to discuss the resumption of the cruise season 2020/2021, Helal Saeed Almarri, director general of Dubai Tourism, said a draft safety protocol for the cruise industry is in the pipeline as the emirate is "open for business and looking forward to receiving tourists for the new cruise season by the fall."

Source: [Khaleej Times](#)

Kuwait's Markaz exits US industrial property, nets 14.7pc returns

Kuwait Financial Centre (Markaz) has announced the sale of its prime industrial property in California, through its US real estate arm, Mar Gulf Management, after netting good returns for the investors (IRR), exceeding initial estimates. Launched in January 2019, the investment involved the acquisition and development of a greenfield land parcel into a 419,000 sq ft Class A industrial property at Stockton.

Source: [Trade Arabia](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Fed officials expect that coronavirus will 'weigh heavily' on the economy, minutes show

Federal Open Market Committee members expressed concern at their latest meeting over the future of the economy, saying that the coronavirus likely would continue to stunt growth and potentially pose dangers to the financial system. At the July 28-29 session, the Federal Reserve's policymaking arm voted to keep short-term interest rates anchored near zero, citing an economy that was falling short of its pre-pandemic levels.

Source: [CNBC](#)

U.S. economy rebounding strongly; fresh aid coming to unemployed: Kudlow

The U.S. economy is rebounding "very, very strongly," and fresh federal aid will reach unemployed Americans in the next week or two, White House economic adviser Larry Kudlow said on Wednesday, shaking off concerns about a second wave of COVID-19 infections. Kudlow, speaking to reporters at the White House, defended a reduction in the unemployment supplement to \$300 from \$600, saying stimulus measures should be reduced slowly as the economy strengthens.

Source: [Reuters](#)

Wall Street sets upbeat tone for European stocks, UK airlines jump

European stocks closed higher on Wednesday following new record highs for Wall Street's main indexes, while UK airlines rallied on hopes of a shorter quarantine period for travelers. After a feeble start, the pan-European STOXX 600 climbed 0.7%, with stock markets in Germany, London and France .GDAXI .FTSE .FCHI all gaining ground. British Airways-owner IAG (ICAG.L) surged 7.6% and easyJet (EZJ.L) rose 3.3% on news that Britain's government was working with Heathrow Airport on a plan to use COVID-19 testing to help shorten quarantine times.

Source: [Reuters](#)

Germany's Infections Climb; More Cases in Korea: Virus Update

South Korea confirmed 288 more coronavirus cases, while Hong Kong's worst outbreak showed signs of easing. Infections flared in Europe, with Germany recording over 1,000 new cases for a third day. France and Spain on Wednesday reported their biggest increases in months. In the U.S., New York's positive-test rate fell to the lowest since the pandemic began.

President Donald Trump said students should stay on college campuses and alleged health regulators may be delaying an emergency treatment over politics.

Source: [Bloomberg](#)

COMMODITIES NEWS

Oil drops as demand risk rises, U.S. stockpiles fall less than expected

Oil prices fell on Thursday as major producers warned of a risk to demand recovery if the coronavirus crisis is prolonged, while U.S. crude inventories dropped less than expected. Brent crude LCOc1 was down 36 cents, or 0.8%, at \$45.01 a barrel by 0442 GMT, having slipped 0.2% in the previous session. U.S. oil CLc1 was down 38 cents, or 0.9%, at \$42.55 a barrel, after inching higher on Wednesday.

Source: [Reuters](#)