



## Mixed results and the MSM ends flat

Date: 09/08/2012

Week 32

MSM summary	Current Wk	Previous Wk	Change	W/W	MTD	YTD
				%	%	%
Al Arabi Oman 20 Index	970.81	974.83	(4.02)	(0.41)	1.27	(4.24)
Al Arabi GCC 50 Index	963.47	956.99	6.48	0.68	0.74	2.77
Al Arabi MENA 200 Index	910.34	904.80	5.54	0.61	0.90	1.59
MSM 30	5,463.43	5,464.73	(1.30)	(0.02)	1.96	(4.07)
Volume( In 000)	83,789	80,345	3,443.35	4.29		
Value traded (In RO 000)	17,382	19,212	(1,829.86)	(9.52)		
No. of Transactions	5,539				Volume of Bonds	607,927

## MSM Performance:

In the week (5 to 9 August 2012), the MSM30 Index performance witnessed volatility due to various corporate news and results, which led the index to end the week nearly flat with very slight decline of 0.02% on weekly basis to close at 5,463.43 points.

During last week, Al Arabi Oman 20 Index decreased by 0.41% to finish at 970.81 points as turnover amounted to RO8.89mn. Al Arabi GCC 50 Index increased by 0.68% to close at 963.47 points. Also, "Al Arabi MENA200 Index" registered increased of 0.62% to close at 910.34 points.

Analysis of sub – indices shows that the Financial Index continued to support the index as it gained 1.25% on weekly basis to 6,170.57 points supported by the notable performance of Ahli Bank and the investment companies.

Looking at the sector results, despite ONIC Holding's investment losses in the second quarter (RO 0.167mn) as compared to investment gains of RO 1.3mn in the previous quarter, and also despite a rise of 16% in general and administrative expenses, the strong and remarkable performance of net underwriting results (soared 45% q-o-q to RO 1.6mn) and the absence of a provision for warranties, indemnities and legal claims in Q2 (registered RO 1.3mn in Q1) led the company to register a 9% growth in net profits at RO 1.1mn. The company share gained 1.7% on weekly basis and closed at RO 0.236 per share.

Reflecting its healthy performance within a very competitive sector, following the key findings of the combined leasing companies' data for Q2'12:

- All of the 6 companies registered increased their gross leases with a total of RO 764mn in Q2'12, an increase of about 6% q-o-q (20% y-o-y)
- While total borrowings have increased by about 4% q-o-q (+18% y-o-y) to almost RO 408mn, the total assets indicates an increase of 6% q-o-q (+22% y-o-y) to RO 667mn in Q2'12.
- Total impairment provision stood at around RO 41mn, an increase of 8% on yearly basis.
- The combined net finance income stood at around RO 11.87mn, an increase of 4% q-o-q (+16% y-o-y), with United Finance tops the increases on quarterly basis of 24%.
- Also the combined net profit registered a notable increase in both quarterly and yearly basis by 10% and 15% respectively, with Al Omaniya Financial Services tops the performance on quarterly bases showing an increase of about 22%.

On an average, the leasing shares offered a dividend yield of around 7.6%

Back to sector analysis, the Industrial Index remained flat at 6,663.51 points with mixed performance from underlying companies.

However, the index at the beginning of the week was severely impacted by the drop in Al Hassan Engineering shares as the company announced unexpected and disappointing results. The results show a severe drop in revenues by 38% q-o-q to RO 10.7mn in Q2'12 that led the company to register gross loss of RO 1.2mn against gross profit of RO 1.2mn in the previous quarter. The company in an earlier note warned about a possible reverse of RO 1.3mn in revenue (not achieved profits) due to certain developments on a contract with PDO (Petroleum Development Oman). The results shows a net loss of RO 2.1mn in Q2'12 compared with net profit of RO 0.285mn in Q1'12.

The higher drop at the revenue level compared to the earlier disclosure raises (which was a surprise) questions about the clarity and accuracy of the disclosures presented by the company and necessitates the need for more clarity regarding such major incidents as they impact the investors' ability to make rational investment decisions and lead to diminished investor confidence.

Within the sector, Raysut Cement Co. announced its H1'12 results. The Group achieved consolidated profit before tax of RO 6.85mn in Q2'12 (only 0.11% q-o-q) and 75.2% up on yearly basis compared with RO 3.9mn in Q2'11.

The analysis show that Raysut Cement local selling prices remain stable at around RO 26.9 per ton in Q2'12 indicating good ability to mitigate the negative impact of the competition thanks to the company's key position in the Southern Part, better contribution from the subsidiary company i.e. Pioneer Cement and its role in strengthen the group geographical distribution in addition to the ongoing government investments and spending strategy which created strong demand for the company's products.

## Oman Al Arabi Fund



Weekly NAV (RO) 0.897

Top Gainers	Price	Chg	Chg
Companies	RO	RO	%
DHOFAR POULTRY	0.869	0.079	10.00
GULF INT. CHEMICALS	0.164	0.012	7.89
UNITED FINANCE	0.139	0.009	6.92
CONSTRUCTION MATERIALS IND.	0.055	0.003	5.77
TRANSULF IND. INV. HOLDING	0.077	0.003	4.05

Top Losers	Price	Chg	Chg
Companies	RO	RO	%
AL HASSAN ENGINEERING	0.135	(0.008)	(5.59)
AL BATINAH DEV. INV. HOLDING	0.060	(0.002)	(3.23)
OMAN CHLORINE	0.480	(0.015)	(3.03)
AL SHARQIA INVESTMENT HOLDING	0.097	(0.003)	(3.00)
OMAN TELECOMMUNICATION	1.325	(0.029)	(2.14)

Top Co. - Value	Price	Value	Mkt.Shar
Companies	RO	in RO 000	
BANK MUSCAT	0.531	2,844.33	16.36%
BANK NIZWA	0.108	1,348.24	7.76%
RAYSUT CEMENT	1.346	1,317.12	7.58%
AHLI BANK	0.150	1,268.32	7.30%
BANK SOHAR	0.139	877.23	5.05%

Top Co. - Volume	Price	Volume	Mkt.Shar
Companies	RO	in 000	
BANK NIZWA	0.108	12,497.86	14.92%
GULF INVESTMENT SER.	0.079	10,302.66	12.30%
AHLI BANK	0.150	8,600.10	10.26%
GLOBAL FINANCIAL INVESTMENT	0.093	7,707.55	9.20%
BANK SOHAR	0.139	6,267.82	7.48%

## Market Capitalization

(In Billion)

OMR	USD
7.12	18.37

## No. of Companies

Increased Decreased unchanged

29	19	20
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Accordingly, the stability in prices and better sales (despite lack in selling clinker) on quarterly basis led the group to register revenue of around RO 25mn, an increase of 1% q-o-q (+7.3% y-o-y). Out of this, 31% is the contribution of Pioneer with RO 7.7mn.

The previous analysis supports our positive view on the sector. For further analysis, kindly refers to our flash note on the company dated August 8th. The company share ended the week gaining 0.9% to close at RO 1.346 per share.

Back to sector analysis, the Service Index also remained nearly flat with very slight decline of 0.03% on weekly basis to close at level of 2,601.09 points.

In line with our view on the sector, Oman Telecommunications Co. (Omantel) initial Q2'12 results positively impacted the market on the last trading day as the company managed to register notable increase in the net profit on both quarterly and yearly basis at RO 32.1mn, up by 7.6% and 10.8% respectively.

Expenses to revenue ratio declined to 71% in Q2'12 compared with 71.7% in Q1'12 led the operating margin to do much better in Q2'12 to stand at 29%. The company's share ended the week with loss of 2.1% on weekly basis at RO 1.325 per share mainly due to the ex-dividend impact at the start of the week.

As we hoped in the previous report, local institutions made their presence felt in the market capturing the attractive investment opportunities with net buy of RO 1.57mn absorbing the selling pressure from local individuals.

It is also noted that Foreign Institutions remain in the market with net buy of RO 0.54mn.

Analysis of investors trading activity shows that while volumes increased by 4.3%, values decline by 9.5% to RO 17.4mn with 83.7mn shares traded.

We hope that trading volumes will remain at their current levels (if not better) backed by the continued investments made by fund and investment companies who picked the stocks that offered attractive opportunities especially the companies who did very well at the operation level and whose historical performance in the third and fourth quarters of the year have proven to be strong and better.

In the weekly technical analysis, it seems that the MSM30 will touch the market level of 5,500 points in the coming period, where this level would be a major challenge to the index for crossing this level, where to cut this level it is expected to reach the level of 5,640 points, while the level of support remains at 5,420 points.

Our analysis for the quarterly net corporate earnings announced till date for the quarter ending June'12, shows that the total net earnings have increased by 3% q-o-q (+55% y-o-y, including Bank Dhofar legal case in Q2'11) to almost RO 176.3mn in Q2'12 as against RO 171.3mn and RO 113.7mn registered in Q1'12 and Q2'11 respectively (on a like-to-like basis). Excluding Bank Dhofar legal case, the increase on yearly basis will come to 27.3%. This season results were well supported by the banking, leasing and the Industrial and Services sectors overall.

Analyzing sub-sector performance, the Industrial Sector posted the highest quarterly increase in net earnings till date (+18.5%) at around RO 33mn for the calendar quarter ending June 2012 mainly due to the strong quarterly performance of Oman Flour Mills, Oman Refreshment and Oman Cables Industry.

Service sector posted 3% quarterly increases in net earnings till date to RO 64mn supported by Oman Telecommunications Co. (Omantel) and the strong performances in Energy sector. However, the severe drop in Oman Holding International and Oman Inv. & Finance (OIFC) quarterly net earnings prevented the sector to post better performance.

On the other hand, although the Financial Sector was supported by the improvement in performance of banks and leasing companies which up by 8% and 10% respectively, the weak performance of the investment as well as insurance companies on quarterly basis, led total net earnings posted by the sector to decline by 2.4% to around RO 80mn in Q2'12.

Remain locally, the Tender Board, awarded RO 186mn worth of projects making total awarded tenders during this year RO 1bn, i.e. 58% of the total awarded tenders in year 2011.

In other local news, the recent statements regarding the tourism sector indicates that around 65% of the tourism projects have not yet seen the light and it is expected that almost \$2bn will be spend in the next phase, which means potential opportunities yet to come.

## Main News:

- The national economy recorded growth during the first quarter amounted to 18.9% in 2012
- About 28 million barrels of production of the Sultanate of crude oil and condensate oil last July
- Starting the actual work for the refinery project Duqm and petrochemical industries

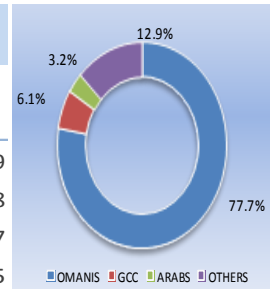
## Recommendation:

We recommend that investors focus on companies whose historical performance in the third and fourth quarters of the year proven to be strong, taking into consideration the ability of those companies to grasp investment projects in the local market especially in light of the increasing pace of tenders and projects assigned by the tenders' board.

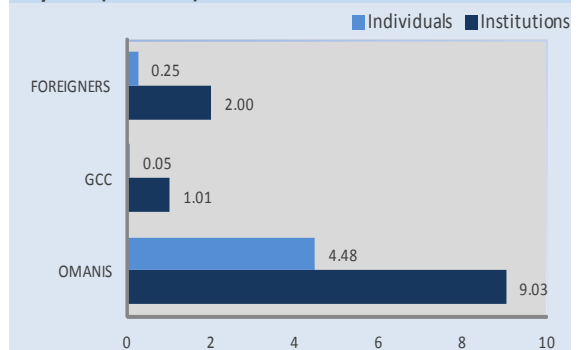
We believe that more interest will arise on local companies' shares in the next few weeks especially that depend mainly on local operations and revenues as well. This shall alert the investors' attention to monitor those companies in more deep and precise analysis and study the investment opportunities these companies provide.

## Nationality Trading - Buy

	Value (RO 000)
OMANIS	13,507.9
GCC	1,064.8
ARABS	559.7
OTHERS	2,249.5

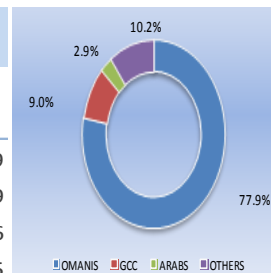


## Buy Side (In RO mn)

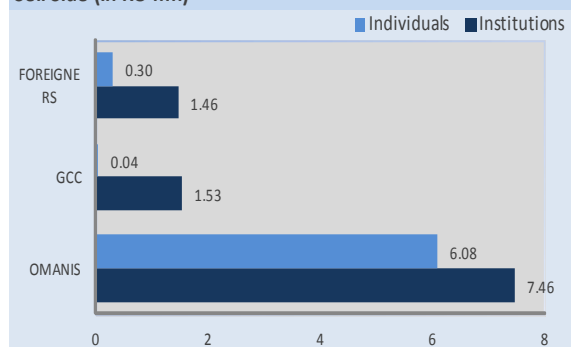


## Nationality Trading - Sell

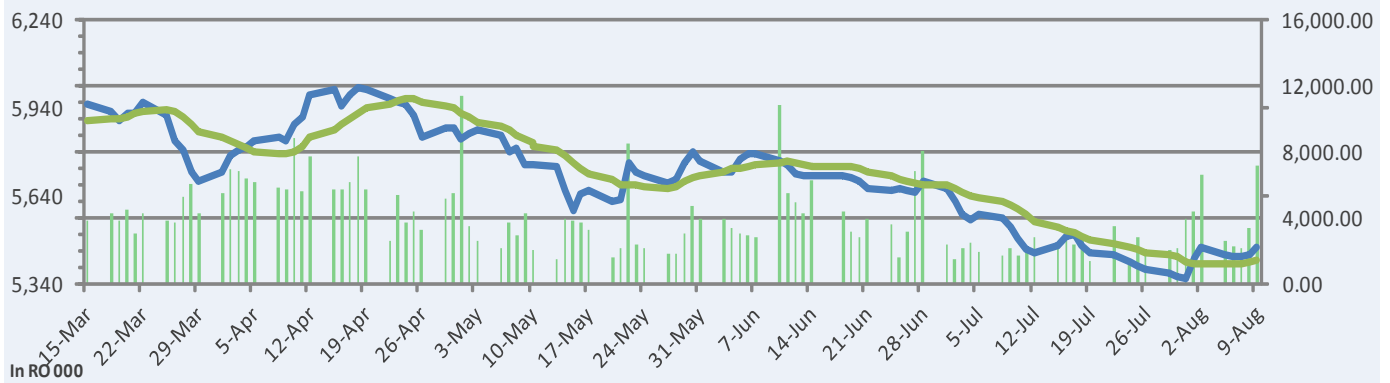
	Value (RO 000)
OMANIS	13,534.9
GCC	1,572.9
ARABS	507.6
OTHERS	1,766.5



## Sell Side (In RO mn)



### MSM 30 one year close & turnover Vs MA10



Sector Name	Bloomberg Code	No of Co.	Current	Previous	Points Weekly	W/W %	Points Monthly	MTW %	Points Yearly	YTD %
Financial Sector	BKINV	13	6,170.57	6,094.34	76	1.25	(214)	(3.35)	(215)	(3.37)
Industry Sector	INDSI	10	6,663.51	6,662.74	1	0.01	(80)	(1.19)	705	11.83
Services Sector	SINSI	7	2,601.09	2,601.88	(1)	(0.03)	(41)	(1.55)	34	1.32

Main Indicators - Sectors	52-Week		Main Indicators	
	High	Low	P/Ex	P/Bx
MSM 30	6,045.39	5,356.82	10.70	1.56
Financial Sector	7,256.20	5,827.67	11.80	1.34
Industry Sector	7,003.10	5,558.65	10.20	1.62
Services Sector	2,750.66	2,334.56	9.20	1.81

Source: MSM, Bloomberg

### GCC MENA IPO Tracker

Status	Terms	Date	Country	Equity Offered
Announced	Taajeer Company	H2 2010	Saudi Arabia	30.00%
Announced	Upline Group	H2 2010	Morocco	-
Rumored	ALARGAN TOWELL Investment Company	2-Jul	Oman	-
Rumored	AREBCO Holding Company	2-Jul	Kuwait	49.00%
Rumored	Abdul Ghani El Ajou and Sons Holding Company	2-Jul	Saudi Arabia	30.00%

Source: Zawya

### Government Development Bonds

Issue No.	Maturity Date	Issue Value (RO)	Coupon	Listing Date
35	Aug. 3, 2013	80,000,000	4.00%	Sep.10, 2008
36	Sep. 6, 2012	50,000,000	4.00%	Oct. 04, 2009
37	July 26, 2015	100,000,000	4.00%	Sept. 01, 2010
38	Nov 11, 2014	100,000,000	3.25%	Nov. 01, 2010
39	Dec 20, 2016	150,000,000	3.25%	Dec. 20, 2011

Source: MSM



GCC Market Indices	Current Close	Previous Close	Change	W/W	MTD	YTD
	Index	Index		%	%	%
Muscat Securities Market	5,463.43	5,464.73	(1.30)	(0.02)	1.96	(4.07)
Saudi Stock Exchange	6,953.59	6,892.62	60.97	0.88	1.10	8.34
Kuwait Stock Exchange	5,699.36	5,723.61	(24.25)	(0.42)	(0.37)	(1.98)
Qatar Exchange	8,416.46	8,332.35	84.11	1.01	1.42	(4.13)
Bahrain Stock Exchange	1,079.69	1,098.12	(18.43)	(1.68)	(1.83)	(5.60)
Dubai Financial Market	1,563.78	1,550.62	13.16	0.85	1.37	15.55
Abu Dhabi Securities Exchange	2,533.55	2,507.81	25.74	1.03	1.09	5.46

Source: Zawya, OABinvest

World Markets	Country	Value	Change	D/D	YTD
<b>Europe</b>				%	%
FTSE 100	United Kingdom	5,837.51	(8.41)	(0.14)	4.74
DAX	Germany	6,912.18	(53.97)	(0.77)	17.19
CAC 40	France	3,426.85	(11.41)	(0.33)	8.44
<b>United States</b>					
DJIA	USA	13,175.64	7.04	0.05	7.84
S&P 500	USA	1,402.22	0.87	0.06	11.50
NASDAQ	USA	3,011.25	(4.61)	(0.15)	15.59
<b>Asia Pacific</b>					
NIKKEI 225	Japan	8,978.60	97.44	1.10	6.19
HANG SENG	Hongkong	20,269.47	203.95	1.02	9.96
<b>Arab Market Indices</b>					
Tunis Se Index	Tunis	5,254.48	28.06	0.54	11.27
EGX 30 Index	Egypt	4,954.31	(40.60)	(0.81)	36.77
Amman Stock Exchange	Jordan	1,883.27	3.14	0.17	(5.61)
Palestine Sec. Exchange	Palestine	439.41	-	-	(7.87)
Blom Stock Index	Lebanon	1,143.50	(0.40)	(0.03)	(2.82)
<b>MSCI</b>					
MSCI	Bahrain	180.00	(7.11)	(3.80)	(6.92)
	Kuwait	504.10	3.73	0.75	(10.11)
	Oman	666.06	0.01	0.00	(16.54)
	Qatar	782.62	4.16	0.53	(1.96)
	UAE	203.77	(0.48)	(0.24)	14.81
	GCC Countries	415.02	1.30	0.31	(5.21)

Source: Bloomberg at 3.00 P.M Muscat time (note: Sat and Sun market is closed)

Commodity Prices	Today	Change	D/D	YTD
	USD	USD	%	%
Brent Crude (per bbl)	112.19	0.05	0.04	6.95
WTI Crude (per bbl)	93.48	0.13	0.14	(5.44)
Oman Crude Oil	108.57	2.02	1.90	5.48
Gold100 OZ (per oz)	1,612.85	0.72	0.04	3.14
Silver (per oz)	28.01	(0.04)	(0.15)	0.63
Platinum (per oz)	1,413.00	3.75	0.27	0.86
Copper	7,550.00	(30.00)	(0.40)	(0.66)
Aluminium	1,915.00	5.50	0.29	(5.20)
Lead	1,911.00	2.00	0.10	(6.09)
Zinc	1,869.50	(3.50)	(0.19)	1.33
Nickel	15,740.00	(10.00)	(0.06)	(15.87)

Source: Bloomberg (Sat and Sun market is closed)

Cross Rate for Major Currencies					
Codes	GBP	EURO	JPY	USD	OMR
GBP	1	0.7917	0.0082	0.6399	1.6672
EUR	1.2632	1	0.0103	0.8083	2.1059
JPY	122.650	97.099	1	78.473	204.464
USD	1.5630	1.2374	0.0127	1	2.6055
OMR	0.6036	0.4779	0.0049	0.3862	1

Source :Oanda

P/E (TTM) Comparison of Omani Market & MENA	9-Aug-12	2-Aug-12	26-Jul-12	19-Jul-12
	X	X	X	X
Muscat Securities Market* (Oman)	10.70	10.85	10.88	11.04
Saudi Stock Exchange (Saudi Arabia)	12.46	12.37	12.07	11.67
Kuwait Stock Exchange (Kuwait)	14.98	14.99	14.88	15.02
Qatar Exchange (Qatar)	11.52	11.44	11.30	11.41
Bahrain Stock Exchange (Bahrain)	8.36	8.57	7.77	7.72
Dubai Financial Market (UAE)	10.49	10.36	10.63	10.88
Abu Dhabi Securities Exchange (UAE)	11.76	8.51	8.43	8.31
The Egyptian Exchange (Egypt)	10.20	10.17	9.82	9.59
Amman Stock Exchange (Jordan)	12.07	11.97	12.17	12.20
GCC Market Average	11.76	11.71	11.52	11.38
North Market Average	12.08	12.07	11.67	11.69
Levant Average	11.13	11.07	11.17	11.20

Source: Zawya, Bloomberg\*, PEx: last Closing price / Earnings per share (times), PBx: Last closing price / Book value of the share (times)

# Market performance and value indicators

## Financial Sector



	Sub Sector	Name of Company	MKT Code	RO	Close	Volume	52-Wk		Share Performance %				BETA	Share Latest Ratio			N/P (RO'mn)	YOY	QOQ
				Capitalization	Price		High	Low	% Δ	% Δ WTD	% Δ MTD	% Δ YTD	1Y	P/E	P/B	Div. Yld. %	Latest Calendar Qtr		
Financial Sector	Banking	BANKMUSCAT SAOG	BKMB	1,082,449,219	0.531	1,774,518	0.654	0.490	0.95	-0.19	2.51	-17.93	1.05	7.63x	1.10x	3.98	34.97	18.89%	4.58%
		BANK DHOFAR SAOG	BKDB	462,048,889	0.420	-	0.501	0.405	0.00	0.00	3.45	-7.71	0.74	12.16x	1.90x	1.39	10.29	-167.86%	12.08%
		NATIONAL BANK OF OMAN SAOG	NBOB	295,842,651	0.267	65,000	0.319	0.260	0.75	0.38	1.91	-14.48	0.62	7.98x	1.04x	6.39	10.30	10.41%	7.05%
		HSBC BANK OMAN	HBMO	466,072,876	0.233	200,214	0.290	0.224	0.43	0.00	2.64	-15.75	0.88	15.56x	1.58x	4.79	4.82	97.34%	98.56%
		BANK SOHAR	BKSB	139,000,000	0.140	3,316,900	0.165	0.133	-0.71	-0.71	0.00	-12.03	0.97	7.75x	1.06x	5.76	5.03	30.00%	-5.61%
		AHLI BANK	ABOB	180,555,740	0.150	4,351,776	0.224	0.134	1.35	3.45	5.63	-31.83	0.96	6.78x	1.10x	#N/A/N/A	5.91	26.66%	-0.22%
		BANK NIZWA	BKNZ	162,000,000	0.108	2,289,063	0.119	0.099	0.00	0.00	1.89	-	-	-	-	-	1.01	-	-
	Insurance	OMAN UNITED INSURANCE CO	OUIS	15,299,932	0.153	1,557,327	0.198	0.104	3.38	0.00	1.32	33.04	1.30	13.91	0.77x	4.90	1.74	380.30%	-
		OMAN NATIONAL INVESTMENT CO	ONIC	40,927,887	0.236	532,928	0.324	0.14	1.2876	1.72	8.26	38.82	1.89	11.80x	0.80x	2.10	1.11	9.14%	82.44%
		MUSCAT NATIONAL HOLDING	MNHI	8,825,000	1.765	-	2.200	1.581	0.00	0.00	0.00	-19.00	0.28	4.86x	0.58x	4.25	0.49	-	-32.53%
		DHOFAR INSURANCE	DICS	34,200,001	0.171	-	0.200	0.166	0.00	0.00	0.00	-13.64	0.71	-	1.18x	#N/A/N/A	1.45	9.83%	-269.84%
	Finance & Leasing	MUSCAT FINANCE	MFCI	34,475,243	0.171	-	0.185	0.137	0.00	0.00	0.00	2.60	0.48	9.73x	1.28x	#N/A/N/A	0.97	8.67%	0.10%
		NATIONAL FINANCE CO	NFCI	28,061,007	0.112	-	0.139	0.109	0.00	-1.75	-1.75	-5.22	0.40	5.92x	0.92x	6.19	0.92	42.90%	-14.07%
		UNITED FINANCE CO	UFCI	34,751,671	0.139	983,407	0.140	0.084	6.92	6.92	6.92	14.88	0.97	12.20x	1.00x	7.19	0.73	-7.96%	21.48%
		OMAN ORIX LEASING CO.	ORXL	19,626,749	0.117	20,000	0.131	0.087	1.74	1.74	1.74	9.78	0.53	7.76x	0.92x	10.35	0.79	29.32%	4.53%
		AL-OMANIYA FINANCIAL SERVICE	AOFS	59,298,523	0.300	-	0.300	0.234	0.00	0.00	0.00	1.61	0.35	10.37x	1.13x	6.35	1.07	10.17%	-33.92%
		TAAGEER FINANCE	TFCI	26,650,742	0.123	58,270	0.154	0.1	0.00	0.00	5.13	3.16	0.47	7.84x	0.99x	6.25	0.97	27.33%	0.31%
	Investment & Brokerage	FINANCIAL SERVICES CO.	FSCI	4,550,000	0.098	83,000	0.095	0.048	7.69	0.00	7.69	27.27	1.08	-	0.86x	#N/A/N/A	-0.12	-79.51%	-205%
		GLOBAL FIN INVESTMENT	GFIC	27,900,002	0.093	4,535,267	0.114	0.045	4.49	2.20	13.41	66.07	1.67	-	0.80x	#N/A/N/A	0.45	-236.08%	-155.91%
		OMINVEST	OMVS	103,249,298	0.371	122,486	0.454	0.341	0.54	0.54	3.63	-2.37	1.13	10.56x	1.14x	2.44	-	-	-
		NATIONAL SECURITIES	NSCI	1,675,000	0.060	-	0.100	0.063	0.00	0.00	0.00	-12.99	0.51	-	1.10x	#N/A/N/A	-0.07	-42.09%	-299.15%
		GULF INVESTMENTS SERVICES	GISP	49,338,795	0.079	6,857,857	0.106	0.048	5.33	3.95	14.49	51.92	1.87	-	0.74x	#N/A/N/A	-0.75	-5.75%	-1.66%
		FINANCIAL CORP/THE	FINC	8,683,715	0.124	-	0.124	0.119	0.00	0.00	0.00	-0.80	0.34	-	1.20x	#N/A/N/A	0.09	-116.52%	18.33%
		DHOFAR INTL DEVELOPMENT	DIDI	77,800,003	0.389	6,500	0.525	0.379	-0.26	-0.26	-1.52	-10.57	0.96	34.65x	1.02x	5.14	3.17	56.99%	18.97%
		AL BATINAH DEV & INV-50%	DBIH	900,000	0.077	126,132	0.098	0.031	0.00	-3.23	-3.23	-11.76	1.72	-	0.51x	#N/A/N/A	0.04	-125.08%	46.47%
		AL SHUOOQ INV SER	SISC	5,750,000	1.150	-	1.150	1.15	0.00	0.00	0.00	0.00	0.31	-	1.19x	#N/A/N/A	-0.09	73.61%	-37.25%
		AL ANWAR HOLDINGS SAOG	AACT	14,040,000	0.117	1,763,096	0.164	0.084	1.74	2.63	11.43	8.33	1.47	27.48x	0.77x	#N/A/N/A	0.02	-	-
		OMAN & EMIRATES INV(OM)50%	OEIO	14,015,625	0.115	1,358,663	0.156	0.087	4.55	2.68	11.65	22.34	1.51	-	0.91x	#N/A/N/A	0.04	-101.45%	95.16%
		TRANS GULF INVESTMENT HLDG CO	TGII	5,149,375	0.070	1,487,217	0.104	0.054	4.05	4.05	13.24	28.33	1.63	11.62x	0.60x	6.41	-0.16	-49.33%	-121.04%
		AL SHARQIYA INVEST HOLDING	SIHC	7,760,000	-	60,000	0.120	0.08	2.11	-3.00	1.04	1.04	0.99	13.47x	0.50x	#N/A/N/A	0.05	-53.98%	-90.66%
		AVERAGE		3,410,897,942										12.00x	0.99x	5.24			



# Market performance and value indicators

## Industrial Sector



Sub Sector	Name of Company	MKT	RO	Close	Volume	52-Wk		Share Performance %				BETA	Share Latest Ratio			N/P (RO'mn)		YOY	QOQ	
		Code	Capitalization	Price		High	Low	% Δ	% Δ WTD	% Δ MTD	% Δ YTD	1Y	P/E	P/B	Div. Yld. %	Latest Calendar Qtr				
Industrial Sector	Food & Beverage Industry	NATIONAL BISCUIT INDUSTRIES	NBII	3,780,000	3.780	-	3.780	3.780	0.00	0.00	0.00	-10.00	0.31	37.63x	1.69x	1.32	0.12	277.20%		
		SWEETS OF OMAN	OSCI	5,075,000	0.725	-	0.790	0.604	0.00	3.72	10.18	2.40	0.59	6.87x	2.08x	6.21	0.28	210.71%	76.16%	
		DHOFAR BEVERAGES CO	DBCI	5,220,000	0.261	-	-	-	0.00	0.00	0.00	0.00	0.33	-	2.03x	#N/A	0.05	-245.80%	264.49%	
		NATIONAL BEVERAGES CO LTD	NBCI	2,812,500	5.000	-	5.000	5.000	0.00	0.00	0.00	0.00	0.33	-	0.34x	#N/A	0.00	-66.93%	-82.28%	
		OMAN REFRESHMENT CO	ORCI	89,800,003	1.796	-	1.850	1.025	0.00	0.00	0.00	23.86	0.68	11.09x	5.79x	3.89	1.39	311.91%	-53.67%	
		NATIONAL MINERAL WATER	NMWI	1,046,604	0.052	-	0.070	0.043	0.00	0.00	0.00	15.56	1.21	-	-	#N/A	-0.20	-24.58%		
		AREEJ VEGETABLE OILS	AVOI	11,504,600	2.501	-	2.501	2.500	0.00	0.00	0.00	0.00	0.33	5.02x	1.21x	10.00	1.17	147.78%	166.36%	
		OMAN FOODS INTERNATIONAL SOA	NRCI	930,000	-	-	0.150	0.045	0.00	0.00	0.00	15.38	0.33	-	0.70x	#N/A	-0.03	-63%	-48.39%	
		OMAN FLOUR MILLS	OFMI	77,332,497	0.491	31,869	0.505	0.372	-1.41	0.20	7.44	2.72	0.85	26.10x	1.66x	5.10	1.25	-7.07%	123.04%	
		SALALAH MILLS CO	SFMI	42,142,677	0.875	-	1.000	0.740	0.00	0.00	0.00	-10.90	0.40	11.71x	2.25x	4.57	1.15	17.28%	-2.53%	
		OMAN EUROPE FOODS INDUSTRIES	OETI	1,020,000	0.200	-	0.070	0.070	0.00	0.00	0.00	0.00	0.33	-	0.89x	#N/A	-0.09	-12.38%	-12.38%	
		DHOFAR CATTLEFEED	DCFI	10,780,000	0.140	20,600	0.160	0.110	0.72	0.00	5.26	3.70	1.49	244.76x	0.27x	3.57	0.39	-62.0%	14.08%	
		OMAN AGRICULTURAL DEV	OADI	1,595,000	-	-	1.451	1.450	0.00	0.00	0.00	0.00	0.33	0.58x	1.29x	#N/A	3.99	-1181.6%	-892.62%	
		OMAN FISHERIES CO	OFCI	13,250,000	0.106	355,073	0.125	0.086	3.92	0.95	6.00	15.22	1.20	13.30x	0.80x	#N/A	0.33	-251.9%	-1.39%	
		DHOFAR FISH INDUSTRIES CO	DFII	3,248,660	1.279	-	-	-	0.00	0.00	0.00	0.00	0.33	-	2.23x	#N/A	-0.11	-	-	
		SOHAR POULTRY	SPCI	618,000	0.869	-	-	-	0.00	0.00	0.00	0.00	0.33	4.78x	0.53x	#N/A	-0.04	-	-142.86%	
		A'SAFFA FOODS SAOG	SPFI	50,494,499	0.458	-	0.540	0.367	0.00	-0.87	-1.93	-1.66	1.25	13.11x	2.95x	2.50	1.13	10.23%	6.54%	
		GULF MUSHROOM COMPANY	GMPI	10,007,711	0.486	-	0.500	0.289	0.00	0.00	0.00	11.84	0.41	10.74x	2.29x	4.68	0.31	22.30%	-17.33%	
	Cement	OMAN CEMENT CO	OCOI	203,486,893	0.615	60,100	0.700	0.413	0.65	-0.97	-0.81	42.36	0.90	14.05x	1.36x	4.88	3.87	21.84%	-24.71%	
		RAYSUT CEMENT CO	RCCI	269,199,982	1.346	9,800	1.350	0.700	0.37	0.90	5.82	77.11	0.97	13.63x	2.54x	3.71	6.85	75.19%	0.11%	
	Engineering & Construction	AL-HASSAN ENGINEERING CO	AFAI	10,153,080	0.135	4,556,008	0.303	0.120	5.47	-5.59	-4.26	-46.64	1.40	4.13x	0.62x	10.95	-2.08	-521.46%	-830.53%	
		GALFAR ENGINEERING&CONTRACT	GECS	132,264,008	0.378	364,643	0.440	0.315	0.80	1.34	3.56	12.17	1.54	22.36x	2.21x	3.18	1.70	25.33%	-11.31%	
	Textiles	OMAN TEXTILE HOLDING CO SAOG	OTHI	2,142,000	0.357	-	0.430	0.340	0.00	0.00	-2.19	-10.97	1.31	-	0.20x	#N/A	-0.01	-95.97%	-	
		MUSCAT THREAD MILLS CO	MTMI	1,985,734	0.195	-	0.214	0.087	0.00	0.52	0.52	124.25	0.84	7.55x	1.44x	6.65	0.10	106.12%	4.23%	
	Mining	GULF STONE	GSCI	2,976,600	0.082	-	0.082	0.082	0.00	0.00	0.00	0.22	0.36	6.97x	0.70x	#N/A	0.01	-87.90%	-91.71%	
		OMAN CHROMITE	OCCI	10,950,001	3.650	-	3.800	3.400	0.00	0.00	0.00	1.39	0.38	17.65x	2.33x	5.48	0.17	-336.44%	905.9%	
		AL-FAJAR AL-ALAMIA CO	AFAI	35,221,619	0.714	-	0.750	0.643	0.00	0.00	0.00	0.00	0.41	16.63x	1.56x	2.80	-0.11	-118.4%	-21.0%	
	Construction Materials Support	CONSTRUCTION MATERIALS IND	CMII	4,675,000	0.055	486,004	0.071	0.037	3.77	5.77	10.00	25.00	1.62	-	0.57x	#N/A	0.02	-117.9%	-86.7%	
		CEMENT & GYPSUM PRO	O	1,500,000	1.000	-	-	-	0.00	0.00	0.00	0.00	0.33	-	-	#N/A	0.00	-	-	
		NATL ALUMINIUM PRODUCTS	NAPI	6,848,576	0.205	244,283	0.410	0.180	2.00	-0.97	4.62	-49.50	1.40	4.94x	0.93x	9.66	0.03	-90.1%	-89.4%	
		ABRASIVES MANUFACTURING CO S	ABMI	50,000	0.000	-	0.060	0.050	0.00	0.00	0.00	-48.45	0.76	-	-	#N/A	-0.04	2.4%	-7.5%	
		AL-ANWAR CERAMIC TILE CO	AACT	73,798,416	0.361	91,960	0.376	0.251	0.84	-0.55	0.84	16.63	0.89	12.23x	2.54x	3.95	1.67	14.3%	4.7%	
		AL JAZEERA STEEL PRODUCTS CO	ATMI	35,221,226	0.282	69,700	0.300	0.233	-0.70	-0.70	0.71	11.90	1.29	9.46x	1.03x	5.32	1.66	51.6%	46.3%	
		OMAN CERAMIC COM	OMCI	2,259,880	0.749	-	0.675	0.211	0.00	0.00	0.00	0.00	0.33	12.17x	2.00x	#N/A	0.04	52.0%	20.1%	
	Paper, Glass & Packaging	TAGHLEEF INDUSTRIES SAOG	AKPP	-	-	-	-	-	-	-	-	-	-	-	-	#N/A	0.00	-	-	
		OMAN PACKAGING	OPCI	6,487,200	0.200	-	0.220	0.150	0.00	0.00	0.00	25.00	0.67	5.30x	1.27x	7.32	0.44	770.1%	-	
		FLEXIBLE IND PACKAGES	FIPC	2,651,250	0.125	-	0.125	0.113	0.00	0.00	0.00	-7.41	0.40	9.62x	1.02x	#N/A	0.04	-5.1%	-54.9%	
		GULF PLASTIC INDUSTRIES CO	AKPI	389,000	0.000	-	0.389	0.389	0.00	0.00	0.00	0.00	0.33	1.99x	0.30x	#N/A	0.09	-	-	
		PACKAGING CO LTD	PCLI	1,110,000	0.370	-	0.370	0.370	0.00	0.00	0.00	0.00	0.33	6.76x	0.43x	#N/A	-0.15	1175.6%	-104.5%	
		COMPUTER STATIONERY INDS	CSII	3,250,000	0.325	-	-	-	0.00	0.00	0.00	0.00	0.33	-	1.79x	#N/A	0.01	-77.1%	-109.9%	
		AL AHLIA CONVERTING INDUS	AACI	330,000	0.033	-	0.055	0.020	0.00	0.00	0.00	-67.00	0.85	-	-	#N/A	-	-	-	
	Chemicals	MAJAN GLASS COMPANY	MGCI	19,025,093	0.498	-	0.583	0.460	0.00	0.00	0.00	-11.21	0.30	20.63x	1.53x	4.37	0.34	-31.4%	-269.4%	
		GULF INTERNATIONAL CHEMICALS	GICI	3,444,000	0.164	236,000	0.212	0.112	7.89	7.89	8.61	13.89	1.57	10.42x	1.24x	9.43	0.09	7.8%	-8.6%	
		OMAN CHLORINE	OCHL	29,650,574	0.480	100,000	0.500	0.340	0.00	-3.03	-3.03	9.09	0.82	10.16x	1.85x	5.21	0.80	11.6%	8.9%	
	Pharmacceuticals	NATIONAL DETERGENTS/THE	NDTI	15,291,990	0.899	-	0.897	0.849	0.00	0.00	0.00	0.00	0.33	20.30x	1.23x	4.47	0.20	-7.7%	-29.6%	
		NATIONAL PHARMACEUTICAL	NPMI	5,000,000	0.100	-	0.100	0.100	0.00	0.00	0.00	0.00	0.33	4.82x	0.93x	#N/A	0.14	2.9%	-9.7%	
	Electrical & Mechanical	OMAN FIBER OPTICS	OFOI	13,098,341	2.761	-	3.027	2.761	0.00	0.00	0.00	0.01	0.33	5.40x	1.27x	7.69	0.50	19.8%	7.6%	
VOLTAMP ENERGY SAOG		VOES	14,520,000	0.240	1,144,408	0.473	0.223	2.56	1.69	6.19	-36.23	1.08	10.68x	0.97x	7.58	0.13	-73.1%	-44.3%		
OMAN CABLES INDUSTRY		OCAI	73,554,001	0.820	150	0.915	0.660	0.00	-0.36	0.49	10.81	1.16	8.44x	1.46x	4.88	3.23	57.8%	89.3%		
OMAN FILTERS INDUSTRY		OFIG	400,000	0.000	-	0.039	0.020	0.00	0.00	0.00	0.00	0.29	-	2.29x	#N/A	-0.08	54.1%	-47.6%		
AVERAGE			1,311,592,213										17.83x	1.48x	5.53					

Source: Bloomberg. The red marked refers to Q2 results

# Market performance and value indicators

## Services Sector



	Sub Sector	Name of Company	MKT	RO	Close	Volume	52-Wk		Share Performance %				BETA	Share Latest Ratio			N/P (RO'mn)	YOY	QOQ
			Code	Capitalization	Price		High	Low	% Δ	% Δ WTD	% Δ MTD	% Δ YTD	1Y	P/E	P/B	Div. Yld. %	Latest Calendar Qtr		
Services Sector	Telecommunication	OMAN TELECOMMUNICATIONS CO	OTEL	993,750,061	1.325	133,000	1.434	1.025	0.38	-2.14	-0.38	1.22	0.87	8.37x	2.22x	10.57	32.14	10.86%	7.64%
		OMANI QATARI TELECOMMUNICATI	NWRS	304,641,876	0.468	178,971	0.674	0.461	0.21	-0.43	-0.43	-28.00	1.01	6.74x	1.99x	8.12	9.80	-18.97%	-17.77%
	Tourism & Hospitality	GULF HOTELS (OMAN) CO LTD	GHOS	37,708,000	11.000	-	10.999	9.900	0.00	0.00	0.00	0.00	0.33	14.39x	1.37x	7.27	0.89	1.49%	-13.05%
		INTERIOR HOTELS	INHS	6,451,354	0.129	-	0.129	0.129	0.00	0.00	0.00	0.32	0.34	7.28x	0.96x	#N/A/N/A	-0.06	-190.85%	-127.24%
		AL BATINAH HOTELS	BAHS	2,998,380	1.298	-	1.298	1.298	0.00	0.00	0.00	-0.01	-14.30	63.95x	1.14x	#N/A/N/A	0.08	-	-
		AL BURAIMI HOTEL	ABHS	3,144,090	0.880	-	-	-	0.00	0.00	0.00	0.00	0.33	-	1.07x	#N/A/N/A	-0.01	-	-0.94%
		OMAN HOTELS & TOURISM CO	OHTS	12,127,500	2.205	-	3.100	2.205	0.00	0.00	-10.00	-28.87	0.31	7.93x	0.46x	4.54	0.64	109.29%	-
		HOTELS MANAGEMENT CO INTERNA	HMCI	8,324,578	0.100	-	0.110	0.072	0.00	0.00	0.00	26.58	0.44	-	0.72x	#N/A/N/A	0.07	-45.74%	-
		SAHARA HOSPITALITY	SAHS	14,291,666	2.450	-	2.450	2.450	0.00	0.00	0.00	4.26	0.35	8.25x	1.20x	#N/A/N/A	0.52	21.36%	21.93%
		DHOFAR TOURISM	DTCS	8,000,000	1.000	-	1.100	1.000	0.00	0.00	0.00	0.00	0.35	-	0.28x	#N/A/N/A	-0.59	-8.69%	11.59%
		SALALAH BEACH RESORT SAOG	SHCS	8,937,500	1.430	-	-	-	0.00	0.00	0.00	0.00	0.33	13.95x	1.05x	#N/A/N/A	0.05	-	-
	Logistics	PORT SERVICE CORPORATION	PSCS	37,540,802	0.392	500	0.565	0.368	0.00	2.33	5.33	-7.71	1.04	8.27x	1.19x	12.66	1.68	30.01%	24.98%
		SALALAH PORT SERVICES	SPSI	84,524,803	0.470	-	0.479	0.423	0.00	0.00	0.00	-1.88	0.30	28.30x	2.19x	3.19	1.61	63.71%	7.71%
	Oil & Gas Marketing	SHELL OMAN MARKETING	SOMS	255,000,000	2.550	19,000	2.600	2.235	-0.51	-0.78	-0.78	6.56	0.55	22.16x	10.18x	4.59	3.46	-11.31%	2.61%
		OMAN OIL MARKETING COMPANY	OOMS	118,680,000	1.840	-	1.865	1.430	0.00	0.00	0.00	7.60	0.46	14.64x	3.71x	3.37	1.88	0.46%	1.48%
		AL MAHA PETROLEUM PRODUCTS M	MHAS	113,849,998	16.500	21,700	17.001	10.090	0.00	0.00	0.00	22.22	0.71	11.79x	3.16x	5.15	2.95	27.98%	18.08%
		NATIONAL GAS CO	NGCI	13,675,000	0.547	-	0.600	0.488	0.00	0.00	0.00	3.60	0.37	11.19x	1.69x	7.31	0.25	-	-22.38%
		MUSCAT GASES COMPANY SAOG	MGMC	24,600,000	0.820	-	0.820	0.720	0.00	0.00	0.00	10.66	0.45	18.19x	3.57x	7.32	0.34	-5.77%	-28.23%
	Education & Training	DHOFAR UNIVERSITY	DHUS	15,820,000	1.130	-	1.130	1.124	0.00	0.00	0.00	-5.75	0.29	35.46x	1.34x	#N/A/N/A	0.53	-	-3732.88%
		MAJAN COLLEGE	BACS	8,849,999	0.295	-	0.310	0.255	0.00	3.87	3.87	10.90	0.43	8.69x	1.53x	10.17	0.25	55.17%	-21.35%
		NATIONAL HOSPITALITY INSTITU	NHIS	2,050,000	2.050	-	-	-	0.00	0.00	0.00	0.00	0.33	67.78x	3.82x	#N/A/N/A	0.00	-	-
		OMAN EDUCATION & TRAINING IN	OETI	24,639,999	0.352	-	0.378	0.265	0.00	0.00	0.00	0.00	0.21	239.95x	2.07x	0.85	-0.04	-	-
	Energy	AL KAMIL POWER CO	KPCS	17,873,625	1.857	-	1.860	1.620	0.00	2.03	2.03	7.97	0.35	7.19x	1.07x	6.46	0.81	10.52%	55.28%
		DHOFAR POWER CO	DHPS	-	-	-	-	-	-	-	-	-	-	-	-	#N/A/N/A	-	-	-
		SOHAR POWER CO	SHPS	38,169,399	1.373	286	1.750	1.301	0.00	-1.15	-1.15	-18.52	0.90	15.15x	13.99x	5.83	1.86	-5.62%	-228.91%
		UNITED POWER CO	UECS	12,350,756	1.030	10,015	1.444	0.905	0.00	0.00	0.00	2.79	0.18	13.23x	0.69x	13.59	0.19	-68.48%	-14.75%
		ACWA POWER BARKA SAOG	APBS	60,799,999	0.380	-	0.400	0.260	0.00	0.00	0.00	27.86	0.47	7.56x	1.75x	6.49	2.54	-3.73%	154.06%
		OMAN NATIONAL ENGINEERING AN	ONES	28,000,801	0.400	12,643	0.437	0.344	0.50	0.50	1.27	1.45	0.50	9.41x	1.43x	3.00	0.70	-15.89%	-21.33%
		SMN POWER HOLDING SAOG	SMNP	79,494,896	3.982	-	4.000	3.410	0.00	0.20	0.86	8.71	-	-	42.53x	8.46	2.87	-	-
	Diversified Commercial Services	RENAISSANCE SERVICES SAOG	RNSS	124,967,842	0.443	159,975	0.760	0.427	0.68	0.45	0.91	-18.72	2.02	-	0.75x	#N/A/N/A	0.78	-16.36%	-117.76%
		AL JAZEIRA SERVICES	AJSS	45,082,611	0.284	148,848	0.320	0.138	3.66	1.43	5.60	59.89	1.29	7.58x	1.56x	2.43	1.08	-205.71%	-
		OMAN INTL MARKETING	OIMS	259,000	0.000	-	0.518	0.518	0.00	0.00	0.00	-5.82	0.33	-	1.41x	#N/A/N/A	-	-	-
		OMAN HOLDING INTERNATIONAL	OHII	23,650,745	0.215	-	0.269	0.180	0.00	0.00	0.00	-14.34	1.08	3.88x	0.44x	9.30	0.19	-79.01%	-95.63%
		OMAN INVESTMENT & FINANCE	OIFC	23,659,986	0.169	220,087	0.199	0.122	1.81	0.60	4.97	6.58	1.24	6.99x	1.31x	5.07	0.56	-15.42%	-59.75%
	Health Care	OMAN MEDICAL PROJECTS	OMPS	8,324,578	0.100	-	0.110	0.072	0.00	0.00	0.00	26.58	0.44	-	0.72x	#N/A/N/A	0.07	-45.74%	-
	AVERAGE			2,562,239,848										24.75x	3.37x	6.63			

Source: Bloomberg. The red marked refers to Q2 results



## Useful Definitions (Source: MSM)

### MSM 30 INDEX

The price index that aims to manifest the daily changes in the prices of the companies listed in Muscat Securities Market in objective and fair form and it is weighted by the market value which is the most common manner to compute the indices in the securities markets. Muscat Market Index consists of (30) companies representing the different sectors of the market. It is constituted of three sector indices that are: banks and investment companies index, Industry index and services and insurance index. It is considered as an essential benchmark for the investors to compare the performance of their investment portfolios with the performance of the market in general

### RIGHT ISSUE

The company giving the present (old) holders of shares the first right in purchasing the increase shares (in case that the company increases its share capital through issuing new shares) before offering them to others. In case the shareholder did not participate in the subscription and covering, the company sells the shares to any other investor

### PORTFOLIO

The total of assets owned by any investor and the financial instruments should be diversified to avoid the risks and to follow the known proverb "don't put all the eggs in one basket"

### SHAREHOLDERS EQUITY

Represents the value of the shares owned by shareholders in a company and they are normally made of (paid up capital + reserves + retained earnings)

### Quotation

It is the bid & ask prices decided by buyers & sellers for the securities

### PAID UP SHARE CAPITAL

The portion of the subscribed share capital that has been paid

## Oman Arab Bank - Investment Management Group (IMG)



OAB - IMG Winner of the 'Best Brokerage Award' from MSM for 6 Consecutive Years



39<sup>th</sup> International Trophy for Quality Awarded to Oman Arab Bank SAOC By Trade Leaders' Club



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