

U Capital Morning Brief

21 January 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	859.83	-9.66	-1.12%	-2.87%	-	-	-
U Capital GCC 50 Index	1,386.37	5.29	0.38%	7.17%	-	-	-
U Capital MENA 200 Index	1,090.84	5.45	0.50%	5.57%	-	-	-
MSCI GCC Countries Index	570.18	-3.18	-0.56%	6.01%	14.93	1.86	3.9%
Muscat Securities Market	4,202.68	-34.07	-0.80%	-2.80%	8.39	0.75	6.2%
Saudi Stock Exchange	8,383.52	-64.50	-0.76%	7.11%	18.13	1.87	3.3%
Kuwait Stock Exchange	5,250.00	12.58	0.24%	3.36%	15.51	1.26	3.8%
Qatar Exchange	10,760.23	-27.52	-0.26%	4.48%	15.82	1.60	4.1%
Bahrain Stock Exchange	1,347.62	6.40	0.48%	0.77%	8.75	0.84	6.1%
Dubai Financial Market	2,512.83	-3.98	-0.16%	-0.67%	7.55	0.92	7.3%
Abu Dhabi Exchange	4,975.31	-9.99	-0.20%	1.23%	13.37	1.44	4.8%
Beirut Stock Exchange	957.53	-13.16	-1.36%	-1.97%	4.85	0.57	9.5%
Palestine Stock Exchange	528.73	-1.49	-0.28%	-0.12%	13.02	1.23	4.5%
Tunis Se Index	7,251.62	3.12	0.04%	-0.28%	18.71	2.55	2.0%
EGX 30 Index	13,444.21	-38.78	-0.29%	3.13%	12.34	1.53	2.2%
Amman General Index	1,916.96	2.61	0.14%	0.43%	13.49	0.94	5.0%

* Kuwait YTD data is not available as the Index was reconstituted in April '18

World Markets	Country	Value	D/D	YTD	Currency Cross Rates	USD/1 Unit	Units/1 USD
			%	%	Currency		
Europe					Australian Dollar (AUD)	0.717	1.396
FTSE 100	UK	6,968.3	1.95%	3.6%	British Pound (GBP)	1.286	0.777
DAX	Germany	11,205.5	2.63%	6.1%	Canadian Dollar (CAD)	0.754	1.326
CAC 40	France	4,875.9	1.70%	3.1%	Chinese Renminbi (CNH)	0.147	6.800
United States					Egyptian Pound (EGP)	0.056	17.917
DJIA	USA	24,706.4	1.38%	5.9%	Euro (EUR)	1.138	0.879
S&P 500	USA	2,670.7	1.32%	6.5%	Indian Rupee (INR)	0.014	71.446
NASDAQ	USA	7,157.2	1.03%	7.9%	Japanese Yen (JPY)	0.009	109.570
Asia Pacific					New Zealand Dollar (NZD)	0.672	1.488
NIKKEI 225	Japan	20,735.5	0.34%	3.6%	Omani Rial (OMR)	2.598	0.385
HANG SENG	Hongkong	27,181.9	0.34%	5.2%	Pakistani Rupee (PKR)	0.717	138.885
KSE 100 Index	Pakistan	39,430.2	0.32%	6.4%	Russian Ruble (RUB)	0.015	66.149
NSE Nifty 50	India	10,968.2	0.56%	1.0%	Singapore Dollar (SGD)	0.736	1.359
SHANGHAI Composite	China	2,613.5	0.68%	4.8%	Turkish Lira (TRY)	0.188	5.330
KOSPI Index	South Korea	2,125.0	0.03%	4.1%			

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %
	USD	%	%		
Oil					
Brent Crude (per bbl)	63.0	0.43%	17.0%	UAE	2.93
WTI Crude (per bbl)	54.1	0.48%	19.0%	Saudi Arabia	2.97
Oman Crude Oil (Last Closing)	62.6	2.88%	16.9%	Kuwait	2.50
OPEC (per bbl)	59.6	0.18%	15.7%	Oman	2.83
				Qatar	2.90
				Bahrain	3.95

Precious Metals	Price	D/D	YTD	GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
		%	%			
Gold100 OZ (per oz)	1,281.5	-0.02%	-0.1%	Kuwait	3/20/2027	3.49
Silver (per oz)	15.3	-0.23%	-1.2%	Abu Dhabi	10/11/2027	3.56
Platinum (per oz)	799.7	0.26%	0.5%	Qatar	6/2/2026	3.70
Other Metals						
Copper, MT	6,052	1.00%	1.5%	Saudi Arabia	3/4/2028	4.14
Aluminium, MT	1,870	0.65%	1.3%	Oman	1/17/2028	6.95
Lead, MT	1,998	1.78%	-1.1%	Bahrain	10/12/2028	6.44
Zinc, MT	2,580	1.30%	4.6%			

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	99.72	2.60	1m	2.51
5 year	100.01	2.62	3m	2.76
10 year	102.91	2.79	6m	2.85
30 year	105.38	3.10	1 year	3.03

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

Sultanate eyes 20-30pc power from sustainable sources by 2030: Al Rumhy

The Sultanate has ambitious ongoing projects in sustainable energy, aimed at keeping pace with international changes in the energy sector, said Dr Mohammed bin Hamad al Rumhy, Minister of Oil and Gas. The Sultanate's strategy targets to produce 20-30 per cent of electricity from sustainable energy sources by 2030, the minister said.

Source: [Oman Observer](#)

Expect more Chinese investment in Duqm: Oman WanFang CEO

One of the top Chinese investors involved in the development of Duqm as the hub of Oman's non-oil future said that more investment will come to the country in the future. Speaking to Times of Oman and its sister Arabic publication Al Shabiba, Ali Shah, the CEO of Oman WanFang, whose company has pledged more than \$10 billion in investments, has said that such massive projects need time and dedication to be completed, especially if they are required to become long-term successes.

Source: [Times of Oman](#)

Expat realty owners exempted from age limit rules for visa

An expatriate who owns a real estate unit in the Integrated Tourism Complex (ITC) projects will be exempted from the age requirement for obtaining a residence permit. However, he and his family's residency will be terminated once he ceases to own the property.

Source: [Oman Observer](#)

H E Jabri Underlines Oman's Investment Opportunities at Global Summit in India

H E Yahya bin Said al Jabri, chairman of the Board of Directors of Ithraa and chairman of Board of Directors of SEZAD, said that the sultanate offers opportunities to invest in various economic sectors. He was speaking at the Vibrant Gujarat Global Summit and Exhibition 2019 which concluded on Sunday in Ahmedabad, India.

Source: [Muscat Daily](#)

ACWA Power BArka: Further update on GT-1 Technical Fault incident

Further to disclosure dated 12th Dec 2018 and 14th November 2018, the company has announced that the repair work on GT1 is progressing well and is expected to be completed by the end of January.

Source: [MSM](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Mideast Stocks: Banks hurt Saudi, most Gulf markets fall

Bank shares led Saudi Arabia's stock market lower on Sunday as most regional bourses fell. In Saudi Arabia, the index lost 0.8 percent with Al Rajhi Bank and Samba Financial Group falling 1.1 percent and 3.3 percent respectively.

Source: [Zawya](#)

GCC Bank Mergers To Ease Capacity And Boost Profitability

Recent merger and acquisition activity among the GCC banks is beneficial for the sector as it will ease overcapacity and boost profitability through synergies and increased pricing power, Moody's Investors Service said.

Source: [Muscat Daily](#)

Bahrain's Gulf Air unveils its 2019 business plans

National carrier Gulf Air recently revealed its business plans for 2019 and rolled out the newly launched boutique business model concept to its headquarter staff in an event held at the Crowne Plaza Hotel in Manama, Bahrain.

Source: [Zawya](#)

New salary policy for private sector announced in Saudi Arabia

The Human Resources Development Fund (HRDF) in Saudi Arabia will provide 30 per cent of the salaries of male and female Saudis working in private sector establishments in the first year in order to stimulate localization, raising the participation of male and female citizens in the labour market and provide them with skills needed.

Source: [Zawya](#)

Al Khodari recommends capital cut to offset losses

Abdullah A. M. Al-Khodari Sons Co.'s board of directors recommended a 36 percent capital reduction to SAR 355.8 million from SAR 557.81 million to offset accumulated losses, the company said in a statement on Tadawul. The capital cut is pending approval from the general assembly and regulator.

Source: [Argaam](#)

Bahrain's AUB in talks to sell stake in investment firm to Kuwait's Warba Bank

Ahli United Bank, a Bahraini lender, and its unit in Kuwait are in the talks with Warba Bank to sell their stake in a Kuwaiti financial investment company. AUB and its subsidiary are in initial talks to sell their joint shareholding in Kuwait and Middle East Financial Investment Company to Warba, it said on Sunday in a statement to Bahrain Bourse, where its shares are traded.

Source: [The National](#)

Batelco picks Sico as market maker for its shares

Bahrain's leading telecom services operator Batelco Group has appointed Sico as the designated market maker for the company's ordinary shares listed on the Bahrain Bourse. The Batelco move comes following the recent approval from the Central Bank of Bahrain (CBB) and Batelco's shareholders during their general meeting held on March 29, 2018.

Source: [Zawya](#)

Aldrees to open 64 new fuel stations in 2019: CEO

Aldrees Petroleum and Transport Services Co. plans to open 64 new fuel stations in 2019, its chief executive officer, Abdulelah Bin Saad Al-Drees told Argaam. The company also plans to close 14 stations this year after shutting down four in Q4 2018, Al-Drees added.

Source: [Argaam](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

China's economy cools in fourth quarter, 2018 growth at 28-year low

China's economic growth cooled slightly in the fourth quarter from a year earlier as expected, weighed down by weak investment and faltering consumer confidence as Washington piled on trade pressure, leaving 2018 growth the weakest in 28 years.

Source: [Reuters](#)

Asia Stocks Rise on Trade Hopes, China Data: Markets Wrap

Asian stocks built on their January rally as investors demonstrated continued confidence that trade tensions ultimately will subside and policy makers will refrain from growth-damaging monetary tightening. Shares in Tokyo, Hong Kong and Sydney climbed after the S&P 500 Index hit its highest since early December on Friday. Spurring the gains was optimism around the next round of U.S.-China trade talks at month-end and data from China that alleviated concerns of a continued deterioration in China's slowing economy.

Source: [Bloomberg](#)

Extending the Brexit deadline could cause major issues with EU elections coming

The U.K. is set to leave the EU on March 29 — but this could change if the U.K. asks for an extension and the other 27 member nations accept the request. Extending the departure beyond the agreed date would likely clash with European parliamentary elections that are set to take place between May 23 and 26.

Source: [CNBC](#)

COMMODITIES NEWS

Oil firms as China's slowdown not as steep as some expected

Oil prices firmed on Monday after data showed China's economic slowdown was not as big as some analysts had expected, with supply cuts led by the Organization of the Petroleum Exporting Countries also offering support.

Source: [Reuters](#)

China December coal output rises about 2 percent to highest in over three years

China's December coal output climbed 2.1 percent from the year before, government data showed, hitting the highest level in at least three years as major producers ramped up production amid robust winter demand and after the country started up new mines.

Source: [Reuters](#)



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