

# U Capital Morning Brief

4 February 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	863.35	-4.75	-0.55%	-2.47%	-	-	-
U Capital GCC 50 Index	1,397.19	-7.41	-0.53%	8.00%	-	-	-
U Capital MENA 200 Index	1,105.52	-0.95	-0.09%	6.99%	-	-	-
MSCI GCC Countries Index	575.68	-2.04	-0.35%	7.03%	14.97	1.87	3.7%
Muscat Securities Market	4,147.11	-19.36	-0.46%	-4.09%	8.27	0.74	6.2%
Saudi Stock Exchange	8,526.71	-33.24	-0.39%	8.94%	18.22	1.89	3.3%
Kuwait Stock Exchange	5,186.16	-19.83	-0.38%	2.10%	15.32	1.25	3.8%
Qatar Exchange	10,689.17	-31.14	-0.29%	3.79%	15.56	1.59	4.1%
Bahrain Stock Exchange	1,396.11	4.69	0.34%	4.40%	9.04	0.87	5.8%
Dubai Financial Market	2,540.25	-27.34	-1.06%	0.42%	7.66	0.93	5.5%
Abu Dhabi Exchange	5,075.69	30.84	0.61%	3.27%	13.49	1.46	4.7%
Beirut Stock Exchange	949.06	2.50	0.26%	-2.83%	4.75	0.56	9.6%
Palestine Stock Exchange	533.59	2.47	0.47%	0.80%	13.14	1.24	4.5%
Tunis Se Index	7,234.31	-27.74	-0.38%	-0.51%	18.67	2.55	2.0%
EGX 30 Index	14,243.81	117.13	0.83%	9.27%	13.07	1.62	2.1%
Amman General Index	1,960.59	8.97	0.46%	2.71%	13.79	0.97	4.9%

\* 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		
<b>Europe</b>					Australian Dollar (AUD)	0.723	1.383
FTSE 100	UK	7,020.2	0.74%	4.3%	British Pound (GBP)	1.308	0.765
DAX	Germany	11,180.7	0.07%	5.9%	Canadian Dollar (CAD)	0.764	1.310
CAC 40	France	5,019.3	0.53%	6.1%	Chinese Renminbi (CNH)	0.148	6.777
<b>United States</b>					Egyptian Pound (EGP)	0.057	17.660
DJIA	USA	25,063.9	0.26%	7.4%	Euro (EUR)	1.145	0.874
S&P 500	USA	2,706.5	0.09%	8.0%	Indian Rupee (INR)	0.014	71.656
NASDAQ	USA	7,263.9	-0.25%	9.5%	Japanese Yen (JPY)	0.009	109.620
<b>Asia Pacific</b>					New Zealand Dollar (NZD)	0.689	1.451
NIKKEI 225	Japan	20,880.6	0.43%	4.3%	Omani Rial (OMR)	2.598	0.385
HANG SENG	Hongkong	27,970.1	0.08%	8.2%	Pakistani Rupee (PKR)	0.724	138.250
KSE 100 Index	Pakistan	41,112.7	0.00%	10.9%	Russian Ruble (RUB)	0.015	65.479
NSE Nifty 50	India	10,866.4	-0.25%	0.0%	Singapore Dollar (SGD)	0.739	1.353
SHANGHAI Composite	China	2,618.2	1.30%	5.0%	Turkish Lira (TRY)	0.192	5.221
KOSPI Index	South Korea	2,203.5	-0.06%	8.0%			

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %
	USD	%	%		
<b>Oil</b>					
Brent Crude (per bbl)	62.7	-0.18%	16.0%	UAE	2.65
WTI Crude (per bbl)	55.2	-0.13%	21.5%	Saudi Arabia	2.97
Oman Crude Oil (Last Closing)	63.2	3.88%	18.0%	Kuwait	2.56
OPEC (per bbl)	61.2	0.43%	18.7%	Oman	2.84
<b>Precious Metals</b>					
Gold100 OZ (per oz)	1,314.0	-0.27%	2.5%	Qatar	2.89
Silver (per oz)	15.8	-0.41%	2.3%	Bahrain	3.95
Platinum (per oz)	821.9	-0.25%	3.3%	<b>GCC Latest 10-Yr Government Bond Yields</b>	
<b>Other Metals</b>					
Copper, MT	6,139	-0.49%	2.9%		
Aluminium, MT	1,883	-1.41%	2.0%		
Lead, MT	2,127	0.71%	5.2%		
Zinc, MT	2,777	2.13%	12.6%		

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	100.01	2.50	1m	2.51
5 year	99.98	2.51	3m	2.73
10 year	103.75	2.69	6m	2.79
30 year	106.78	3.03	1 year	2.96

Source: Bloomberg

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

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## OMAN ECONOMIC & CORPORATE NEWS

### OMAN'S ECONOMY GETS A BOOST FROM RISING GAS PRODUCTION

Increased production of natural gas, particularly from Khazzan tight gas project, and higher oil revenues have given a much-needed boost to the sultanate's economy. Oman's nominal gross domestic product (GDP) grew 15.3 per cent in the first nine months of 2018, mainly due to a sharp rise in value of the sultanate's oil and gas output. The GDP at current prices rose to RO22.98bn during January–September period of last year compared to RO19.93bn in the same period of the previous year, according to statistics released by the National Centre for Statistics and Information (NCSI).

Source: [Muscat Daily](#)

### New glass processing unit commissioned

Al Tasnim Group has become the first company in the Sultanate to indigenously process glass on a massive scale at its premises in Misfah. On January 23, 2019, renowned and prominent dignitaries, industry leaders, entrepreneurs, customers and well-wishers from across the Sultanate gathered at the Crowne Plaza Muscat, Al Qurum, to mark the launch of "first in Oman, glass processing unit with jumbo size full convection tempering line".

Source: [Times of Oman](#)

### Mazoon Dairy marks a major milestone

Mazoon Dairy Company, the flagship dairy project of the Sultanate, has marked a significant milestone in the agricultural and economic development of Oman with the arrival of 1,600 cows from Australia to the state-of-the-art dairy farm in Al Sunaynah.

Source: [Times of Oman](#)

### Boost for Oman, UK parliamentary ties

Dr Yahya bin Mahfoudh al Mantheri, Chairman of the State Council, received a delegation of the House of Lords headed by Lord Jeffrey James Dear, Vice-President of the House of Lords, on Sunday. The Chairman of the Council welcomed the delegation and expressed the hope that the visit will contribute to enhancing bilateral relations between the two friendly countries and developing cooperation between the two councils.

Source: [Oman Observer](#)

## MIDDLE EAST ECONOMIC & CORPORATE NEWS

### Saudi Chemical subsidiary increases capital by 33%

Saudi Chemical Co. (SCC) said its subsidiary AJA Pharmaceutical Industries Co. increased capital by 33 percent from SAR 150 million to SAR 200 million. The capital increase will go for financing the construction of the AJA pharmaceuticals plant in Hail, Saudi Chemical said in a bourse statement today.

Source: [Argaam](#)

### Arabtec wins \$46m Expo 2020 contract

Expo 2020 Dubai has awarded a contract worth Dh169 million to Arabtec Construction to complete 29,000 sqm of public spaces next to Al Wasl Plaza, said a statement on Sunday. The contract includes a 5,000 square metre water feature, restaurants, utilities and landscaping elements.

Source: [Zawya](#)

### Gigaprojects, young population to buoy Saudi property market in 2019

Saudi Arabia's real estate sector will witness "healthy correction" in 2019 after years of price hikes, according to an expert from KPMG Al Fozan & Partners. Islam Albayaa, the organisation's head of advisory, said government initiatives will lead the Saudi Arabian real estate market to stability after "prices surged" in the last few years.

Source: [Construction Week](#)

### Saudi Launches \$53 Billion Industrial Plan NIDL

Saudi Arabia is intensifying efforts to attract international investors as it works to diversify its economy away from the energy sector. Saudi Crown Prince Mohammed bin Salman bin Abdulaziz launched the National Industrial Development and Logistics Programme (NIDL) January 28 in Riyadh, an event in which nearly 40 agreements worth an estimated \$53 billion were signed.

Source: [Al Bawaba](#)

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### **Tadawul bourse registers 13% rise in total shares traded**

Saudi Arabia's Tadawul index registered a 13.23 per cent jump in the total number of shares traded in January even as the index recorded a near 10 per cent increase. About 2.89 billion shares were traded on the bourse compared to 2.55 billion in December last year, the statement from the Tadawul bourse said. The value of shares rose 13.4 per cent in January to 68.21 Saudi riyals.

Source: [Gulf News](#)

### **UAE starts rolling out 10-year visa carpet to buoy business**

The category also includes science researchers, outstanding students and art innovators. The Federal Authority for Identity and Citizenship (FAIC) has started implementing the Cabinet decision to give residence visas of up to 10 years to investors, entrepreneurs and people with special talents as well as their families as of Sunday, February 3.

Source: [Khaleej Times](#)

### **Abu Dhabi's FAB surges as it seeks to raise foreign ownership**

First Abu Dhabi Bank jumped on optimism the lender will follow peers and raise the foreign-ownership limit in its stock. The shares climbed as much as 5.8 percent to 15.6 dirhams at the open in Abu Dhabi, the biggest increase since April 2017.

Source: [Arabian Business](#)

### **Bahrain, Saudi Aramco consider investment opportunities**

Bahraini oil minister Mohammed al-Khalifa on Sunday met with Saudi Aramco chief Technology officer Ahmad Othman Al-Khowaiter to discuss means to boost joint cooperation over the coming period. The new oil pipes project is one of the most important joint ventures between the two GCC nations, Al Khalifa added, according to a statement.

Source: [Mubasher](#)

### **Alghanim Trading to buy further \$880m stake in Kuwait's Gulf Bank**

Alghanim Trading Company on Sunday announced its agreement to more than double its stake in Gulf Bank of Kuwait (GBK) to around KWD 266.860 million (\$880 million) holding. The second-biggest shareholder in the Kuwaiti lender made arrangements with related parties to buy a 9.2% stake off-market, bringing its holding to 16.6%, Alghanim said in a statement.

Source: [Mubasher](#)

## **INTERNATIONAL ECONOMIC & CORPORATE NEWS**

### **Asia Stocks Rise; Dollar, Treasury Yields Steady: Markets Wrap**

Asian stocks started the week with modest gains following strong U.S. economic data and positive comments out of Washington on the trade talks. Trading is more subdued as much of the region heads into Lunar New Year holidays.

Source: [Bloomberg](#)

### **Worries about Chinese consumers spending less are 'overdone'**

Chinese consumer spending is healthier than it appears in retail sales data alone, analysts say. Growth in retail sales slowed last year but a broader index that includes services and goods accelerated, providing a sign of optimism. Chinese authorities want consumer spending to play a bigger role in driving growth in the world's second-largest economy.

Source: [CNBC](#)

### **UK trade minister Fox says EU 'irresponsible' to refuse to reopen Brexit deal**

It would be irresponsible for the European Union to refuse to reopen negotiations over Britain's exit deal, British trade minister Liam Fox said in an interview aired on Sunday. Prime Minister Theresa May has said she is seeking changes to the Withdrawal Agreement she negotiated with Brussels in order to win the support of parliament, but the EU has said the deal cannot be renegotiated.

Source: [CNBC](#)

### **Dollar firm on U.S. jobs data; Aussie dollar weakens**

The dollar hovered near a one-week high against the yen on Monday, buoyed by stronger-than-expected U.S. jobs and factory data, although the Federal Reserve's cautious policy outlook and thinned holiday trade in Asia are likely to cap further gains.

Source: [Reuters](#)

## COMMODITIES NEWS

### Oil prices edge lower, tightening supply outlook supports

Crude oil prices edged lower on Monday after sharp gains during the previous session but were supported by expectations of shrinking supply and signs that China-U.S. trade tensions could ease. International Brent crude oil futures on Monday were down 20 cents, or 0.32 percent at 0339 GMT to \$62.54 a barrel, after closing up 3.14 percent in the previous session to their highest close since Nov. 21.

Source: [Reuters](#)

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