

U Capital Morning Brief

19 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	855.00	-10.64	-1.24%	-2.65%	-	-	-
U Capital GCC 50 Index	1,385.88	-1.39	-0.10%	5.82%	-	-	-
U Capital MENA 200 Index	1,092.74	-1.67	-0.15%	4.56%	-	-	-
MSCI GCC Countries Index	569.19	-1.37	-0.24%	5.82%	14.56	1.85	3.7%
Muscat Securities Market	4,073.96	-2.92	-0.07%	-5.78%	8.43	0.78	6.4%
Saudi Stock Exchange	8,569.83	-22.18	-0.26%	9.49%	18.55	1.92	3.3%
Kuwait Stock Exchange	5,186.03	-2.02	-0.04%	2.10%	14.70	1.24	3.8%
Qatar Exchange	10,010.54	0.00	0.00%	-2.80%	14.26	1.48	4.4%
Bahrain Stock Exchange	1,379.41	-1.31	-0.09%	3.15%	9.27	0.86	5.9%
Dubai Financial Market	2,550.52	0.59	0.02%	0.82%	8.13	0.94	5.5%
Abu Dhabi Exchange	5,039.69	-29.38	-0.58%	2.54%	14.08	1.44	4.8%
Beirut Stock Exchange	945.08	-0.33	-0.04%	-3.24%	4.77	0.55	9.6%
Palestine Stock Exchange	543.58	1.01	0.19%	2.69%	11.43	1.22	4.4%
Tunis Se Index	7,114.51	8.46	0.12%	-2.16%	18.31	2.50	2.0%
EGX 30 Index	15,227.24	28.35	0.19%	16.81%	14.55	1.50	1.9%
Amman General Index	1,971.10	-10.02	-0.51%	3.26%	14.04	0.99	4.8%

* 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					Currency Cross Rates		
FTSE 100	UK	7,219.5	-0.24%	7.3%	Australian Dollar (AUD)	0.711	1.406
DAX	Germany	11,299.2	-0.01%	7.0%	British Pound (GBP)	1.290	0.775
CAC 40	France	5,168.5	0.30%	9.3%	Canadian Dollar (CAD)	0.754	1.326
United States					Chinese Renminbi (CNH)	0.148	6.780
DJIA	USA	25,883.3	1.74%	11.0%	Egyptian Pound (EGP)	0.057	17.586
S&P 500	USA	2,775.6	1.09%	10.7%	Euro (EUR)	1.130	0.885
NASDAQ	USA	7,472.4	0.61%	12.6%	Indian Rupee (INR)	0.014	71.343
Asia Pacific					Japanese Yen (JPY)	0.009	110.660
NIKKEI 225	Japan	21,315.3	0.16%	6.5%	New Zealand Dollar (NZD)	0.684	1.463
HANG SENG	Hongkong	28,368.7	0.08%	9.8%	Omani Rial (OMR)	2.597	0.385
KSE 100 Index	Pakistan	40,274.1	0.15%	8.7%	Pakistani Rupee (PKR)	0.722	138.400
NSE Nifty 50	India	10,676.5	0.33%	-1.7%	Russian Ruble (RUB)	0.015	66.257
SHANGHAI Composite	China	2,761.2	0.25%	10.7%	Singapore Dollar (SGD)	0.737	1.357
KOSPI Index	South Korea	2,211.7	0.04%	8.4%	Turkish Lira (TRY)	0.188	5.309

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %
	USD	%	%		
Oil					
Brent Crude (per bbl)	66.3	-0.32%	22.7%	UAE	2.84
WTI Crude (per bbl)	55.9	0.47%	23.0%	Saudi Arabia	2.94
Oman Crude Oil (Last Closing)	66.9	0.30%	25.1%	Kuwait	2.56
OPEC (per bbl)	64.9	0.92%	25.8%	Oman	2.84
Precious Metals					
Gold100 OZ (per oz)	1,323.7	-0.24%	3.2%	Qatar	2.89
Silver (per oz)	15.8	-0.25%	1.8%	Bahrain	3.93
Platinum (per oz)	808.1	0.23%	1.6%	GCC Latest 10-Yr Government Bond Yields	
Other Metals					
Copper, MT	6,275	1.41%	5.2%		
Aluminium, MT	1,856	-0.16%	0.5%		
Lead, MT	2,030	-2.31%	0.4%		
Zinc, MT	2,638	-0.57%	6.9%		

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	100.02	2.50	1m	2.48
5 year	100.02	2.50	3m	2.68
10 year	99.61	2.67	6m	2.75
30 year	100.00	3.00	1 year	2.91

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

Expo taps opportunities in Oman's mining sector

The Oman government's Vision 2040, which identifies mining as one of the focus sectors for enhancing competitiveness and growth, promises much potential for the sector, boding well for this developing industry. The strategy, along with recent discoveries of substantial amounts of mineral deposits and large-scale projects underway in Oman, offers numerous opportunities for investments in mineral development, mining and quarrying exploration and operations.

Source: [Times of Oman](#)

HSBC Oman to host discussion session

Muscat Securities Market (MSM) has invited several listed companies to host a discussion session at the MSM premises. HSBC Bank Oman's CEO along with the management team will hold a session on Wednesday at 2.30pm at the CMA Businessman Hall.

Source: [Times of Oman](#)

OMAN CRUDE JUMPS TO 3-MONTH HIGH NEAR \$67

Oman crude traded near a three month high on Monday at the Dubai Mercantile Exchange (DME) as output curbs by OPEC tightened global supply while trade talks between the US and China lifted global financial markets. Oman crude price (April delivery) jumped 2.2 per cent to close at US\$66.85 per barrel on Monday at the DME, Oman News Agency reported. Oman crude price traded at US\$65.39 per barrel at the closing on Friday.

Source: [Muscat Daily](#)

Oman economy grew 15.3pc in Jan-Sept 2018: CBO

The Omani economy witnessed an accelerated growth of 15.3 per cent during the first nine months of 2018, the Central Bank of Oman (CBO) announced in its newly issued Review of Banking and Monetary Developments for December 2018.

Source: [Oman Observer](#)

SMEs represent 94% of industry in Sultanate

Oman Chamber of Commerce and Industry (OCCI) is a key link between government and business to ensure continuous cooperation to activate economic movement in the fields of trade and industry, said Qais bin Mohammed al Yousef, Chairman, OCCI. Speaking at the 45th anniversary of OCCI on Monday, he highlighted the organisation's efforts to develop Oman's private sector and make it a key partner in economic and sustainable development.

Source: [Oman Observer](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Jabal Omar to issue domestic sukuk in Q1 2019: CEO

Jabal Omar Development Co. is expected to issue new riyal-denominated sukuk in Q1 2019, CNBC Arabia has reported, citing CEO, Yasser Al-Sharif. "The sukuk issue will likely reflect investors' turnout as well as their confidence in the market," Al-Sharif said, adding that it will also signal a diversified lower-cost source of funding.

Source: [Argaam](#)

Al-Khodari mulls options to capitalize on current conditions: CEO

Abdullah A. M. Al-Khodari Sons Co. will hire a financial adviser to develop a future plan for the company and help it capitalize on the available opportunities, chief executive officer Fawaz Al-Khodari told Al-Arabiya TV on Monday.

Source: [Argaam](#)

Saudi Arabia sells \$2.5bln sukuk in monthly issue

Saudi Arabia's Finance Ministry said on Monday it had issued 9.376 billion riyals (\$2.50 billion) in domestic sukuk, or Islamic bonds, under its monthly issuance programme for February. It issued 1.805 billion riyals worth of five-year bonds, 0.274 billion riyals in 10-year bonds, and 7.297 billion riyals in 12-year bonds, a ministry statement said. (\$1 = 3.7501 riyals)

Source: [Zawya](#)

UAE real estate remains tough for home buyers, but equity investors may see some respite in 2019

Although few observers of the real estate markets in the United Arab Emirates are forecasting a recovery in prices in a market where the supply pipeline continues to outstrip demand, the prospects for some of its developers may be looking a little brighter, according to analysts who spoke to Zawya following a rush of preliminary results announcements at the end of last week.

Source: [Zawya](#)

DXB Entertainment's stock drops as theme park owner announces earnings loss

Shares of DXB Entertainments (DXBE) dropped on Monday, after the company announced preliminary results showing a net loss of one billion dirhams for 2018, which was 11 percent lower than the 1.12 billion dirhams loss declared for 2017. The company recorded a fourth quarter (Q4) 2018 net loss of 268 million dirhams, a 5.1 percent year-on-year increase on the net loss of 255 million dirhams for Q4 2017.

Source: [Zawya](#)

Jeddah's hospitality sector continues expansion drive

Despite large office supply deliveries expected in the city, Riyadh is continuing to witness demand for office space that caters specifically to SMEs and start-ups according to new data released by global real estate consultancy firm CBRE. Total office stock in Saudi Arabia's capital stood at 4.2 million sqm of gross leasable area (GLA) by the end of 2018, with an additional 870,000 sqm of GLA expected to be delivered by 2022.

Source: [Saudi Gazette](#)

Saudi oil inventories hit lowest level in a decade

Saudi Arabia's crude oil exports dropped in December 2018 to their lowest level since September that year. The kingdom's crude oil exports declined by over half a million barrels per day (bpd) or by nearly 545,000 bpd to 7.69 million bpd in December, compared to 8.235 million bpd in the prior month, according to data released on Monday by the Joint Organisations Data Initiative (JODI).

Source: [Mubasher](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

New round of U.S.-China trade talks begins Tuesday

A new round of talks between the United States and China to resolve their trade war will take place in Washington on Tuesday, with follow-up sessions at a higher level later in the week, the White House said on Monday. The talks follow a round of negotiations that ended last week in Beijing without a deal but which officials said had generated progress on contentious issues between the two trading partners.

Source: [Reuters](#)

Asian shares near four-month high, buoyed by trade optimism

Asian shares hovered near four-month highs on Tuesday, supported by hopes that Sino-U.S. trade talks were making progress and expectations of policy stimulus from central banks. Investor confidence was bolstered by mild gains in European stocks as U.S. markets were shut on Monday for a public holiday. MSCI's broadest index of Asia-Pacific shares outside Japan was a shade firmer, while Japan's Nikkei was almost flat.

Source: [Reuters](#)

Bull market! Chinese stocks up 21% since January panic

China's benchmark index, the Shanghai Composite, has rallied by more than 21% from its recent low in January when traders panicked and stocks cratered. A 20% rise is needed for stocks to technically be considered in a "bull market."

Source: [CNN Money](#)

COMMODITIES NEWS

Brent eases from 2019 highs as markets await trade talks outcome

Brent crude oil prices eased away from 2019 highs on Tuesday on caution that economic growth may dent fuel demand this year, although supply cuts led by producer cartel OPEC still meant markets were relatively tight. International Brent crude oil futures were at \$66.08 per barrel at 0220 GMT, down 42 cents, or 0.6 percent from their last close, but still not far off the 2019 high of \$66.83 a barrel hit in the previous session.

Source: [CNBC](#)

Gold steady near 10-month high; palladium hits record level

Gold prices were steady near 10-month peaks on Tuesday as the dollar held little changed and markets awaited clarity on U.S.-China trade talks, while palladium struck a record high on supply fears. Spot gold was little changed at \$1,326.10 per ounce as of 0048 GMT, after touching a 10-month high of \$1,327.64 an ounce in the previous session.

Source: [CNBC](#)



Ubhar Capital SAOC (U Capital)

Oinvest 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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