

U Capital Morning Brief

28 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	861.97	5.60	0.65%	-2.63%	-	-	-
U Capital GCC 50 Index	1,397.00	2.75	0.20%	7.99%	-	-	-
U Capital MENA 200 Index	1,098.99	3.45	0.31%	6.36%	-	-	-
MSCI GCC Countries Index	573.75	1.16	0.20%	6.67%	15.04	1.87	3.7%
Muscat Securities Market	4,166.38	-13.76	-0.33%	-3.64%	8.32	0.74	6.2%
Saudi Stock Exchange	8,509.43	74.54	0.88%	8.72%	18.34	1.89	3.3%
Kuwait Stock Exchange	5,197.43	-44.02	-0.84%	2.32%	15.36	1.25	3.8%
Qatar Exchange	10,668.14	-44.25	-0.41%	3.58%	15.66	1.58	4.1%
Bahrain Stock Exchange	1,390.89	16.73	1.22%	4.01%	9.03	0.87	5.9%
Dubai Financial Market	2,539.64	25.28	1.01%	0.39%	7.64	0.93	5.5%
Abu Dhabi Exchange	5,020.62	1.45	0.03%	2.15%	13.49	1.45	4.8%
Beirut Stock Exchange	946.78	0.49	0.05%	-3.07%	4.79	0.56	9.6%
Palestine Stock Exchange	527.57	-0.25	-0.05%	-0.34%	12.99	1.23	4.5%
Tunis Se Index	7,215.87	12.52	0.17%	-0.77%	18.62	2.54	2.0%
EGX 30 Index	13,817.10	310.45	2.30%	5.99%	12.68	1.57	2.2%
Amman General Index	1,943.88	-3.49	-0.18%	1.84%	13.67	0.96	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)	0.720	1.388
FTSE 100	UK	6,809.2	-0.14%	1.2%	British Pound (GBP)	1.320	0.758
DAX	Germany	11,281.8	1.36%	6.8%	Canadian Dollar (CAD)	0.757	1.321
CAC 40	France	4,925.8	1.11%	4.1%	Chinese Renminbi (CNH)	0.148	6.742
United States					Egyptian Pound (EGP)	0.057	17.888
DJIA	USA	24,737.2	0.75%	6.0%	Euro (EUR)	1.142	0.876
S&P 500	USA	2,664.8	0.85%	6.3%	Indian Rupee (INR)	0.014	71.073
NASDAQ	USA	7,164.9	1.29%	8.0%	Japanese Yen (JPY)	0.009	109.380
Asia Pacific					New Zealand Dollar (NZD)	0.687	1.456
NIKKEI 225	Japan	20,697.2	-0.37%	3.4%	Omani Rial (OMR)	2.598	0.385
HANG SENG	Hongkong	27,680.4	0.40%	7.1%	Pakistani Rupee (PKR)	0.719	138.855
KSE 100 Index	Pakistan	40,393.5	0.32%	9.0%	Russian Ruble (RUB)	0.015	65.986
NSE Nifty 50	India	10,708.8	-0.67%	-1.4%	Singapore Dollar (SGD)	0.740	1.352
SHANGHAI Composite	China	2,608.1	0.24%	4.6%	Turkish Lira (TRY)	0.190	5.261
KOSPI Index	South Korea	2,184.4	0.31%	7.0%			

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %
	USD	%	%		
Oil					
Brent Crude (per bbl)	61.4	-0.44%	14.1%	UAE	2.93
WTI Crude (per bbl)	53.4	-0.61%	17.5%	Saudi Arabia	2.97
Oman Crude Oil (Last Closing)	61.5	0.72%	15.0%	Kuwait	2.56
OPEC (per bbl)	60.2	-0.50%	16.8%	Oman	2.83
				Qatar	2.96
				Bahrain	3.95

Precious Metals	Price	D/D	YTD	GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
		%	%			
Gold100 OZ (per oz)	1,303.9	0.06%	1.7%	Kuwait	3/20/2027	3.48
Silver (per oz)	15.8	0.37%	2.0%	Abu Dhabi	10/11/2027	3.47
Platinum (per oz)	820.0	0.22%	3.1%	Qatar	6/2/2026	3.64
Other Metals						
Copper, MT	6,056	2.26%	1.5%	Saudi Arabia	3/4/2028	4.11
Aluminium, MT	1,920	1.56%	4.0%	Oman	1/17/2028	6.90
Lead, MT	2,109	1.64%	4.4%	Bahrain	10/12/2028	6.47
Zinc, MT	2,673	1.25%	8.4%			

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	99.78	2.58	1m	2.50
5 year	100.18	2.59	3m	2.75
10 year	103.25	2.74	6m	2.83
30 year	106.33	3.05	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

Report highlights Oman's economic growth

A new report from the global research and consultancy firm, Oxford Business Group (OBG), tracks the progress that Oman has made in broadening its economic base, buoyed by a combination of higher oil prices and a state-supported diversification plan

Source: [Times of Oman](#)

Wealth fund to set up Oman's biggest fisheries firm

Oman Investment Fund (OIF), a sovereign wealth fund of the Sultanate of Oman, plans to set up what is billed as the nation's biggest industrial fisheries companies, anchored by a mega processing plant that will rank among the largest in the Gulf region.

Source: [Oman Observer](#)

Oman 2040 Vision conference opens

Oman's 2040 Vision national conference has been launched by His Highness Sayyid Haitham bin Tariq Al Said, Chairman of the Main Committee of Oman 2040 Future Vision. The two-day event is taking place at the Oman Exhibition and Convention Centre. His Excellency Talal Al Rahbi Deputy Secretary General of the Supreme Council for Planning and Head of the Technical Committee of the Oman 2040 future vision held a presentation which showcased the key features of Oman's 2040 vision.

Source: [Times of Oman](#)

Key partners join to build Sohar Calciner plant

MMEC Mannesmann has partnered with ACWA Power to develop the "Sohar Calciner" project in Oman. The state-of-the-art plant will be the first of its kind in Oman and will aim to supply Oman's aluminium industry with calcined coke.

Source: [Times of Oman](#)

Sultanate's real estate deals up by 1.2% in Dec 2018

The total value of property transactions in the Sultanate till the end of December 2018 surged by 1.2% to reach OMR2,641.1 million from OMR2,609.4 million for the same period of 2017, as indicated by the preliminary statistics issued by (NCSI). As for plots issued till the end of December 2018, the number stood at 223,492, which is a decline of 0.9% from the end of December 2017, when 225,468 plots were issued.

Source: [NCSI](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

MIDEAST STOCKS-Egypt's EGX30 index rises, most Gulf markets firm

Gulf markets closed mainly higher on Sunday thanks to strong financials, while Egypt's blue-chip index rose sharply, helping it catch up with gains in other emerging markets. "Egypt is finally catching up with the risk-off trade emerging markets are witnessing," said Mohammed al-Hajj, senior macro strategy analyst at EFG Hermes, noting that the index was up around 6 percent year-to-date compared with around 7 percent for other emerging markets.

Source: [Reuters](#)

Al Akaria CEO says Al Wedyan project is now 'top priority'

Saudi Real Estate Company (Al Akaria) has set the execution of Al Wedyan project as its 'top priority', CEO Mamdouh Al Sharhan told Argam in an exclusive on Sunday. "The developer has completed groundworks, and also finalized about 15 to 20 percent of the related infrastructure services at Al Wedyan," Al Sharhan said, expecting to launch the central park at Al Wedyan City by 2019-end.

Source: [Argam](#)

Qatar to end projects of next World Cup by 2020 – Minister

Qatar has said that the transportation infrastructure of World Cup 2022 will be completed by 2020, the minister of transport and communications Jassim Al-Sulaiti said. The country is able to finish all projects which will serve the tournament by its deadline, Al-Sulaiti added, according to Alsharq website.

Source: [Mubasher](#)

SABIC's product prices saw steep declines by 2018-end: CEO

Prices of some products of Saudi Basic Industries Corp (SABIC) have declined steeply over the last two months of 2018, its chief executive Yousef Al-Benyam said on Sunday. "Challenges remain in 2019 amidst a global trade war. Oil prices were

down over the last four years, but we managed to maintain strong profitability,” Al-Benyan told Argaam during a press conference after SABIC posted a 12.4 percent profit drop in Q4 2018 compared to the year earlier.

Source: [Argaam](#)

Saudi Aramco to pay \$1.6 bln for stake in Hyundai Oilbank

State-owned Saudi Aramco is buying up to 19.9 percent of South Korean oil refiner Hyundai Oilbank Co. for \$1.6 billion, Bloomberg reported. Aramco and Hyundai Heavy Industries Holdings Co., which is selling the stake, are expected to hold board meetings early next month to approve the investment, a spokesman for the South Korean company said.

Source: [Argaam](#)

UAE economy to fare well on higher infrastructure spend

The UAE economy fared better in the last quarter of 2018 as compared to previous year and will perform better in 2019 as well on the back of higher infrastructure spending, less monetary tightening and other non-oil activities, professionals and business executives said.

Source: [Zawya](#)

Free zones lift UAE non-oil trade by 2.5%

The UAE's non-oil foreign trade grew 2.5 per cent to Dh1.2 trillion in the first nine months of 2018 as compared to Dh1.17 trillion during the same period in 2017. This was driven by increased trading activity from companies based in free zones, according to Federal Customs Authority (FCA) data released on Sunday.

Source: [Zawya](#)

Saudi Arabia launches plan to attract \$427 billion in investment

Leading architects of Saudi Arabia's economic transformation will gather on Monday in Riyadh to set out the next steps in the Kingdom's development. They will launch the National Industrial Development and Logistics Program, with the aim of attracting \$427 billion over the next decade from Saudi and global private-sector investors.

Source: [Arab News](#)

BRIEF-Saudi's Bahri Signs 500 Mln Riyals Islamic Credit Facility

NATIONAL SHIPPING COMPANY OF SAUDI ARABIA :

* SIGNS 500 MILLION RIYALS ISLAMIC CREDIT FACILITY WITH RIYAD BANK

* SAYS CREDIT FACILITY PERIOD 5 YEARS

Source: [Salaam Gateway](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Asian stocks advance after U.S. government reopens for now

Asian stocks advanced on Monday as Wall Street rallied after a deal was announced to reopen the U.S. government following a prolonged shutdown that had taken a toll on investor sentiment.

Source: [Reuters](#)

Fitch Warns Emerging Markets Face More Downgrades This Year

Emerging markets face more rating downgrades than upgrades this year as foreign debt levels leave them vulnerable to potentially rising U.S. interest rates and the strength of the dollar, according to Fitch Ratings. Latin America, the Middle East and Africa will be impacted more by lower credit scores because of the high share of their foreign-currency debt, said James McCormack, Hong Kong-based global head of sovereign and supranational group at Fitch.

Source: [Bloomberg](#)

Emerging Bonds on Cusp of Rally Now at Mercy of Fed, Trade Talks

Emerging-market bonds are close to signaling a rally ahead of what's shaping up to be a pivotal week, with traders standing by for the Federal Reserve's first policy decision of 2019 and a crucial moment in the U.S.-China trade talks. A JPMorgan Chase & Co. measure of emerging-market sovereign bond yields is a whisker away from falling below its 200-day moving average, an occurrence that's heralded gains on all five of the previous occasions it's broken through such a level since 2008.

Source: [Bloomberg](#)

Dollar eases as focus shifts to Fed meeting; yen and Aussie dollar gain

The dollar eased versus most of its peers on Monday as investors turned their attention to this week's Federal Reserve policy meeting, with traders wagering policymakers will signal a pause in their tightening cycle.

Source: [Reuters](#)

COMMODITIES NEWS

Oil slips on rising US rig count, China industrial slowdown

Both Brent and U.S. crude futures slipped. U.S. energy firms last week raised the number of rigs looking for new oil for the first time in 2019 to 862, an additional 10 rigs, Baker Hughes energy services firm said in its weekly report on Friday. Beyond oil supply, a key question for this year will be demand growth, with concerns over a slowing economy in China, the world's second-largest oil user.

Source: [CNBC](#)

Gold firm near 7-month peak on U.S. rate pause hopes

Spot gold XAU= was firm at \$1,302.58 per ounce by 0308GMT, while U.S. gold futures GCv1 climbed 0.3 percent to \$1,301.90 per ounce. The Federal Open Market Committee meets between Jan. 29 and Jan. 30, and Chairman Jerome Powell is widely expected to acknowledge growing risks to the U.S. economy as global momentum weakens.

Source: [NASDAQ](#)