

U Capital Morning Brief

11 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	869.89	1.48	0.17%	-1.73%	-	-	-
U Capital GCC 50 Index	1,398.94	-9.51	-0.68%	8.14%	-	-	-
U Capital MENA 200 Index	1,103.37	-9.54	-0.86%	6.78%	-	-	-
MSCI GCC Countries Index	575.83	-3.07	-0.53%	7.06%	14.86	1.86	3.7%
Muscat Securities Market	4,158.49	6.52	0.16%	-3.82%	8.45	0.74	6.2%
Saudi Stock Exchange	8,573.21	-39.63	-0.46%	9.54%	18.13	1.90	3.3%
Kuwait Stock Exchange	5,204.99	5.35	0.10%	2.47%	15.12	1.25	3.8%
Qatar Exchange	10,441.21	-63.98	-0.61%	1.38%	15.23	1.55	4.2%
Bahrain Stock Exchange	1,409.65	-8.45	-0.60%	5.41%	9.58	0.88	5.8%
Dubai Financial Market	2,529.72	-12.95	-0.51%	0.00%	7.74	0.92	5.5%
Abu Dhabi Exchange	5,082.01	-30.13	-0.59%	3.40%	13.66	1.46	4.7%
Beirut Stock Exchange	936.90	-2.69	-0.29%	-4.08%	4.69	0.55	9.7%
Palestine Stock Exchange	537.25	1.48	0.28%	1.49%	13.23	1.25	4.4%
Tunis Se Index	7,162.85	-1.34	-0.02%	-1.50%	18.44	2.52	2.0%
EGX 30 Index	14,763.94	10.26	0.07%	13.26%	14.11	1.46	2.0%
Amman General Index	1,963.76	-8.71	-0.44%	2.88%	13.82	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
Europe			%	%	Currency		
FTSE 100	UK	7,071.2	-0.32%	5.1%	Australian Dollar (AUD)	0.709	1.410
DAX	Germany	10,906.8	-1.05%	3.3%	British Pound (GBP)	1.293	0.773
CAC 40	France	4,961.6	-0.48%	4.9%	Canadian Dollar (CAD)	0.752	1.330
United States					Chinese Renminbi (CNH)	0.147	6.788
DJIA	USA	25,106.3	-0.25%	7.6%	Egyptian Pound (EGP)	0.057	17.609
S&P 500	USA	2,707.9	0.07%	8.0%	Euro (EUR)	1.132	0.883
NASDAQ	USA	7,298.2	0.14%	10.0%	Indian Rupee (INR)	0.014	71.226
Asia Pacific					Japanese Yen (JPY)	0.009	109.970
NIKKEI 225	Japan	20,333.2	-2.01%	1.6%	New Zealand Dollar (NZD)	0.676	1.479
HANG SENG	Hongkong	28,010.0	0.23%	8.4%	Omani Rial (OMR)	2.597	0.385
KSE 100 Index	Pakistan	40,895.2	-0.04%	10.3%	Pakistani Rupee (PKR)	0.720	138.175
NSE Nifty 50	India	10,879.2	-0.59%	0.2%	Russian Ruble (RUB)	0.015	65.466
SHANGHAI Composite	China	2,640.0	0.83%	5.9%	Singapore Dollar (SGD)	0.737	1.357
KOSPI Index	South Korea	2,176.5	-0.02%	6.6%	Turkish Lira (TRY)	0.190	5.260

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %
	USD	%	%		
Oil				UAE	2.85
Brent Crude (per bbl)	61.5	-0.92%	13.9%	Saudi Arabia	2.96
WTI Crude (per bbl)	52.0	-1.37%	14.5%	Kuwait	2.56
Oman Crude Oil (Last Closing)	62.4	0.60%	16.7%	Oman	2.80
OPEC (per bbl)	61.6	-1.17%	19.4%	Qatar	2.91
Precious Metals				Bahrain	3.95
Gold100 OZ (per oz)	1,311.2	-0.26%	2.2%		
Silver (per oz)	15.8	-0.51%	1.7%		
Platinum (per oz)	793.6	-0.89%	-0.3%		
Other Metals					
Copper, MT	6,210	-0.58%	4.1%		
Aluminium, MT	1,881	-0.69%	1.9%		
Lead, MT	2,080	0.00%	2.9%		
Zinc, MT	2,704	-0.99%	9.6%		

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	100.17	2.44	1m	2.50
5 year	100.26	2.45	3m	2.70
10 year	99.92	2.64	6m	2.74
30 year	100.39	2.98	1 year	2.94

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

OOMCO continues global expansion

Oman Oil Marketing Company (OOMCO) is continuing to expand its global footprint, with operations in Saudi Arabia, and Tanzania coming up next, in a bid to deliver its innovative services. Introducing its one-stop-shop service stations internationally, OOMCO is embarking on a journey to achieve strategic growth, while enhancing both customer and shareholder value.

Source: [Times of Oman](#)

69% of projects under Tanfeedh are complete

Sixty-nine per cent of industrial projects were completed at the end of 2018 under Tanfeedh, said Dr Ali bin Masoud al Sunaidy, Minister of Commerce and Industry. Speaking with industrialists on Sunday on challenges facing industrial sector and requirements to increase the contribution of the industrial sector to the GDP, he said the number of industrial projects under Tanfeedh had touched 26, some of which have reached various stages of production.

Source: [Oman Observer](#)

RO 100m invested in expansion of industrial cities

The Public Establishment for Industrial Estates (Madayn) is investing an estimated RO 100 million in supporting the expansion of a number of industrial cities operating under its auspices, to cater to a strong uptrend in investment inflows into these manufacturing clusters. Industrial cities at Rusayl and Samayil account for the lion's share of these allocations, Madayn officials said during celebrations marking Industry Day, which commemorate His Majesty the Sultan's landmark visit to Rusayl Industrial City on February 9, 1991.

Source: [Oman Observer](#)

Muscat Finance's Board of Directors proposes dividends

The Board has recommended distribution of 10% of paid-up capital as dividend, comprising of 2.5% stock dividend and 7.5% cash dividend, for the year 2018, subject to regulatory & shareholder approvals.

Source: [MSM](#)

Salalah Mills has announced receipt of OMR 2.04mn as full receipt of subsidy from Government

Salalah Mills has announced receipt of OMR 2.04mn as full receipt of subsidy from Government for wheat and flour.

Source: [MSM](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Dubai index flat while Saudi construction stocks soar

Saudi construction and cement stocks rose in early Sunday trading following a royal decree to reimburse rising expatriate fees that will help labour-intensive sectors. Other markets were mixed in lacklustre trading.

Source: [Gulf News](#)

SIDF, Tawteen sign pact to set up SAR 292 mln steel pipe plant

Saudi Industrial Development Fund (SIDF) has signed a finance agreement within Tawteen (Localization) Finance Program to build corrosion resistance alloy (CRA) clad steel pipes plant in Jubail City, Eastern Region, with investment amounting to SAR 292 million, Saudi Press Agency reported on Sunday.

Source: [Argaam](#)

Here's what you need to know about MSCI Tadawul 30 Index

The Saudi Stock Exchange (Tadawul) and MSCI have launched the tradeable index, MSCI Tadawul 30 Index (MT30). MT30, which was co-developed by MSCI and Tadawul, is used as a basis for derivatives and exchange-traded financial products.

Source: [Argaam](#)

UAE boosting financial inclusion for SMEs, says IMF's Lagarde

Small and medium enterprises represent around 96 per cent of registered firms in the Arab world, but they face severe financing issues and closing this financial inclusion gap will help generate 15 million new jobs in the next six years, the head of the International Monetary Fund said on Sunday.

Source: [Zawya](#)

Dubai Property Glut on Show in Worst Week for Stocks Since 2016

Dubai stocks are giving investors an update on the woes confronting the local real-estate industry. The DFM Real Estate & Construction Index fell about 7 percent last week, the biggest weekly drop since May 2016. All but one of its members were down by at least 2 percent, compared with an overall 0.1 percent retreat in an emerging-market gauge for the sector.

Source: [Bloomberg](#)

Bahrain vows to focus on cost control

Bahrain government will focus on “stringent cost controls” to balance its budget, Bahrain’s Minister of Finance and National Economy told Bloomberg Television in an interview. Shaikh Salman bin Khalifa Al Khalifa said the government has trimmed the deficit by 35 percent last year as part of the plan to balance the budget by 2022.

Source: [Trade Arabia](#)

GCC Sovereign and Corporate Issuances, Totaled Exceeds \$153 Billion in 2018

The aggregate primary issuance of bonds and sukuk by GCC entities, including central banks local issuances, GCC sovereign and corporate issuances, totalled US\$153.74 billion in 2018, a 11.7 per cent decrease from the total amount raised in 2017. Saudi entities were the top issuers in terms of total value issued.

Source: [Al Bawaba](#)

Kuwait Petroleum Said to Reassess \$500 Billion Spending Plan

Kuwait Petroleum Corp. is reassessing plans to spend about \$500 billion in capital investment and may decide this year to combine its eight business units into four to streamline the company, according to a person familiar with the matter. Lower oil prices, Kuwait’s reduced output under a deal by OPEC to pump less crude, and a reevaluation of how best to spend the money have prompted the review, the person said, asking not to be identified as the potential changes have yet to be approved. The company announced plans last year to spend about \$500 billion on capital projects until 2040.

Source: [Bloomberg](#)

Saudi King Approves \$3.1 Billion Plan to Ease Expat Fee Costs

Saudi Arabia’s King Salman has approved a plan to ease levies businesses pay on foreign workers to help revive economic growth. Authorities will exempt some companies from paying the 2018 fees or reimburse those that have already paid, according to the official-Saudi Press Agency. To qualify for the aid, businesses need to have made strides in hiring more Saudi nationals.

Source: [Bloomberg](#)

BRIEF: Masraf Al Rayan Seeks Shareholders Approval On Existing Sukuk Program

Masraf Al Rayan Mark.Qa :

* Calls Shareholders Meeting On Feb 25 To Approve Existing Sukuk Program And Issuance Of Sukuk Under Program For Upto \$2 Billion

Source: [Zawya](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS**Chinese investors are spending billions on Thai property despite a turbulent political scene**

Thailand's popularity among Chinese property investors has soared despite a 2014 military coup and uncertainty about upcoming elections. According to recent data from online Chinese real estate portal Juwai.com, Thailand was the most popular country in the world when it comes to inquiries from potential real estate buyers in 2018 — climbing up from the sixth spot in 2016.

Source: [CNBC](#)

Dollar hovers near six-week highs on fresh trade, global growth worries

The dollar stayed near a six-week high against a basket of currencies as fresh worries over U.S.-Sino trade tensions and global growth pushed investors toward the safety of the greenback.

Source: [Reuters](#)

Stocks Mixed as China Returns, Rally Fizzles: Markets Wrap

Stocks in Asia traded mixed Monday as doubts on the possibility for progress ahead of a potentially pivotal week for U.S.-China trade talks crept back into markets. Resurgent worries on global growth are driving bonds higher and threatening to dent this year’s rally in riskier assets, with stocks dipping last week. Equities rallied in China where exchanges reopened after a one-week holiday, and edged higher in Hong Kong.

Source: [Bloomberg](#)

Trade Talks to Eclipse All as Emerging-Market Bulls Take a Hit

The looming U.S.-China trade talks may be set to reveal how complacent traders have been about the dispute just as the rally in emerging markets loses steam. Last week's sudden retreat came as representatives from the world's two biggest economies prepared to discuss the standoff, with President Donald Trump saying he wouldn't meet his Chinese counterpart Xi Jinping before a 90-day truce ends March 1. U.S. Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin are leading a delegation to Beijing,

Source: [Bloomberg](#)

COMMODITIES NEWS

Oil prices fall on rising U.S. rig count, pressure on OPEC-led supply cuts

Crude prices fell by around 1 percent on Monday as U.S. drilling activity picked up and as Russia's biggest oil producer pressured President Vladimir Putin to end the supply cut deal with Middle East-dominated producer club OPEC. U.S. West Texas Intermediate (WTI) crude futures CLC1 were at \$52.16 per barrel at 0103 GMT, down 56 cents, or 1 percent, from their last settlement.

Source: [Zawya](#)

Gold gains as global growth concerns dent risk appetite

Gold rose on Friday as a gloomy global economic outlook dented risk appetite, but a firm dollar stemmed bullion's advance and kept the metal on track for its first weekly decline in three. Spot gold was up 0.3 percent at \$1,313.95 per ounce at 1:54 pm EST (1854 GMT), having recovered from an over one-week low of \$1,302.11 touched on Thursday.

Source: [Economic Times](#)