













U Capital Morning Brief

19 February 2020

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	884.36	0.85	0.10%	4.84%	8.16	0.85	6.9%
U Capital GCC 50 Index	1,278.06	-4.39	-0.34%	-7.79%	15.90	1.91	4.4%
U Capital MENA 200 Index	1,032.13	-0.13	-0.01%	-5.37%	16.95	1.86	4.3%
MSCI GCC Countries Index	534.83	-0.33	-0.06%	-6.12%	15.71	1.70	4.1%
Muscat Securities Market	 4,149.07	-15.79	-0.38%	4.22%	8.28	0.76	7.2%
Saudi Stock Exchange	 7,858.93	-13.62	-0.17%	-6.32%	21.58	1.73	3.4%
Kuwait Stock Exchange	 7,094.56	-57.97	-0.81%	-2.21%	15.15	1.41	3.5%
Qatar Exchange	 9,775.75	66.65	0.69%	-6.23%	14.31	1.41	4.4%
Bahrain Stock Exchange	 1,659.98	-2.80	-0.17%	3.09%	12.42	1.00	4.3%
Dubai Financial Market	 2,749.24	-0.04	0.00%	-0.56%	9.94	0.97	4.3%
Abu Dhabi Exchange	 5,055.74	-26.72	-0.53%	-0.39%	14.91	1.39	4.9%
Beirut Stock Exchange	 618.10	-0.83	-0.13%	-21.32%	3.26	0.37	14.9%
Palestine Stock Exchange	 535.49	1.00	0.19%	1.81%	12.65	1.22	4.4%
Tunis Se Index	 7,149.78	11.47	0.16%	0.39%	20.38	2.44	2.1%
EGX 30 Index	 13,636.93	-163.32	-1.18%	-2.33%	11.41	1.79	2.2%
Amman General Index	 1,861.65	3.49	0.19%	2.56%	11.77	0.89	7.2%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	7,382.0	-0.69%	-2.1%
DAX	Germany	13,681.2	-0.75%	3.3%
CAC 40	France	6,056.8	-0.48%	1.3%
United States				
DJIA	USA	29,232.2	-0.56%	2.4%
S&P 500	USA	3,370.3	-0.29%	4.3%
NASDAQ	USA	9,732.7	0.02%	8.5%
Asia Pacific				
NIKKEI 225	Japan	23,454.0	1.12%	-0.9%
HANG SENG	Hongkong	27,651.4	0.44%	-1.9%
KSE 100 Index	Pakistan	40,231.2	0.14%	-1.2%
NSE Nifty 50	India	12,072.2	0.66%	-0.8%
SHANGHAI COMPOSITE	China	2,994.1	0.30%	-1.8%
SHANGHAI SHENZHEN CSI 300	China	4,078.8	0.52%	-0.4%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.670	1.494
British Pound (GBP)	1.300	0.769
Canadian Dollar (CAD)	0.755	1.325
Chinese Renminbi (CNH)	0.143	7.010
Egyptian Pound (EGP)	0.064	15.640
Euro (EUR)	1.080	0.926
Indian Rupee (INR)	0.014	63.875
Japanese Yen (JPY)	0.009	110.030
New Zealand Dollar (NZD)	0.639	1.564
Omani Rial (OMR)	2.597	0.385
Pakistani Rupee (PKR)	0.648	154.250
Russian Ruble (RUB)	0.016	71.561
Singapore Dollar (SGD)	0.719	1.392
Turkish Lira (TRY)	0.165	6.069

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	58.4	1.06%	-10.6%
WTI Crude (per bbl)	52.6	1.08%	-13.8%
Oman Crude Oil (Last Closing)	56.8	0.25%	-15.8%
OPEC (per bbl)	57.2	0.90%	-15.8%
Precious Metals			
Gold100 OZ (per oz)	1,601.9	0.02%	5.6%
Silver (per oz)	18.2	0.41%	2.2%
Platinum (per oz)	1,000.1	0.77%	3.5%
Other Metals			
Copper, MT	5,773	-0.67%	-6.5%
Aluminium, MT	1,720	-0.06%	-5.0%
Lead, MT	1,898	1.33%	-1.5%
Zinc, MT	2,145	-1.24%	-5.6%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	2.03	-8.2%
Saudi Arabia	2.14	-4.1%
Kuwait	2.50	-9.1%
Oman	2.73	-3.2%
Qatar	2.25	-0.2%
Bahrain	2.58	-3.1%

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
Kuwait	20/03/2027	2.1
Abu Dhabi	11/10/2027	2.1
Qatar	02/06/2026	2.1
Saudi Arabia	04/03/2028	2.5
Oman	17/01/2028	4.8
Bahrain	12/10/2028	4.3

Midswaps	Price	YTM %
3 year	99.97	1.4
5 year	99.87	1.4
10 year	99.41	1.6
30 year	99.77	2.0

USD Libor	Rate (%)	YTD
1m	1.65	-6.6%
3m	1.69	-11.3%
6m	1.72	-9.8%
1 year	1.79	-10.2%

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

Somali business delegation explores investment opportunities in Madayn

A delegation representing the Ministry of Commerce and Industry in Somalia and a number of Somali businessmen visited on Tuesday the headquarters of the Public Establishment for Industrial Estates – Madayn at the Knowledge Oasis Muscat. The delegation was received by Hilal bin Hamad Al Hasani, Chief Executive Officer of Madayn.

Source: [Times of Oman](#)

CBO issues treasury bills worth OMR10 million

Oman's central bank raised OMR10 million by way of allotting treasury bills on Tuesday. The treasury bills are for a maturity period of 91 days, from Wednesday until May 20, 2020. The average accepted price reached 99.570 for every OMR100, and the minimum accepted price arrived at 99.570 per OMR100. Whereas the average discount rate and the average yield reached 1.72473 per cent and 1.73217 per cent, respectively.

Source: [Times of Oman](#)

Banking credit to Omani SMEs lags at 3.2 per cent, well below mandated 5 per cent: CBO

Loans provided by commercial banks to SME funding agencies can now be considered – up to a certain limit – as credit to SMEs themselves in the calculation of their shares towards banking credit for small and medium businesses. The measure comes as banking credit to the SME, mandated at a minimum of five per cent of a bank's total credit portfolio, has faltered – a trend that the Central Bank of Oman (CBO) has been seeking to reverse.

Source: [Oman Observer](#)

New oil frontier opens up off Oman's east coast

Oman's nascent efforts to unlock the hydrocarbon potential of its vast, untapped offshore acreage received a shot in the arm on Monday when Masirah Oil Limited (MOL) announced it has successfully completed the drilling of an appraisal well in Block 50 offshore Oman's east coast, with first oil flowing into a tanker anchored nearby. The Yumna-1 well, located 30 kilometres off the Sultanate's east coast near Masirah Island, was spudded on December 26, 2019.

Source: [Oman Observer](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

STC says it is the official owner of group's new logo

STC is the owner of the group's new logo, which is officially registered in Saudi Arabia and other countries, the telecom operator said in a statement on Tuesday. A firm has contacted STC, claiming trademark and logo infringement by the Saudi telecom operator. Following discussions with that firm, STC clarified that the firm only seeks to blackmail STC and realize financial gains from that claim.

Source: [Argaam](#)

Dubai businesses more upbeat on improving market conditions

With the Expo 2020 and a big surge in the inflow of tourists expected to revitalise commercial activity, businesses in Dubai are getting more upbeat on improving market conditions and strong prospects for international reach, Dubai Economy said. The quarterly survey of Dubai Economy showed that the proportion of firms anticipating improvement in business situation in the first quarter of 2020 has increased to 60 per cent, from 58 per cent for the previous quarter, with the Expo 2020 and tourist arrivals expected to energise commercial activity.

Source: [Zawya](#)

Aramco Trading locks in long-term deal for Kuwaiti oil supply

Aramco Trading Co (ATC) has sealed a new deal to secure long-term crude oil supplies from state-run Kuwait Petroleum Corp (KPC) that can be processed at refineries owned by Saudi Aramco in Asia, trade sources said. ATC inked its first contract to buy Kuwaiti Export Crude (KEC) from KPC this year, three sources with knowledge of the matter said. The company is the trading arm of Saudi Aramco, the state-owned oil company of Saudi Arabia, which is the world's largest oil exporter.

Source: [Economic Times](#)

Property developers in UAE seek visa sops

UAE - Property developers in the UAE have urged the government to reduce the price tag for 10-year residence visas to make the economy more competitive and attract global talent and foreign direct investment. While speaking to Khaleej Times, the industry executives said it will also help the sector to quickly absorb the oversupply in the market.

Source: [Zawya](#)

GFH acquires 70% stake in Dubai-based payment technology firm Marshal

Bahrain-based GFH Financial Group acquired a 70 per cent stake in FinTech firm Marshal - its second major investment in a technology firm. The transaction was made through GFH's investment banking arm, GFH Capital, the company said in a statement on Tuesday, without disclosing the value of the deal. Established in 1981, Dubai-based Marshal, is one of the oldest payment technology firms in the region.

Source: [The National](#)

Abu Dhabi completes AED 1.55bn transport projects in 2019

The Abu Dhabi Integrated Transport Centre on Tuesday announced the completion of six infrastructure projects and transport-related transactions in Abu Dhabi during 2019, with a total cost of AED 1.552 billion. The emirate also launched four projects at a cost of AED 1.742 billion to build an integrated and sustainable transport network, Abu Dhabi's government posted on Twitter.

Source: [Mubasher](#)

Moody's places DP World's Baa1 rating on review for downgrade following delisting deal

Moody's Investors Service, ("Moody's") has placed on review for downgrade the Baa1 long term issuer and senior unsecured ratings of DP World PLC ("DP World" or "Group") and (P)Baa1 senior unsecured rating assigned to DP World Crescent Limited MTN program. A complete list of rating actions can be found at the end of this press release. This rating action follows the announcement that Port and Free Zone World FZE (PFZW), has made an offer to DP World's minority shareholders to acquire the outstanding 19.55% of shares for approximately \$2.7 billion. The transaction would give PFZW full ownership of DP World which will then be delisted.

Source: [Moody's](#)

Three Tadawul-listed telecom companies post SAR 11.27bn profit in 2019

The consolidated net profits of three telecommunication companies listed on the Saudi Stock Exchange (Tadawul) grew by 2.57% year-on-year to SAR 11.27 billion in 2019, according to data compiled by Mubasher. Saudi Telecom Company (STC) led telecom companies in the market in terms of profits during the fiscal year 2019. STC's net profit after zakat and tax decreased by 0.23% in 2019 to SAR 10.755 billion, down from SAR 10.78 billion in 2018.

Source: [Decypha](#)

Islamic Development Bank starts marketing dollar sukuk

Saudi Arabia's Islamic Development Bank began marketing on Tuesday five-year dollar sukuk, or Islamic bonds, at high-40s basis points (bps) over mid-swaps, an investment note showed. The bank, rated triple-A by Moody's, S&P and Fitch, has hired Citi, Dubai Islamic Bank, HSBC, Islamic Corporation for the Development of the Private Sector, LBBW, Natixis and Standard Chartered Bank to arrange the potential debt sale, which is expected to close on Wednesday, the note said.

Source: [Zawya](#)

Egypt to Resume IPOs of State-Run Firms by End of March, Minister Says

Egypt's government plans to resume its program to offer stakes in state-run firms by the end of March, with Banque du Caire's IPO expected to be second in a line-up of three companies on offer, Public Enterprise Minister Hisham Tawfik said.

Source: [Bloomberg](#)

MIDEAST STOCKS-Egyptian stocks drop ahead of c.bank meet, Mobily weighs on Saudi

Egyptian stock markets fell sharply on Tuesday ahead of its central bank meeting later this week to decide on rate cuts, while Saudi shares were pulled lower by losses at Etihad Etisalat (Mobily) after it missed fiscal year profit estimates. Other major Gulf stocks were mixed. Egypt's blue-chip index .EGX30 was down 1.2% with the country's largest lender Commercial International Bank Egypt COMI.CA losing 0.8%. Heliopolis Co For Housing And Development HELI.CA fell 6.8% a day after it traded ex-dividend.

Source: [NASDAQ](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Asia markets edge up as investors monitor China's return to production; yuan weakens

Asia markets edged up in early trade on Wednesday. Japan released its trade data for January, showing that its exports fell 2.6% year-on-year, less than the 6.9% drop expected by economists in a Reuters poll. China's return to work after its extended shutdown will be closely tracked. State media reported on Tuesday that more than 80% of its central state-owned enterprises' roughly 20,000 manufacturing subsidiaries have resumed work. But some analysts doubt the actual progress.

Source: [CNBC](#)

Dollar shines against euro, riskier peers as virus hit widens

The dollar stood tall over the languishing euro and heavily sold exporter currencies on Wednesday, as investors reckoned with a deepening economic fallout from the coronavirus. The new coronavirus has caused 2,004 deaths in China and infected more than 74,000 people, while measures to contain it have paralysed the economy and the supply chains it feeds. Apple Inc AAPL.O has warned it will probably miss its March quarter sales guidance amid disrupted production and shopping habits. Car makers are idling plants for lack of parts.

Source: [NASDAQ](#)

Bloomberg to sell his company if elected president: campaign

Democratic presidential contender Michael Bloomberg will sell Bloomberg LP, the financial information company that made him a billionaire, if he is elected to the White House in November, his campaign confirmed on Tuesday. Bloomberg has risen quickly in opinion polls since entering the race for the Democratic nomination in November and he will appear in his first debate of the election cycle on Wednesday in Las Vegas. Democrats are vying for the right to challenge Republican President Donald Trump in the Nov. 3 election.

Source: [Reuters](#)

COMMODITIES NEWS

Oil inches higher, but gains capped by widening economic impact of coronavirus outbreak

Oil prices were slightly higher on Wednesday with gains limited by the widening economic impact from the coronavirus epidemic that started in China, although new confirmed cases fell for a second day in the province at the center of the outbreak. Brent crude LCOc1 was up by 6 cents at \$57.81 a barrel by 0149 GMT, while U.S. oil CLc1 was up 7 cents at \$51.97 a barrel. Both contracts started the Asian session trading lower.

Source: [Reuters](#)