













U Capital Morning Brief

3 March 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	871.59	-8.48	-0.96%	3.32%	8.03	0.82	7.4%
U Capital GCC 50 Index	1,189.49	5.42	0.46%	-14.18%	15.68	1.72	4.7%
U Capital MENA 200 Index	969.91	-38.07	-3.78%	-11.08%	14.98	1.75	4.6%
MSCI GCC Countries Index	498.50	2.32	0.47%	-12.50%	14.59	1.57	4.3%
Muscat Securities Market	 4,081.17	-0.16	0.00%	2.51%	8.15	0.75	7.3%
Saudi Stock Exchange	 7,349.19	4.09	0.06%	-12.40%	20.50	1.60	3.6%
Kuwait Stock Exchange	 6,683.72	310.03	4.86%	-7.87%	14.58	1.32	3.7%
Qatar Exchange	 9,215.81	-274.33	-2.89%	-11.60%	13.52	1.32	4.4%
Bahrain Stock Exchange	 1,640.95	36.39	2.27%	1.91%	11.66	0.99	4.4%
Dubai Financial Market	 2,536.66	62.84	2.54%	-8.25%	9.17	0.90	4.6%
Abu Dhabi Exchange	 4,763.48	39.66	0.84%	-6.15%	14.07	1.30	5.2%
Beirut Stock Exchange	 628.26	-1.40	-0.22%	-20.02%	3.31	0.37	14.7%
Palestine Stock Exchange	 534.76	-0.31	-0.06%	1.67%	12.64	1.22	4.4%
Tunis Se Index	 7,204.39	33.08	0.46%	1.16%	20.51	2.46	2.0%
EGX 30 Index	 12,289.87	67.28	0.55%	-11.97%	10.07	1.60	2.5%
Amman General Index	 1,817.70	-7.97	-0.44%	0.14%	11.51	0.87	7.4%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	6,654.9	1.13%	-11.77%
DAX	Germany	11,857.9	-0.27%	-10.50%
CAC 40	France	5,333.5	0.44%	-10.78%
United States				
DJIA	USA	26,703.3	5.09%	-6.43%
S&P 500	USA	3,090.2	4.60%	-4.35%
NASDAQ	USA	8,952.2	4.49%	-0.23%
Asia Pacific				
NIKKEI 225	Japan	21,172.3	-0.80%	-10.50%
HANG SENG	Hongkong	26,495.9	0.78%	-6.01%
KSE 100 Index	Pakistan	39,772.6	1.21%	-2.36%
NSE Nifty 50	India	11,228.0	0.86%	-7.73%
SHANGHAI COMPOSITE	China	3,011.4	1.36%	-1.27%
SHANGHAI SHENZHEN CSI 300	China	4,121.5	1.27%	0.61%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.655	1.527
British Pound (GBP)	1.278	0.783
Canadian Dollar (CAD)	0.750	1.334
Chinese Renminbi (CNH)	0.143	6.972
Egyptian Pound (EGP)	0.064	15.650
Euro (EUR)	1.114	0.897
Indian Rupee (INR)	0.014	66.426
Japanese Yen (JPY)	0.009	107.830
New Zealand Dollar (NZD)	0.626	1.597
Omani Rial (OMR)	2.597	0.385
Pakistani Rupee (PKR)	0.648	154.308
Russian Ruble (RUB)	0.015	72.731
Singapore Dollar (SGD)	0.719	1.391
Turkish Lira (TRY)	0.162	6.184

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	52.9	2.00%	-18.15%
WTI Crude (per bbl)	47.8	2.22%	-21.75%
Oman Crude Oil (Last Closing)	52.1	2.28%	-22.68%
OPEC (per bbl)	50.2	-3.33%	-26.19%
Precious Metals			
Gold100 OZ (per oz)	1,600.0	0.67%	5.45%
Silver (per oz)	16.9	1.16%	-5.18%
Platinum (per oz)	874.8	1.30%	-9.50%
Other Metals			
Copper, MT	5,700	1.15%	-7.68%
Aluminium, MT	1,717	1.33%	-5.14%
Lead, MT	1,847	-0.05%	-4.15%
Zinc, MT	2,023	0.07%	-10.96%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	1.89	-14.7%
Saudi Arabia	1.98	-11.1%
Kuwait	2.50	-9.1%
Oman	2.71	-3.6%
Qatar	2.35	4.4%
Bahrain	2.53	-5.0%

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
Kuwait	20/03/2027	1.9
Abu Dhabi	11/10/2027	1.9
Qatar	02/06/2026	2.1
Saudi Arabia	04/03/2028	2.5
Oman	17/01/2028	5.4
Bahrain	12/10/2028	4.6

Midswaps	Price	YTM %
3 year	101.53	0.8
5 year	101.16	0.9
10 year	103.61	1.1
30 year	107.56	1.7

USD Libor	Rate (%)	YTD
1m	1.52	-14.0%
3m	1.46	-23.4%
6m	1.40	-26.9%
1 year	1.38	-30.8%

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

Omani rial exchange rate index rises 0.4%

The effective exchange rate index of Omani rial rose by 0.4 per cent to 105 points at the end of December 2019 compared to 104.6 points in the same period of 2018. The total currency issued till the end of December 2019 stood at OMR1.61 billion against OMR1.60 billion issued in 2018, marking a rise of 0.4 per cent, according to data released by the National Centre for Statistics and Information (NCSI) data. The Sultanate registered an increase in narrow money supply (M1) by 8.5 per cent to reach OMR5.34 billion at the end of December 2019. Meanwhile, broad Money Supply (M2) rose 2 per cent to reach OMR17.75 billion during the period as against OMR17.39 billion in the previous year.

Source: [Times of Oman](#)

3.5MN TOURISTS VISITED THE SULTANATE IN 2019: NCSI

There was a massive growth in the tourism sector of the sultanate during the last five years which helped it achieve positive indicators. There was an increase in the number of hotel establishments as well as their income leading to reduction of average rate of rooms. This made investment more attractive. Due to this, the number of tourists coming to the sultanate as also gone up. The income of hotel establishments increased from RO190mn in 2013 to RO260mn in 2019. This was due to the increase in investments in the hotel establishments, which resulted in the number of hotel rooms increasing from 13,603 in 2013 to 25,408 in 2019.

Source: [Muscat Daily](#)

MECA REVIEWS NATIONAL URBAN DEVELOPMENT STRATEGY

H E Mohammed bin Salim al Toobi, Minister of Environment and Climate Affairs, has held a meeting with specialists in the ministry for reviewing the draft of the National Urban Development Strategy. The specialists gave a presentation about the developments of the project, as well as the role of the ministry through the stages of preparing the project. The ministry provided the project with all the available environmental information and data that helps in the development of the project stages. The ministry will provide environmental information and data through the available electronic systems.

Source: [Muscat Daily](#)

Minister of Housing to inaugurate Sandan Industrial Park in Halban

Sheikh Saif bin Mohammed Al Shabibi, Minister of Housing, will inaugurate Sandan Industrial Park, the first integrated light industries park in Halban City managed by the Omani private sector on March 5. With its strategic location adjacent to Muscat Expressway, Sandan Industrial Park offers multiple services. It integrates commercial and industrial activities, especially those related to vehicles and building materials. Its services cover banking, communications, travel offices, restaurants, cafes, medical clinic, variegated residential apartments, Al Maha petrol station and a mosque. Sandan Industrial Park has also offices for some government agencies and clearance offices to facilitate business rendering it an industrial integrated city.

Source: [Times of Oman](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Shura approves new GCC Payment System Company

BAHRAIN will sign on to a new company that will allow large direct financial transactions between Gulf States. In their weekly meeting yesterday, Shura Council members gave the government the go-ahead to sign the set-up and foundation terms of the GCC Payment System Company.

Source: [GDN](#)

Dubai exports surge 22% in 2019 to \$42bln

Dubai's external trade surged 6 percent to Dh1.371 trillion (\$373.26 billion) in 2019 from Dh1.299 trillion in 2018 with exports skyrocketing 22 percent to Dh155 billion (\$42.2 billion). Re-exports grew by 4 percent to Dh420 billion and imports rose by 3 percent to Dh796 billion, said a Wam news agency report. Non-oil external trade last year grew 19 percent in volume from 91 million tons in 2018 to reach 109 million tons in 2019. Re-exports rose by a record 48 percent to reach 17 million tons, while exports rose by 45 percent to 19 million tons and imports grew by 9 percent to 72 million tons.

Source: [Zawya](#)

NMC Health to request debt standstill to stabilise finances

NMC Health NMC.L said it would ask for an informal debt standstill to stabilise the UAE-based hospital operator's finances as it confirmed on Monday that Moelis MC.N would advise it in talks with banks. NMC shares have lost more than half of their value since December when U.S. based short-seller Muddy Waters questioned its financial statements. A review of NMC's finances is being led by former FBI boss Louis Freeh.

Source: [NASDAQ](#)

Bahrain Middle East oil conference delayed by coronavirus

Bahrain has postponed two oil and gas conferences which were scheduled to take place this month, including a regional gathering for oil traders, due to the coronavirus outbreak. The annual Middle East Petroleum and Gas Conference (MPGC), at which the region's oil traders meet, has been postponed to the second half of the year due to travel restrictions and health concerns, the organisers said on Monday. Another energy conference, GEO 2020, which was due to be held on March 16-19, was postponed until Sept. 14-17.

Source: [Money UK](#)

Dubai Expo 2020 organizers following coronavirus situation closely

Organizers of Dubai Expo 2020, which starts in October, are following the coronavirus outbreak closely, but are hopeful global efforts to manage the virus will succeed, an Expo 2020 spokesman said on Sunday. "The safety and well-being of everyone visiting Expo 2020 Dubai is of paramount importance to us, and we're working closely with the UAE's Ministry of Health and Prevention to apply the guidance that they have provided," the spokesman said.

Source: [Reuters](#)

Dubai branded residences priced lowest in the world

Rates of branded residences in Dubai are the third lowest in the world at \$580 per square foot, after Cape Town (\$310) and Kuala Lumpur (\$280), data showed on Monday. According to property consultancy, Savills, buying residency property in Hong Kong is the costliest in the world at \$4,610 followed by New York (\$2,510), Tokyo (\$2,160), Geneva (\$1,920) and London (\$1,670). It said Dubai leads all the major global cities for having the highest number of branded residency projects, surpassing all major cities. Data showed that the emirate has 44 branded residency projects - both which have been completed and those which are in the pipeline - followed by New York with 31 projects. Other top 10 global cities are Miami (24), Phuket (16), Bangkok (14), Istanbul (13), London (12), Boston (11), Bodrum (8) and Kuala Lumpur (8).

Source: [Zawya](#)

Mideast Stocks: Most Gulf stocks close higher on stimulus hopes; Qatar slides

Middle Eastern stocks ended higher on Monday, a day after witnessing steep declines, as hopes of global interest rate cuts offset fears of damage to demand from the coronavirus outbreak. Last week's wide losses led financial markets to price in policy responses from the U.S. Federal Reserve to the Bank of Japan, which indicated on Monday it would take necessary steps to stabilise financial markets. Dubai's main share index closed up 2.5%, with blue-chip developer Emaar Properties rising 3.3%.

Source: [Zawya](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Global shares extend rebound on hopes of G7 support

Global shares and oil prices extended their rebound on Tuesday on mounting speculation policymakers around the world would move to ease the economic fallout from the spreading coronavirus, ahead of a conference call by Group of Seven heads. Finance ministers from the group are expected to hold a conference call on Tuesday (1200 GMT), sources said, to discuss measures to deal with the economic impact of the coronavirus outbreak.

Source: [Reuters](#)

Unthinkable a few weeks ago, Wall Street sees a chance of rates falling as low as zero this year

JPMorgan Chase economists see the Fed acting even more aggressively than the market is anticipating. Current market pricing is for a 50 basis point cut in March and 100 basis points in total this year. However, JPM said the Fed could go to zero by the end of the summer if conditions persist.

Source: [CNBC](#)

Top central banks appear primed to act to combat coronavirus risk

The world's top three central banks look set to take steps to limit the economic damage from the fast-spreading coronavirus, with the heads of the European Central Bank and Bank of Japan issuing emergency statements on Monday that echoed one from U.S. Federal Reserve Chair Jerome Powell late last week. The day kicked off with BOJ Governor Haruhiko Kuroda pledging to take actions as needed to stabilize markets jolted by the coronavirus outbreak, and ECB President Christine Lagarde followed suit late in the day with a comparable statement. Powell on Friday promised the Fed would "act as appropriate" to support the U.S. economy.

Source: [NASDAQ](#)

Apple stock rebounds almost 7% to head for strongest day since 2018

Shares in Apple (AAPL.O) surged 6.9% on Monday, helped by a broad Wall Street rebound and an upgraded rating from an analyst who said the iPhone maker's stock had become oversold following last week's rout related to fears about the new coronavirus. Oppenheimer upgraded its rating on Apple to "outperform" from "perform", saying the Cupertino, California, company was more prepared than its competitors to absorb the impact of the global health crisis. Apple's stock tumbled over 16% from its record high on Feb. 12 through Friday.

Source: [Reuters](#)

COMMODITIES NEWS

OPEC Tries to Head Off Oil Glut as Coronavirus Saps Demand

Rising expectations that some of the world's major oil producers will agree to production cuts appeared to steady oil prices on Monday. But as the coronavirus continues to fan out across the globe, sapping economic activity, analysts were doubtful that a cut in production of as much as one million barrels a day would be enough to stem a weeklong slide in prices.

Source: [NYT](#)

Gold extends gains on global monetary easing bets

Spot gold climbed by 0.5% to \$1,597.66 per ounce by 0236 GMT after a 0.4% gain on Monday. U.S. gold futures advanced 0.3% to \$1,599.10. Among other precious metals, palladium gained 1% to \$2,548.36 per ounce, while platinum rose 1.5% to \$872.95. Silver was up 1.3% at \$16.94 per ounce.

Source: [CNBC](#)

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