

U Capital Morning Brief

9 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	847.76	-28.34	-3.23%	0.50%	7.87	0.79	7.7%
U Capital GCC 50 Index	1,121.09	-85.67	-7.10%	-19.12%	14.40	1.67	5.0%
U Capital MENA 200 Index	922.25	-63.89	-6.48%	-15.45%	13.85	1.68	5.4%
MSCI GCC Countries Index	467.51	-37.48	-7.42%	-17.94%	13.71	1.47	4.6%
Muscat Securities Market	 3,994.89	-112.90	-2.75%	0.34%	8.11	0.74	7.4%
Saudi Stock Exchange	 6,846.36	-621.16	-8.32%	-18.39%	19.18	1.49	3.9%
Kuwait Stock Exchange	 6,132.16	-556.05	-8.31%	-15.47%	13.53	1.21	4.0%
Qatar Exchange	 9,037.20	-272.19	-2.92%	-13.32%	13.26	1.30	4.4%
Bahrain Stock Exchange	 1,562.63	-55.16	-3.41%	-2.95%	11.10	0.94	4.6%
Dubai Financial Market	 2,266.93	-193.61	-7.87%	-18.01%	8.20	0.80	5.2%
Abu Dhabi Exchange	 4,393.85	-249.24	-5.37%	-13.43%	12.99	1.20	5.7%
Beirut Stock Exchange	 622.95	-9.11	-1.44%	-20.70%	3.28	0.37	14.8%
Palestine Stock Exchange	 531.09	-3.50	-0.65%	0.98%	12.54	1.21	4.5%
Tunis Se Index	 7,025.31	-87.68	-1.23%	-1.36%	20.00	2.40	2.1%
EGX 30 Index	 11,849.39	-498.26	-4.04%	-15.13%	9.72	1.54	2.6%
Amman General Index	 1,813.99	5.24	0.29%	-0.07%	11.46	0.86	7.4%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	6,462.6	-3.62%	-14.32%
DAX	Germany	11,541.9	-3.37%	-12.89%
CAC 40	France	5,139.1	-4.14%	-14.03%
United States				
DJIA	USA	25,864.8	-0.98%	-9.37%
S&P 500	USA	2,972.4	-1.71%	-8.00%
NASDAQ	USA	8,575.6	-1.87%	-4.42%
Asia Pacific				
NIKKEI 225	Japan	19,573.2	-5.69%	-17.26%
HANG SENG	Hongkong	25,230.6	-3.50%	-10.50%
KSE 100 Index	Pakistan	36,112.9	-5.51%	-11.35%
NSE Nifty 50	India	10,592.8	-3.61%	-12.95%
SHANGHAI COMPOSITE	China	2,961.3	-2.41%	-2.91%
SHANGHAI SHENZHEN CSI 300	China	4,024.5	-2.76%	-1.76%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.654	1.529
British Pound (GBP)	1.307	0.765
Canadian Dollar (CAD)	0.733	1.364
Chinese Renminbi (CNH)	0.144	6.944
Egyptian Pound (EGP)	0.065	15.629
Euro (EUR)	1.141	0.877
Indian Rupee (INR)	0.014	73.973
Japanese Yen (JPY)	0.010	102.740
New Zealand Dollar (NZD)	0.628	1.594
Omani Rial (OMR)	2.596	0.385
Pakistani Rupee (PKR)	0.647	154.638
Russian Ruble (RUB)	0.014	68.566
Singapore Dollar (SGD)	0.722	1.385
Turkish Lira (TRY)	0.162	6.179

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	32.8	-27.46%	-49.27%
WTI Crude (per bbl)	28.9	-29.92%	-52.70%
Oman Crude Oil (Last Closing)	34.8	-23.11%	-48.43%
OPEC (per bbl)	51.7	-0.48%	-23.87%
Precious Metals			
Gold100 OZ (per oz)	1,668.7	-0.31%	9.98%
Silver (per oz)	16.9	-2.75%	-5.52%
Platinum (per oz)	880.0	-2.77%	-8.95%
Other Metals			
Copper, MT	5,607	-1.18%	-9.18%
Aluminium, MT	1,685	-2.03%	-6.91%
Lead, MT	1,853	0.98%	-3.84%
Zinc, MT	1,984	-1.34%	-12.68%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	1.43	-35.1%
Saudi Arabia	1.44	-35.3%
Kuwait	2.56	-6.8%
Oman	2.72	-3.4%
Qatar	1.87	-17.0%
Bahrain	2.28	-14.5%

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
Kuwait	20/03/2027	1.7
Abu Dhabi	11/10/2027	1.7
Qatar	02/06/2026	1.8
Saudi Arabia	04/03/2028	2.2
Oman	17/01/2028	5.5
Bahrain	12/10/2028	4.5

Midswaps	Price	YTM %
3 year	102.99	0.4
5 year	103.50	0.4
10 year	109.55	0.5
30 year	126.84	1.0

USD Libor	Rate (%)	YTD
1m	0.86	-51.1%
3m	0.90	-53.0%
6m	0.88	-54.0%
1 year	0.85	-57.6%

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

First OCCI membership certificate issued at Al Mazunah Free Zone's one-stop-station

All the services of Oman Chamber of Commerce and Industry (OCCI) are currently being offered at the one-stop-station at Al Mazunah Free Zone, informed Said bin Abdullah Al Balushi, Acting Director-General of Al Mazunah Free Zone. "With the first OCCI membership certificate been recently issued at the free zone's one-stop-station, all the services that are required by the investors are now available at the one-stop-station. These services include obtaining and approving certificates of origin, and applying and renewing membership certificates," Al Balushi said.

Source: [Times of Oman](#)

Oman-Australia cable project to boost connectivity with Mideast

Australian submarine cable infrastructure specialist SUB.CO has announced that its Oman Australia Cable (OAC) project has entered contract in force status (CIF) with its final system connection expected to be completed by December 2021. The project delivers a new international subsea cable system identified as 'OAC' that will directly connect Muscat, Oman to Perth, Australia. Once completed, OAC will be the only submarine cable directly connecting continental Australia and EMEA, providing the first secure, diverse, express and lowest latency route between the two continents.

Source: [Oman Observer](#)

Oman to contest antidumping ruling on PET exports to US

Oman's authorities are understood to be preparing to mount a response to a recent "preliminary determination" made by the US Department of Commerce in its antidumping investigations centring on imports of polyethylene terephthalate (PET) sheet from the Sultanate. The United States is an important market for exports of Omani PET sheet, which is widely used for general packaging applications, including dairy items, and thermoforming food packaging applications. Around \$200 million worth of Omani produced PET sheet was shipped to US markets in 2018. Almost all of this volume came from Salalah-based Octal Petrochemicals, one of the world's largest producers of PET sheet for the global packaging industry.

Source: [Oman Observer](#)

BELGIAN FIRM PLANS GREEN HYDROGEN PROJECT IN DUQM

Belgian engineering group DEME Concessions, along with its Omani partners, is planning to set up a large-scale solar and wind-powered hydrogen production project in Duqm. DEME last week announced its plans and exclusive partnership with unnamed Omani partners to develop a world leading green hydrogen plant in Duqm. 'The facility will significantly contribute to the decarbonisation of the regional chemical industry in Oman, as well as providing green hydrogen and/or derivatives (such as green methanol or ammonia) to international customers in Europe, for example in the Port of Antwerp,' DEME said on its website.

Source: [Muscat Daily](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Saudi telecom regulator grants IoT-VNO license to two companies

Mohammed Al-Tamimi, the governor of Saudi Arabia's Communications and Information Technology Commission (CITC) granted the two companies; Dawiyat Integrated Telecommunications & Information Technology Co., and MachinesTalk Co. the license for Internet of Things Virtual Network Operator (IoT-VNO), on the sidelines of the 3rd Saudi International Exhibition & Conference for Internet of Things, held on March 8-10, 2020. "This license allows leasing or acquiring the data bandwidth from the mobile telecom operator on a whole sale basis from the infrastructure service provider with no need for frequency spectrum or wireless networks. This will enable companies to offer IoT services, other services including smart meters services within the power grid, and the IoT solutions in transport, logistics services, and smart cities," according to the CITC statement.

Source: [Argaam](#)

NBB signs strategic partnership agreement with StartUp Bahrain

National Bank of Bahrain (NBB) has signed an agreement to become StartUp Bahrain's newest strategic partner. The bank aims to ramp up its efforts to lead the financial sector's support in growing and developing the startup ecosystem, its startups and stakeholders under its #TeamBahrain vision.

Source: [GDN](#)

Monitoring biggest daily TASI losses since 2008

Global markets and oil prices witnessed massive losses over the past few days due to fears of an outbreak of Coronavirus, in addition to Russia's withdrawal from OPEC+ agreement. The Saudi Stock Exchange (Tadawul) ended Sunday's trading session

losing 620 points at close at 6,846 points, the lowest close since November 8, 2017. The benchmark Tadawul All Share Index (TASI) registered the 5th biggest daily decline in percentage terms in 12 years since falling 9.8% on October 6, 2008.

Source: [Argaam](#)

Tadawul: 112 companies fall 10% during Sunday's session

Around 112 Tadawul-listed companies declined 10% during Sunday's trading session, according to data compiled by Argaam. Anaam International Holding Group Co. (Anaam Holding) topped the list, closing at SAR 126.

Source: [Argaam](#)

Saudi Arabia suspends travel to 9 nations, jams access to public places

Saudi Arabia has suspended travel to nine countries for its citizens and residents amid coronavirus fears and suspended the entry of people from those countries or anyone who has been there in the past 14 days, the state news agency reported early on Monday, quoting a source in the Interior Ministry. The nine countries are the United Arab Emirates, Kuwait, Bahrain, Lebanon, Syria, South Korea, Egypt, Italy and Iraq.

Source: [TRT](#)

Saudi Aramco slumps below IPO price as Middle East stocks feel effects of oil-price war

Saudi Aramco dropped below the IPO level for the first time after oil collapsed and the start of a price war that has the energy giant at its centre. The stock fell as much as 3.9% in Riyadh on Sunday to trade at 31.7 riyals, below the 32 riyals they sold for in December's record \$29 billion IPO. The benchmark Tadawul All Share Index lost 6.5%. Shares in the world's biggest crude producer had largely defied gravity since they were listed, not falling below the IPO price even as the coronavirus led to a slump in oil prices. The stock had only slipped about 6% in 2020.

Source: [Arabian Business](#)

UAE's First Abu Dhabi Bank sells 2.5 million shares held by NMC's BR Shetty

UAE's First Abu Dhabi Bank has sold its stake of 2.5 million shares in Abu Dhabi-based healthcare conglomerate NMC that belonged to its founder Bavaguthu Raghuram Shetty, reported The National on Saturday. NMC has said that it was notified of the sale by advisors to Shetty. The advisors added almost 4.8 million shares which belonged to Shetty were held in a nominee account in Falcon Private Bank and were then transferred to First Abu Dhabi Bank on February 5. Of these, 2.5 million shares were sold by First Abu Dhabi Bank.

Source: [Gulf Business](#)

B20 meeting gives Saudi business owners chance to get involved

The Council of Saudi Chambers held a consultative meeting of the Business Twenty (B20) on Sunday in Riyadh. Chaired by the council's president, Ajlan Al-Ajlan, and vice chairman and CEO of SABIC and B20 chair, Yousef Al-Benyan, the meeting was held to inform Saudi business owners of the activities and programs of the B20 and review what has been achieved, as well as to work on targeted programs.

Source: [Arab News](#)

Dubai's Amanat drops talks to acquire VPS Healthcare

Amanat, a Dubai-based investment firm, has stalled discussions to acquire a stake in Abu Dhabi-based hospital operator VPS Healthcare Group. The company announced the decision on Sunday, throwing cold water on a deal that was initially envisioned to expand its healthcare portfolio in the region. "Both parties have agreed to stop their discussion in relation to the transaction," Amanat said in a statement to the Dubai bourse, without disclosing further details.

Source: [Zawya](#)

MIDEAST STOCKS-Equity markets plunge after OPEC deal collapses

Stock markets in the Middle East fell sharply on Sunday, with Saudi Arabia's index hitting a more than three-year low, after the Organization of the Petroleum Exporting Countries' (OPEC) pact with Russia to curb oil output fell apart on Friday. A three-year pact between OPEC and Russia ended in acrimony after Moscow refused to support deeper oil cuts to cope with the outbreak of coronavirus and OPEC responded by removing all limits on its own production. The collapse of the deal sent Brent futures tumbling 9.4%, the biggest daily percentage fall since December 2008, to settle at \$45.27 a barrel. Saudi Arabia's index closed down 8.32% at its lowest since November 2017, with most of its constituents trading in the red.

Source: [Reuters](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Japan's economy shrinks faster than estimated in fourth quarter as virus compounds recession risks

Japan's economy shrank faster than initially estimated in the fourth quarter to mark the biggest drop in more than five years as capital expenditure slumped, casting a deeper shadow over the outlook as the coronavirus hit heightened recession risks. The economy is under growing pressure as the outbreak disrupts supply chains and damages tourism, which follows the hit to consumption after October's sales tax hike. The bleak data piles renewed pressure on the government and the central bank to deploy stronger fiscal and monetary support to underpin a fragile economic recovery.

Source: [KITCO](#)

Airport passenger traffic in Asia-Pacific set to plunge 24% in Q1 - industry group

Airport passenger traffic in the Asia-Pacific region is expected to take a 24% hit in the first quarter from the coronavirus, leading to a \$3 billion decline in airport revenue and placing pressure on growth projects, an industry group said on Monday. Airports Council International (ACI) Asia-Pacific said the cancellation of flights had led to lower airline landing and parking charges, a decline in passenger and security charges and a drop in retail spending that was hurting airport operators.

Source: [Money](#)

CME Group says U.S. stock futures hit down limit, continue to trade

Futures contracts on the U.S. stock market had hit their 5% overnight down limit but trading in the instruments continued, the CME Group said on Monday. "Our U.S. equities futures markets hit 5 percent overnight limits and, as designed, continue to trade," spokesperson for the financial derivatives exchange told Reuters. The E-minis contract on the S&P 500 <.SPX> hit its lower limit of 2,819 in Asian morning trade, signalling further falls in the main stock markets later on Monday as investors factor in growing risks of a U.S. recession and financial market stress caused by the coronavirus outbreak and plunging oil prices.

Source: [US News](#)

COMMODITIES NEWS

Oil plunges 25% after Saudi Arabia slashes prices, says will open taps

Oil prices plunged around 25% on Monday, heading towards their biggest daily loss since 1991 after Saudi Arabia slashed prices and set plans for a big increase in crude production in April. Prices fell as much as 31% following the Saudi move to start a price war after Russia balked at making the further steep output cuts proposed by OPEC to stabilize oil markets hit by worries over the global spread of the coronavirus. Brent crude futures were down \$11.31, or 25%, at \$33.96 a barrel by 0319 GMT, after earlier dropping to \$31.02, their lowest since Feb. 12, 2016. Brent futures are on track for their biggest daily decline since Jan. 17, 1991, at the start of the first Gulf War.

Source: [FP](#)

Gold jumps past \$1,700 level for first time in seven years on virus fears

Gold prices jumped past the \$1,700 per ounce level for the first time since late 2012 on Monday, as a widening coronavirus outbreak and a plunge in crude oil hammered equities and sent investors scurrying for safe havens. Spot gold XAU= rose 1.5% to \$1,699.20 per ounce by 0054 GMT, having touched its highest since December 2012 at \$1,702.45 earlier in the session. * U.S. gold futures GCv1 jumped 1.6% to \$1,699.70 per ounce. * Asian equities sank as investors fled to bonds to hedge the economic shock of the coronavirus, and oil plunged more than 20% after Saudi Arabia slashed its official selling price.

Source: [Reuters](#)

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