













U Capital Morning Brief

10 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	805.54	-42.22	-4.98%	-4.51%	7.36	0.74	8.2%
U Capital GCC 50 Index	1,027.81	-93.28	-8.32%	-25.85%	13.54	1.52	5.4%
U Capital MENA 200 Index	885.91	-36.34	-3.94%	-18.78%	12.49	1.58	5.9%
MSCI GCC Countries Index	426.06	-41.45	-8.87%	-25.21%	12.47	1.34	5.0%
Muscat Securities Market	 3,772.23	-222.66	-5.57%	-5.25%	7.66	0.70	7.9%
Saudi Stock Exchange	 6,315.51	-530.85	-7.75%	-24.72%	17.61	1.37	4.2%
Kuwait Stock Exchange	 5,604.03	-528.13	-8.61%	-22.75%	12.36	1.11	4.4%
Qatar Exchange	 8,160.23	-876.97	-9.70%	-21.73%	11.98	1.17	4.9%
Bahrain Stock Exchange	 1,471.62	-91.02	-5.82%	-8.61%	10.44	0.88	4.9%
Dubai Financial Market	 2,078.92	-188.01	-8.29%	-24.81%	7.52	0.73	5.6%
Abu Dhabi Exchange	 4,039.59	-354.25	-8.06%	-20.41%	11.95	1.10	6.2%
Beirut Stock Exchange	 625.04	2.09	0.34%	-20.43%	3.30	0.37	14.8%
Palestine Stock Exchange	 527.20	-3.89	-0.73%	0.24%	12.44	1.20	4.5%
Tunis Se Index	 6,922.09	-103.22	-1.47%	-2.81%	19.71	2.37	2.1%
EGX 30 Index	 10,983.48	-865.91	-7.31%	-21.33%	9.01	1.43	2.8%
Amman General Index	 1,793.99	-20.00	-1.10%	-1.17%	11.35	0.85	7.5%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	5,965.8	-7.69%	-20.90%
DAX	Germany	10,625.0	-7.94%	-19.81%
CAC 40	France	4,707.9	-8.39%	-21.25%
United States				
DJIA	USA	23,851.0	-7.79%	-16.42%
S&P 500	USA	2,746.6	-7.60%	-14.99%
NASDAQ	USA	7,950.7	-7.29%	-11.39%
Asia Pacific				
NIKKEI 225	Japan	19,825.0	0.45%	-16.20%
HANG SENG	Hongkong	25,494.7	1.81%	-9.56%
KSE 100 Index	Pakistan	37,119.1	0.18%	-8.88%
NSE Nifty 50	India	10,451.5	-4.90%	-14.11%
SHANGHAI COMPOSITE	China	2,961.5	0.62%	-2.90%
SHANGHAI SHENZHEN CSI 300	China	4,038.3	1.03%	-1.42%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.657	1.522
British Pound (GBP)	1.307	0.765
Canadian Dollar (CAD)	0.733	1.365
Chinese Renminbi (CNH)	0.144	6.936
Egyptian Pound (EGP)	0.064	15.703
Euro (EUR)	1.139	0.878
Indian Rupee (INR)	0.014	74.085
Japanese Yen (JPY)	0.010	104.160
New Zealand Dollar (NZD)	0.632	1.582
Omani Rial (OMR)	2.597	0.385
Pakistani Rupee (PKR)	0.635	157.550
Russian Ruble (RUB)	0.014	68.566
Singapore Dollar (SGD)	0.722	1.385
Turkish Lira (TRY)	0.163	6.144

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	36.8	6.98%	-43.17%
WTI Crude (per bbl)	33.2	6.49%	-45.68%
Oman Crude Oil (Last Closing)	33.1	-26.91%	-50.98%
OPEC (per bbl)	48.3	-6.59%	-28.88%
Precious Metals			
Gold100 OZ (per oz)	1,664.8	-0.93%	9.72%
Silver (per oz)	17.1	0.18%	-4.49%
Platinum (per oz)	878.4	1.53%	-9.12%
Other Metals			
Copper, MT	5,535	-1.28%	-10.35%
Aluminium, MT	1,687	0.12%	-6.80%
Lead, MT	1,799	-2.91%	-6.64%
Zinc, MT	1,979	-0.25%	-12.90%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	1.42	-35.6%
Saudi Arabia	1.42	-36.5%
Kuwait	2.50	-9.1%
Oman	2.65	-5.9%
Qatar	1.87	-17.0%
Bahrain	2.28	-14.5%

GCC Latest 10-Yr Government Bond Yields		
	Maturity date	YTM, %
Kuwait	20/03/2027	1.9
Abu Dhabi	11/10/2027	1.9
Qatar	02/06/2026	1.9
Saudi Arabia	04/03/2028	2.7
Oman	17/01/2028	6.7
Bahrain	12/10/2028	5.1

Midswaps	Price	YTM %
3 year	102.56	0.5
5 year	102.66	0.6
10 year	108.19	0.7
30 year	123.45	1.1

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

'OVER 29% DIP IN RESIDENTIAL PLOT ALLOTMENTS IN JAN 2020'

The Ministry of Housing has allotted 2,069 residential plots across the sultanate till the end of January 2020 compared to 2,939 during the same period of 2019, a decrease of 29.6 per cent, according to statistics released by the National Centre for Statistics and Information (NCSI). Dhofar was allotted 795 residential plots until the end of January 2020, which is the highest among the governorates. This was followed by North Sharqiyah, which was allotted 410 plots, North Batinah (228), Muscat (216) and Dakhliyah (193).

Source: [Muscat Daily](#)

BANK MUSCAT CALLS EGM TO APPROVE RO500MN MEETHAQ SUKUK PROGRAM

Bank Muscat is seeking its shareholders approval for the renewal of Meethaq Sukuk Program of up to RO500mn at an extraordinary general meeting (EGM) later this month. The bank has invited all its shareholders for the EGM and annual ordinary general meeting to be convened on March 24 at its head office. In a disclosure to the Muscat Securities Market on Sunday, Bank Muscat said the EGM will consider and decide 'to approve the renewal of Meethaq Sukuk Program (as approved at an EGM held by the bank on March 18, 2015) of up to RO500mn for the issuance of sukuk in various tranches in the domestic and international markets through public subscription or private placement'.

Source: [Muscat Daily](#)

Oman Shipping acquires two modern Ultramax dry bulk carriers

Oman Shipping Company (OSC), a member of the Asyad Group, has confirmed the acquisition of two modern Ultramax dry bulk vessels, SBI Taurus and TR Omaha. The new ships due for delivery in April and May 2020 will join OSC's fleet of over 50 world-class vessels including LNG Carriers, LPG Carriers, VLCCs, Tankers, VLOCs, Dry Cargo, and Container ships. These ships will be renamed to (Jabal Samhan and Jabal Al Kawr) once joined to reflect the greatness of Omani mountains and its rich minerals.

Source: [Oman Observer](#)

Oman's first healthcare fund raises RO 20 million

Oman Investment Corporation SAOC (OIC), a leading Omani private equity investment company, has announced the successful fundraising for its first investment vehicle Aman Healthcare Services. Aman Health Healthcare SAOC (Aman Healthcare) is a RO 50 million investment vehicle. It is part of OIC's vision to introduce creative and innovative investment tools to the Omani market. OIC's latest product attracted strong demand from the private sector and pension funds. The first closing of Aman Healthcare of RO 20 million was covered in full, reflecting the keen interest and confidence in the healthcare sector in Oman and the growth prospects. Kalat al Balushi, Chief Executive Officer (CEO) of OIC, said: "We are proud to complete the fundraising for Aman Healthcare. We thank our investors who have shown continuing confidence in us."

Source: [Oman Observer](#)

Aman REIT to be listed on MSM next Sunday

The units of Aman Real Estate Investment Fund — the first Real Estate Investment Fund (REIF / REIT) in the Sultanate — will be listed on the MSM on Sunday, March 15, the Capital Market Authority (CMA) announced here on Monday. Subscriptions into the Fund had closed on March 1, 2020 after two sets of extensions to allow for customers to consider investing in the maiden REIT. Subscriptions covered 50 per cent of the 100 million units offered for public subscription at a total value of RO 10 million.

Source: [Oman Observer](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Saudi aggregate cement sales grow 35% in February

The aggregate sales of 17 Saudi cement firms rose 35% year-on-year (YoY) to 4.78 million tons in February 2020, data issued by Yamama Cement Company showed. All the cement producers reported higher sales, led by Hail Cement which reported a 74% YoY sales rise in February. Northern Province Cement came second with a 71% YoY increase, and it was followed by Yamama Cement and Yanbu Cement, which saw their sales up by 53% and 52% YoY, respectively.

Source: [Argaam](#)

Sulaiman Al Habib's IPO subscribed 83x, investors inject SAR 217 bln

The initial public offering (IPO) of Dr. Sulaiman Al Habib Medical Group Co. (HMG) was subscribed around 83 times, as investors injected nearly SAR 217 billion, according to a statement by the IPO financial advisor and underwriter, Jadwa Investment and Riyadh Capital. The retail offering ended on Tuesday, March 3, 2020, as 5.25 million shares (or 10% of the total offered shares amounting to 52.5 million) were allocated to the retail investors. A total of 224,440 retail investors

subscribed to 5.25 million shares at SAR 50 each at a total value of nearly SAR 1.9 billion. The retail offering was 710% oversubscribed.

Source: [Argaam](#)

Dubai banks buy park operator's debt as Meraas plans revamp

Two of Dubai's biggest banks bought loans made to DXB Entertainments PJSC from other regional lenders as part of plans by its majority owner to support the struggling theme park operator, according to people with knowledge of the matter. Emirates NBD and Dubai Islamic Bank acquired the debt from mainly non-UAE-based lenders at a discount so Meraas Holding LLC can restructure the park operator with a small group of Dubai-based banks, the people said, asking not to be identified because the information is private.

Source: [Gulf News](#)

Kuwait sets up \$33m fund to tackle spread of coronavirus

Kuwait has set up a \$33 million fund to tackle the spread of the coronavirus. The fund was announced by the governor of the Central Bank of Kuwait (CBK) on Sunday and will be financed by Kuwaiti banks. The money will be placed in the hands of the cabinet who will be free to disburse as they see fit in order to address emergency cases. Meanwhile, Kuwaiti Civil Service Commission (CSC) has told all government agencies to ban employees placed under quarantine from starting work and stressed that salaries for Kuwaiti and non-Kuwaiti staff will continue to be paid during any period of quarantine. Their absence from work will not impact their employment status.

Source: [AB](#)

Dana Gas says 75pc of output is gas, sold at fixed prices

Dana Gas has clarified that natural gas constitutes 75% of its production, which is sold under long-term gas sale contracts with host governments at prices which are unaffected by falling oil prices. These gas sales account for approximately half of the company's income, leading to sustainable revenues even in low oil price environments, it said. Patrick Allman-Ward, CEO of Dana Gas, said: "Since half of our income is protected in low oil price environments, we are competitive and opportunistic at the current environment. We are obviously monitoring the market closely and responding accordingly.

Source: [GDN](#)

Pakistan Expo 2020 in Dubai gets \$14 million funding from UAE

With \$14 million funding support from the UAE, Pakistan's Expo 2020 pavilion in Dubai will be fully operational in July with construction work underway at a very fast pace, Pakistan's ambassador to the UAE, Ghulam Dastgir, said. "The government of Pakistan is partially funding it along with participation of private sector," Dastgir said, and added the UAE government's contribution would go toward the project's total estimated construction cost of \$21.4 million.

Source: [Business Recorder](#)

Saudi Aramco shares open 10% lower as oil price crash

Stock markets in the energy-rich Gulf states nosedived at the start of trading Monday as oil prices crashed amid a price war after crude producers failed to reach a deal on output. The slide was led by the Saudi Tadawul market, the largest in the Arab world, which slumped by 9.4 percent amid a panic sell-off. Share price of the energy giant Saudi Aramco dropped by the daily maximum 10 percent for the second day in a row.

Source: [Economic Times](#)

Air Arabia plunges after Saudi suspends travel from UAE

Shares in Air Arabia AIRA.DU plunged 7.8% to 1.06 dirhams in early trade on Monday after Saudi Arabia suspended travel from United Arab Emirates due to coronavirus concerns ** With the session's losses, UAE's only listed airline has shed 24.3% so far this month ** Three of 7 brokerages covering the stock rate it at "buy" or higher, and four at "hold"; median PT is 1.57 dirhams - Refinitiv Eikon data

Source: [Zawya](#)

Gulf Currency Pegs in Spotlight as Saudi, Omani Forwards Jump

The rout in oil prices is throwing the decades-old currency pegs of the Gulf Arab region back under the microscope. Twelve-month forward contracts on Saudi Arabia's riyal climbed fourfold to 180 points in the offshore market Monday as the slide in crude following the collapse of the OPEC+ production agreement sent global markets into turmoil. While that's a long way from the all-time high of 1,000 points reached in 2016, there was a more worrying jump for Oman's forwards -- they almost tripled to an all-time high of 2,000 points.

Source: [Yahoo](#)

Mideast Stocks: Gulf stocks plunge deeper as oil prices plummet on OPEC+ deal collapse

Gulf stock markets dived in early trade on Monday, extending their losses from the previous session amid falling oil prices after Saudi Arabia opened the taps in a price war with Russia. Saudi Arabia slashed its official selling price (OSP) for crude for April and plans to raise its production significantly next month after the Organization of the Petroleum Exporting Countries' pact with Russia to curb oil output fell apart on Friday. The kingdom's move sent oil prices plummeting around 30%.

Source: [Zawya](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Dow sinks 2,000 points in worst day since 2008, S&P 500 drops more than 7%

The Dow Jones Industrial Average sank more than 2,000 points on Monday, its worst day since 2008, as fears about the spread of the new coronavirus and an oil price war sent investors scrambling out of stocks. The Dow dropped 2,013.7 points — 7.79% — as Boeing, Apple, Goldman Sachs and Caterpillar cut the index by at least 100 points each. The Dow ended the day at 23,851.02 and represented its single-worst day since Oct. 15, 2008, when it fell 7.87%.

Source: [CNBC](#)

Asia shares try to stabilise, pin hopes on policy stimulus

Asian shares bounced and bond yields rose from historic lows on Tuesday as speculation of coordinated stimulus from global central banks and governments calmed panic selling. Yields on benchmark U.S. 10-year Treasury debt doubled to 0.68% and oil prices rallied more than 6%, offering hope that markets had found a floor, even just fleetingly. "Talk of coordinated fiscal and monetary support is getting louder," said Rodrigo Catril, a senior FX strategist at National Australia Bank, noting U.S. President Donald Trump was promising "major" steps to support the economy.

Source: [Reuters](#)

Dollar bounces but risks from oil and virus abound

The dollar recovered slightly on Tuesday from heavy losses against the yen, the euro and the Swiss franc, supported by hopes for U.S. economic stimulus and a bounce in Treasury yields. The greenback started to grind higher as U.S. stock futures rose after U.S. President Donald Trump said the White House will hold a news conference on Tuesday about economic measures in response to the coronavirus outbreak. U.S. Treasury Secretary Steve Mnuchin also said the White House will meet with bank executives this week in a sign the U.S. government is preparing to roll out more measures to soften the blow from the spread of the flu-like virus.

Source: [Reuters](#)

Here are the milestones and firsts from the markets' historically bad day

Monday's dramatic sell-off pushed the United States stock market deeper into correction territory as investors struggled to gauge the economic impact of the coronavirus outbreak and a global price war on oil. The turbulent day of trading sent some indexes and levels to history-making levels. Biggest Dow points decline ever The Dow Jones Industrial Average fell 2013.76 points on Monday, its biggest drop ever in terms of points. Its 7.79% percentage decline was the biggest since Oct. 15, 2008. This comes on the heels of the previous largest point loss of 1,190 points on Feb. 27.

Source: [CNBC](#)

COMMODITIES NEWS

Oil prices rebound 6% after rout, but outlook volatile

Oil prices bounced around 6% on Tuesday, but analysts saw little chance of a major recovery from the biggest daily rout in nearly 30 years after top producers Saudi Arabia and Russia launched a price war. Crude was supported by hopes for a settlement and potential U.S. output cuts, but gains could be short-lived as oil demand continues to be hit by the economic impact of the coronavirus outbreak. Brent crude futures rose \$2.36, or 6.9%, to \$36.72 a barrel by 0307 GMT, while U.S. West Texas Intermediate (WTI) crude gained \$1.87, or 6%, to \$33.00 a barrel.

Source: [Reuters](#)

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