













# U Capital Morning Brief

18 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	778.20	-3.59	-0.46%	-7.75%	7.21	0.71	8.4%
U Capital GCC 50 Index	971.88	-1.87	-0.19%	-29.88%	16.97	1.68	5.4%
U Capital MENA 200 Index	796.10	-3.90	-0.49%	-27.01%	11.37	1.40	6.5%
MSCI GCC Countries Index	408.36	4.33	1.07%	-28.32%	12.06	1.32	5.2%
Muscat Securities Market	 3,660.33	-21.29	-0.58%	-8.06%	7.32	0.67	8.1%
Saudi Stock Exchange	 6,107.05	147.36	2.47%	-27.20%	16.89	1.42	4.4%
Kuwait Stock Exchange	 5,171.17	21.66	0.42%	-28.72%	11.49	1.02	4.8%
Qatar Exchange	 8,521.01	89.53	1.06%	-18.27%	12.56	1.22	4.5%
Bahrain Stock Exchange	 1,379.50	-15.80	-1.13%	-14.33%	9.88	0.83	5.2%
Dubai Financial Market	 1,750.77	-91.83	-4.98%	-36.68%	6.33	0.62	6.7%
Abu Dhabi Exchange	 3,323.35	-224.69	-6.33%	-34.53%	9.82	0.91	7.5%
Beirut Stock Exchange	 612.60	-8.95	-1.44%	-22.02%	3.23	0.36	15.1%
Palestine Stock Exchange	 501.42	-5.67	-1.12%	-4.67%	11.80	1.14	4.7%
Tunis Se Index	 6,116.16	-235.64	-3.71%	-14.12%	17.27	2.08	2.4%
EGX 30 Index	 9,201.65	-227.29	-2.41%	-34.09%	7.58	1.19	3.3%
Amman General Index	 1,668.18	-7.29	-0.44%	-8.10%	10.55	0.79	8.1%

World Markets	Country	Value	D/D	YTD
			%	%
<b>Europe</b>				
FTSE 100	UK	5,294.9	2.79%	-29.80%
DAX	Germany	8,939.1	2.25%	-32.53%
CAC 40	France	3,991.8	2.84%	-33.23%
<b>United States</b>				
DJIA	USA	21,237.4	5.20%	-25.58%
S&P 500	USA	2,529.2	6.00%	-21.72%
NASDAQ	USA	7,334.8	6.23%	-18.25%
<b>Asia Pacific</b>				
NIKKEI 225	Japan	16,812.0	-1.20%	-28.93%
HANG SENG	Hongkong	22,891.4	-1.54%	-18.80%
KSE 100 Index	Pakistan	30,934.2	-5.16%	-24.06%
NSE Nifty 50	India	8,794.8	-1.92%	-27.72%
SHANGHAI COMPOSITE	China	2,772.2	-0.27%	-9.11%
SHANGHAI SHENZHEN CSI 300	China	3,704.3	-0.14%	-9.58%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.601	1.663
British Pound (GBP)	1.210	0.826
Canadian Dollar (CAD)	0.704	1.420
Chinese Renminbi (CNH)	0.142	7.028
Egyptian Pound (EGP)	0.064	15.777
Euro (EUR)	1.104	0.906
Indian Rupee (INR)	0.013	74.169
Japanese Yen (JPY)	0.009	107.080
New Zealand Dollar (NZD)	0.596	1.679
Omani Rial (OMR)	2.597	0.385
Pakistani Rupee (PKR)	0.629	158.813
Russian Ruble (RUB)	0.013	75.449
Singapore Dollar (SGD)	0.700	1.429
Turkish Lira (TRY)	0.156	6.427

Commodity Prices	Price	D/D	YTD
	USD	%	%
<b>Oil</b>			
Brent Crude (per bbl)	28.6	-0.42%	-55.75%
WTI Crude (per bbl)	26.5	-1.60%	-56.57%
Oman Crude Oil (Last Closing)	29.5	-1.57%	-56.20%
OPEC (per bbl)	30.6	-10.28%	-54.93%
<b>Precious Metals</b>			
Gold100 OZ (per oz)	1,517.6	-0.68%	0.02%
Silver (per oz)	12.5	-0.99%	-30.25%
Platinum (per oz)	657.1	-0.93%	-32.02%
<b>Other Metals</b>			
Copper, MT	5,144	-2.77%	-16.68%
Aluminium, MT	1,652	-1.40%	-8.76%
Lead, MT	1,619	-6.25%	-15.98%
Zinc, MT	1,871	-3.66%	-17.65%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	1.11	-49.6%
Saudi Arabia	0.89	-60.0%
Kuwait	2.13	-22.7%
Oman	2.67	-5.1%
Qatar	1.45	-35.6%
Bahrain	2.08	-21.9%

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
Kuwait	20/03/2027	2.4
Abu Dhabi	11/10/2027	2.7
Qatar	02/06/2026	2.8
Saudi Arabia	04/03/2028	3.5
Oman	17/01/2028	10.2
Bahrain	12/10/2028	8.1

Midswaps	Price	YTM %
3 year	99.94	0.5
5 year	102.39	0.6
10 year	104.81	1.0
30 year	109.22	1.6

USD Libor	Rate (%)	YTD
1m	0.61	-65.3%
3m	0.89	-53.4%
6m	0.84	-55.9%
1 year	0.82	-59.0%

Source: Bloomberg

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

## OMAN ECONOMIC & CORPORATE NEWS

### **\$110m Duqm mega fisheries project set for early-2022 launch**

One of Oman's largest fish processing ventures — a \$110 million project planned in the Fisheries Industrial Zone of the Special Economic Zone (SEZ) at Duqm — will commence production in early 2022, according to a key investor in the initiative. International Sea Food Co will be designed with a capacity to produce 72,000 tonnes per annum of sardine along with 17,000 tonnes of tuna, said Oman Fisheries Co SAOG, presently the Sultanate's biggest fish processing enterprise owned 24 per cent by the Omani government represented by Oman Food Investment Holding Company — the country's food sector investment flagship.

Source: [Oman Observer](#)

### **Sohar Production to support industrial innovation and SMEs**

Implementation Support and Follow Up Unit (ISFU) has announced the establishment of the Advanced Manufacturing Research Centre, Metal Dies and Moulds Designing and Manufacturing plants. The two projects were established by Sohar University, in cooperation with the Ministry of Commerce and Industry (MoCI). The move comes within the framework of the government's efforts to enhance in-country value (ICV), as well as part of the government's projects and plans to enhance the economic diversification.

Source: [Times of Oman](#)

### **CMA extends meetings of public joint-stock companies**

The Capital Market Authority (CMA) has extended the period for holding general meetings of public joint-stock companies to April 30 instead of March 30 as part of the efforts exerted by the competent authorities in the Sultanate to prevent the spread of COVID-19. CMA announced in a circular this morning that the companies desirous of postponing convening the general meetings must disclose the same on the MSM website and to observe the preventive measures stated in Circular No. 1 /2020 in case of convening the meetings which include:

Source: [Times of Oman](#)

### **CBO issues treasury bills worth OMR2.5 million**

Oman's central bank raised OMR2.5 million by way of allotting treasury bills on Tuesday. The treasury bills are for a maturity period of 28 days, from Wednesday until April 15, 2020. The average accepted price reached 99.960 for every OMR100 while the minimum accepted price arrived at 99.960 per OMR100. The average discount rate and the average yield reached 0.52143 per cent and 0.52164 per cent respectively.

Source: [Times of Oman](#)

### **COVID-19: Alizz Bank rolls out business continuity plan**

Alizz Islamic Bank is implementing a Business Continuity Plan (BCP) as part of preparedness measures designed to offset potential disruptions caused by the coronavirus pandemic. As part of the Business Continuity Plan, a secondary team was transferred to the bank's business continuity site to safeguard against any disruptions. Additionally, all Alizz Islamic Bank ATMs have been equipped with sanitizer dispensers in order for customers to be able to sanitise their hands before and after dealing with physical cash.

Source: [Oman Observer](#)

## MIDDLE EAST ECONOMIC & CORPORATE NEWS

### **A look at Saudi healthcare providers performance upon listing of Dr. Sulaiman Al Habib**

Argaam conducted a study on the performance of Saudi healthcare services providers upon the listing of Dr. Sulaiman Al Habib Medical Services Group on the Saudi Stock Exchange (Tadawul) today, March 17, 2020. The study showed that the sector's total revenue amounted to SAR 11.32 billion in 2019. Dr. Sulaiman Al Habib Group contributed 44% to the sector's total revenue. The group's revenues hit SAR 5.03 billion by the end of 2019, up 10% year-on-year (YoY), on the back of increase in operating revenues.

Source: [Argaam](#)

### **Dr. Sulaiman Al Habib Group eyes higher market share, says CEO**

Dr. Sulaiman Al Habib Medical Group (HMG) aims to boost its local market share, amid the expected growth in population, geographical distribution and the group's expansion in existing medical projects, as well as and the new ones to be launched in new markets, CEO Nasser Alhuqbani told Argaam in an exclusive interview. The medical group is planning to open 3 hospitals in Riyadh, southwest and north Jeddah. The new facilities are expected to be finalized over the next 4 years. The new projects will raise HMG's current capacity by 62%, equivalent to 1,180 beds, Alhuqbani said.

Source: [Argaam](#)

### **Qatar's private sector hails government's incentive package**

Qatar's private sector companies and business leaders have welcomed the government's decision to support and provide financial and economic incentives amounting to QR75bn along with a series of other measures aiming to support the private sector. Quick enquires with some of the prominent Qatari businessmen and representatives of the private sector reveal that the stimulus package comprising of economic incentives coupled with other benefits and supports extended by the government will be of great help to cope up with the impact of the coronavirus.

Source: [TPQ](#)

### **UAE sets new limit of 5% for stocks' daily drops as of Wednesday – WAM**

Shares in the United Arab Emirates stock exchanges starting from Wednesday will be allowed to drop a daily maximum of 5% from their previous day closing price, state news agency WAM reported. It cited a decision by the UAE's Economy Minister Sultan bin Saeed al-Mansouri as saying the stock market could increase the limit to 7% for select stocks based on criteria that need to be approved by the Securities and Commodities Authority (SCA). The minister is also the chairman of SCA. The decision is valid as of Wednesday's trading session until further notice from the authority, it said.

Source: [National Post](#)

### **Saudi Arabia to hike oil exports to 10 mln bpd over coming months – Reuters**

Saudi Arabia will boost its oil exports to over 10 million barrels per day over the coming months, Reuters has reported, citing the Kingdom's Ministry of Energy statement. "Saudi Arabia will utilize the gas produced by the Fadhili gas plant to compensate for around 250,000 bpd of domestic oil consumption, which will enable the Kingdom to increase its crude exports during the coming few months to exceed 10 million bpd," according to the statement. Last week, Saudi Aramco announced that it received a directive from the Ministry of Energy to increase its maximum sustainable capacity (MSC) to 13 million barrels per day (mbpd) from 12 mbpd.

Source: [Argaam](#)

### **Saudi Telecom to buy 5.5 million own shares worth SAR 300 mln**

Saudi Telecom Co.'s (STC) board of directors approved on March 17 the purchase of a number of company's shares, with a maximum of 5.5 million, and an amount not to exceed SAR 300 million. The company said in a statement to Tadawul that the purchased shares will be allocated within the Employee Stock Incentive Plan. The resolution will be submitted to the extraordinary general assembly (EGM) for approval as per the regulatory requirements, the statement added.

Source: [Argaam](#)

### **Bahrain banks must offer borrowers six-month deferral on installments - central bank**

Bahrain's central bank said on Monday banks, financing and microfinance companies must offer six-month deferrals on installments for borrowers impacted by the coronavirus outbreak, according to a circular seen by Reuters. The bank said the deferrals must come with no fees and no increase in interest rates unless borrowers agree to shorter periods. The bank also said it will give retail banks concessionary repo arrangements for up to six months at 0% on a case-by-case basis. It reduced the cash reserve ratio for retail banks to 3% from 5%.

Source: [Reuters](#)

### **UAE Central Bank's total assets up 10.3% in February**

The total assets of the Central Bank of the United Arab Emirates hiked 10.3 percent to AED457 bn by the end of February 2020, a growth of 10.3 percent from AED414.4 bn in the same month last year, CBUAE latest statistics have showed. The significant growth is driven by a rally in cash and bank balances to AED243 bn by the end of February from AED188.12 bn in the comparable month last year. Deposits at the CBUAE increased to AED143.4 bn in February 2020 against AED115.3 bn during the reference period.

Source: [Zawya](#)

### **Aldar eases rentals, waives fees for its tenants, customers**

The developer also allocated Dh4 billion towards prompt payment of supply chain commitments in 2020. Aldar Properties, Abu Dhabi's leading property developer, on Tuesday announced programmes worth Dh100 million aimed at supporting its residents, tenants, customers and partners to support them in tough times due to coronavirus impact. The developer also allocated Dh4 billion towards prompt payment of supply chain commitments in 2020. Announcement follows Abu Dhabi Government initiatives to support businesses and the community earlier this week.

Source: [Khaleej Times](#)

### **UAE's major firms announce relief packages for SMEs**

Dubai Holding and Meraas announced over Dh1 billion relief package for its existing business partners.

The UAE's major companies also stepped forward on Tuesday to ease pressure on their private sector clients in line with government measures announced earlier this week and offset impact of coronavirus. Dubai Holding, Meraas and Aldar Properties on Tuesday announced over Dh5 billion support in the form of waiving off fees, monthly payment rentals and prompt payments to customers to ensure cash flow in the supply chain.

Source: [Khaleej Times](#)

### **Mideast Stocks: Most Gulf bourses extend losses; banks boost Saudi**

Most Middle Eastern stocks slid to new multi-year lows on Tuesday, as heightened fears of the coronavirus pandemic weighed on sentiment, while Saudi took a breather after four sessions of losses. The cases of coronavirus in the six-nation Gulf Cooperation Council reached to 1,042, whereas Bahrain on Monday reported its first death from the virus. The Abu Dhabi index tumbled 6.3%, with the country's largest lender First Abu Dhabi Bank losing 9.9% and telecom firm Etisalat shedding 7.1%.

Source: [Zawya](#)

## **INTERNATIONAL ECONOMIC & CORPORATE NEWS**

### **GLOBAL MARKETS-Global stocks drop as investors shun risk on coronavirus fears**

U.S. stock futures and several Asian shares fell in choppy trade on Wednesday, as worries about the coronavirus pandemic eclipsed hopes broad policy support would combat the economic fallout of the outbreak. Most traditional safe-haven assets were also under pressure as battered investors looked to unwind their damaged positions, leading to wide discrepancies between various markets. In Asia, MSCI's broadest index of Asia-Pacific shares outside Japan .MIAPJ0000PUS dipped 0.3%, led by a 4.9% fall in Australia while Japan's Nikkei .N225 gained 1.6%.

Source: [NASDAQ](#)

### **UK unveils \$420 billion lifeline for firms hit by coronavirus**

Britain said it would launch a £ 330 billion (US\$ 399 billion) lifeline of loan guarantees and provide a further £ 20 billion in tax cuts, grants and other help for businesses facing the risk of collapse from the spread of coronavirus. Finance minister Rishi Sunak again pledged to do "whatever it takes" to help retailers, bars and airports and other firms, many of which are reeling from a near-shutdown of business. "This is not a time for ideology and orthodoxy," Sunak said on Tuesday, speaking alongside Prime Minister Boris Johnson. "This is a time to be bold, a time for courage."

Source: [KONTAN](#)

### **Four European nations curb stock trading to halt coronavirus stampede**

France, Italy, Spain and Belgium curbed stock market trading on Tuesday, banning short-selling to shield some of Europe's biggest companies from a sell-off triggered by the coronavirus. The move will temporarily halt bets on falling shares at scores of companies from the world's largest brewer Anheuser-Busch InBev ABI.BR , to Spanish bank Santander and Air France-KLM. The radical curbs, and calls by some Italian politicians for stock markets to be shut, were in contrast to the United States and Britain, where regulators said they should stay open and no curbs are imposed.

Source: [Zawya](#)

### **Japan's exports fall, imports from China slump as virus impact widens**

Japan's exports slipped for a 15th straight month in February as U.S. and China-bound shipments declined, suggesting a cooling of business activity in the world's third-largest economy due to the coronavirus outbreak. Imports from China fell at their fastest pace since 1986 after the virus, which has killed more than 7,000 people worldwide, led to a widespread shutdown of production in the region's largest economy. Ministry of Finance (MOF) data out on Wednesday showed Japan's exports fell 1.0% from a year earlier in February, dragged by U.S.-bound shipments of cars and metal processing machinery to China.

Source: [Reuters](#)

### **World Bank adds \$2 billion to funds available for coronavirus response**

The World Bank on Tuesday said it had increased to US\$14 billion the amount of fast-track financing available to members to respond to the global coronavirus pandemic, adding US\$2 billion to an initial package announced on March 3.

Source: [CNA](#)

### Dollar thrives, Aussie trampled in rush for liquidity

The dollar held overnight gains against most major currencies on Wednesday, after U.S. yields jumped and as deepening fear around the coronavirus drove a scramble for greenback. The pound and safe-haven yen made the best efforts at recovery, but only managed to recoup fractions of their losses. The yen was last up 0.3% at 107.37 per dollar, the pound up 0.5% at \$1.2108 and the euro was steady at \$1.1000. Commodity-sensitive currencies, like the Aussie and kiwi, were trampled below \$0.60 in the stampede.

Source: [Reuters](#)

### Investors in World Bank's 'pandemic bonds' face big losses due to the coronavirus outbreak

The World Bank bonds offer investors high interest payments in return for taking on the risk of losing a certain amount or all of their money if pandemics occur. That includes the current coronavirus pandemic. But prices of those bonds have plunged, as investors flee with the number of cases surging. According to ratings agency DBRS Morningstar, investors who hold the riskier of the two bonds could be losing their entire principal amount soon, with the firm saying that the price should have dropped more than 80%.

Source: [CNBC](#)

## COMMODITIES NEWS

### Gold rises on Fed measures to combat virus impact

Gold prices rose on Wednesday as the U.S. Federal Reserve's measures to boost liquidity in the market eased some concerns over disruptions to the global economy and a potential cash crunch due to the coronavirus outbreak.

Source: [Money Control](#)

### Oil steadies after testing new lows as coronavirus chaos intensifies

Oil prices steadied on Wednesday after slipping to new four-year lows, sapped by fears for fuel demand and the global economy amid travel and social lockdowns triggered by the coronavirus epidemic. Brent crude LCOc1 was up by 34 cents, or 1.2%, at \$29.07 a barrel by 0238 GMT, after falling earlier to \$28.40, the lowest since early 2016. The international benchmark fell 4.3% on Tuesday.

Source: [Reuters](#)