

U Capital Morning Brief

26 March 2019

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	871.73	-6.73	-0.77%	-0.75%	-	-	-
U Capital GCC 50 Index	1,410.60	-0.56	-0.04%	7.71%	-	-	-
U Capital MENA 200 Index	1,104.55	-2.27	-0.21%	5.69%	-	-	-
MSCI GCC Countries Index	580.90	-1.79	-0.31%	8.00%	14.99	1.88	3.7%
Muscat Securities Market	4,127.84	1.23	0.03%	-4.53%	8.62	0.79	6.3%
Saudi Stock Exchange	8,666.69	19.52	0.23%	10.73%	19.36	1.95	3.2%
Kuwait Stock Exchange	5,565.26	20.38	0.37%	9.56%	15.88	1.36	3.5%
Qatar Exchange	9,949.02	58.72	0.59%	-3.40%	13.90	1.46	4.4%
Bahrain Stock Exchange	1,416.00	-6.66	-0.47%	5.89%	9.08	0.88	5.8%
Dubai Financial Market	2,634.29	15.79	0.60%	4.13%	8.41	0.96	5.1%
Abu Dhabi Exchange	5,117.94	23.11	0.45%	4.13%	14.33	1.46	4.8%
Beirut Stock Exchange	959.99	4.35	0.46%	-1.72%	4.90	0.58	10.3%
Palestine Stock Exchange	550.58	0.04	0.01%	4.01%	11.14	1.24	4.3%
Tunis Se Index	6,949.17	66.14	0.96%	-4.43%	17.84	2.44	2.1%
EGX 30 Index	14,670.80	-170.10	-1.15%	12.54%	16.24	1.46	2.0%
Amman General Index	1,945.15	-6.43	-0.33%	1.90%	13.33	0.97	4.9%

* Kuwait YTD data is not available as the Index was reconstituted in April'18

World Markets	Country	Value	D/D	YTD	Currency Cross Rates		
Europe			%	%	Currency	USD/1 Unit	Units/1 USD
FTSE 100	UK	7,177.6	-0.42%	6.7%	Australian Dollar (AUD)	0.712	1.404
DAX	Germany	11,346.7	-0.15%	7.5%	British Pound (GBP)	1.319	0.759
CAC 40	France	5,260.6	-0.18%	11.2%	Canadian Dollar (CAD)	0.747	1.339
United States					Chinese Renminbi (CNH)	0.149	6.716
DJIA	USA	25,516.8	0.06%	9.4%	Egyptian Pound (EGP)	0.058	17.291
S&P 500	USA	2,798.4	-0.08%	11.6%	Euro (EUR)	1.131	0.884
NASDAQ	USA	7,637.5	-0.07%	15.1%	Indian Rupee (INR)	0.015	68.931
Asia Pacific					Japanese Yen (JPY)	0.009	110.100
NIKKEI 225	Japan	21,430.8	2.16%	7.1%	New Zealand Dollar (NZD)	0.691	1.448
HANG SENG	Hongkong	28,558.4	0.12%	10.5%	Omani Rial (OMR)	2.597	0.385
KSE 100 Index	Pakistan	38,102.8	-0.05%	2.8%	Pakistani Rupee (PKR)	0.713	140.296
NSE Nifty 50	India	11,384.0	0.26%	4.8%	Russian Ruble (RUB)	0.016	64.075
SHANGHAI Composite	China	3,007.1	-1.18%	20.6%	Singapore Dollar (SGD)	0.741	1.350
KOSPI Index	South Korea	2,150.4	0.26%	5.4%	Turkish Lira (TRY)	0.179	5.578

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates		Current Rate %
	USD	%	%			
Oil				UAE		2.75
				Saudi Arabia		2.88
Brent Crude (per bbl)	67.3	0.19%	24.0%	Kuwait		2.69
WTI Crude (per bbl)	59.3	0.78%	30.5%	Oman		2.82
Oman Crude Oil (Last Closing)	66.9	0.10%	25.0%	Qatar		2.90
OPEC (per bbl)	66.7	-1.64%	29.3%	Bahrain		3.78
Precious Metals				GCC Latest 10-Yr Government Bond Yields		
Gold100 OZ (per oz)	1,319.0	-0.22%	2.8%		Maturity date	YTM, %
Silver (per oz)	15.5	-0.07%	0.2%			
Platinum (per oz)	853.2	-0.64%	7.2%	Kuwait	3/20/2027	3.23
Other Metals				Abu Dhabi	10/11/2027	3.24
Copper, MT	6,340	0.44%	6.3%	Qatar	6/2/2026	3.33
Aluminium, MT	1,883	-1.05%	2.0%	Saudi Arabia	3/4/2028	3.72
Lead, MT	2,011	-1.03%	-0.5%	Oman	1/17/2028	6.50
Zinc, MT	2,832	0.60%	14.8%	Bahrain	10/12/2028	6.01

Midswaps	Price	YTM %	USD Libor	Rate (%)
3 year	100.49	2.20	1m	2.50
5 year	100.73	2.22	3m	2.61
10 year	101.63	2.44	6m	2.68
30 year	102.03	2.90	1 year	2.79

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

Six power and water firms to launch IPOs in next two years in Oman

As many as six power generation and water desalination companies will be launching their initial public offerings (IPOs) for listing on the Muscat Securities Market (MSM) within next two years, according to Oman Power and Water Procurement Company (OPWP).

Source: [Zawya](#)

M-91 petrol production up 34% in February

The Sultanate recorded an increase in the production of standard grade petrol (M-91) by Omani refineries at the end of February 2019 by 34 per cent, with the output surging to 3.09 million barrels compared to 2.31 million barrels produced in 2018.

Source: [Times of Oman](#)

Port of Duqm successfully carries out first RoRo operation

Port of Duqm (PDC) continues to prove its operational efficiency and capability and in a recent operation PDC successfully managed the first RoRo (Roll on Roll off) commercial cargo discharge operation for Duqm Refinery Project EPC3.

Source: [Times of Oman](#)

One-stop-shop to process real estate applications

Oman's Ministry of Housing has launched a one-stop facility for the processing of all permits and applications submitted by real estate investors linked to the property developments in the Sultanate. The Centre for Real Estate Development Services, set up in the Ministry, is officially operational with effect from today, according to Siham al Harthy, Director General of Real Estate Development at the Ministry of Housing.

Source: [Oman Observer](#)

Energy audit to cover 100 govt buildings and entities in 2019

The Authority for Electricity Regulation Oman (AER) has announced the appointment of Danish Energy Management (DEM) and Energy Services Company (EMS) to assist in establishing a working model and roll-out programme for Energy Services Companies (ESCOs) to carry out Auditing and Retrofitting for Government Buildings falling under the Cost Reflective Tariff (CRT).

Source: [Oman Observer](#)

SALMEEN INDUSTRIAL PROJECTS, BSW GROUP TO SET UP PETROLEUM COKE PLANT IN SOHAR

A meeting between Omani company Salmeen Industrial Projects LLC (SIP) and its joint venture partner UK-based BSW Group Holdings was held last week in Sohar. The parties agreed on the development of a petroleum coke calcining plant to be funded by BSW Group Holdings, according to a press release.

Source: [Muscat Daily](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Mideast Stocks: Egypt hit by sell-off of blue chips, financials lift Qatar

Egypt's index fell sharply on Monday, pulled down by its blue-chip shares, while Qatar's index was lifted by its financial stocks. The Egyptian blue-chip index dropped 1.2 percent, with 26 of its 30 stocks declining. Egyptians were the net sellers of stocks during the session and non-Arab foreigners were the net buyers, according to data on the exchange website.

Source: [Zawya](#)

SPIMACO's Moroccan plant to begin trial run in Q4 2019

Saudi Pharmaceutical Industries and Medical Appliances (SPIMACO) has expected pilot operations at Morocco's facility to commence in the fourth quarter of the year. Electrical and mechanical construction services at the Casablanca-based pharmaceutical plant were completed, SPIMACO said in a bourse statement on Monday.

Source: [Argaam](#)

SEVEN chief highlights entertainment plans for Saudi Arabia

The Saudi Entertainment Ventures Company (SEVEN) is expected to serve more than 50 million visitors to its projects, provide more than 22,000 direct jobs and contribute to the Kingdom's gross domestic product (GDP) SAR 8 billion by 2030, its chief executive said.

Source: [Argaam](#)

Tadawul unveils OTC trading procedures

The Saudi Stock Exchange (Tadawul) on Monday has published the procedures of suspending listed securities and over-the-counter (OTC) trading. Tadawul said in a statement that OTC trading occurs in the following cases: - Trading suspension when the company fails to disclose its financials

Source: [Argaam](#)

ADCB takeover of UNB, Al Hilal Bank totals \$3.9bln

The total value for Abu Dhabi Commercial Bank's (ADCB) acquisition of both Union National Bank (UNB) and Al Hilal Bank stood at AED 14.4 billion, according to a recent statement. The takeover process should be implemented on 1 May 2019, as the ordinary general meeting (OGM) of ADCB and UNB, both listed on the Abu Dhabi Securities Exchange (ADX), approved the regulations required for the merger deal on 21 March.

Source: [Zawya](#)

Eshraq Investments eyes Saudi Arabia cross listing

ESHRAQ Investments PJSC, the Abu Dhabi-based investment company listed on Abu Dhabi Securities Exchange (ADX), has reported an 11% year-on-year increase in operational revenue, to AED 26.0mn from AED 23.4mn in 2017. In addition, Eshraq saw an increase of 20% year-on-year in its financial investment returns, primarily due to deployment of capital in equity and fixed income investments.

Source: [Saudi Gazette](#)

Saudi Arabia's hospitality industry continues to show real growth

The Hotel Show Saudi Arabia 2019, the 7th edition of the Kingdom's premier food and hospitality trade event, returns to Jeddah at the Jeddah Centre for Forums and Events once again for three days from April 21– 23, with a range of features, CPD seminars as well as loads of networking opportunities with industry peers.

Source: [Saudi Gazette](#)

Deutsche Bank Faces Qatari Resistance to Commerzbank Deal

Deutsche Bank AG is facing resistance from top Qatari shareholders to its merger plans with Commerzbank AG, four people familiar with the matter said. The investors are concerned that a deal would dilute their holdings if Deutsche Bank is forced to raise equity in a share sale to help fund the deal, the people said, asking not to be identified because the matter is private. The Persian Gulf nation is also seeking to negotiate other concessions before it backs the deal, the people said.

Source: [Bloomberg](#)

UAE's National Bank of Ras Al-Khaimah hires banks for bond: document

The National Bank of Ras Al-Khaimah has hired banks to arrange fixed income investor meetings before a potential U.S. dollar-denominated bond sale, a document issued by one of the banks showed on Monday. The bank, majority owned by the government of the Ras Al Khaimah emirate in the United Arab Emirates, appointed Bank ABC, Citi, Emirates NBD Capital, First Abu Dhabi Bank, ICBC and Standard Chartered Bank as joint lead managers and bookrunners.

Source: [Zawya](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS**China stocks rally on investor optimism, but corporate earnings lag**

A sharp rally in Chinese stocks this year has been driven more by investor optimism than fundamentals, based on an analysis of corporate earnings estimates in an economy expanding at its slowest pace in 28 years.

Source: [Reuters](#)

Asian shares edge up as U.S. bond yields come off late-2017 lows

Asian shares bounced back on Tuesday after two days of losses as U.S. 10-year Treasury yields edged higher, but the outlook remained murky as investors weighed the odds of whether the U.S. economy is in danger of slipping into recession.

Source: [Reuters](#)

China will open further to foreign investment: premier assures global executives

Chinese Premier Li Keqiang reaffirmed Beijing's pledge to further open up to foreign investment as he met with global business executives, and sought to assure them that the rights of foreign firms would be protected.

Source: [Investing](#)

Former Fed Chair Yellen says bond market could be hinting need for rate cut — not a recession

Yellen, who led the Fed from 2014 to 2018, was asked at a Hong Kong conference about the yield curve and whether it signals a looming downturn. “My own answer is no, I don’t see it as a signal of recession,” Yellen says. Yellen also says she doesn’t see a recession as “particularly likely” though she stresses that the U.S. economy is indeed slowing.

Source: [CNBC](#)

COMMODITIES NEWS**Oil edges up on supply cuts, but recession fears cap market**

Brent crude oil futures were at \$67.46 per barrel at 0110 GMT, up 25 cents, or 0.4 percent, from their last close. U.S. West Texas Intermediate (WTI) futures were at \$59.31 per barrel, up 49 cents, or 0.8 percent, from their last settlement.

Source: [CNBC](#)

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