

U Capital Morning Brief

13 July 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	767.15	0.87	0.11%	-9.06%	6.95	0.73	7.4%
U Capital GCC 50 Index	1,205.41	-1.18	-0.10%	-13.04%	19.60	1.99	4.3%
U Capital MENA 200 Index	949.96	0.37	0.04%	-12.91%	14.81	1.63	5.1%
MSCI GCC Countries Index	484.83	0.69	0.14%	-14.90%	15.39	1.64	4.3%
Muscat Securities Market	3,503.86	9.85	0.28%	-11.99%	9.97	0.76	6.8%
Saudi Stock Exchange	7,431.58	14.91	0.20%	-11.42%	22.40	1.81	3.5%
Kuwait Stock Exchange	6,184.46	28.99	0.47%	-14.75%	14.96	1.18	3.8%
Qatar Exchange	9,337.12	20.68	0.22%	-10.44%	14.88	1.44	4.3%
Bahrain Stock Exchange	1,313.53	27.20	2.11%	-18.42%	9.82	0.80	5.4%
Dubai Financial Market	2,085.85	3.66	0.18%	-24.56%	6.29	0.75	4.6%
Abu Dhabi Exchange	4,316.18	20.70	0.48%	-14.97%	14.26	1.29	5.9%
Beirut Stock Exchange	625.86	12.59	2.05%	-20.33%	3.30	0.37	0.0%
Tunis Se Index	6,609.12	5.34	0.08%	-7.20%	17.91	2.17	0.5%
EGX 30 Index	11,071.96	114.94	1.05%	-20.70%	10.98	1.54	3.1%

World Markets	Country	Value	D/D	YTD	Currency Cross Rates	USD/1 Unit	Units/1 USD
			%	%	Currency		
Europe					Australian Dollar (AUD)	0.698	1.432
FTSE 100	UK	6,095.4	0.76%	-19.19%	British Pound (GBP)	1.267	0.790
DAX	Germany	12,633.7	1.16%	-4.64%	Canadian Dollar (CAD)	0.738	1.356
CAC 40	France	4,970.5	1.01%	-16.85%	Chinese Renminbi (CNH)	0.143	6.994
United States					Egyptian Pound (EGP)	0.063	16.008
DJIA	USA	26,075.3	1.44%	-8.63%	Euro (EUR)	1.134	0.882
S&P 500	USA	3,185.0	1.05%	-1.42%	Indian Rupee (INR)	0.013	75.136
NASDAQ	USA	10,617.4	0.66%	18.33%	Japanese Yen (JPY)	0.009	106.900
Asia Pacific					New Zealand Dollar (NZD)	0.658	1.520
NIKKEI 225	Japan	22,742.2	2.03%	-3.87%	Omani Rial (OMR)	2.598	0.385
HANG SENG	Hongkong	26,015.8	1.13%	-7.71%	Pakistani Rupee (PKR)	0.601	166.450
KSE 100 Index	Pakistan	36,494.1	0.82%	-10.41%	Russian Ruble (RUB)	0.014	70.731
NSE Nifty 50	India	10,871.1	0.96%	-10.66%	Singapore Dollar (SGD)	0.721	1.388
SHANGHAI COMPOSITE	China	3,438.0	1.61%	12.72%	Turkish Lira (TRY)	0.146	6.865
SHANGHAI SHENZHEN CSI 300	China	4,847.5	1.99%	18.33%			

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %	YTD %
	USD	%	%			
Oil						
Brent Crude (per bbl)	42.9	-0.76%	-31.32%	UAE	0.61	-72.5%
WTI Crude (per bbl)	40.2	-0.84%	-34.15%	Saudi Arabia	0.96	-56.8%
Oman Crude Oil (Last Closing)	44.1	2.18%	-34.53%	Kuwait	1.63	-40.9%
OPEC (per bbl)	43.3	-0.30%	-36.27%	Oman	2.63	-6.6%
Precious Metals						
Gold100 OZ (per oz)	1,805.1	0.36%	18.97%	Qatar	0.89	-60.6%
Silver (per oz)	18.9	1.06%	5.95%	Bahrain	2.30	-13.8%
Platinum (per oz)	843.6	1.95%	-12.72%	GCC Latest 10-Yr Government Bond Yields		
Other Metals						
Copper, MT	6,412	1.78%	3.85%		Maturity date	YTM, %
Aluminium, MT	1,689	1.47%	-6.71%	KUWAIT	20/03/2027	1.46
Lead, MT	1,855	0.87%	-3.76%	UAE	16/04/2030	1.78
Zinc, MT	2,194	1.74%	-3.46%	QATAR	16/04/2030	1.94
				SAUDI ARABIA	22/10/2030	2.33
				OMAN	01/08/2029	7.23
				BAHRAIN	14/05/2030	5.81

Midswaps	Price	YTM %	USD Libor	Rate (%)	YTD
3 year	99.84	0.2	1m	0.18	-90.0%
5 year	99.78	0.3	3m	0.27	-85.9%
10 year	99.92	0.6	6m	0.35	-81.9%
30 year	98.14	1.3	1 year	0.48	-75.9%

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

MSM investors focus on low-cost shares

Investors at Muscat Securities Market (MSM) focused, in last week's trading, on low-cost shares, prompting a rise in the number of sealed deals that crossed 2,000 compared to 1,918 deals registered the week before, an increase of 4.5 per cent.

Source: [Times of Oman](#)

Pandemic to fuel growth of last-mile logistics in Oman

Investments in last-mile logistics, encompassing the final step of the delivery process from a distribution facility to the end-user, are projected to grow dramatically in the Sultanate as growing numbers of households turn to ecommerce for most of their day to day requirements.

Source: [Oman Observer](#)

\$120m flood protection projects to secure Salalah Port, industrial city in Oman

Construction work is set to shortly commence on a pair of major dam projects that are key to securing key economic and civilian infrastructure in Salalah from catastrophic flooding of the kind that was witnessed in Dhofar Governorate two years ago in the wake of Cyclone Mekunu.

Source: [Oman Observer](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Advanced chairman says product prices improve, expects better profit from S. Korea's affiliate in H2 2020

Advanced Petrochemical Co. expects polypropylene prices to rise above \$900 per ton, after sinking below \$800 per ton in Q1 2020, driven by improved prices and demand from China and South East Asia, Chairman Khalifa Al Mulhem told Argam in an exclusive. "Advanced posted a lower profit for H1 2020, as polypropylene prices decreased by \$230 per ton, compared to average product prices in H1 2019," Al Mulhem said.

Source: [Argam](#)

Wizz Air Abu Dhabi to start operations on October 1

Wizz Air Abu Dhabi, a joint venture between the Hungarian budget airline and Abu Dhabi state holding company ADQ, will begin operations on October 1, with six new routes connecting the UAE capital with Europe and Egypt. The low-cost airline said on Sunday that it will initially fly to Alexandria in Egypt, Greek capital Athens, Kutaisi in Georgia, Larnaca on the southern coast of Cyprus, the Black Sea port city of Odesa in Ukraine and Armeni's capital Yerevan.

Source: [The National](#)

Al Akaria signs agreement with NCB to restructure SAR 2.07 bln loan

Saudi Real Estate Co. (Al Akaria) signed an agreement with National Commercial Bank (NCB) to restructure an existing SAR 2.07 billion credit facility to match the company's future cash flows, the developer said in a bourse statement. Under the previous agreement, the credit financing period was 4 years after which the amount would be paid as lump sum on May 31, 2019.

Source: [Argam](#)

DP World Sokhna's Basin 2 expansion nearing completion – CEO

Egypt's DP World Sokhna port on the Red Sea is nearing the completion of its Basin 2 expansion which would nearly double the port's container handling capacity to 1.75 million TEUs [twenty-foot equivalent units] per year, the company CEO said. Ajay Kumar Singh told Zawya Projects that the COVID-19 pandemic had impacted the commissioning of Basin 2 project.

Source: [Zawya](#)

Qatar's top bank Q2 profit slides over virus

Qatar National Bank, the largest lender in the Middle East, said Sunday its net profits for the second quarter sank over the impact of the coronavirus pandemic. QNB net profit in the second quarter plunged 25.8 percent to 2.84 billion riyals (\$780 million) compared to \$1.05 billion in the same period a year ago, the bank said in a statement.

Source: [Arab News](#)

Kuwait's Kamco Investment buys \$31.5mln office property in UK

Kuwait's Kamco Investment Company has bought an office property in Surrey, United Kingdom, for approximately 9.7 million Kuwait dinars (\$31.52 million). The deal is expected to result in an annual return of 8.5 percent approximately, the company said in a statement to Boursa Kuwait.

Source: [Zawya](#)

Mideast Stocks: Most Gulf bourses end higher as DAMAC lifts Dubai

Most major Gulf markets closed higher on Sunday, as investor focus turned to corporate earnings starting this week, while a surge in DAMAC Properties helped the Dubai bourse. Dubai's main share index ended 0.2% up, with DAMAC Properties surging 11.6%, its biggest intraday gain since March 25.

Source: [Zawya](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

China's Shenzhen stocks surge nearly 3% as markets in Asia jump

Shares in Asia traded higher Monday afternoon. The World Health Organization on Sunday reported a record daily rise in global coronavirus cases, according to Reuters. Stateside, Florida on Sunday reported more than 15,000 new coronavirus infections — the highest single day total to date for any U.S. state since the pandemic began in the country.

Source: [CNBC](#)

Dollar starts week on back foot ahead of data, earnings

The U.S. dollar edged down in Asian trade on Monday as investors looked to looming economic data from around the world and U.S. corporate earnings to gauge whether the markets' guarded optimism on the economic outlook is justified. The greenback had ended its third week of losses on Friday as investors bought into risk-sensitive currencies on bets that the worst of the pandemic's sweeping impact was over.

Source: [Reuters](#)

Asian shares extend rally, U.S. earnings to test optimism

Asian shares crept toward five-month peaks on Monday as investors wagered the U.S. earnings season would see most companies beat forecasts given expectations had been lowered so far by coronavirus lockdowns. MSCI's broadest index of Asia-Pacific shares outside Japan added 0.15%, having climbed sharply last week on the back of surging Chinese stocks, which added another 1% on Monday.

Source: [Reuters](#)

Coronavirus bringing record \$1 trillion of new global corporate debt in 2020: report

Companies around the world will take on as much as \$1 trillion of new debt in 2020, as they try to shore up their finances against the coronavirus, a new study of 900 top firms has estimated. The unprecedented increase will see total global corporate debt jump by 12 percent to around \$9.3 trillion, adding to years of accumulation that has left the world's most indebted firms owing as much as many medium-sized countries.

Source: [Money Control](#)

Tesla slashes Model Y SUV price as pandemic weighs on auto sector

Tesla Inc (TSLA.O) cut the price of its sport utility vehicle Model Y by \$3,000, just four months after its launch, as the U.S. electric carmaker seeks to maintain sales momentum in the COVID-19 pandemic. The reduction follows price cuts in May on Tesla's Model 3, Model X and Model S.

Source: [Reuters](#)

COMMODITIES NEWS

Oil slips as traders eye supply cut easing at OPEC meeting

Oil slipped in early Asian trade on Monday as traders eyed an Opec technical meeting this week which is expected to recommend an easing in supply cuts that have been propping up crude prices. Brent crude fell 27 cents to \$42.97 a barrel by 0114 GMT while U.S. West Texas Intermediate crude was at \$40.27 a barrel, down 28 cents.

Source: [ET](#)

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