

# U Capital Morning Brief

26 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	782.40	5.97	0.77%	-7.25%	7.04	0.74	7.9%
U Capital GCC 50 Index	1,198.92	-3.53	-0.29%	-13.50%	19.35	1.98	4.3%
U Capital MENA 200 Index	945.31	5.02	0.53%	-13.33%	14.42	1.65	5.1%
MSCI GCC Countries Index	478.11	0.07	0.01%	-16.08%	15.56	1.61	4.3%
Muscat Securities Market	3,563.88	42.17	1.20%	-10.48%	10.21	0.77	6.7%
Saudi Stock Exchange	7,426.78	-1.11	-0.01%	-11.47%	22.67	1.80	3.5%
Kuwait Stock Exchange	5,856.65	18.63	0.32%	-19.27%	14.28	1.12	4.1%
Qatar Exchange	9,368.29	-17.87	-0.19%	-10.14%	15.00	1.43	4.3%
Bahrain Stock Exchange	1,284.64	-8.28	-0.64%	-20.22%	9.61	0.79	5.5%
Dubai Financial Market	2,052.65	-12.65	-0.61%	-25.76%	6.53	0.67	4.7%
Abu Dhabi Exchange	4,261.07	-1.13	-0.03%	-16.05%	14.07	1.28	6.0%
Beirut Stock Exchange	588.02	-13.84	-2.30%	-25.15%	7.29	0.36	0.0%
Tunis Se Index	6,596.95	31.71	0.48%	-7.37%	18.33	2.18	0.8%
EGX 30 Index	10,459.92	-98.43	-0.93%	-25.08%	10.41	1.39	3.3%

World Markets	Country	Value	D/D	YTD	Currency Cross Rates	USD/1 Unit	Units/1 USD
			%	%	Currency		
<b>Europe</b>					Australian Dollar (AUD)	0.711	1.407
FTSE 100	UK	6,123.8	-1.41%	-18.81%	British Pound (GBP)	1.279	0.782
DAX	Germany	12,838.1	-2.02%	-3.10%	Canadian Dollar (CAD)	0.746	1.342
CAC 40	France	4,956.4	-1.54%	-17.09%	Chinese Renminbi (CNH)	0.143	7.017
<b>United States</b>					Egyptian Pound (EGP)	0.063	15.991
DJIA	USA	26,469.9	-0.68%	-7.25%	Euro (EUR)	1.166	0.858
S&P 500	USA	3,215.6	-0.62%	-0.47%	Indian Rupee (INR)	0.013	74.829
NASDAQ	USA	10,363.2	-0.94%	15.50%	Japanese Yen (JPY)	0.009	106.140
<b>Asia Pacific</b>					New Zealand Dollar (NZD)	0.664	1.506
NIKKEI 225	Japan	22,751.6	-0.58%	-3.83%	Omani Rial (OMR)	2.597	0.385
HANG SENG	Hongkong	24,705.3	-2.21%	-12.36%	Pakistani Rupee (PKR)	0.597	167.255
KSE 100 Index	Pakistan	37,607.6	0.08%	-7.68%	Russian Ruble (RUB)	0.014	71.735
NSE Nifty 50	India	11,194.2	-0.19%	-8.01%	Singapore Dollar (SGD)	0.723	1.382
SHANGHAI COMPOSITE	China	3,196.8	-3.86%	4.81%	Turkish Lira (TRY)	0.146	6.846
SHANGHAI SHENZHEN CSI 300	China	4,505.6	-4.39%	9.98%			

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %	YTD %
	USD	%	%			
<b>Oil</b>						
Brent Crude (per bbl)	43.3	0.07%	-30.63%	UAE	0.55	-75.2%
WTI Crude (per bbl)	41.3	0.66%	-32.30%	Saudi Arabia	0.94	-58.0%
Oman Crude Oil (Last Closing)	43.6	0.37%	-35.33%	Kuwait	1.56	-43.2%
OPEC (per bbl)	44.6	0.86%	-34.34%	Oman	2.69	-4.6%
<b>Precious Metals</b>						
Gold100 OZ (per oz)	1,902.0	0.77%	25.36%	Qatar	1.00	-55.5%
Silver (per oz)	22.8	0.78%	27.53%	Bahrain	2.30	-13.8%
Platinum (per oz)	918.9	-0.14%	-4.93%	<b>GCC Latest 10-Yr Government Bond Yields</b>		
<b>Other Metals</b>						
Copper, MT	6,415	-1.98%	3.90%		<b>Maturity date</b>	<b>YTM, %</b>
Aluminium, MT	1,700	-0.06%	-6.08%	KUWAIT	20/03/2027	1.44
Lead, MT	1,818	-0.44%	-5.66%	UAE	16/04/2030	1.72
Zinc, MT	2,218	-0.96%	-2.38%	QATAR	16/04/2030	1.80
				SAUDI ARABIA	22/10/2030	2.17
				OMAN	01/08/2029	6.88
				BAHRAIN	14/05/2030	5.41

Midswaps	Price	YTM %	USD Libor	Rate (%)	YTD
3 year	99.88	0.2	1m	0.17	-90.2%
5 year	99.88	0.3	3m	0.25	-87.1%
10 year	100.34	0.6	6m	0.32	-83.3%
30 year	100.52	1.2	1 year	0.46	-77.0%

Source: Bloomberg

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

## OMAN ECONOMIC & CORPORATE NEWS

### U Capital: MSM witnesses sharp recovery

MSM30 closed the week up by 3.29 per cent on the back of a recovery across all sub-indices led by the financial index at 4.72 per cent. The Shariah index was up by 0.04 per cent. Foreigners continued to remain net sellers and sold \$10.9mn worth of securities while Omanis and GCC investors remained net buyers of securities.

Source: [Oman Observer](#)

### New integrated company to market fruits and vegetables in Oman

Oman Investment Authority (OIA) has announced the launch of a new project to market vegetables and fruits in the Sultanate in cooperation with the Ministry of Agriculture and Fisheries. The new integrated entity has been created under the auspices of Oman Food Investment Holding Company, a company affiliated to OIA.

Source: [Oman Observer](#)

### Sezad to host Oman-India investment webinar

The Special Economic Zone at Duqm (Sezad) will host on Tuesday Oman-India Investment webinar 'Invest in Duqm', with the participation of business people and entrepreneurs from both countries. The virtual webinar will be led by Yahya bin Said Al Jabri, Sezad Chairman, and Munu Mahawar, Ambassador of India to Oman.

Source: [Times of Oman](#)

### Ministry signs pact with PDO to support Omani startups

The Ministry of Technology and Communications (MTC) signed a Memorandum of Cooperation with Petroleum Development Oman (PDO) to explore and enhance collaboration in several areas including the exchange knowledge and expertise in in-country value, LEAN Approach and procurement and contracts management as well as testing the emerging technologies.

Source: [Times of Oman](#)

### Tender soon for installation of rooftop solar PV systems in Oman

Ahead of the start of a tender for a contract to install solar photovoltaic (PV) systems atop residential buildings in the capital region, the Authority for Electricity Regulation (AER) Oman which is driving the initiative, dubbed Sahim-II, engaged with potential developers in a virtual forum last week.

Source: [Oman Observer](#)

### UK retail giant sets up hub in Oman

In a major boost for Oman's aspirations to position itself as an international logistics hub, the world-renowned UK based multi-brand, multi-channel retailer Sainsbury's is preparing to establish a new operations hub at Suhar on the Sultanate's Sea of Oman coast

Source: [Oman Observer](#)

## MIDDLE EAST ECONOMIC & CORPORATE NEWS

### Economic forum reveals businesses keen to invest in Saudi

During the 2020 BMG Economic Forum, which took place on July 15, 36 high-level speakers discussed investment opportunities in Saudi Arabia, as the country moves into the next stage of recovery from the COVID-19 crisis. Speakers included Prince Abdullah bin Khaled bin Sultan, Saudi Ambassador to Austria, Slovenia and Slovakia, and permanent representative to the UN in Vienna; Bandar Alkhorayef, minister of industry and mineral resources in Saudi Arabia; and Stephen Groff, governor of National Development Fund.

Source: [Arab News](#)

### Saudi's privatization plan is still on

To boost its finances and as part of its Vision 2030 reform plan, the Saudi government is still keen to raise billions of riyals over the next few years by privatizing state assets. Sectors earmarked for this plan include education, health care, water, transport and others. But progress to privatize these sectors has been slowed down by the COVID-19 pandemic shutdown.

Source: [Zawya](#)

### GEA signs MoU with Bank AlJazira for funding in entertainment sector

Saudi Arabia's General Entertainment Authority (GEA) signed a memorandum of understanding with Bank AlJazira on Wednesday, under the guidance of chairman Turki bin Abdulmohsen Al-Sheikh, to find financing solutions for the Kingdom's

entertainment sector. The MoU comes as part of a package of services and solutions that GEA provides to entertainment companies to sustain and develop the entertainment industry.

Source: [Arab News](#)

#### **DIFC to woo Chinese fintech firms**

The Dubai International Financial Centre (DIFC) has signed a deal with Chinese fintech and entrepreneurship platform Jiaozhi Fintech Dreamworks to strengthen the emirate's role in the Belt and Road initiative, as well as attract more financial technology firms from China.

Source: [Khaleej Times](#)

#### **Dubai records \$6.7bln real estate transactions in H1**

Dubai's real estate market witnessed transactions worth AED 24.5 billion (\$6.7 billion) during the first half of 2020, despite the impact of the global Covid-19 outbreak, according to a report issued by the Dubai Land Department (DLD). The figures indicate that Dubai's real estate sector is gradually returning to normal, driven by the stimulus packages and initiatives launched by the government and its departments in the past few months.

Source: [Zawya](#)

#### **Saudi Finance Ministry closes book on July sukuk issuance**

Saudi Arabia's Ministry of Finance has closed the book to investors on its July 2020 riyal-dominated sukuk program, seeking to raise SR1 billion, the ministry said in a tweet. The sukuk are divided into two tranches of 5 and 7 years. The first tranche has a size of SR452.2 million and a total tranche size of SR7.001 billion and matures in 2025. The second tranche has a size of SR547.8 million, and a total tranche size of SR547.8 million and matures in 2027.

Source: [Saudi Gazette](#)

#### **New firm to oversee Abu Dhabi's waterways**

Abu Dhabi Ports, an ADQ company, has been assigned as the primary custodian of all of Abu Dhabi's waterways and marine ecosystems, through the creation of Abu Dhabi Maritime. The move is designed to fortify Abu Dhabi's position as a world-leading centre for maritime activities, said a statement.

Source: [Trade Arabia](#)

#### **DIFC Courts freezes NMC Health chairman BR Shetty's assets**

Dubai International Financial Centre (DIFC) Courts has frozen assets of NMC Health chairman BR Shetty at the request of Dutch lender Credit Europe Bank's Dubai branch. The bank had filed a case against NMC and BR Shetty due to non-payment of \$8.4 million (Dh31 million) loan facilitated in 2013.

Source: [Khaleej Times](#)

#### **SAMA issues rules for comprehensive insurance of auto lease finance**

The Saudi Arabian Monetary Authority (SAMA) on Thursday issued rules for comprehensive insurance of auto lease finance for individuals, effective as of November 2020. These rules include protecting rights of insurance policies' owners and the fairness of the services provided to them, in addition to determining obligations and rights of the insureds in accordance with the contract of motor vehicles financially leased to individuals.

Source: [Argaam](#)

### **INTERNATIONAL ECONOMIC & CORPORATE NEWS**

#### **European stocks close mixed as investors monitor U.S.-China tensions and earnings**

The pan-European Stoxx 600 closed marginally higher, with sectors and major bourses pointing in opposite directions. Tensions between China and the U.S. escalated this week after the U.S. claimed two Chinese hackers targeted American companies working on virus research and were stealing information from companies around the world, both for profit and on behalf of the Chinese government.

Source: [CNBC](#)

#### **Trump administration backs partial extension of jobless benefits through year's end**

U.S. Treasury Secretary Steven Mnuchin on Saturday said that the Trump administration supports extending enhanced unemployment benefits until the end of the year in the next round of coronavirus aid, albeit at a reduced level. The administration and the U.S. Congress have been trying to strike a deal on the next aid package as enhanced unemployment benefits of \$600 a week that Congress approved earlier in the pandemic expire on July 31.

Source: [Reuters](#)

### Wall Street closes lower as Intel dives, earnings and pandemic weigh

Wall Street retreated on Friday, heading into the weekend with a broad sell-off due to weak earnings, surging coronavirus cases and geopolitical uncertainties. For the second day in a row, the tech sector weighed heaviest on all three major U.S. stock averages. Intel Corp (INTC.O) led the decline, its shares plunging 16.2% after the chipmaker reported a delay in production of a smaller, faster 7-nanometer chip.

Source: [Reuters](#)

### COMMODITIES NEWS

#### Oil up on strong economic data, U.S.-China tensions cap gains

Oil prices rose on Friday, lifted by some supportive economic data, but tensions between the United States and China limited gains. Brent crude futures LCOc1 rose 3 cents to settle at \$43.34 a barrel. U.S. West Texas Intermediate (WTI) crude CLc1 futures rose 22 cents to settle at \$41.29 a barrel. For the week, Brent rose 0.5%, while U.S. crude rose 1.7%.

Source: [Reuters](#)

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