













U Capital Morning Brief

17 September 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	865.69	-2.73	-0.31%	-1.44%	-	-	-
U Capital GCC 50 Index	1,337.58	13.32	1.01%	2.13%	-	-	-
U Capital MENA 200 Index	1,053.97	7.35	0.70%	0.85%	-	-	-
MSCI GCC Countries Index	543.91	5.32	0.99%	1.13%	15.00	1.77	4.2%
Muscat Securities Market	 4,008.93	-12.21	-0.30%	-7.28%	8.16	0.79	6.8%
Saudi Stock Exchange	 7,827.17	77.71	1.00%	0.01%	19.41	1.73	3.9%
Kuwait Stock Exchange	 5,632.79	-92.52	-1.62%	10.89%	13.97	1.34	3.8%
Qatar Exchange	 10,511.58	116.68	1.12%	2.06%	15.19	1.57	4.1%
Bahrain Stock Exchange	 1,524.33	-11.22	-0.73%	13.99%	11.42	0.96	5.1%
Dubai Financial Market	 2,878.04	8.20	0.29%	13.77%	12.10	1.05	4.3%
Abu Dhabi Exchange	 5,160.73	86.88	1.71%	5.00%	15.46	1.47	4.8%
Beirut Stock Exchange	 788.06	-8.65	-1.09%	-19.32%	4.19	0.47	11.7%
Palestine Stock Exchange	 518.11	-0.58	-0.11%	-2.12%	11.69	1.20	4.6%
Tunis Se Index	 7,116.57	-0.84	-0.01%	-2.13%	19.57	2.38	1.6%
EGX 30 Index	 14,970.24	-52.99	-0.35%	14.84%	12.55	2.05	2.6%
Amman General Index	 1,809.55	2.44	0.14%	-5.20%	11.66	0.88	5.7%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	7,321.4	-0.63%	8.8%
DAX	Germany	12,380.3	-0.71%	17.2%
CAC 40	France	5,602.2	-0.94%	18.4%
United States				
DJIA	USA	27,076.8	-0.52%	16.1%
S&P 500	USA	2,998.0	-0.31%	19.6%
NASDAQ	USA	8,153.5	-0.28%	22.9%
Asia Pacific				
NIKKEI 225	Japan	22,019.0	0.14%	10.0%
HANG SENG	Hongkong	26,849.7	-1.01%	3.9%
KSE 100 Index	Pakistan	31,962.1	0.11%	-13.8%
NSE Nifty 50	India	10,952.3	-0.47%	0.8%
SHANGHAI Composite	China	2,999.8	-1.02%	20.3%
KOSPI Index	South Korea	2,065.2	0.15%	1.2%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.684	1.462
British Pound (GBP)	1.242	0.806
Canadian Dollar (CAD)	0.755	1.325
Chinese Renminbi (CNH)	0.141	7.082
Egyptian Pound (EGP)	0.061	16.610
Euro (EUR)	1.101	0.908
Indian Rupee (INR)	0.014	71.735
Japanese Yen (JPY)	0.009	108.240
New Zealand Dollar (NZD)	0.633	1.579
Omani Rial (OMR)	2.597	0.385
Pakistani Rupee (PKR)	0.640	156.430
Russian Ruble (RUB)	0.016	64.035
Singapore Dollar (SGD)	0.727	1.376
Turkish Lira (TRY)	0.175	5.729

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	68.3	-1.10%	24.0%
WTI Crude (per bbl)	62.0	-1.40%	36.6%
Oman Crude Oil (Last Closing)	67.9	14.41%	26.9%
OPEC (per bbl)	60.0	-0.81%	16.4%
Precious Metals			
Gold100 OZ (per oz)	1,497.8	-0.04%	16.8%
Silver (per oz)	17.8	-0.05%	15.1%
Platinum (per oz)	938.6	0.12%	18.0%
Other Metals			
Copper, MT	5,870	-1.75%	-1.6%
Aluminium, MT	1,793	-0.94%	-2.9%
Lead, MT	2,097	-0.43%	3.8%
Zinc, MT	2,365	-0.84%	-4.1%

GCC 3m Interbank Rates	Current Rate %
UAE	2.32
Saudi Arabia	2.39
Kuwait	2.88
Oman	2.93
Qatar	2.76
Bahrain	2.99

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
Kuwait	20/03/2027	2.26
Abu Dhabi	11/10/2027	2.33
Qatar	02/06/2026	2.33
Saudi Arabia	04/03/2028	2.84
Oman	17/01/2028	5.93
Bahrain	12/10/2028	5.11

Midswaps	Price	YTM %
3 year	99.40	1.71
5 year	97.93	1.69
10 year	98.13	1.83
30 year	98.73	2.31

USD Libor	Rate (%)
1m	2.02
3m	2.14
6m	2.07
1 year	2.05

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

Oman emerging as a digital hub amidst global digitisation: Ominvest chairman

Dynamically pursuing strategic growth and development in the Sultanate, Oman International Development and Investment Company (Ominvest) served as co-host for the Oman E-Commerce Conference (OEC) 2019 that kicked off on September 16, 2019. The symposium, under the patronage of His Excellency Dr Ali bin Masoud Al Sunaidy, Minister of Commerce and Industry, is the most innovative E-Commerce and Digital transformation conference in the Middle East with the focus of 'Everything Online'.

Source: [Times of Oman](#)

MASSIVE CHANGE IN AVIATION SECTOR IN THE OFFING

Oman Aviation Group (OAG) on Monday launched the 'Sahab' programme bringing together the minds, hearts and expertise of staff from across its companies, to re-imagine the future of aviation in Oman and set new standards of excellence in the guest experience. The programme will begin on October 6 and last for 60 days. During this time, the selected representatives will unite to form a dynamic think tank. It will include initiatives such as a 'hack the future' week facilitated by world-leading entrepreneurs, and workshops with international experts to push the boundaries of operational and commercial excellence.

Source: [Muscat Daily](#)

KHAREEF SEASON ATTRACTS OVER 763,300 VISITORS

Over 763,300 people have visited Dhofar since the beginning of the three-month khareef season on June 21. According to the National Centre for Statistics and Information (NCSI), the total number of visitors to Salalah till 12 noon on September 15 stood at 763,373. The highest number of visitors were Omanis at 539,822, followed by Asians at 60,279 and GCC citizens.

Source: [Muscat Daily](#)

STANDARD CHARTERED, OMAN SHIPPING SIGN \$110MN DEAL

Standard Chartered and Oman Shipping Company (OSC), a member of the Asyad Group, have announced a US\$110mn re-financing facility for three tanker vessels and two very large crude carriers (VLCCs). The signing ceremony took place at the Asyad headquarters and was attended by senior executives from Standard Chartered Oman, Asyad Group and Oman Shipping Company, according to a press statement.

Source: [Muscat Daily](#)

OMRAN announces new investment opportunities

As part of its constant efforts to accelerate the development at Madinat Al Irfan, Oman Tourism Development Company (OMRAN), the Sultanate's executive arm for tourism development, recently announced new investment opportunities at Madinat Al Irfan East. The investment opportunities currently available include OMRAN's upcoming three-star hotel, Ibis Styles, expected to unlock 282 keys, adjacent to the Oman Convention and Exhibition Centre, as well as a build-and-own commercial office building in Madinat Al Irfan's Business Park, in which OMRAN will lease part as its Head Office. The net leasable area of the building would be approximately 16,000 square meters.

Source: [Oman Observer](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Moody's - New laws to boost credit quality of Saudi Arabian infrastructure deals

A package of new laws drafted by Saudi Arabia as part of its Vision 2030 plan will attract more private investment and enhance the credit quality of the Kingdom's infrastructure deals, Moody's Investors Service said today in a new report. The new laws, which will exempt infrastructure investors from certain existing Saudi laws and ease real estate ownership restrictions among other things, will improve credit quality by making Saudi public sector actions and legal processes more transparent and predictable.

Source: [Moody's](#)

SPM plans capital cut, capital hike to restructure its capital

Saudi Paper Manufacturing Co.'s (SPM) board of directors team has recommended a 39.2 percent capital reduction to SAR 149 million from SAR 245 million to restructure the company's capital, offset accumulated losses and support future growth, the company said in a statement on Tadawul. There is no significant impact of the capital reduction on the company's liabilities or operations, the statement added.

Source: [Argaam](#)

Saudi Aramco is reportedly weighing a delay to its record-setting IPO after drone attacks

Saudi officials are weighing a delay of Saudi Aramco's IPO after drone attacks cut Saudi oil production, the Wall Street Journal reported. The officials are reportedly waiting for clarity on damage before moving forward. The attack could lower the valuation of the company even if the price of oil continues to rise. Aramco's valuation had not accounted for the risks associated with such serious attacks, an official told the WSJ.

Source: [Business Insider](#)

Events crucial for Mideast to realise tourism market value of \$133bln: expert

Events for Tourism Growth will be adopted as the official show theme for Arabian Travel Market (ATM) 2020, taking place at Dubai World Trade Centre from April 19 – 22, 2020. According to data from the World Travel and Tourism Council (WTTC), the direct contribution of travel and tourism to the Middle East's GDP is predicted to rise by 4.2 per cent per annum to \$133.6 billion by 2028 – driven in part by additional tourists to the region as a result of mega-events, major sporting and political events, cultural festivals, concerts and MICE events.

Source: [Zawya](#)

Bahrain's Investcorp mulls acquiring Vivaticket by year-end

Investcorp announced that it has concluded an agreement to acquire Ticket Holding (Vivaticket) from its co-founders. The purchased company's co-founders and management team will remain in place, as they hold a meaningful stake in Investcorp. The new deal will likely close by year-end based on customary closing conditions, the Bahraini leading global provider and manager of alternative investments said in a press release on Monday.

Source: [Decypha](#)

UAE and Saudi Arabia lead in GCC digital transformation interest online

New results released by SEMrush, the award-winning all-in-one digital marketing suite, identifies the UAE and Saudi Arabia as clear leaders in GCC-wide online searches relating to digital security and transformation over the last 12 months. The back-data study covered four key strategic digital terms: 'digital transformation', 'digital marketing', 'cyber security' and 'computer security', with the significant increases in searches highlighting how the two Gulf states are setting the regional data protection agenda and leading demand.

Source: [Saudi Gazette](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

China keeps one-year money market rate unchanged but easing still likely

China's central bank partially rolled over loans from its one-year liquidity facility on Tuesday but kept the lending rate unchanged, a sign it is willing to maintain adequate credit to support a slowing economy but wary of excessive stimulus.

Source: [Reuters](#)

China's home price growth slows, developers seen cutting prices

China's new home prices grew at a slower pace in August as a cooling economy and existing curbs on speculative buying put a dent on overall demand. Chinese regulators have vowed to refrain from stimulating the property sector as they roll out measures to boost the broader economy hit by the Sino-U.S. trade war and slowing consumer demand.

Source: [Reuters](#)

Asia Stocks Mixed as Oil Shock Mulled; Bonds Gain: Markets Wrap

Asian stocks traded mixed Tuesday as investors assessed heightened geopolitical risks in the aftermath of the strike on Saudi Arabia's crude production. Treasuries extended gains. Japan's Topix index rose, while shares fell in Shanghai and Hong Kong and were little changed in Seoul and Sydney. S&P 500 futures fluctuated after U.S. stocks slipped Monday. Source: [CNBC](#)

Oil-exporter currencies gain after Saudi attacks

CURRENCIES linked to the price of oil rose on Monday after an attack on Saudi Arabian refining facilities disrupted global oil supplies, while the Japanese yen and Swiss franc strengthened as nervous investors sought safety. Oil prices surged nearly a fifth following the strikes, which knocked out more than 5 per cent of global oil production. Yemen's Iran-aligned Houthi group claimed responsibility, but the United States blamed Iran. President Donald Trump said Washington was "locked and loaded" to retaliate.

Source: [Business Times](#)

COMMODITIES NEWS

Oil Prices Close 15% Higher On Record Trading Day

Oil prices spiked on Monday, two days after the largest oil disruption in history took place. Saudi Arabia lost 5.7 million barrels per day (mb/d) of production after the Abqaiq facility was attacked on Saturday, shuttering more than half of the country's oil production. The disruption is larger than was lost during the Iranian Revolution in 1979, Iraq's invasion of Kuwait in 1990, and even during the Arab Oil Embargo in 1973, as Bloomberg notes.

Source: [Oil Price](#)

Ubhar Capital SAOC (U Capital)

Oinvest Business Centre

Building no. 95

Way no. 501

Airport Heights

Tel: +968 2494 9000

Fax: +968 2494 9099

Email: research@u-capital.net

Website: www.u-capital.net



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