

U Capital Morning Brief

24 October 2018

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	916.26	3.26	0.36%	-5.96%	-	-	-
U Capital GCC 50 Index	1,290.54	-15.19	-1.18%	12.74%	-	-	-
U Capital MENA 200 Index	1,038.05	-6.23	-0.60%	4.32%	-	-	-
MSCI GCC Countries Index	528.37	-5.66	-1.06%	10.13%	13.30	1.71	4.1%
Muscat Securities Market	4,459.36	4.61	0.10%	-12.55%	10.21	0.80	6.1%
Saudi Stock Exchange	7,549.77	-98.87	-1.29%	4.48%	15.77	1.69	3.7%
Kuwait Stock Exchange	5,000.98	14.12	0.28%	NA	14.62	1.25	3.9%
Qatar Exchange	10,264.07	-10.38	-0.10%	20.42%	15.69	1.56	4.3%
Bahrain Stock Exchange	1,321.16	-1.48	-0.11%	-0.79%	8.86	0.83	6.2%
Dubai Financial Market	2,753.07	5.68	0.21%	-18.31%	7.35	1.02	6.2%
Abu Dhabi Exchange	4,970.30	14.11	0.28%	13.00%	13.16	1.45	4.9%
Beirut Stock Exchange	981.26	1.34	0.14%	-14.57%	5.19	0.62	9.2%
Palestine Stock Exchange	528.13	-0.06	-0.01%	-8.08%	12.06	1.17	4.6%
Tunis Se Index	7,438.31	-62.20	-0.83%	18.41%	19.37	2.65	1.9%
EGX 30 Index	13,579.60	-66.66	-0.49%	-9.58%	12.85	2.34	2.2%
Amman General Index	1,969.64	0.07	0.00%	-7.39%	13.73	1.00	4.7%

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

World Markets	Country	Value	D/D	YTD	Currency Cross Rates	USD/1 Unit	Units/1 USD
Europe			%	%	Currency		
FTSE 100	UK	6,955.2	-1.24%	-9.5%	Australian Dollar (AUD)	0.710	1.409
DAX	Germany	11,274.3	-2.17%	-12.7%	British Pound (GBP)	1.298	0.770
CAC 40	France	4,967.7	-1.69%	-6.5%	Canadian Dollar (CAD)	0.765	1.308
United States					Chinese Renminbi (CNH)	0.144	6.942
DJIA	USA	25,191.4	-0.50%	1.9%	Egyptian Pound (EGP)	0.056	17.917
S&P 500	USA	2,740.7	-0.55%	2.5%	Euro (EUR)	1.147	0.872
NASDAQ	USA	7,437.5	-0.42%	7.7%	Indian Rupee (INR)	0.014	73.306
Asia Pacific					Japanese Yen (JPY)	0.009	112.570
NIKKEI 225	Japan	22,139.3	0.59%	-2.7%	New Zealand Dollar (NZD)	0.656	1.524
HANG SENG	Hongkong	25,460.6	0.47%	-14.9%	Omani Rial (OMR)	2.597	0.385
KSE 100 Index	Pakistan	38,959.6	3.30%	-3.7%	Pakistani Rupee (PKR)	0.749	132.350
NSE Nifty 50	India	10,193.9	0.46%	-3.2%	Russian Ruble (RUB)	0.015	65.506
SHANGHAI Composite	China	2,626.3	1.21%	-20.6%	Singapore Dollar (SGD)	0.726	1.378
KOSPI Index	South Korea	2,099.6	-0.31%	-14.9%	Turkish Lira (TRY)	0.174	5.751

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %	YTD %
	USD	%	%			
Oil				UAE	2.67	48.5%
Brent Crude (per bbl)	76.8	0.44%	20.6%	Saudi Arabia	2.74	44.6%
WTI Crude (per bbl)	66.6	0.27%	10.2%	Kuwait	2.06	10.0%
Oman Crude Oil (Last Closing)	76.2	-3.76%	19.1%	Oman	2.78	45.6%
OPEC (per bbl)	78.7	0.68%	22.0%	Qatar	2.82	6.5%
Precious Metals				Bahrain	3.70	35.8%
Gold100 OZ (per oz)	1,232.3	0.17%	-5.4%	GCC Latest 10-Yr Government Bond Yields		
Silver (per oz)	14.8	0.37%	-12.7%		Maturity date	YTM, %
Platinum (per oz)	831.9	-0.10%	-10.6%	Kuwait	3/20/2027	3.9
Other Metals				Abu Dhabi	10/11/2027	4.1
Copper, MT	6,196	-0.74%	-14.5%	Qatar	6/2/2026	4.1
Aluminium, MT	2,001	-0.30%	-11.8%	Saudi Arabia	3/4/2028	4.5
Lead, MT	2,017	0.52%	-18.9%	Oman	1/17/2028	6.3
Zinc, MT	2,669	0.49%	-19.6%	Bahrain	10/12/2028	7.1

Midswaps	Price	YTM %	USD Libor	Rate (%)	YTD
3 year	99.80	2.9	1m	2.29	46.2%
5 year	99.42	3.0	3m	2.49	46.8%
10 year	97.66	3.2	6m	2.73	48.6%
30 year	93.36	3.4	1 year	3.03	43.9%

Source: Bloomberg

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

OMAN ECONOMIC & CORPORATE NEWS

Omantel showcases its rich digital experience at annual ICT summit

Latest technology trends and innovations were showcased at the Annual Omantel ICT Summit 2018. The annual ICT summit was recently held at the Oman Convention and Exhibition Centre (OCEC) under the patronage of H E Dr Ahmed bin Mohammed bin Salim al Futaisi, Minister of Transport and Communications. At the event, giant companies including Huawei, Cisco and SAP along with 250 experts in information and communications technology (ICT) as well as the CEOs and decision makers in private and public sectors came under one roof to discuss the fast-paced developments in the digital world, according to a press release.

Source: [MENAFN](#)

Measures necessary to secure Salalah Port from storms

Having endured a pair of powerful storms over the last five months, the Port of Salalah will need to weigh longer-term measures to secure the transshipment and logistics hub from future weather-related disasters, a high-level executive has stressed. Jesse Damsky, Chief Commercial Officer, said the maritime gateway, while suitably protected from threats from the sea — such as the long wave phenomenon witnessed during the khareef season — will need to address hazards such as flooding and wadi runoff emanating from the landside in the wake of deadly storms.

Source: [Oman Observer](#)

Omani trade team woos UK investors

A top-flight Omani business delegation led by Sayyid Badr bin Hamad Al Busaidi, Secretary-General of the Foreign Ministry, co-Chair of the Oman-UK Joint Working Group met on Tuesday with Alistair Burt, the UK's Minister of State for International Development, Minister of State for the Middle East, co-Chair of the Oman-UK Joint Working Group, as well as British investors drawn from manufacturing, logistics, mining, energy, finance, investment and tourism.

Source: [Times of Oman](#)

RO 200m Duqm Bulk Liquid Terminal on track

Construction work on the marine infrastructure of a Bulk Liquid Berth in the Port of Duqm is progressing on schedule and within agreed costs, according to key executives associated with the strategically vital project. Boskalis Westminster (Oman) LLC, the local subsidiary of the global dredging and marine infrastructure services provider Boskalis Westminster, is undertaking the execution of the project at a cost of around RO 200 million on behalf of the Special Economic Zone Authority of Duqm (SEZAD). Representing SEZAD as its technical consultant is Worley Parsons, the Australian headquartered international engineering services giant.

Source: [Oman Observer](#)

Data Mount to build Oman's largest commercial data centre using Cisco technology

Cisco has announced the signing of a Memorandum of Understanding (MoU) with Data Mount, a leading data centre hosting services company in Oman. Data Mount is planning to establish the largest commercial data centre in the country to date. Through its partner ecosystem, Cisco will provide data centre technology and help enable Data Mount to design, deploy and secure its next-generation cloud services in data center in Jebel El Akhdar, Oman

Source: [Intelligent](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Mideast Stocks: Saudi institutions buy to arrest slide from Khashoggi death

Saudi Arabia's stock index recovered most of its earlier losses on Monday, with government-linked funds continuing to bolster the market as concerns about the killing of Saudi journalist Jamal Khashoggi weighed. The main index recovered to trade down only 0.2 percent after falling as much as 3.3 percent, similar to the previous session where it closed in positive territory despite an early sell-off. State-linked Saudi funds have been buying blue-chips in a support operation since the market plunged last week, according to analysts.

Source: [Zawya](#)

Despite Khashoggi case, U.S. firms and Saudi prince show up at 'Davos in the Desert'

Gathered under grand domes and crystal chandeliers for a glitzy investment forum nicknamed "Davos in the Desert," business leaders on Tuesday called the death of Saudi journalist Jamal Khashoggi terrible and sad but said it shouldn't derail their dealmaking or U.S.-Saudi relations. They knew that Saudi agents killed Khashoggi three weeks ago at the Saudi Consulate in Istanbul. And they knew that their host, Crown Prince Mohammed bin Salman, was widely suspected of being involved, despite vehement official denials.

Source: [The Washington Post](#)

Saudi Arabia signs \$50B in deals at summit

Saudi Arabia signed deals worth \$50 billion Tuesday, showing it can still attract investment at a conference boycotted by Western politicians and global business chiefs after the killing of journalist Jamal Khashoggi. The Saudi Cabinet, after a meeting headed by King Salman on the same day, promised to hold to account those who were responsible for Khashoggi's death and those who "failed in their duties" in the case that has provoked an international furor and strained ties between Riyadh and the West.

Source: [Daily Star](#)

STC plans to launch commercial 5G operations next year

Saudi Telecom Company (STC) is planning to start commercial operations of 5G network from next year, its CEO Nasser Al Nasser told the Future Investment Initiative (FII) 2018 in Riyadh on Tuesday. "We launched the first live 5G network in the region in May this year, and we are planning for commercial launch next year," he added. The 5G network is expected to make a quantum leap in future services and applications and will contribute to increasing the speed and performance of wireless networks.

Source: [Argaam](#)

Saudi Arabia signed these 3 mega transport deals today

Saudi Arabia's Minister of Transport Nabil Ala'amoodi signed an agreement with Al Shoula Spanish Consortium to launch phase II of the Haramain High-Speed Railway project. The deal was signed at the Future Investment Initiative (FII) 2018 conference in Riyadh today. Meanwhile, Rumaih Al Rumaih, chairman of the Public Transport Authority, inked a memorandum of understanding (MoU) with China Civil Engineering Construction Corporation Ltd. (CCECC) for a land bridge between the Red Sea ports.

Source: [Argaam](#)

Red Sea Housing looks to diversify with 'consumer centric' rental strategy

After a tough 2017, Red Sea Housing is looking to new markets following the acquisition of a Dubai-based temporary building and warehouse company. Red Sea Housing, a subsidiary of the Saudi Arabia-based modular buildings manufacturer Red Sea International, announced on Monday that it had acquired Modular Rental Solutions as a means to diversify its interests in the Gulf Cooperation Council region.

Source: [Zawya](#)

ENOC completes first fully solar-powered lubricants blending plant in UAE

ENOC Group has recently converted its Lubricants and Grease Manufacturing plant (DLPP) located in Jebel Ali, to fully operate on solar energy. The completion of the first solar powered lubricants blending plant in the UAE underlines ENOC's efforts to leverage renewable energy to power its assets, in line with the Dubai Integrated Energy Strategy 2030 (DIES).

Source: [Emirates247](#)

NMC Healthcare upgrades revenue growth estimates

UAE-based NMC Healthcare has announced an upgrade in projected revenue growth during 2018, from 22 percent to 24 percent, with projected EBITDA guidance for the year rising from \$465 million to \$480 million at year-end. In a regulatory announcement to the London Stock Exchange ahead of a "Capital Markets Day" in London, the company ascribed the increase to what it described as "positive developments in the second half of 2018", said a Wam news agency report.

Source: [GDN](#)

Drake & Scull board approves the formation of a restructuring committee

Loss-making Dubai contractor Drake & Scull International said on Tuesday its board approved forming a restructuring committee after majority of its shareholders voted to continue operations. The four-person committee is comprised of company board members including group chief executive Yousef Al Mulla and Gulf Navigation chief executive Khamis Buamim, DSI said in a statement to the Dubai Financial Market, where its shares are traded. The decision to form the committee came during a board meeting on Monday.

Source: [The National](#)

Saudi Tadawul chairwoman says 320 foreign institutions registered in stock market

Some 320 foreign institutions have registered as qualified foreign investors in the Saudi stock market and 200 more are expected to register, the Saudi stock exchange chairwoman said on Tuesday. Sarah al-Suhaimi, chairwoman of the Saudi Arabian stock exchange (Tadawul) was speaking at an investment conference in Riyadh.

Source: [Zawya](#)

Qatari Diar invests in 60 projects worth \$35bn

The CEO of Qatari Diar Real Estate Investment Company, Sheikh Khalid bin Khalifa Al Thani, stressed the company's commitment to the development objectives and principles of sustainability in all its internal and external projects, which are over 60 projects in more than 24 countries with investments worth over \$35bn.

Source: [TPQ](#)

Arabtec Awarded AED 299 Million Contract for 478 Villas at AKOYA Oxygen by DAMAC Properties

Arabtec Holding PJSC ("Arabtec" or "Group"), a leading contractor for social and economic infrastructure, today announced that its wholly-owned subsidiary, Arabtec Construction, has been awarded an AED 299 million contract by DAMAC Properties for the construction of 478 luxury villas in the developer's AKOYA Oxygen project, a master community development in Dubai. Construction is expected to commence immediately, with plans to complete the villas within 16 months.

Source: [DFM](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Pakistan Secures \$6 Billion Aid Package from Saudi Arabia

Pakistan said Saudi Arabia agreed to a \$6 billion support package to bolster Islamabad's dwindling finances following a second visit by Prime Minister Imran Khan to Riyadh seeking aid. Saudi Arabia will deposit \$3 billion directly with Pakistan "as balance of payment support," while another one-year deferred payment facility of up to \$3 billion for oil imports was agreed, according to a memorandum of understanding signed by both nations on Tuesday. "This arrangement will be in place for three years, which will be reviewed thereafter," Pakistan's Finance Ministry said in a statement. Pakistan's key stock index jumped 2.7 percent on Wednesday.

Source: [Bloomberg](#)

Biting bears sink world shares to 1-year low

World shares slid towards their lowest level in a year on Tuesday, as negative drivers from fatigued earnings and Saudi Arabia's diplomatic isolation to a brewing spat over Italy's finances piled on the pressure. Wall Street looked set to for another jolt lower when it reopens. N but it was heavy selloffs in both Asia and Europe, which was heading for a fifth day of uninterrupted falls, that did the main damage.

Source: [Zawya](#)

China's Baidu challenges Google with A.I. that translates languages in real-time

Baidu unveiled an artificial intelligence-powered tool that can translate languages in real time on Wednesday. The simultaneous translation feature has been trained on two million pairs of English and Chinese sentences. The Chinese tech giant is posing a challenge to Google which last year unveiled its real-time translation tool.

Source: [CNBC](#)

Asia markets mostly higher following turbulent morning

Asia traded mostly higher Wednesday afternoon, following a turbulent morning session where stocks seesawed between gains and losses. Greater China markets recovered, with Hong Kong's Hang Seng index gaining 0.86 percent. The Shanghai composite advanced by 1.53 percent while the Shenzhen composite saw gains of 0.801 percent.

Source: [CNBC](#)

COMMODITIES NEWS

Oil edges back from big slump as Iran sanctions return to focus

Oil prices on Wednesday clawed back a fraction of their hefty losses the day before that came after Saudi Arabia said it would make up for supply disruptions from U.S. sanctions starting next month on Iran's petroleum exports. Front-month Brent crude oil futures LCOc1 were at \$76.72 a barrel at 0320 GMT, 28 cents, or 0.4 percent, above their last close. U.S. West Texas Intermediate (WTI) crude futures CLc1 were at \$66.66 a barrel, up 23 cents, or 0.4 percent, from their last settlement.

Source: [Reuters](#)