

# U Capital Morning Brief

**24 April 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	913.82	-0.79	-0.09%	-6.21%	-	-	-
U Capital GCC 50 Index	1,300.64	6.20	0.48%	13.63%	-	-	-
U Capital MENA 200 Index	1,084.39	4.68	0.43%	8.97%	-	-	-
MSCI GCC Countries Index	538.14	3.99	0.75%	12.17%	14.98	1.72	3.9%
Muscat Securities Market	4,756.03	-5.02	-0.11%	-6.73%	11.86	1.00	5.1%
Saudi Stock Exchange	8,335.35	78.75	0.95%	15.35%	18.32	1.84	3.2%
Kuwait Stock Exchange	4,858.69	-3.90	-0.1%	NA	14.61	1.19	4.8%
Qatar Exchange	9,157.57	2.02	0.02%	7.44%	13.31	1.39	4.8%
Bahrain Stock Exchange	1,298.60	-2.49	-0.19%	-2.49%	8.79	0.80	6.3%
Dubai Financial Market	3,061.97	-17.54	-0.57%	-9.14%	10.56	1.13	5.9%
Abu Dhabi Exchange	4,693.47	11.00	0.23%	6.71%	12.23	1.33	5.1%
Beirut Stock Exchange	1,135.48	-2.05	-0.18%	-1.14%	5.72	0.70	8.6%
Palestine Stock Exchange	547.33	-2.72	-0.49%	-4.74%	13.35	1.12	5.6%
Tunis Se Index	7,164.45	3.08	0.04%	14.05%	18.57	2.50	1.9%
EGX 30 Index	18,080.70	182.61	1.02%	20.38%	22.38	2.38	1.8%
Amman General Index	2,188.79	14.71	0.68%	2.92%	16.16	1.08	4.7%

World Markets	Country	Value	D/D	YTD
			%	%
<b>Europe</b>				
FTSE 100	UK	7,398.9	0.42%	-3.8%
DAX	Germany	12,572.4	0.25%	-2.7%
CAC 40	France	5,438.6	0.48%	2.4%
<b>United States</b>				
DJIA	USA	24,448.7	-0.06%	-1.1%
S&P 500	USA	2,670.3	0.01%	-0.1%
NASDAQ	USA	7,128.6	-0.25%	3.3%
<b>Asia Pacific</b>				
NIKKEI 225	Japan	22,256.5	0.76%	-2.2%
HANG SENG	Hongkong	30,578.8	1.07%	2.2%
KSE 100 Index	Pakistan	45,479.9	0.25%	12.4%
NSE Nifty 50	India	10,596.7	0.11%	0.6%
SHANGHAI COMPOSITE	China	3,131.5	2.07%	-5.3%
SHANGHAI SHENZHEN CSI 300	China	3,846.8	2.14%	-4.6%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.761	1.315
British Pound (GBP)	1.395	0.717
Canadian Dollar (CAD)	0.779	1.284
Chinese Renminbi (CNH)	0.159	6.309
Egyptian Pound (EGP)	0.057	17.705
Euro (EUR)	1.222	0.819
Indian Rupee (INR)	0.015	61.836
Japanese Yen (JPY)	0.009	108.780
New Zealand Dollar (NZD)	0.712	1.405
Omani Rial (OMR)	2.597	0.385
Pakistani Rupee (PKR)	0.865	115.610
Russian Ruble (RUB)	0.016	66.364
Singapore Dollar (SGD)	0.756	1.323
Turkish Lira (TRY)	0.244	4.102

Commodity Prices	Price	D/D	YTD
	USD	%	%
<b>Oil</b>			
Brent Crude (per bbl)	74.9	0.23%	13.8%
WTI Crude (per bbl)	68.9	0.39%	14.1%
Oman Crude Oil (Last Closing)	71.2	0.71%	11.3%
OPEC (per bbl)	70.4	-0.85%	9.1%
<b>Precious Metals</b>			
Gold100 OZ (per oz)	1,327.2	0.18%	1.9%
Silver (per oz)	16.7	0.43%	-1.5%
Platinum (per oz)	921.7	0.00%	-1.0%
<b>Other Metals</b>			
Copper, MT	6,944	-0.69%	-4.2%
Aluminium, MT	2,295	-7.05%	1.2%
Lead, MT	2,320	-1.90%	-6.7%
Zinc, MT	3,229	-0.11%	-2.7%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	2.46	37.3%
Saudi Arabia	2.35	23.9%
Kuwait	2.00	6.7%
Oman	2.16	13.4%
Qatar	2.65	0.2%
Bahrain	3.06	12.3%

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
Kuwait	3/20/2027	4.0
Abu Dhabi	10/11/2027	4.1
Qatar	6/2/2026	4.2
Saudi Arabia	3/4/2028	4.4
Oman	1/17/2028	6.3
Bahrain	10/12/2028	7.7

Midswaps	Price	YTM %
3 year	99.27	2.6
5 year	98.59	2.8
10 year	98.22	3.0
30 year	97.45	3.1

USD Libor	Rate (%)	YTD
1m	1.90	21.3%
3m	2.36	39.2%
6m	2.51	36.7%
1 year	2.76	31.0%

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

## OMAN ECONOMIC & CORPORATE NEWS

### Sohar Port signs OMR9.24m pact

Sohar Port and Freezone has signed an OMR9.24-million agreement to develop Phase 1 of the South Construction Package I by reclaiming 50 hectares by the last quarter of 2018. The agreement was signed with Dredging International NV – Earth Moving Worldwide LTD on April 18 at a ceremony held at Sohar Port and Freezone head office in Sohar.

Source: [Times of Oman](#)

### 780 modern boats to bolster Sultanate's fishing fleet

The Ministry of Agriculture and Fisheries has invited young Omanis to be part of an ambitious initiative that will see as many as 783 new artisanal, coastal and commercial fishing vessels being added to the nation's fishing fleet over the next four years. The objective is not only to help Omani job-seekers pursue rewarding livelihoods as fishermen, but also to build the capability of the fisheries sector to achieve an aggregate output 1.3 million tonnes of fish products per annum by the year 2023.

Source: [Oman Observer](#)

### Oman tourism industry's GDP share at 7.1pc in 2017

The travel and tourism sector's contribution to Oman's Gross Domestic Product (GDP) is forecast to soar to reach a value of \$8.67 billion over the next 10 years, representing 8.9 per cent of GDP in 2028, according to a new report by the World Travel & Tourism Council (WTTTC), billed as the global authority on the economic and social contribution of Travel & Tourism.

Source: [Oman Observer](#)

### Smart cities investment could boost Oman's IT market: SAP

Global enterprise solutions provider SAP believes that Oman government's push for smart cities could boost IT spending in the country and would provide attractive opportunities for SAP to offer its cloud-based solutions to the companies, government departments and other stakeholders. "According to a report by BMI Research, the government's initiatives to set up smart cities could boost IT spending in the country and could create business opportunities to the tune of RO122mn by 2019," Waheed al Hamaid, country general manager - SAP Middle East & North Africa LLC said.

Source: [Muscat Daily](#)

### CMA warns against dealing with unlicensed companies

The Capital Market Authority (CMA) has cautioned about firms claiming to be practicing investment business in foreign exchange, securities and other investments. 'The CMA has received information from the International Organizations of Securities Commissions (IOSCO) that it received alerts and warnings from its members about firms which are not authorized to provide investment services', the CMA said in a statement posted on its website on Monday.

Source: [Muscat Daily](#)

### NATIONAL GAS: Discussion Session in MSM

National Gas Company would like to inform the shareholders that they will be having a discussion session to discuss the future plans of the company and the Q12018 financials results. The session will be held in Muscat Securities Market on Wednesday 25th of April 2018 at 1:30 pm.

Source: [MSM](#)

### AL SUWADI POWER: Approval of the distribution of cash dividend of 3.50%

Approval of the distribution of cash dividend of 3.50% (Baizas 3.50 per share) out of the retained earnings as per the audited financial statements for the financial year ended 31 December 2017 to the shareholders of the Company who are registered in the Company's shareholders' register with the Muscat Clearing & Depository Company SAOC as on 5 June 2018.

Source: [MSM](#)

### AL BATINAH POWER: Approval of the distribution of cash dividend of 2.80%

Approval of the distribution of cash dividend of 2.80% (Baizas 2.80 per share) out of the retained earnings as per the audited financial statements for the financial year ended 31 December 2017 to the shareholders of the Company who are registered in the Company's shareholders' register with the Muscat Clearing & Depository Company SAOC as on 5 June 2018.

Source: [MSM](#)

## MIDDLE EAST ECONOMIC & CORPORATE NEWS

### Bahrain's AUB acquires stake in Saudi Bank Al Jazira for \$173m

Bahrain's Ahli United Bank (AUB), the dual-listed lender on Bahrain Bourse and Boursa Kuwait, on Monday announced taking over 59.69 million shares of Saudi-based Bank Al Jazira, or 7.28% of its shares, at a value of \$173 million. The stake acquisition was implemented through subscription to raise the Saudi bank's capital in April, according to a bourse filing.

Source: [Mubasher](#)

#### **Saudi finance ministry sells 5 bln riyals of domestic sukuk**

Saudi Arabia's government sold 5.0 billion riyals (\$1.33 billion) of domestic sukuk in its sixth monthly offer of domestic sukuk, the Ministry of Finance said on Monday. The ministry sold 3.8 billion riyals of five-year sukuk, 750 million riyals of seven-year and 450 million riyals of 10-year.

Source: [Reuters](#)

#### **Saudi surges again on inflows, earnings as Dubai sags**

Saudi exchange data shows record foreign inflows last week. Bank Aljazeera jumps after Bahrain's Ahli United buys stake. Dubai's DAMAC sinks after it cuts dividend. TAQA continues soaring in Abu Dhabi "Full-fledged bull market" in Egypt

Source: [Reuters](#)

#### **SPIMACO inks MoU with Taqnia to invest in biotech drugs**

Saudi Pharmaceutical Industries & Medical Appliances Corp. (SPIMACO) signed today a memorandum of understanding (MoU) with Saudi Technology Development and Investment Co. (Taqnia) to invest and acquire specialized biotech drugs that are in the final stages of registration.

Source: [Argaam](#)

#### **SIECO eyes new business, markets post capital increase: CEO**

The Saudi Industrial Export Co. (SIECO) is planning to use its planned capital increase to earn new export contracts and access fresh markets, Chief Executive Officer Hazem Al-Dossari told Argaam. The company specializes in the marketing of Saudi Arabia's (national) industrial products locally and abroad.

Source: [Argaam](#)

#### **ADNOC sets up oil trading business to help find new markets**

Abu Dhabi National Oil Company (ADNOC) is setting up a new trading unit to handle its crude oil and refined products, part of the state-run firm's efforts to expand its international business and secure new markets. The new business will be part of ADNOC's Marketing, Sales and Trading Directorate, the company said in a statement on Monday. "The unit will introduce and manage non-speculative trading to further maximize value from every barrel of crude oil and refined product that is produced and marketed by the company," ADNOC said.

Source: [Zawya](#)

#### **Abu Dhabi's Mubadala halts Abraaj investment deal talks**

Abu Dhabi state investor Mubadala has halted talks to buy Abraaj's investment business, two sources said. Mubadala, which has more than \$200 billion in assets, and Abraaj held initial talks a month ago, but these did not progress, one of the sources told Reuters.

Source: [CNBC](#)

#### **Flydubai sees longer routes with Emirates partnership, new jets**

Flydubai expects to offer more destinations of more than six hours flying time from its Dubai hub, aided by new planes and a partnership with Emirates, which has the same owner. The Middle East airline has traditionally flown shorter routes but this week said it would start flights to Helsinki in October, one of the few destinations more than six hours away.

Source: [Zawya](#)

#### **Moody's gives 1st rating to UAE's NMC Health**

Moody's Investors Service has assigned a Ba1 corporate family rating (CFR) and Ba1-PD probability of default rating with a stable outlook to NMC Health, a giant UAE-based healthcare provider. Giving its first rating to NMC Health, Moody's stated that this rating reflects the Emirati company's strong business status and favourable regulatory environment.

Source: [Mubasher](#)

#### **No rush to IPO, says Emaar Hospitality CEO**

Emaar Hospitality Group is in no rush to list its business on the stock exchange, the company's CEO Olivier Harnisch told a packed audience on the opening day of the Arabian Travel Market in Dubai. "Some of Emaar's other units have gone on to IPO. But there are no specific plans for us to," he said, referring to Emaar Development, a unit of Emaar Properties which went public earlier in November last year.

Source: [Arabian Business](#)

#### **Qatar National Cement – PRIMARY RECEIVING OF CEMENT MILLS FOR CEMENT PLANT NO. (5)**

Qatar National Cement Co. announces it's the two cement mills of plant No 5 after successful completion of the performance test, the capacity of the cement mills is more than 5000 tons cement per day. The other parts of the plant is expected to be completed by June 2018.

Source: [QE](#)

#### **Qatar, Iraq to open new shipping line in May 2018**

The Qatari transport and communications ministry announced the launch of new shipping line between Qatar and the Iraqi port of Umm Qasr. The new line will be opened by the beginning of May 2018. The step enhances the cooperation between the two Arab countries in the transportation field.

Source: [Mubasher](#)

## INTERNATIONAL ECONOMIC & CORPORATE NEWS

### Remittance payments hit record in 2017: World Bank

Payments from immigrants back to their home countries rebounded to reach a new record in 2017 but the costs of transferring funds also increased, the World Bank said Monday. The stronger-than-expected recovery in remittances — payments that are key to supporting the economies of many poor countries — was driven by growth in Europe, Russia and the United States, the World Bank said in a report. The bank estimates that officially recorded remittances to low- and middle-income countries reached \$466 billion in 2017, an increase of 8.5 percent over \$429 billion in 2016. They are expected to increase by about four percent this year.

Source: [Saudi Gazette](#)

### U.S debt deluge lifts bond yields to four-year high, Asia stocks down

Asian stocks slipped and the U.S. dollar advanced on Tuesday, as a deluge of U.S. government debt this week and the specter of inflation and a higher fiscal deficit drove U.S. borrowing costs near four-year highs.

Source: [Reuters](#)

### Google CEO tells investors not to worry about Europe's upcoming privacy rules

On Alphabet's Q1 earnings call, two analysts asked Google CEO Sundar Pichai about the effect that Europe's new privacy rules, GDPR, will have on its business. Pichai said that Google has been preparing for the changes for 18 months will be compliant when the regulations go into effect on May 25. He also downplayed the importance that user data has on its cash-cow search business.

Source: [CNBC](#)

## COMMODITIES NEWS

### U.S. extends deadline for Rusal sanctions, aluminum prices dive

The United States on Monday gave American customers of Russia's biggest aluminum producer more time to comply with sanctions, and said it would consider lifting them if United Company Rusal Plc's major shareholder, Russian tycoon Oleg Deripaska, ceded control of the company.

Source: [Reuters](#)

### Gold steady but buoyant dollar, Treasury yields weigh

Gold prices steadied in Asian trade on Tuesday, a day after falling to the lowest level in more than two weeks, as a climb in the dollar and 10-year U.S. Treasury yields dampened the appeal of bullion, which pays no interest.

Source: [NASDAQ](#)

### Brent oil prices hit highest since late 2014 on supply cuts, potential sanctions

International oil prices hit their highest levels since late 2014 on Tuesday, pushed up by expectations of renewed U.S. sanctions against Iran and as OPEC continues withholding supplies amid strong demand.

Source: [Economic Times](#)