

January 04, 2018

## U Capital Weekly Report

### Market Review & Outlook:

#### MSM30 closed up on expansionary budgeted figure

The start day of the previous week was the last day in 2017, thus the market saw fund and portfolio managers repositioning and restructuring their investments. The next day, the general budget of 2018 was announced along with the listing of Muscat City Desalination Co as first listing of 2018. The stock gained 35.35% on the listing date and formed 82.99% of total traded shares in terms of value. Remaining trading days witnessed normal activities although trades were good ahead of the announcement of initial yearly results expected this week.

The MSM30 closed the week up by 1.14% at 5,104.87. Sub-indices analysis all finished the week led by the Financial Index (+1.88%) followed by the Service Index (+0.87%) then Industrial Index (+0.66%). The MSM Shariah Index closed up by 1.15%.

The Extraordinary General Meeting (EGM) of Dhofar Fisheries and Food Industries Company (SAOG) agreed to increase the issued and paid-up capital from OMR 2.54mn to OMR 5.62mn by transferring the advance payment to the capital from a related party through private placement. The EGM also approved the reduction of the company's issued and paid-up share capital from OMR 5.62mn to OMR 2mn to write off part of the accumulated losses and amend the statutes accordingly.

National Mineral Water Company SAOG announced the completion of the sale of its entire 53.5% shareholding in Horizon Technologies SAOC to SABCO LLC. This action will be reflected in the financial statements.

In the weekly technical analysis, currently MSM index entered a new channel whose direction determined if the index remains above the level of 5,120 points (the lowest level of the channel) - If broken, it will reach 5,200 points the highest level in the channel. Recover from this points means that this is the entry point in capturing opportunities in the shares of companies, while breaking this point it will lead to touched the support level at 5,000 points.

Oman becomes the first GCC nation to tap international capital markets this year as it lined up a triple-tranche dollar sale. The Sultanate kicked off roadshow for 5Y, 10Y and 30Y notes in the U.K. last week. It is repeating a tried and tested formula after raising USD5bn across the same three tenors in March last year. Moody's Investors Service assigned a provisional senior unsecured foreign currency program rating of (P)Baa2 to the new Global Medium-Term Note (MTN) program by the Government of Oman. The rating mirrors the Government of Oman's long-term issuer rating of Baa2 with negative outlook.

The semi-annual revision of Free Float and Capping Coefficients for MSM Indices reveals the following:

- Bank Dhofar, Ooredoo & Bank Sohar top beneficiary with weightage increase of 1.81pps, 0.95pps and 0.80pps respectively
- Companies which witnessed largest cut were led by Raysut Cement (1.12pps), Oman Cables (0.80pps) and Bank Nizwa (0.49pps) respectively
- Weightage of only two companies remained unchanged, Bank Muscat and Omantel.
- No addition or deletion happened during the period (Jan 18 / July 2017) in MSM 30
- Amongst Services Index, Port Services Corporation was deleted and ACWA Power Barka was added

Locally, the Ministry of Finance released 2018 budget statement, which shows an increase of 9.2% YoY in budgeted revenues to OMR 9.5bn. Net oil revenues constitute 51.3% of total revenues against a budgeted average of 56.9% over the past three years. Oil revenue have been budgeted at a price of USD50/bbl. The non-oil revenues budgeted are 5.0% higher than the

2017 budgeted number and total expenditure stood at OMR 12.5bn, up considerably by 6.84% YoY, with current expenditure constituting 72% at OMR 8.9bn which is approximately 95% of the budgeted revenues. Moreover, subsidies have been increased by OMR330mn to OMR725mn. According to the preliminary final accounts, the actual fiscal deficit for FY17 is projected to be around OMR3.5bn. While the budget deficit for 2018 is estimated at OMR3bn i.e. 10% of GDP. We will issue a detailed report soon.

As many as six power generation and water desalination companies will launch their initial public offerings to list on the Muscat Securities Market (MSM) within three years, according to Oman Power and Water Procurement Company. As per their project founder's agreements, Oman's independent water and independent power projects are required to offer a minimum 35% of the share capital to the public within four years of the incorporation of the company. There are six power and water sector projects that will be going for IPOs within next three years. Out of these six projects, four IPOs will be from power sector and two from water sector.

GCC wise all financial markets closed up led by Abu Dhabi Securities Exchange which closed up by 3.41%

Saudi Arabia's parallel stock market will allow non-resident foreign investors to trade listed stocks last week. Capital Market Authority (CMA) earlier approved in October a new mechanism to draw foreign funds into the market, in line with Saudi Vision 2030. The new rules allow foreign investors, who are not residing in Saudi Arabia, to own up to 10% into the shares of any listed company or its convertible debt instruments. Foreign investors (residents and non-residents) can own up to 49% of any listed company or its convertible debt instruments.

Bahrain which also delayed the introduction of VAT has decided to introduce excise tax on selected items starting this year a move similar to Oman which has also delayed introduction of VAT but plans to introduce sin tax by mid of 2018. The new levies include 100% tax on tobacco products and 50 per cent on soft drinks, which were concerned as "harmful products" by finance ministries in fellow GCC countries. Under the law, those who fail to submit tax statements to the Ministry or pay the required fee within the deadline would be fined 5-25% of the overall value of the excise tax, in addition to the payment of the fee.

With the pinch of austerity issued in earlier years because of low oil prices, countries within GCC one by one decided to scale down the subsidies on the local petrol/diesel prices. Last one to remove the subsidy on the local fuel prices is Saudi Arabia which scaled the prices by over 80%. The kingdom also plans to gradually eliminate subsidies for a wide range of energy products, according to a new long-term fiscal plan in the 2018 state budget released last month. Hence post introduction of VAT and scaling of prices, Premium petrol prices in UAE stand the highest at USD 0.61/liter followed by Oman and Saudi Arabia at USD 0.55/liter and USD 0.54/liter, respectively. UAE and Oman lead in terms of price of the heavy oil i.e. diesel. Prices in UAE stand at USD 0.63/liter and in Oman stand at USD 0.60/liter. Saudi Arabia did not change the price of diesel as of yet and the price in the Kingdom are the lowest at USD 0.12/liter.

#### Fuel Prices in GCC for Jan'18

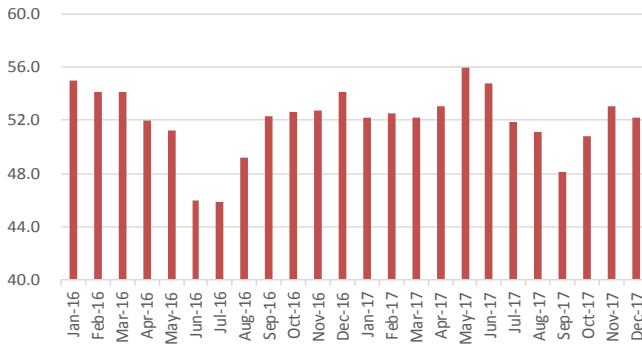
(USD / liter)	KSA	UAE	QATAR	BAH	OMAN	KWT
<b>Premium Petrol</b>	0.54	0.61	0.51	0.42	0.55	0.35
<b>Regular Petrol</b>	0.37	0.56	0.49	0.33	0.52	0.28
<b>Diesel</b>	0.12	0.63	0.48	0.32	0.60	0.37

Source: Argaam

Globally, the UK Construction PMI fell to 52.2 in December 2017 from a five-month high of 53.1 in the previous month and below market consensus of 52.8. Residential building activity rose for a 16th straight month while civil engineering output

showed no growth and work on commercial projects contracted for the sixth consecutive month. New orders for construction projects increased the most in seven months and purchases of materials rose by the most in two years, pointing to further growth in the immediate future. The PMI averaged 52.3 in 2017, higher than an annual average of 51.6 in 2016. Looking ahead to 2018, the balance of companies expecting a rise in output over the next 12 months remained among the weakest since 2013 on worries about the wider UK economic outlook.

**UK Construction PMI**



Source: Bloomberg

US Federal Reserve released minutes of its last meeting in which it increased the Fed rate. Some of salient features of the meeting were: 1) Fed expect reductions in corporate and personal taxes to boost consumer and business spending, though they remain unsure of the impact of the new tax law. 2) Members increased their expectations for 2018 GDP growth from 2.1% to 2.5%. 3) They expressed concern over the fact that the windfall corporations would get from tax cuts would be spent on dividends and share buybacks. 4) Officials remained somewhat at loggerheads when it came to inflation. The Fed has consistently missed its 2% target for price rises, and members discussed at length the reasons why the reading has remained so low. 5) In light of elevated asset valuations and low financial market volatility, a couple of participants expressed concern that the persistence of highly accommodative financial conditions could, over time, pose risks to financial stability.

**Recommendation:**

The market has begun the year on an encouraging note, following the announcement of an expansionary, transparent and inclusive budget. Furthermore, the successful listing of MCDE in the market indicates the level of liquidity available with investors. Lastly, oil prices have remained stable around USD65/bbl. Which we believe will further support the government’s ability to carry out its projects.

Announcements of preliminary annual financial results are expected during the week. We believe companies have become more accustomed to working in a more challenging environment, following the events of 2017 aiming to reduce the impact of higher expenses, which would lead to better results in the future.

We advise to invest in sectors targeted by the state budget, along with companies that will be able to sustain their payout ratio while maintaining profit margins.

MSM Summary	Current Wk	Previous Wk	Change	W/W	MTD	YTD
				%	%	%
U Capital Oman 20 Index	978.07	965.56	12.51	1.30%	-0.28%	-0.28%
U Capital GCC 50 Index	1,154.69	1,139.10	15.59	1.37%	0.58%	0.58%
U Capital MENA 200 Index	999.56	990.10	9.46	0.96%	0.37%	0.37%
MSM Shariah Index	719.42	711.27	8.15	1.15%	0.81%	0.81%
MSM 30	5,104.87	5,047.14	57.73	1.14%	0.11%	0.11%
Volume (In 000)	91,734.09	39,953.79	51,780.30	129.60%		
Value traded (In OMR 000)	14,524.62	32,750.44	(18,225.82)	-55.65%		

No. of Trades: 15,640      Volume of Bonds: 176,818

Top Equity Gainers	Price	Chg	Chg
	OMR	OMR	%
MUSCAT CITY DESALINATION CO	0.162	0.046	39.66%
FINANCIAL SERVICES CO.	0.175	0.031	21.53%
BANK DHOFAR SAOG	0.222	0.014	6.73%
AL IZZ ISLAMIC BANK	0.068	0.004	6.25%
AL MADINA TAKAFUL CO SAOC	0.106	0.006	6.00%

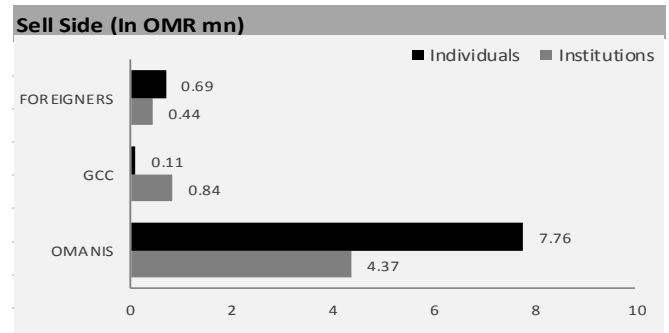
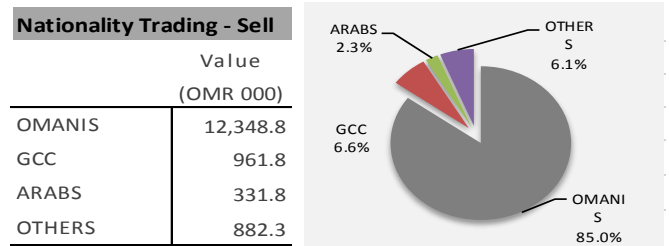
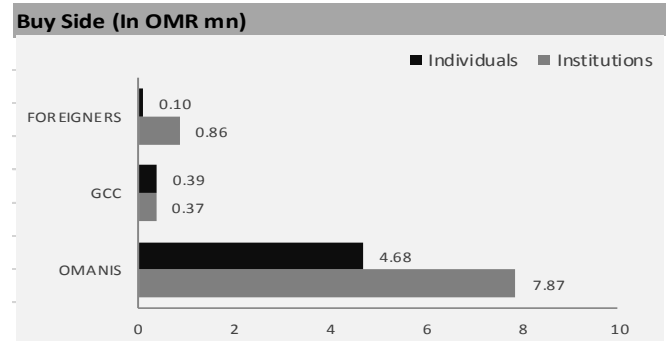
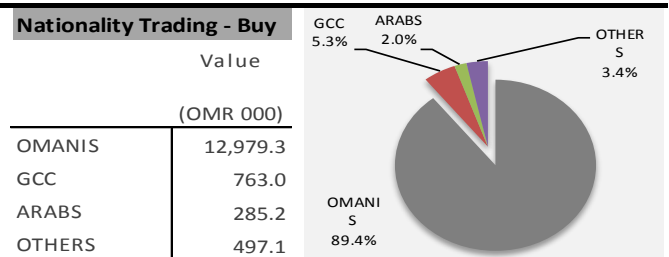
Top Equity Losers	Price	Chg	Chg
	OMR	OMR	%
CONSTRUCTION MATERIALS IND	0.025	-0.002	-7.41%
OMAN CABLES INDUSTRY	1.135	-0.035	-2.99%
OMAN TELECOMMUNICATIONS CO	1.165	-0.025	-2.10%
VOLTAMP ENERGY SAOG	0.554	-0.010	-1.77%
AL SUWADI POWER	0.140	-0.002	-1.41%

Top Co. -Value	Price	Value	Mkt Share
Companies	OMR	in OMR 000	
MUSCAT CITY DESALINATION CO	0.162	6,203.4	42.7%
AL MADINA TAKAFUL CO SAOC	0.106	1,190.8	8.2%
OMAN FISHERIES CO	0.156	987.5	6.8%
BANKMUSCAT SAOG	0.404	939.6	6.5%
BANK DHOFAR SAOG	0.222	566.4	3.9%

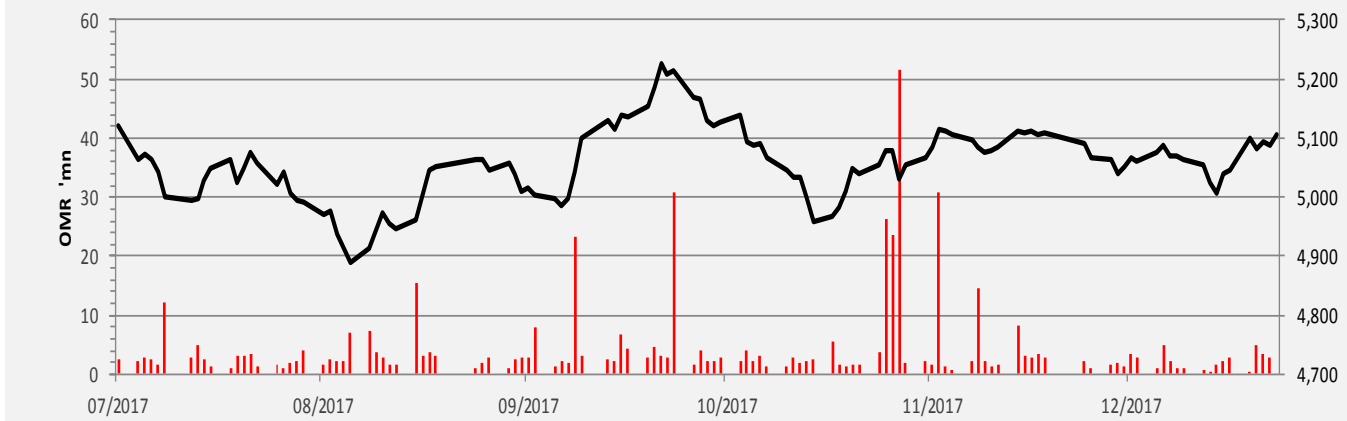
Top Co. -Volume	Price	Volume	Mkt Share
Companies	OMR	in 000	
MUSCAT CITY DESALINATION CO	0.162	39,364.7	42.9%
AL MADINA TAKAFUL CO SAOC	0.106	11,501.7	12.5%
OMAN FISHERIES CO	0.156	6,442.6	7.0%
GALFAR ENGINEERING&CONTRACT	0.077	5,841.9	6.4%
AL-ANWAR CERAMIC TILES CO	0.123	4,169.9	4.5%

Market Capitalization	
(In Billion)	
USD	OMR
12.27	4.76

No. of Companies		
Equal	Down	Up
16	14	33



### MSM 30 Index (RHS) vs. Turnover (LHS)



Sector Name	Bloomberg Code	Current	Previous	Points Daily	WTW %	Points Monthly	MTD %	Points Yearly	YTD %
Financial Sector	BKINV	7,556.38	7,416.95	139	1.88%	82	1.1%	82	1.1%
Industry Sector	INDSI	6,863.96	6,818.69	45	0.66%	31	0.4%	31	0.4%
Services Sector	SINSI	2635.78	2613.08	23	0.87%	(8)	-0.3%	(8)	-0.3%

Source: MSM, Bloomberg

Main Indicators - Sectors	Beta	52-Week		Div. Yield %	P/B (x)
		High	Low		
MSM 30		5,869.59	4,879.07	5.1%	1.05
Financial Sector	0.52	8,274.98	7,100.26	4.3%	0.86
Industry Sector	0.35	9,662.07	6,624.29	4.2%	1.38
Services Sector	0.50	3,043.31	2,410.70	5.5%	1.62

Source: Bloomberg








### Oman Government Bonds

Govt Development Bond Issue	Maturity Date	Issue Value OMR	Coupon	Listing Date
42	5/13/2020	80,000,000	4.25%	5/20/2013
44	11/25/2018	100,000,000	3.00%	12/11/2013
45	12/15/2019	200,000,000	3.00%	12/24/2014
46	2/23/2025	200,000,000	4.50%	3/4/2015
47	8/9/2020	300,000,000	3.00%	8/11/2015
48	2/22/2021	100,000,000	3.50%	2/24/2016
49	4/25/2023	100,000,000	1.00%	5/4/2016
50	10/3/2022	100,000,000	5.00%	10/13/2016
51	12/27/2026	150,000,000	5.50%	1/1/2017
52	2/20/2024	150,000,000	5.00%	2/26/2017
53	5/15/2023	150,000,000	5.25%	5/21/2017
54	9/20/2027	150,000,000	5.75%	9/25/2017
55	12/19/2024	150,000,000	5.25%	12/24/2017
SOVEREIGN SUKUK ISSUE 1	11/3/2020	250,000,000	3.50%	11/10/2015

### International Bonds

		Issue Value USD		
OMAN 3 ½ 07/14/22	7/14/2022	500,000,000	3.50%	6/29/2016
OMAN 3 ½ 06/15/21	6/15/2021	1,500,000,000	3.63%	6/8/2016
OMAN 4 ¾ 06/15/26	6/15/2026	2,500,000,000	4.75%	6/8/2016

Source: MSM, Bloomberg

GCC Market Indices		Current Close	Previous Close	Change	W/W	MTD	YTD	P/E TTM	P/B
		Index	Index		%	%	%		
	Muscat Securities	5,104.87	5,047.14	57.73	1.14%	0.11%	0.11%	12.32	1.05
	Saudi Stock Excha	7,277.06	7,230.61	46.45	0.64%	0.70%	0.70%	17.04	1.64
	Kuwait Stock Exch	6,454.16	6,408.01	46.15	0.72%	0.72%	0.72%	15.52	1.04
	Qatar Exchange	8,630.67	8,526.00	104.67	1.23%	1.26%	1.26%	13.95	1.28
	Bahrain Bourse	1,312.33	1,306.03	6.30	0.48%	-1.46%	-1.46%	7.75	0.79
	Dubai Financial M	3,463.57	3,370.07	93.50	2.77%	2.77%	2.77%	165.39	1.26
	Abu Dhabi Sec. Ex	4,548.43	4,398.44	149.99	3.41%	3.41%	3.41%	16.21	1.32

Source: Bloomberg, U-Capital

World Markets	Country	Value	Change	WTD	YTD
<b>Europe</b>					
UK	FTSE 100	7,676.87	-10.9	-0.1%	-0.1%
Germany	DAX	13,100.05	182.4	1.4%	1.4%
France	CAC 40	5,376.82	64.3	1.2%	1.2%
<b>US</b>					
USA	DJIA	24,922.68	203.5	0.8%	0.8%
USA	S&P 500	2,713.06	39.4	1.5%	1.5%
USA	NASDAQ	7,065.53	162.1	2.3%	2.3%
<b>Asia Pacific</b>					
Japan	NIKKEI 225	23,506.33	741.4	3.3%	3.3%
Hongkong	HANG SENG	30,736.48	817.3	2.7%	2.7%
<b>Arab</b>					
Tunis	Tunis Se Index	6,251.35	-30.5	-0.5%	-0.5%
EGYPT	The Egyptian Excl	14,876.34	-140.6	-0.9%	-1.0%
Jordan	Amman Stock Exc	2,125.11	-7.1	-0.3%	-0.1%
Palestine	Palestine Sec. Ex	574.46	1.2	0.2%	0.0%
Lebanon	Blom Stock Inde	1,161.91	13.3	1.2%	1.2%
<b>MSCI</b>					
	Bahrain	77.08	0.6	0.8%	0.8%
	Kuwait	519.49	12.7	2.5%	2.5%
MSCI	Oman	565.35	6.3	1.1%	-0.3%
	Qatar	710.01	1.8	0.2%	0.9%
	UAE	393.72	10.6	2.8%	2.8%
	GCC Countries	452.88	8.0	1.8%	2.0%

Source: Bloomberg at 3:00 P.M Muscat time (note: Sat and Sun global markets are closed)

Commodity Prices		Change	WTD	YTD
	USD	USD	%	%
Brent Crude (per bbl)	67.85	1.0	1.5%	1.5%
WTI Crude (per bbl)	61.84	1.4	2.4%	2.4%
Oman Crude Oil	65.47	1.5	2.3%	2.3%
Gold 100 OZ (per oz)	1,313.63	10.6	0.8%	0.8%
Silver (per oz)	17.15	0.2	1.2%	1.2%
Platinum (per oz)	952.65	22.1	2.4%	2.4%
Copper, MT	7,147.00	-100.0	-1.4%	-1.4%
Aluminium, MT	2,228.00	-40.0	-1.8%	-1.8%
Lead, MT	2,579.00	91.5	3.7%	3.7%
Zinc, MT	3,327.00	8.0	0.2%	0.2%
Nickel, MT	12,415.00	-345.0	-2.7%	-2.7%

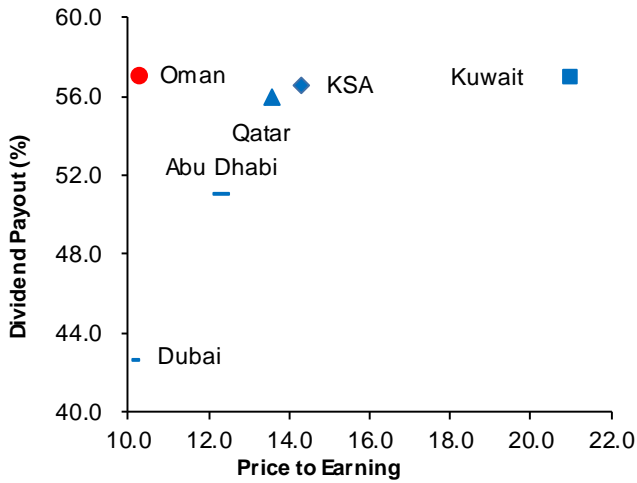
Source: Bloomberg (Sat and Sun market is closed)

Cross Rates of Major World Currencies			
Currency	Code	USD/1 Unit	Units/1 USD
EURO	EUR	1.205	0.830
British Pound	GBP	1.355	0.738
Japanese Yen	JPY	0.009	112.570
Chinese Renminbi	CNH	0.154	6.495
Indian Rupee	INR	0.016	63.381
Russian Ruble	RUB	0.017	57.177
Canadian Dollar	CAD	0.799	1.252
Australian Dollar	AUD	0.785	1.274

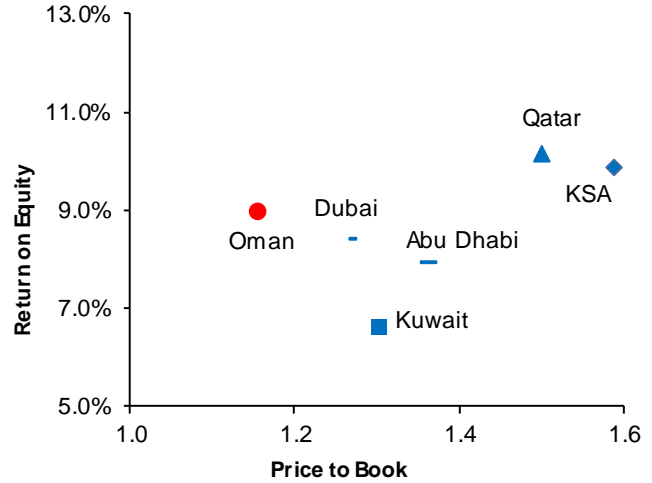
Source: Bloomberg

GCC Positioning

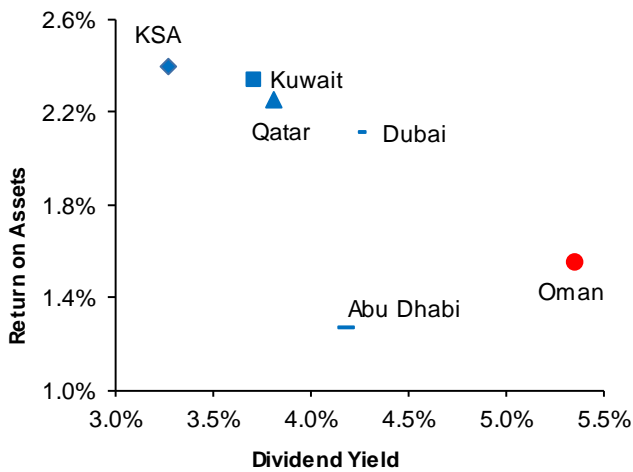
PE & Dividend Payout



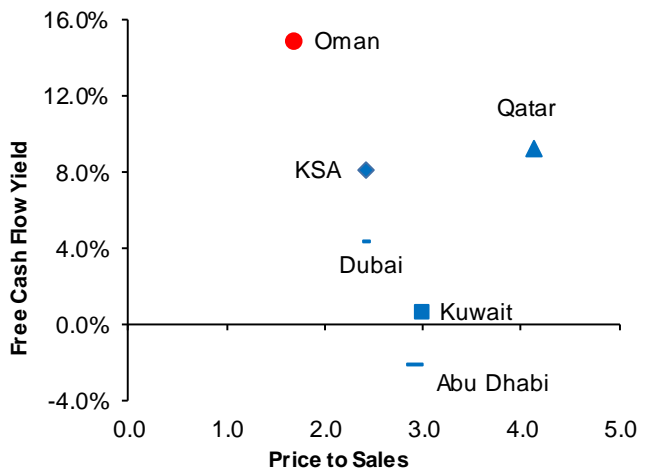
ROE & P/BV



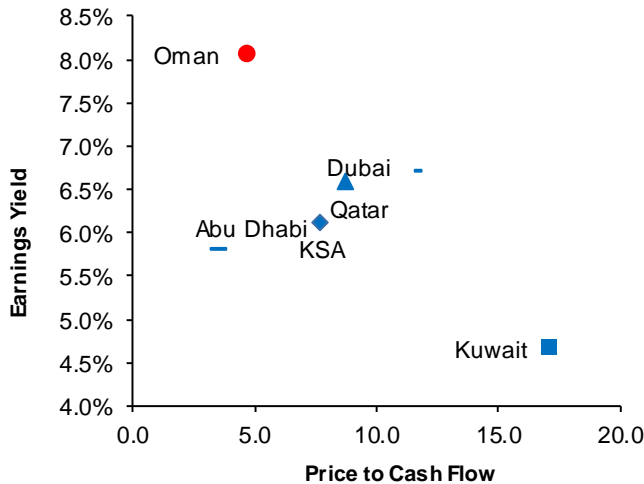
ROA & Dividend Yield



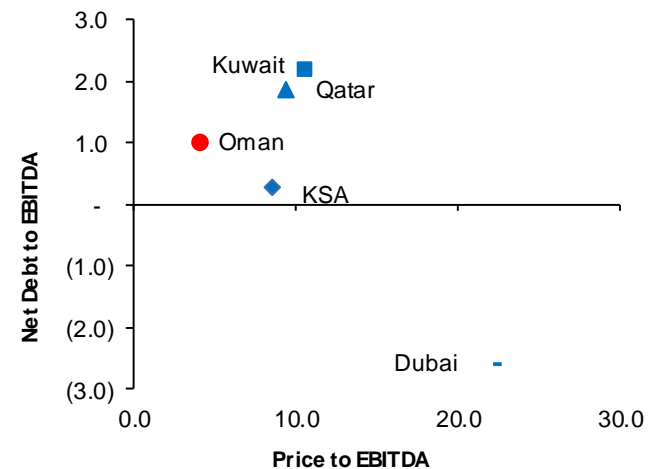
Price to Sales & Free Cash Flow Yield



Price to Cashflow & Earnings Yield



Price to EBITDA & Net Debt to EBITDA



Source: Bloomberg

## Market Indicators

Financial Sector	Market Cap, OMR mn	Price, OMR	52-Week High	52-Week Low	Px % Δ	Px % Δ WTD	Px % Δ MTD	Px % Δ YTD	Volume, '000	PE TTM	PB TTM	Div Yield, %
BANKMUSCAT SAOG	1,095	0.404	0.465	0.354	1.0%	3.1%	2.5%	2.5%	816	6.9	0.7	5.9%
BANK DHOFAR SAOG	501	0.222	0.249	0.195	0.0%	6.7%	0.0%	0.0%	71	11.1	1.1	5.6%
BANK SOHAR	271	0.152	0.164	0.133	0.0%	0.0%	0.0%	0.0%	5	11.0	0.9	2.9%
NATIONAL BANK OF OMAN SAOG	308	0.199	0.241	0.180	1.5%	-0.5%	-0.5%	-0.5%	6	7.7	0.7	7.6%
HSBC BANK OMAN	256	0.128	0.138	0.108	0.0%	0.0%	0.0%	0.0%	-	14.7	0.8	3.9%
AHLI BANK	242	0.170	0.206	0.155	0.0%	-0.6%	-1.7%	-1.7%	-	8.6	1.0	5.9%
BANK NIZWA	138	0.092	0.100	0.086	1.1%	2.2%	2.2%	2.2%	982	64.2	1.1	-
AL IZZ ISLAMIC BANK	68	0.068	0.093	0.062	1.5%	6.2%	3.0%	3.0%	524	-	0.9	-
<b>Banking Sub Sector</b>	<b>2,880</b>								<b>Average:</b>	<b>17.7</b>	<b>0.9</b>	<b>5.3%</b>
OMAN UNITED INSURANCE CO	38	0.380	0.426	0.330	0.0%	1.1%	0.0%	0.0%	-	12.8	1.4	7.9%
MUSCAT INSURANCE CO SAOG	9	0.856	0.887	0.852	0.0%	0.0%	0.0%	0.0%	-	6.5	0.5	5.8%
DHOFAH INSURANCE	40	0.200	0.200	0.180	0.0%	0.0%	0.0%	0.0%	-	-	2.4	-
AL MADINA TAKAFUL CO SAOC	19	0.106	0.123	0.073	1.9%	6.0%	7.1%	7.1%	4,656	8.4	0.8	5.6%
Vision Insurance	15	0.149	0.159	0.135	0.7%	0.7%	0.7%	0.7%	749	-	1.1	-
Al Ahlia Insurance Co	32	0.324	0.334	0.300	-1.2%	-0.6%	-1.8%	-1.8%	38	-	-	3.4%
OMAN QATAR INSURANCE COMPANY	15	0.146	0.164	0.145	-1.4%	-1.4%	-1.4%	-1.4%	83	1.0	0.1	-
NATIONAL LIFE & GENERAL INSU	82	0.310	0.332	0.310	0.0%	0.0%	0.0%	0.0%	-	0.8	0.2	-
<b>Insurance Sub Sector</b>	<b>249</b>								<b>Average:</b>	<b>5.9</b>	<b>0.9</b>	<b>5.7%</b>
NATIONAL FINANCE CO	41	0.144	0.151	0.127	0.0%	0.0%	0.0%	0.0%	-	6.6	0.9	9.4%
MUSCAT FINANCE	31	0.110	0.132	0.107	1.9%	1.9%	0.0%	0.0%	121	4.0	0.8	8.5%
UNITED FINANCE CO	49	0.141	0.154	0.109	0.7%	0.7%	-2.8%	-2.8%	63	18.2	1.1	5.3%
OMAN ORIX LEASING CO.	46	0.175	0.175	0.116	0.0%	0.0%	0.0%	0.0%	-	7.8	1.1	4.9%
AL-OMANIYA FINANCIAL SERVICE	76	0.276	0.286	0.276	0.0%	0.0%	0.0%	0.0%	-	16.0	1.1	6.2%
TAAGEER FINANCE	32	0.125	0.138	0.105	0.0%	5.9%	5.0%	5.0%	1	4.4	0.9	7.6%
<b>Financial Leasing Sub Sector</b>	<b>276</b>								<b>Average:</b>	<b>11.6</b>	<b>1.1</b>	<b>6.0%</b>
FINANCIAL SERVICES CO.	11	0.175	0.180	0.061	0.0%	21.5%	21.5%	21.5%	-	-	2.6	-
GLOBAL FIN INVESTMENT	31	0.157	0.175	0.151	0.0%	0.0%	0.0%	0.0%	-	-	1.0	3.2%
OMINVEST	323	0.462	0.530	0.440	0.0%	-0.9%	-0.9%	-0.9%	12	22.6	1.4	3.0%
NATIONAL SECURITIES 60%												-
GULF INVESTMENTS SERVICES	14	0.078	0.124	0.070	1.3%	1.3%	1.3%	1.3%	148	-	0.7	-
FINANCIAL CORP/THE	7	0.098	0.099	0.089	0.0%	0.0%	0.0%	0.0%	-	-	0.9	-
DHOFAH INTL DEVELOPMENT	78	0.318	0.360	0.290	0.0%	0.0%	0.0%	0.0%	-	153.1	0.7	4.7%
AL BATINAH DEV & INV	3	0.084	0.106	0.084	0.0%	0.0%	0.0%	0.0%	-	28.5	0.8	9.4%
AL ANWAR HOLDINGS SAOG	30	0.152	0.191	0.124	-0.7%	4.1%	4.8%	4.8%	464	19.9	0.8	5.8%
OMAN & EMIRATES INV(OM)50%	10	0.082	0.163	0.074	0.0%	1.2%	0.0%	0.0%	-	-	0.5	-
AL MADINA INVESTMENT CO	12	0.059	0.077	0.054	3.5%	5.4%	5.4%	5.4%	403	-	0.5	-
AL SHARQIYA INVEST HOLDING	10	0.113	0.156	0.098	2.7%	2.7%	2.7%	2.7%	189	17.2	0.8	4.4%
<b>Investment &amp; Brokerage Sub Sector</b>	<b>531</b>								<b>Average:</b>	<b>18.5</b>	<b>0.7</b>	<b>5.1%</b>

Source: Bloomberg



## Market Indicators

INDUSTRIAL SECTOR	Market Cap, OMR mn	Price, OMR	52-Week High	52-Week Low	Px % Δ	Px % Δ WTD	Px % Δ MTD	Px % Δ YTD	Volume, '000	PE TTM	PB TTM	Div Yield, %
NATIONAL BISCUIT INDUSTRIES	4	3.750	3.750	3.750	0.0%	0.0%	0.0%	0.0%	-	7.1	0.8	4.0%
SWEETS OF OMAN	9	1.340	1.210	1.210	0.0%	0.0%	0.0%	0.0%	-	59.7	2.1	3.0%
DHOFAR BEVERAGES CO	5	0.260	0.259	0.259	0.0%	0.0%	0.0%	0.0%	-	-	1.2	1.9%
OMAN REFRESHMENT CO	103	2.050	2.160	1.880	0.0%	0.0%	0.0%	0.0%	-	14.1	2.2	4.9%
NATIONAL MINERAL WATER	1	0.050	0.050	0.045	0.0%	0.0%	0.0%	0.0%	-	-	-	-
AREEJ VEGETABLE OILS												
OMAN FOODS INTERNATIONAL												
OMAN FLOUR MILLS	147	0.932	0.944	0.704	0.0%	2.2%	-0.4%	-0.4%	-	9.9	2.0	5.4%
SALALAH MILLS CO	71	1.330	1.395	1.200	0.0%	0.0%	0.0%	0.0%	-	14.0	2.2	3.0%
OMAN EUROPE FOODS INDUSTRIES	2	1.000	1.000	1.000	0.0%	0.0%	0.0%	0.0%	-	-	16.7	-
DHOFAR CATTLEFEED	15	0.190	0.200	0.189	0.0%	0.0%	0.0%	0.0%	-	-	0.4	-
OMAN AGRICULTURAL DEV		#N/A	N/A	#N/A	N/A				#VALUE!	-	-	-
OMAN FISHERIES CO	20	0.156	0.191	0.063	0.6%	5.4%	6.1%	6.1%	970	17.6	1.4	-
DHOFAR FISHERIES & FOOD INDU	3	1.280	1.280	1.280	0.0%	0.0%	0.0%	0.0%	-	-	6.7	-
SOHAR POULTRY	1	0.206	0.206	0.206	0.0%	0.0%	0.0%	0.0%	-	1.3	0.2	97.1%
DHOFAR POULTRY	7	0.180			0.0%	0.0%	0.0%	0.0%	-	25.4	2.0	-
A'SAFFA FOODS SAOG	69	0.576	0.796	0.540	0.0%	2.9%	0.0%	0.0%	-	19.6	1.7	3.5%
GULF MUSHROOM COMPANY	12	0.306	0.306	0.300	0.0%	0.0%	0.0%	0.0%	-	45.7	1.9	-
<b>Food &amp; Beverage Industry Sub Sect</b>	<b>469</b>								<b>Average:</b>	<b>21.4</b>	<b>3.0</b>	<b>15.3%</b>
OMAN CEMENT CO	136	0.410	0.504	0.396	0.0%	0.0%	0.0%	0.0%	29	7.7	0.8	7.3%
RAYSUT CEMENT CO	156	0.780	1.500	0.720	0.0%	0.0%	0.0%	0.0%	-	14.6	1.0	8.1%
<b>Cement Sub Sector</b>	<b>292</b>								<b>Average:</b>	<b>11.1</b>	<b>0.9</b>	<b>7.7%</b>
AL-HASSAN ENGINEERING CO	3	0.040	0.059	0.039	0.0%	0.0%	0.0%	0.0%	1	-	-	-
GALFAR ENGINEERING&CONTRACT	72	0.077	0.101	0.069	2.7%	2.7%	2.7%	2.7%	1,427	-	0.6	-
<b>Engineering &amp; Construction Sub Sec</b>	<b>75</b>								<b>Average:</b>	<b>-</b>	<b>0.6</b>	<b>-</b>
OMAN TEXTILE HOLDING CO SAOG		#N/A	N/A	#N/A	N/A	#VALUE!	#VALUE!	#VALUE!	#VALUE!	-	-	-
MUSCAT THREAD MILLS CO	1	0.083	0.100	0.080	0.0%	0.0%	0.0%	0.0%	-	10.6	0.7	2.9%
<b>Textiles Sub Sector</b>	<b>1</b>								<b>Average:</b>	<b>10.6</b>	<b>0.7</b>	<b>2.9%</b>
GULF STONE	4	0.120	0.121	0.112	0.0%	0.0%	0.0%	0.0%	-	43.6	1.0	8.3%
OMAN CHROMITE	11	3.640	3.640	3.280	0.0%	0.0%	0.0%	0.0%	-	13.8	2.7	4.1%
AL-FAJAR AL-ALAMIA CO	37	0.748			0.0%	0.0%	0.0%	0.0%	-	181.1	1.4	-
<b>Mining Sub Sector</b>	<b>52</b>								<b>Average:</b>	<b>79.5</b>	<b>1.7</b>	<b>6.2%</b>
CONSTRUCTION MATERIALS IND	2	0.025	0.039	0.023	0.0%	-7.4%	0.0%	0.0%	-	-	0.4	-
NATL ALUMINIUM PRODUCTS	6	0.167	0.190	0.130	0.0%	1.8%	0.0%	0.0%	-	-	0.8	-
ABRASIVES MANUFACTURING CO S	0	0.050	0.050	0.050	0.0%	0.0%	0.0%	0.0%	-	-	-	-
AL-ANWAR CERAMIC TILES CO	36	0.123	0.190	0.118	0.0%	0.0%	0.0%	0.0%	1,734	50.1	1.0	6.4%
AL JAZEERA STEEL PRODUCTS CO	35	0.280	0.280	0.208	0.0%	1.8%	0.0%	0.0%	-	8.4	0.8	3.2%
OMAN CERAMIC COMPANY	1	0.418	0.420	0.418	0.0%	0.0%	0.0%	0.0%	-	7.6	0.6	-
AL MAHA CERAMICS CO SAOC	16	0.292	0.477	0.270	0.0%	2.5%	0.0%	0.0%	1	5.3	1.7	9.9%
<b>Construction Materials Support Sut</b>	<b>96</b>								<b>Average:</b>	<b>17.9</b>	<b>0.9</b>	<b>6.5%</b>
TAGHLEEF INDUSTRIES SAOC	-											
OMAN PACKAGING	9	0.280	0.300	0.270	0.0%	0.0%	0.0%	0.0%	-	4.4	1.3	7.1%
GULF PLASTIC INDUSTRIES CO			#N/A	N/A	#N/A	N/A						
PACKAGING CO LTD	7	2.210	2.210	2.210	0.0%	0.0%	0.0%	0.0%	-	10.5	1.4	-
COMPUTER STATIONERY INDS	3	0.260	#N/A	N/A	#N/A	N/A	0.0%	0.0%	-	23.3	1.1	3.8%
AL AHLIA CONVERTING INDUS												
MAJAN GLASS COMPANY	8	0.180	0.190	0.162	0.0%	0.0%	0.0%	0.0%	-	-	1.1	-
<b>Paper, Glass &amp; Packaging</b>	<b>26</b>								<b>Average:</b>	<b>12.7</b>	<b>1.2</b>	<b>5.5%</b>
GULF INTERNATIONAL CHEMICALS	5	0.250	0.310	0.195	0.0%	0.8%	2.9%	2.9%	23	18.2	1.8	11.4%
OMAN CHLORINE	30	0.440	0.486	0.440	0.0%	0.0%	0.0%	0.0%	-	22.0	1.3	3.4%
NATIONAL DETERGENT CO SAOG	11	0.652	0.720	0.620	0.0%	0.0%	0.0%	0.0%	-	13.4	0.8	7.7%
<b>Chemicals</b>	<b>46</b>								<b>Average:</b>	<b>17.9</b>	<b>1.3</b>	<b>7.5%</b>
NATIONAL PHARMACEUTICAL	5	0.106	0.116	0.106	0.0%	0.0%	-3.6%	-3.6%	-	4.0	0.7	9.1%
<b>Pharmaceuticals</b>	<b>5</b>								<b>Average:</b>	<b>4.0</b>	<b>0.7</b>	<b>9.1%</b>
VOLTAMP ENERGY SAOG	39	0.554	0.590	0.410	-1.8%	-1.8%	-1.8%	-1.8%	50	9.7	1.8	2.8%
OMAN CABLES INDUSTRY	102	1.135	1.700	1.055	0.0%	-3.0%	0.0%	0.0%	-	9.8	1.1	7.5%
OMAN FILTERS INDUSTRY												
<b>Electical &amp; Mechanical</b>	<b>141</b>								<b>Average:</b>	<b>9.8</b>	<b>1.4</b>	<b>5.1%</b>

Source: Bloomberg

## Market Indicators

SERVICES SECTOR	Market Cap, OMR mn	Price, OMR	52-Week High	52-Week Low	Px % Δ	Px % Δ WTD	Px % Δ MTD	Px % Δ YTD	Volume, '000	PE TTM	PB TTM	Div Yield, %
OMAN TELECOMMUNICATIONS CO	874	1.165	1.550	1.050	-0.9%	-2.1%	-3.3%	-3.3%	48	9.8	1.5	7.7%
OOREDOO	344	0.528	0.640	0.420	0.4%	1.5%	0.4%	0.4%	35	10.9	1.5	8.0%
<b>Telecommunication Sub Sector</b>	<b>1,217</b>								<b>Average:</b>	<b>10.4</b>	<b>1.5</b>	<b>7.8%</b>
GULF HOTELS (OMAN) CO LTD	36	10.495	9.500	9.450	0.0%	0.0%	0.0%	0.0%	-	23.0	1.3	2.4%
UBAR HOTELS & RESORTS	6	0.129	0.129	0.129	0.0%	0.0%	0.0%	0.0%	-	11.7	0.8	3.1%
AL BATINAH HOTELS	4	1.125			0.0%	0.0%	0.0%	0.0%	-	-	1.1	-
AL BURAIMI HOTEL												-
OMAN HOTELS & TOURISM CO	30	0.436	0.436	0.396	0.0%	0.0%	0.0%	0.0%	-	30.6	1.1	-
HOTELS MANAGEMENT CO INTERNA	4	1.250	1.250	1.250	0.0%	0.0%	0.0%	0.0%	-	1.6	0.3	60.0%
SAHARA HOSPITALITY	15	2.500			0.0%	0.0%	0.0%	0.0%	-	6.0	0.8	6.0%
DHOFAR TOURISM	14	0.490	0.490	0.490	0.0%	0.0%	0.0%	0.0%	-	-	0.3	-
SALALAH BEACH RESORT SAOG	9	1.380	#N/A N/A	#N/A N/A	0.0%	0.0%	0.0%	0.0%	-	48.0	0.9	5.8%
<b>Tourism &amp; Hospitality Sub Sector</b>	<b>118</b>								<b>Average:</b>	<b>20.1</b>	<b>0.8</b>	<b>15.5%</b>
PORT SERVICE CORPORATION	17	0.179	0.324	0.174	0.0%	-0.6%	0.0%	0.0%	-	11.8	0.7	36.3%
SALALAH PORT SERVICES	109	0.604	0.632	0.550	0.0%	0.0%	0.0%	0.0%	-	24.6	2.0	3.3%
<b>Logistics Sub Sector</b>	<b>126</b>								<b>Average:</b>	<b>18.2</b>	<b>1.4</b>	<b>19.8%</b>
SHELL OMAN MARKETING	174	1.780	2.025	1.700	0.0%	0.0%	0.0%	0.0%	-	12.0	4.0	6.0%
OMAN OIL MARKETING COMPANY	90	1.460	1.860	1.450	0.0%	0.0%	0.7%	0.7%	-	10.7	1.4	4.1%
AL MAHA PETROLEUM PRODUCTS M	69	1.000	1.610	0.880	0.0%	0.0%	0.0%	0.0%	-	15.5	1.4	10.0%
NATIONAL GAS CO	17	0.286	0.523	0.240	0.4%	3.6%	0.4%	0.4%	30	11.3	1.0	3.5%
MUSCAT GASES COMPANY SAOG	17	0.558	0.612	0.504	0.0%	0.0%	0.0%	0.0%	-	51.9	2.2	5.4%
<b>Oil &amp; Gas Marketing Sub Sector</b>	<b>368</b>								<b>Average:</b>	<b>20.3</b>	<b>2.0</b>	<b>5.8%</b>
DHOFAR UNIVERSITY	-	-	-	-	0.0%	0.0%	0.0%	0.0%	-	-	-	-
MAJAN COLLEGE	13	0.438	0.510	0.438	0.0%	-0.5%	0.0%	0.0%	-	7.1	1.4	6.8%
NATIONAL HOSPITALITY INSTITU			#N/A N/A	#N/A N/A					#VALUE!	-	-	-
OMAN EDUCATION & TRAINING IN	11	0.152	0.160	0.133	0.0%	0.0%	0.0%	0.0%	-	8.8	0.6	8.2%
<b>Education &amp; Training Sub Sector</b>	<b>24</b>								<b>Average:</b>	<b>7.9</b>	<b>1.0</b>	<b>7.5%</b>
AL KAMIL POWER CO	30	0.312	0.312	0.312	0.0%	0.0%	0.0%	0.0%	-	15.7	1.0	3.2%
SOHAR POWER CO	33	0.150	0.230	0.144	0.0%	0.0%	0.0%	0.0%	-	18.6	1.5	-
UNITED POWER/ENERGY CO- PREF	4	1.000	1.000	1.000	0.0%	0.0%	0.0%	0.0%	-	-	-	53.9%
ACWA POWER BARKA SAOG	122	0.764	0.800	0.708	0.0%	0.0%	0.0%	0.0%	-	12.9	2.0	5.9%
PHOENIX POWER CO SAOC	197	0.135	0.152	0.114	0.0%	0.0%	-2.2%	-2.2%	4	7.8	1.2	5.9%
OMAN NATIONAL ENGINEERING AN	20	0.200	0.218	0.120	0.0%	3.6%	0.0%	0.0%	-	9.4	0.8	5.2%
SMN POWER HOLDING SAOG	132	0.660	0.704	0.660	0.0%	0.0%	0.0%	0.0%	-	14.1	5.2	5.0%
SEMBCORP SALALAH POWER & WAT	220	0.230	0.250	0.210	0.0%	2.7%	0.0%	0.0%	-	20.1	2.3	4.7%
SHARQIYAH DESALINATION CO SA	43	3.960	4.495	3.565	0.0%	0.0%	0.0%	0.0%	-	336.6	3.0	-
AL SUWADI POWER	100	0.140	0.196	0.135	-1.4%	-1.4%	-1.4%	-1.4%	5	16.2	1.1	6.0%
AL BATINAH POWER	93	0.138	0.195	0.130	-1.4%	-0.7%	-0.7%	-0.7%	7	19.2	1.2	5.3%
<b>MUSCAT CITY DESALINATION CO</b>	<b>3</b>	<b>0.162</b>	<b>0.164</b>	<b>0.152</b>	<b>2.5%</b>	-	-	-	<b>4229.81</b>	-	<b>0.2</b>	-
Energy Sub Sector	994.675974								<b>Average:</b>	<b>47.06891969</b>	<b>1.944756</b>	<b>0.1056283</b>
RENAISSANCE SERVICES SAOG	110	0.300	0.302	0.160	0.0%	3.1%	1.0%	1.0%	775	-	0.9	-
AL JAZEERA SERVICES	37	0.150	0.208	0.128	2.7%	4.9%	7.1%	7.1%	36	15.1	0.7	9.9%
OMAN INVESTMENT & FINANCE	28	0.141	0.237	0.127	0.7%	3.7%	2.9%	2.9%	200	8.3	0.8	11.2%
<b>Diversified Commercial Services Sub</b>	<b>175</b>								<b>Average:</b>	<b>11.7</b>	<b>0.8</b>	<b>10.5%</b>
<b>Total Service Sector</b>	<b>3,022</b>									<b>19.4</b>	<b>1.3</b>	<b>11.1%</b>

Source: Bloomberg

# Ubhar GCC Fund

NAV  
As of: 28-December-2017  
OMR: 0.957



## Ubhar Capital SAOC (U Capital)

Website: [www.u-capital.net](http://www.u-capital.net)  
PO Box 1137  
PC 111, Sultanate of Oman  
Tel: +968 2494 9000  
Fax: +968 2494 9099  
Email: [research@u-capital.net](mailto:research@u-capital.net)

**Disclaimer:** This report has been prepared and issued by Ubhar Capital (U Capital) on the basis of publicly available information. While the utmost care has been taken to ensure that the facts stated are accurate, neither U-Capital nor any of its employees shall be in anyway responsible for the contents.