

PRE-MARKET REPORT

18 April 2021

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TECHNICALS OF THE DAY

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MARKET INDICATORS

Market Indices	Current Close	Change	D/D	YTD	Price to Earnings	Price to Book	Div Yield
	Index	Point	%	%	(x)	(x)	%
MSCI GCC Countries Index	626.48	-0.09	-0.01%	9.97%	25.07	1.98	2.7%
Muscat Stock Exchange	3,716.01	8.09	0.22%	1.56%	10.93	0.68	4.9%
Saudi Stock Exchange	9,987.92	140.30	1.42%	14.94%	34.53	2.23	2.4%
Kuwait Stock Exchange	5,953.58	12.02	0.20%	7.35%	53.12	1.47	2.3%
Qatar Exchange	10,899.06	293.68	2.77%	4.44%	20.44	1.62	2.7%
Bahrain Stock Exchange	1,475.48	2.75	0.19%	-0.96%	39.10	0.97	2.4%
Dubai Financial Market	2,658.45	25.44	0.97%	6.68%	20.73	0.93	2.8%
Abu Dhabi Exchange	6,149.25	17.55	0.29%	21.88%	24.29	1.68	4.3%
Beirut Stock Exchange	886.72	2.09	0.24%	34.78%	32.46	0.69	0.0%
Palestine Stock Exchange	475.08	0.15	0.03%	0.81%	16.82	1.10	3.5%
Tunis Se Index	7,029.30	-54.40	-0.77%	2.10%	20.09	2.15	0.6%
EGX 30 Index	10,143.21	27.70	0.27%	-6.47%	11.08	1.37	2.9%

World Markets	Country	Value	D/D	YTD	Currency Cross Rates	Units/1 USD	YTD %
Europe					Currency		
FTSE 100	UK	7,019.5	0.52%	8.65%	Australian Dollar (AUD)	1.293	-0.55%
DAX	Germany	15,459.8	1.34%	12.69%	British Pound (GBP)	0.723	-1.24%
CAC 40	France	6,287.1	0.85%	13.25%	Canadian Dollar (CAD)	1.251	1.73%
United States					Chinese Renm. (CNH)	6.526	-0.36%
DJIA	USA	34,200.7	0.48%	11.74%	Egyptian Pound (EGP)	15.668	0.37%
S&P 500	USA	4,185.5	0.36%	11.43%	Euro (EUR)	0.835	1.95%
NASDAQ	USA	14,052.3	0.10%	9.03%	Indian Rupee (INR)	74.355	-1.73%
Asia Pacific					Japanese Yen (JPY)	108.800	-5.10%
NIKKEI 225	Japan	29,683.4	0.14%	8.16%	Swiss Franc (CHF)	0.920	-3.79%
HANG SENG	Hongkong	28,969.7	0.61%	6.38%	Omani Rial (OMR)	0.385	0.00%
KSE 100 Index	Pakistan	45,305.6	0.17%	3.54%	Pakistan Rupee (PKR)	152.858	4.56%
NSE Nifty 50	India	14,617.9	0.25%	4.55%	Russian Ruble (RUB)	75.827	-1.87%
SHANGHAI COMPOSITE	China	3,426.6	0.81%	-1.34%	Singapore Dollar (SGD)	1.334	-0.90%
SHANGHAI SHENZHEN CSI 300	China	4,966.2	0.35%	-4.70%	Turkish Lira (TRY)	8.066	-7.75%

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %	YTD %
				USD		
Oil				UAE	0.36	-30.2%
Brent Crude (per bbl)	66.8	-0.25%	29.25%	Saudi Arabia	0.80	-2.5%
WTI Crude (per bbl)	63.1	-0.52%	30.11%	Kuwait	1.50	4.3%
Oman Crude Oil (Last Closing)	65.1	-0.12%	27.50%	Oman	2.65	-0.9%
OPEC (per bbl)	64.5	1.72%	28.34%	Qatar	1.12	-0.3%
Precious Metals				Bahrain	1.25	-44.4%
Gold100 OZ (per oz)	1,776.5	0.71%	-6.42%	GCC Latest 10-Yr Government Bond Yields		
Silver (per oz)	26.0	0.45%	-1.65%	Maturity date		
Platinum (per oz)	1,205.7	0.66%	12.46%	KUWAIT	20/03/2027	1.57
Other Metals				UAE	16/04/2030	2.06
Copper, MT	9,211	-0.79%	18.61%	QATAR	16/04/2030	2.19
Aluminium, MT	2,315	-1.03%	16.95%	SAUDI ARABIA	22/10/2030	2.48
Lead, MT	2,046	1.49%	2.61%	OMAN	01/08/2029	4.99
Zinc, MT	2,856	-0.30%	3.82%	BAHRAIN	14/05/2030	5.41

Midswaps	Price	YTM %	USD Libor	Rate (%)	YTD
3 year	100.10	0.3	1m	0.12	-19.5%
5 year	99.61	0.8	3m	0.19	-21.0%
10 year	95.88	1.6	6m	0.22	-13.2%
30 year	91.58	2.3	1 year	0.29	-14.5%

Source: Bloomberg

CORPORATE NEWS, ANNOUNCEMENTS & DISCLOSURES

OMAN

ORDS 1Q21 net income lower 25.8% QoQ and 27.2% YoY

- Ooredoo Oman reported net income of OMR 4.60mn in 1Q21 compared to OMR 6.2mn in 4Q20 and OMR 6.32mn in 1Q20. Earnings were lower on YoY and QoQ basis largely because of drop in revenue. U Capital estimated net income of OMR 5.85mn for 1Q21.
- Company reported revenue of OMR 64.4mn compared to OMR 65.4mn in 4Q20 and OMR 67.1mn in 1Q20. U Capital revenue estimated revenue of OMR 65.5mn. For the full year 2021, we estimate ORDS to report revenue of OMR 257.6mn, lower on YoY basis by 2.8%.
- ORDS reported EBITDA margins of 51.6% during 1Q21 which were lower on YoY basis but almost flat on QoQ basis. Overall for 2021, we estimate EBITDA margins to drop to 52.8% compared to 53.5% in 2020.
- Full year earnings of the company are estimated at OMR 20mn compared to OMR 21.3mn in 2020. Lower revenue estimated is largely because of lower pie of customers because of expatriate exodus as well as expectation of the start of commercial operations of the third operator.

AINS - 1Q21 net income inline with U Capital estimates

- Good set of earnings reported by the Company. AINS reported net income of OMR 1.60mn for 1Q21 compared to OMR 1.11mn in 4Q20 and OMR 1.62mn in 1Q20. Earnings were inline with U Capital estimates of OMR 1.60mn.
- Company reported gross written premiums of OMR 5.0mn in 1Q21 compared to OMR 3.86mn in 4Q20 and OMR 5.9mn in 1Q20. The gross premiums recorded by the Company in 1Q21 were inline with U Capital estimates of OMR 5.0mn. For the full year 2021, we estimated the gross premiums of the Company to be at OMR 18.85mn.
- Investment income of the company stood at OMR 0.442mn in 1Q21, lower by 4.8% YoY and 9.5% QoQ. For the full year 2021, we estimate the investment income at OMR 2.2mn compared to OMR 2.34mn recorded during 2020.
- Company recorded earnings of OMR 4.39mn in 2020 with good support from lower claims during the pandemic period. However in 2021, we estimate the claims to be higher than in 2020, resulting in net income of OMR 4.1mn, lower 6.5% YoY.

NLIF reported net income of OMR 2.71mn for 1Q20 compared to OMR 0.98mn in 4Q20 and OMR 2.35mn in 1Q20

- National Life reported good set of earnings with growth in core income as well as in investments. NLIF reported net income of OMR 2.71mn for 1Q20 compared to OMR 0.98mn in 4Q20 and OMR 2.35mn in 1Q20. Earnings were lower than U Capital estimates of OMR 2.76mn.
- Company reported underwriting income of OMR 5.16mn during 1Q21 which was higher 4.6% YoY and 61% QoQ. U Capital estimate underwriting income of OMR 5.250mn, deviation of 1.7%.
- Investment income of the company stood at OMR 1.59mn in 1Q21, higher by 49% YoY and 15% QoQ. Investment income to profit before tax ratio stood at 50.2% in 1Q21 compared to 40.1% in 1Q20. U Capital estimated income of OMR 1.55mn for 1Q21.
- With results inline with our expectations and recent drop in risk free rate to 5.2% from over 6% earlier, we have revised our target price to OMR 0.410/share compared to OMR 0.395/share earlier.

ABOB - Net profit beat U Capital estimate by about 22% on a higher-than-expected operating profit

- ABOB has posted a 4.0%YoY and a 6.4%QoQ increase in its operating income for 1Q21. Its operating expenses were also higher than our estimate by 12.6%, but a faster QoQ growth in operating income supported the bank's operating profit, translating into an 8.4%YoY and 13.5%QoQ growth for the quarter. Cost-to-income ratio for the quarter dropped to 41.4% as compared to 43.0% a quarter ago. The bank posted a net profit of OMR 6.4%, down 9.5%YoY but up 32%QoQ.
- We expected the bank's net ECL charges & taxes to contract in 1Q21 but the bank posted a slower decline. Its net ECL provision charge & taxes rose 43.1%YoY but fell 3.1%QoQ.
- The bank's net loans & Islamic financing portfolio expanded by 7.0%YoY and 2.5%QoQ, as expected. Customer deposits grew by 13.2%YoY and 1.2%QoQ. Loan to deposit ratio contracted rose to 116.8% vs. 115.3% in 4Q20 but is below 123.5% recorded a year ago.

NBOB net profit for 1Q21 stood at OMR 6.9mn, above our estimates

- The bank has posted a marginal decline on YoY basis and a 4.0%QoQ decline in its net interest & Islamic income for 1Q21. However, its other operating income rose 7.3%YoY and 55.6%QoQ because of a strong performance in its retail & wholesale segments. This resulted in a 1.2%YoY and 8.0%QoQ rise in its operating income to OMR 31.1mn.
- The bank's operating expenses grew 2.9%YoY and 1.1%QoQ, indicating good cost control. This supported the operating profit, which was flat YoY but grew 16%QoQ. Net ECL provision charge is up 91%YoY but down 39%QoQ, which supported the net profit growth for the quarter. Net profit for 1Q21 stood at 6.9mn, about 2mn above our estimate, on other operating income being higher than our estimate. Awaiting full disclosure for further analysis.
- The bank has posted an increase in net loans & Islamic financing of 2.1%YoY and 1.8%QoQ, meeting our estimate for the quarter. Customer deposits are down 3.4%YoY but are up 2.8%QoQ. Loan-to-deposit ratio fell to 112.0%, from about 114.3% a quarter ago, but is higher than 106.5% recorded a year ago.

OAB has posted a net profit of OMR 3.3mn vs our estimate of OMR 5.8mn

- OAB has posted a net profit of OMR 3.3mn vs our estimate of OMR 5.8mn. The bank's operating profit was below our estimate and hence the bank missed our net profit estimate. This was further compounded by a 16% higher than expected net ECL provision charges and taxes, resulting in a weak net profit for 1Q21.
- OAB has posted an 8.8%YoY increase but a 3.4%QoQ decrease in its operating income, 7.6% below our estimate. Operating expenses are down QoQ because of a one-off operating provision expense booked in the last quarter of 2020. Operating profit missed our estimate by 13%.
- The bank has posted a 30.9%YoY and a 0.3%QoQ increase in its net loans & Islamic financing portfolio. The YoY growth is attributable to merger with Alizz Islamic Bank during 2020. Its customer deposits increased by 35.4%YoY but are flat on QoQ basis. Loans-to- Customer Deposits Ratio expanded to 96.2% in 1Q21 vs. 95.7% in 4Q20 and remains below 99.6% recorded a year ago.

SAUDI ARABIA

Saudi Aramco Looks to Supply-Chain Finance to Free Up Cash

- Saudi Aramco wants to finance billions of dollars in payments to its suppliers, the latest in a series of moves by the crude giant to generate cash in a low-oil price world, according to people familiar with the proposal.
- Saudi Arabian Oil Co. , as it is officially known, sent out a request to banks and financial technology companies in recent weeks to set up a type of corporate cash advance program known as supply-chain finance, according to the requests and the people.
- A spokesperson for Aramco confirmed it is exploring a supply-chain finance initiative, saying it wants to improve the experience of its vendors. The process is at an early stage and the company hasn't selected banks, the spokesperson said.
- Aramco estimates it would pay between \$500 million and \$2 billion in supplier invoices a month, according to documents Aramco sent to banks and reviewed by The Wall Street Journal. It couldn't be learned who is bidding for the business. Large players in the space include Citigroup Inc. and JPMorgan Chase & Co.

Saudi Kayan Petrochemical Company (Saudi Kayan) announce an update on the scheduled maintenance for Olefins plant to conduct preventive maintenance

- Concerning the announcement of Saudi Kayan Petrochemical Company (Saudi Kayan) on Tadawul in 24 December 2020, regarding scheduled maintenance for Olefins plant to conduct preventive maintenance, the Company would like to announce startup of the Olefins plant on 15 April 2021, and complete all required maintenance work with no change in financial impact that was announced Previously, and the company states that this maintenance will have a positive impact on the reliability and operating efficiency of the company's Plants.
- There is no change in the financial impact, which was previously announced on December 24, 2020.

Al-Gassim Investment Holding Company announces for a meeting with lessee of the company's project at Shry Region.

- Al-Gassim Investment Holding Company announces that a meeting had been held on Thursday 3/9/1442 AH corresponding to 15/4/2021 AD with the lessee of the company project in Shri Region to discuss the impact of the decision to own the company a part of the land handed over to it on the lease contract, and any effect will be announced after the discussion ends with the lessee.
- The company indicates that there is a lawsuit pending against the Ministry of Environment, Water and Agriculture in Al-Gassim region, to demand the cancellation of its negative decision represented in its refusal to submit to the Royal Highness a request of the ownership of Al-Gassim Investment Holding Company the entire area that it revived.

Ayyan Investment Company Announces that it has Signed a Share Purchase Agreement to Acquire Non-Controlling Stakes in Al-Ahsa Medical Services Company

- Ayyan Investment Company ("the Company") Announces that it has entered into a Share Purchase Agreement on 03-09-1442 AH corresponding to 15/04/2021 AD with each of Al-Othman Holding Company, Saad Abdulaziz Al-Hussein and Sons Company, Ibrahim Abdullah Al-Afalet and Sons Company and Rashid Saad Al-Rashid (referred together as "Selling Shareholders of Al-Ahsa Company"), for the purpose of acquiring their entire shares in the Capital of Al-Ahsa Medical Services Company (a Subsidiary Company) ("Al-Ahsa Company"), which equals to Three Million Nine Hundred and Sixty-four Thousand Eight Hundred and Fifty (3,964,850) Ordinary Shares, representing a percentage of (26.43%) of the Capital of Al-Ahsa Company, in exchange for the issuance of new shares in the Company to the Shareholders of the Selling Shareholders of Al-Ahsa Company, so that the Capital of Ayyan Company will be increased from Saudi Riyals Seven hundred thirty-seven million three hundred twenty thousand six hundred and ninety (737,320,690) To Saudi Riyals Eight hundred and six million three hundred and sixty-three thousand two hundred and eighty (806,363,280) by issuing Six million nine hundred and four thousand two hundred and fifty-nine (6,904,259) New Shares, thus increasing the number of its Shares from Seventy-three million seven hundred and thirty-two thousand and sixty-nine (73,732,069) Shares To Eighty million six hundred and thirty-six thousand three hundred and twenty-eight (80,636,328) Shares, i.e. an increase of (9.4%) of the Company's Capital before the New Shares are Issued.
- The Company's ownership percentage in the Capital of Al-Ahsa Company will reach (96.37%) after the Capital increase, while the percentage of direct and indirect ownership by Al-Ahsa company shareholders who sells in the Company's Capital will reach (33.41%) after the Capital increase, which results in a decrease in the voting power of the current shareholders in the Company, and their ability to influence decisions that require the approval of the Company's Shareholders will decrease.

EIC announcement on the latest development with regard to purchasing the assets of CG Power Systems Belgium and establish a Ltd Co in Belgium

- EIC would like to announce to its shareholders that on Thursday evening 15/4/2021, the Co has signed Assets Purchase Agreement with the Liquidator in Belgium with total amount of Euro (5,044,516) equal to SR (22,700,322).
- It worth to mention that the Assets include machinery, equipment, inventory, software for designing transformers and mobile substation, knowhow and technical design. The deal will be funded from the Company's own resources and from the available facilities with banks.
- Also, the Company would like to announce, it is in the final process of establishing "PAUWELS Transformers Co." in Belgium and the Assets purchased will be transferred to the new Co, to start operating the Transformers factory in Belgium.
- The Co is expecting that the financial impact will be reflected on the company's results during 2022.

SIIG, Petrochem to begin due diligence on proposed merger

- Saudi Industrial Investment Group (SIIG) and National Petrochemical Co. (Petrochem) decided to commence reciprocal due diligence on merger following the completion of the initial economic feasibility study, the companies said in separate statements to Tadawul today, April 15, 2021.
- The companies will also negotiate the terms and conditions and share information regarding the proposed transaction.
- SIIG appointed HSBC Saudi Arabia as financial advisor and Khoshaim & Associates as legal advisor concerning the proposed transaction.
- On the other hand, Petrochem appointed GIB Capital as financial advisor and Abuhimed Alsheikh Alhagbani Law Firm as legal advisor.

Jarir's e-commerce sales rise 31% in Q1 2021, market share exceeds 20% in mobile, smart device segment

- Jarir Marketing Co. (JMC) realized a rise of 31% year-on-year (YoY) in e-commerce sales in Q1 2021, accounting for 8% of total sales, JMC's Chairman Mohammad Al Aqeel told Argaam in a phone call.
- The company was able to boost its market share in the mobile phones and smart devices segment by more than 20%, he said, adding that the laptop registered a 50% increase.
- Al Aqeel clarified that installment sales are achieving rapid growth, noting that establishing a finance and installment firm to support the sales is not an exception, but it is not in the near future.
- Jarir Marketing opened two branches of Jarir Bookstore and four additional branches will be opened this year.

Saudi Steel Pipe unit agrees to sell operating assets for SAR 36.3 mln

- Saudi Steel Pipe Co.'s wholly owned subsidiary, Titanium Steel and Manufacturing Co. Ltd. inked a definitive asset purchase agreement with Koch Chemical Technology Group Saudi Arabia Limited to sell its core operating assets, according to a bourse filing.
- The transaction is valued at \$9.7 million, or SAR 36.3 million, which will be paid in cash on closing the deal.
- The deal, which is subject to approvals, including of the General Authority for Competition, is expected to close in Q3 2021, the statement added.

Binladin expects initial debt restructuring deal by June

- Binladin International Holding Group, Saudi Arabia's biggest construction company, expects to reach an initial agreement to restructure its debt by June, Al Arabiya TV channel reported.
- He declined to disclose the size of the debt pile, but told Al Arabiya it was "not far from" 33 billion riyals (\$8.8 billion) and added that the ongoing restructuring process with lenders is the biggest in the Middle East.
- Binladin has been in talks since last year to refinance billions of dollars in debt, appointing Houlihan Lokey as financial adviser, sources have said.

QATAR

United Development Company: exercised its right purchasing the allotted shares from National Central Cooling Company shares in Qatar District Cooling Company

- United Development Company Q.P.S.C & its subsidiaries announced exercising their right purchasing the allotted shares for them from National Central Cooling Company shares in Qatar District Cooling Company (Qatar Cool).
- Approval from relevant government authorities is in progress to affect the transfer of shares ownership to United Development Company Q.P.S.C & its subsidiaries.

UAE / EGYPT

SODIC hires financial advisors to study acquisition offer by Aldar Properties

- The board of directors of Six of October Development and Investment (SODIC) approved the appointment of EFG Hermes and an international investment bank as financial advisors to study the preliminary acquisition offer submitted by an alliance led by Aldar Properties.
- The financial advisors will negotiate the offer and help the company find other strategic opportunities, SODIC said in a bourse disclosure on Thursday.
- The alliance submitted an offer on 13 March to acquire a minimum of 51% of SODIC's issued capital at an indicative purchase price ranging from EGP 18 to EGP 19 per share.
- During 2020, SODIC reported consolidated net profits of EGP 819.65 million, up from EGP 719.4 million in 2019.

ECONOMIC & GENERAL NEWS

OMAN

U Capital: MSX ends marginally lower

The MSX30 Index ended the week down by 0.03%. Earnings season has kicked off internationally as well as regionally. Internationally, big banks are reporting better than expected earnings. Inflation numbers in US were not as high as expected which led the markets to further new highs. Regionally, investors are geared up for a recovery in company earnings as economies rebound from the worst of the coronavirus pandemic. We see petrochemical companies announcing good numbers and the same is expected by the banking and other sectors. Locally, we advise investors to go through initial financial result disclosures in order to vet their investment focus on sectors which are expected to perform better in the economic recovery phase. Most banks have reported drop in net expected credit losses, further solidifying the recovery theme. Industrials are doing well also on the back of rise in commodity prices.

Source: [U-Capital](#)

Spices, pulses, cereals among 488 food items zero-rated for VAT

An exhaustive list of fish and seafood species, spices and condiments, cereals and pastas, and dairy and cheese products are among 488 foodstuff items that have been zero-rated for Value Added Tax (VAT), which came into force in the Sultanate over the weekend. The 488 food commodities — up from 93 items originally — were part of a package of social protection measures unveiled by the government recently to help alleviate the impacts of VAT, as well as the pandemic-induced economic downturn on vulnerable sections of the Omani population.

Source: [Oman Observer](#)

CMA board of directors approves clearing and settlement regulation

The board of directors of the Capital Market Authority (CMA) on Thursday held its first meeting of 2021 under the chairmanship of H E Sultan Salim al Habsi, Minister of Finance and chairman of the CMA board. The CMA board approved the issuance of the clearing and settlement regulations to match the best global practices in the field. The board took into account that the draft regulation would keep pace with the laws and legislations issued by the specialised departments concerned. The meeting endorsed audited closing accounts of the CMA, investors fund, insurance emergency fund and casualties fund for the fiscal year ended December 31, 2020, as well as the auditors' report

Source: [Muscat Daily](#)

Bank lending up 4 per cent in February; deposits rise 5 per cent

The total outstanding credit extended by Oman's banking sector grew by 4 per cent to RO26.9bn at the end of February 2021 compared to the same period a year ago, according to the monthly statistical bulletin issued by the Central Bank of Oman (CBO). Of the total outstanding credit, private sector accounted for RO23.1bn of total banking sector credit in February this year and registered a modest year-on-year credit growth of 1.4 per cent.

Source: [Muscat Daily](#)

MIDDLE EAST

IMF expects MENA real GDP to grow 4% in 2021

The International Monetary Fund (IMF) has upgraded its outlook for the real gross domestic product (GDP) growth in the MENA region to 4% in 2021, compared to its October projection of 3.2%. The real GDP growth of the GCC countries is forecast to stand at 2.7% in 2021 and 3.8% in 2022, according to the IMF's report "Regional Economic Outlook for the Middle East and Central Asia" released in April 2021. The activities in oil-exporting countries are expected to recover in 2021, supported by the projected upturn in the second half (H2) of 2021.

Source: [Mubasher](#)

Saudi banks have 70-80% exposure to Binladin Group, says CEO

Saudi banks own 70% to 80% of Binladin Group's debt, Khalid Al-Gwaiz, CEO of Binladin International Holding Group, told Al-Arabiya TV. Al-Gwaiz did not give further details about the construction group's total debt, adding that it almost stands at SAR 33 billion. Binladin Group expects to reach an initial agreement to restructure its debt next June. This agreement will be finalized by the end of September or the beginning of the fourth quarter of 2021, Al-Gwaiz added.

Source: [Argaam](#)

Saudi insurance sector eyes more mergers and acquisitions

The Kingdom's insurance sector closed the financial year 2020 on a high note with the aggregate net profit of local insurance firms, except for the Saudi Indian Company for Cooperative Insurance, rising to SR1.443 billion (\$0.38 billion) in Q4, an increase of 47 percent year-on-year, according to data compiled by the financial news service Argaam.

Source: Arab News

Petchem projects to drive Saudi oil, gas sector by 2025

Petrochemical projects are expected to drive the commencement of upcoming projects across the oil and gas value chain in Saudi Arabia, accounting for 61 per cent of the total projects expected to start operations by 2025, according to GlobalData, a leading data and analytics company. Among these, new build projects dominate with 84%, while the rest are expansion projects, stated GlobalData in its report, Middle East Oil and Gas Projects Outlook to 2025 - Development Stage, Capacity, Capex and Contractor Details of All New Build and Expansion Projects.

Source: Trade Arabia

Dubai's residential capital values down 11% in Q1

The residential capital values in Dubai for the first three months of 2021 registered a 11 per cent drop compared to the previous year, standing at 61.9 points, according to leading UAE-based local consulting firm ValuStrat. The residential VPI showed an average quarterly improvement of 0.8%, as the first three months of the year saw accelerated positive trends for the first time since 2014, stated ValuStrat in its first quarter 2021 Dubai real estate review.

Source: Trade Arabia

Saudi Re aims to boost capital to fund domestic, overseas expansion plans

The Saudi Reinsurance Company (Saudi Re) on Thursday announced plans to increase its capital in order to fund its expansion plans. Saudi Re's board recommended increasing the company's capital from SR 810 million (\$216 million) to SR 891 million and converting SR 81 million of retained earnings into capital, giving the company an extra SR 162 million to finance its expansion plans.

Source: Arab News

INTERNATIONAL

Some EU countries to miss April deadline for recovery plans: Commission

Some European Union governments will miss the April 30 deadline to submit their recovery plans to the European Commission, its Vice President Valdis Dombrovskis said on Friday, but they are still likely to submit the plans within a few weeks afterwards. The delay in the submission of some of the national plans, which spell out how each government wants to spend its share of the EU's 750 billion euro joint borrowing scheme, will not delay the scheme as a whole, Dombrovskis told a news conference.

Source: Reuters

U.S. housing starts near 15-year high; consumer sentiment rises moderately

U.S. homebuilding surged to nearly a 15-year high in March, but soaring lumber prices amid supply constraints could limit builders' capacity to boost production and ease a shortage of homes that is threatening to slow housing market momentum. The sharp rebound reported by the Commerce Department on Friday added to robust retail sales in March in suggesting that the economy was roaring after a brief weather-related setback in February. Increasing COVID-19 vaccinations, warmer weather and massive fiscal stimulus are driving the economy, with growth this year expected to be the strongest in nearly four decades.

Source: Reuters

Fed's Waller says U.S. economy 'ready to rip' but inflation will level off

The U.S. economy is set to take off this year as more Americans get COVID-19 vaccinations and become comfortable engaging in a wider range of activities, but any accompanying spike in inflation is likely to be temporary, the Federal Reserve's newest board member said on Friday, echoing the view of most U.S. central bankers.

Source: Reuters

Concerns over inflationary pressure on earnings will test stocks in the week ahead

Earnings will be the major focus for investors in the week ahead, as they home in on whether rising costs are squeezing margins and signalling a build in inflationary pressures. From Coca-Cola and IBM to Johnson & Johnson and Netflix, investors will hear from a broad swath of corporate America. So far, with one week in, companies are beating earnings estimates by a wide margin of more than 84%, according to Refinitiv. This three-month period is the first to be compared to year earlier profits that were affected by the pandemic. Profit growth for the S&P 500 is a stunning 30.2% for the quarter so far, based on actual reports and estimates.

Source: CNBC

COMMODITIES

Oil dips, but posts a gain for the week amid demand recovery

Oil held near \$67 a barrel on Friday and was heading for a weekly gain as a stronger demand outlook and signs of economic recovery in China and the United States offset rising COVID-19 infections in some other major economies. China's first-quarter gross domestic product jumped 18.3% year on year, official data showed on Friday. On Thursday figures showed a rise in U.S. retail sales and a drop in unemployment claims.

Source: CNBC

Gold heads for best week in 4 months on subdued dollar, yields

Gold prices hit a seven-week high on Friday and were on track for their best week since mid-December, bolstered by a softer dollar and a sharp pull back in U.S. Treasury yields in the previous session. Spot gold was 0.8% higher at \$1,778.04 per ounce by 1:53 p.m. EDT (1753 GMT), having earlier hit its highest since Feb. 25 at \$1,783.55. It is up 2% so far this week. U.S. gold futures settled 0.8% higher at \$1,780.20.

Source: CNBC

FIXED INCOME

SAUDIARABIA

Bank Albilad announces the completion of issuing SAR-denominated Tier 2 Sukuk offered by way of private placement in the Kingdom of Saudi Arabia.

Introduction	With reference to the announcement from Bank Albilad (the “Bank”) published on the website of the Saudi Stock Exchange (Tadawul) on 19/08/1442H (corresponding to 01/04/2021G), relating to the commencement of the offer of SAR-denominated Tier 2 Sukuk (the “Sukuk”), the Bank would like to announce that it has completed the offer of the Sukuk on 03/09/1442H (corresponding to 15/04/2021G).
Offer Type	SAR-denominated Tier 2 Sukuk offered by way of private placement in the Kingdom of Saudi Arabia.
Value of the offer	SAR 3,000,000,000
Total number of (Bonds/Sukuk)	3,000
Par Value (Bonds/Sukuk)	SAR 1,000,000
Return (Bonds/Sukuk)	3-month SAIBOR + 165 bps
Maturity (Bonds/Sukuk)	10 years callable at year 5, subject to the terms and conditions of the Sukuk.

Fitch assigns Saudi Real Estate Refinance first-time 'A' IDR

- Fitch Ratings has placed Saudi Real Estate Refinance Company (SRC) a long-term issuer default rating (IDR) of 'A', with negative outlook.
- As for the company’s operating performance, Fitch expected SRC's capitalisation to remain sound in its startup phase and the equity to assets ratio to stabilise at nearly 8% during the period from 2019 to 2023.
- This is despite assets expansion to more than SAR 70 billion in 2023 from SAR 2.25 billion in 2019. Fitch noted that “this will be driven by policy-induced acquisition of mortgage loans, with a significant expansion of borrowing in the capital markets through domestic and international sukuk.”
- Last month, SRC reportedly completed a dual tenor of seven- and 10-year sukuk issuances worth SAR 4 billion.
- More than 30% of the issuances was subscribed through a mix of asset managers, pension fund, government funds, and insurance companies.

KUWAIT

Moody’s report: Kuwait’s Credit rating at risk

- In the latest report on Kuwait by Moody’s, it warned that the liquidity risks threaten the credit rating in the short term, reports Al-Nahar daily. The agency explained that Kuwait’s classification is restricted by the cracking of the relationship between the government and the National Assembly. It impedes the policy-making process and undermines the state’s ability to adapt to economic and financial turbulence. Despite the wealth, Kuwait’s economy is smaller than other oil-exporting Gulf economies.

CHART / TABLE OF THE DAY

Non-Qatari investors to be able to own 100% of listed companies' capital; List of Companies with Foreign Ownership

	Foreign Ownership Limit (as % of Total Capital)	Actual Qatari Ownership	GCC Individual Ownership	Actual Foreign Ownership
Qatar National Bank	100.0%	88.7%	0.2%	11.1%
Qatar Islamic Bank	100.0%	88.9%	0.3%	10.8%
Commercial Bank of Qatar	100.0%	77.8%	0.7%	21.5%
Doha Bank	100.0%	89.9%	0.5%	9.6%
Ahli Bank	100.0%	99.8%	0.0%	0.2%
Qatar International Islamic Bank	100.0%	82.5%	0.3%	17.2%
Masraf Al Rayan	100.0%	80.8%	4.3%	14.9%
Al Khalij Commercial Bank (Al Khaliji)	100.0%	88.8%	3.1%	8.1%
Qatar First Bank (QFC)	100.0%	80.4%	9.1%	10.5%
National Leasing	100.0%	86.1%	1.2%	12.7%
Dlala	100.0%	92.2%	0.6%	7.2%
Qatar Oman Investment Company	100.0%	63.9%	25.0%	11.0%
Inma Holding	100.0%	74.6%	0.3%	25.1%
Zad Holding Company	100.0%	99.0%	0.4%	0.6%
Qatar German For Medical Devices	100.0%	87.6%	0.6%	11.7%
Salam International	100.0%	85.8%	1.3%	12.9%
Baladna	100.0%	96.0%	0.1%	3.9%
Medicare Group	100.0%	80.6%	0.3%	19.1%
Cinema	100.0%	99.4%	0.1%	0.5%
Qatar Fuel	100.0%	87.6%	0.8%	11.6%
Widam Food Company	100.0%	74.8%	0.4%	24.8%
Mannai Corp	100.0%	97.9%	0.2%	1.9%
Al Meera Consumer Goods Company	100.0%	90.8%	0.1%	9.1%
Qatar Industrial Manufacturing	100.0%	95.8%	1.1%	3.0%
Qatar Cement	100.0%	95.9%	0.7%	3.4%
Industries Qatar	100.0%	92.8%	0.2%	7.0%
Qatari Investors Group	100.0%	75.6%	0.1%	24.3%
Electricity & Water	100.0%	88.4%	0.1%	11.5%
Aamal	100.0%	98.2%	0.0%	1.8%
Gulf International Services Company	100.0%	90.5%	0.4%	9.1%
Mesaieed Petrochemical Holding Co	100.0%	93.9%	0.1%	6.0%
Investment Holding Group	100.0%	89.1%	0.3%	10.6%
Qatar Aluminium Manufacturing Co.	100.0%	92.8%	0.1%	7.1%
Qatar Insurance	100.0%	91.9%	0.5%	7.6%
Doha Insurance	100.0%	97.6%	0.1%	2.3%
Qatar General Insurance	100.0%	68.2%	0.0%	31.8%
AlKhaleej Takaful Group	100.0%	97.0%	0.5%	2.5%
Qatar Islamic Insurance	100.0%	84.1%	0.2%	15.7%
QLM Life & Medical Insurance Co.	100.0%	82.0%	0.0%	17.9%
United Development Company	100.0%	84.3%	4.9%	10.8%
Barwa Real Estate	100.0%	88.8%	0.2%	11.0%
Ezdan Holding Group	100.0%	99.1%	0.0%	0.9%
Mazaya Qatar	100.0%	90.3%	1.4%	8.2%
Ooredoo	100.0%	77.2%	1.3%	21.5%
VodaFone Qatar	100.0%	92.3%	0.2%	7.5%
Qatar Navigation	100.0%	91.0%	0.8%	8.2%
Gulf Warehousing	100.0%	69.5%	0.2%	30.4%
Qatar Gas transport	100.0%	82.5%	1.1%	16.4%

TECHNICALS OF THE DAY

MSX Virtual Portfolio

Stock Name	MSM	Purchase Price	Target 1	Status	Target 2	Status	Return T1	Return T2	Turnover Ratio	Stop Loss	Risk	Recommendation Date
AHLI BANK		0.109	0.112		0.113		2.75%	3.67%	0.03	0.108	-0.9%	18-Apr-21
BANK NIZWA		0.095	0.097		0.098		2.11%	3.16%	0.05	0.094	-1.1%	18-Apr-21
GALFAR ENGINEERING		0.049	0.050		0.051		2.04%	4.08%	0.04	0.048	-2.0%	18-Apr-21
OMAN QATAR INSURANCE		0.096	0.098		0.100		2.08%	4.17%	0.05	0.095	-1.0%	18-Apr-21
OOREDOO		0.402	0.412		0.414		2.49%	2.99%	0.04	0.400	-0.5%	18-Apr-21
RENAISSANCE		0.376	0.387		0.390		2.93%	3.72%	0.05	0.375	-0.3%	18-Apr-21

Last week actual performance for 6 companies

Stock Name	MSM	Closing Price	Purchase Price	Target 1	Status	Target 2	Status	Return T1	Return T2	Turnover Ratio	Stop Loss	Risk	Recommendation Date
BANK DHOFAR		0.104	0.106	0.109		0.110		2.83%	3.77%	0.04	0.105	-0.9%	11-Apr-21
SOHAR INTER. BANK		0.089	0.092	0.095		0.096		3.26%	4.35%	0.03	0.091	-1.1%	11-Apr-21
AL BATINAH POWER		0.056	0.056	0.058		0.059		3.57%	5.36%	0.04	0.055	-1.8%	11-Apr-21
DHOFAR GENERATING		0.159	0.159	0.163		0.164		2.52%	3.14%	0.04	0.158	-0.6%	11-Apr-21
RENAISSANCE SERVICES		0.376	0.360	0.370		0.375		2.78%	4.17%	0.05	0.355	-1.4%	11-Apr-21
ALSUWADI POWER		0.059	0.057	0.058		0.059		1.75%	3.51%	0.04	0.056	-1.8%	11-Apr-21

(Week 15 - 2021) ----- Gain/Loss = +2.17%



Weekly performance for the past 4 weeks

No. of the Week	Report No.	% Gain/Loss for MVP	U Capital Oman 20 Index	MSM30 Index	MSCI Oman Index
Week 15 - 2021	185	2.17%	0.63%	-0.02%	1.00%
Week 14 - 2021	184	1.31%	0.40%	1.15%	0.40%
Week 13 - 2021	183	0.52%	1.78%	-0.31%	2.70%
Week 12 - 2021	182	0.70%	-6.30%	-2.00%	-3.10%

Historical performance - Monthly

No. of the Month	Report No.	% Gain/Loss for MVP	U Capital Oman 20 Index	MSM30 Index	MSCI Oman Index
Month 01 - 2021	171-174	5.30%	-0.41%	0.37%	0.74%
Month 02 - 2021	175-178	1.04%	0.92%	1.02%	1.40%
Month 03 - 2021	179-182	7.94%	-0.14%	2.14%	2.62%
Month 04 - 2021	183-186				
Month 05 - 2021					
Month 06 - 2021					
Month 07 - 2021					
Month 08 - 2021					
Month 09 - 2021					
Month 10 - 2021					
Month 11 - 2021					
Month 12 - 2021					
YTD		14.28%	0.37%	3.53%	4.76%

Historical performance - Yearly

Year	% Gain/Loss for MVP	U Capital Oman 20 Index	MSM30 Index	MSCI Oman Index
2015 - 2016 - 2017 - 2018	(63%) - (60%) - (54%) - (57%)	(-12%) - (4%) - (-16%) - (-9%)	(-17%) - (8%) - (-14%) - (-15%)	(-12%) - (1%) - (-11%) - (-12%)
2019	58%	-9%	-10%	2%
2020	49%	-3%	-10%	-7%
2021	14%	0%	4%	5%

Note:

Support & Resistance for the week expectations

Stop Loss: the clients should close / decrease his positions if it exceed this level

Risk: difference between price and support 1

Return T1: difference between Purchasing price and Target 1

Return T2: difference between Purchasing price and Target 2

Prices are in Omani Riyals, Gross returns excluding transaction cost

Purchase Price is the last closing prices, if the stock didn't reach our targets we close on Thursday the position depending on the closing price/stop loss whichever is higher.

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