

PRE-MARKET REPORT

1 June 2021

HEADLINES

MARKET INDICATORS

GCC CORPORATE NEWS, ANNOUNCEMENTS & DISCLOSURES

- Supreme Court passed a judgement against ONEIC and reduced the claim and referred the remaining claim to court of appeal
- Takween Advanced Industries Company announces an update on in regards the developments on the Memorandum of Understanding signed with the Chinese company, JOFO Nonwoven Company Limited
- Appeal Committee orders Al-Mojil officials to pay SAR 40.2mn compensation to affected investors
- Walaa Cooperative Insurance Co. Announces Contract Sign Off with Arab National Bank (Related Party) to provide an insurance coverage on the auto leasing financing program
- Saudi Tadawul Group Announces the Listing of “Mohammed Hasan AlNaqool Sons Co.”
- Chemanol issues prospectus for SAR 480mn rights issue
- KSA CMA approves the Merger of SAMBA Capital & Investment Management Company into NCB Capital Company, and the Cancellation of the License Granted to SAMBA Capital & Investment Management Company
- Care CEO expects to complete Riyadh hospital renovation by 2022-end
- Saudi Banks aggregate profit in 4M-2021 up 1% YoY compared to same period last year
- Integrated Development and Construction Services firm Emirates Stallions Group lists on ADX Second Market
- ADCB receives binding offer from TAT for stake in Alexandria Medical Services
- Gulf Bank has redeemed the Tier 2 subordinated debt bonds of KWD 100mn
- Al Mazaya Holding announces off-market trade on 60m shares
- Batelco launches ‘Business in a Box’ solutions for SME sector

ECONOMIC, GENERAL & COMMODITIES NEWS

- Mideast Stocks: UAE, Saudi indexes log monthly gain as Middle East markets end mixed
- Oman Commerce Ministry Launches 50 Investment Opportunities in Industrial Sector
- PDO's Yibal Khuff mega project hits key milestone
- UAE's liquid assets up to \$132bln in first quarter of 2021: Central Bank
- Saudi Arabia net foreign assets drop 1.9% to \$436 bn in April
- CBK issues KWD 360m bonds, related Tawarruq
- Riyadh to become Mideast advertising hub, says Martin Sorrell
- European stocks fall from record but post fourth monthly gain
- Asia's factories sustain expansion, supply chain woes cloud outlook
- Asian equities perched at month high ahead of U.S. jobs data
- Brent hits \$70 on demand prospects of U.S. summer driving season
- Gold stays above \$1,900 per ounce after U.S. inflation data lifts appeal

CHART / TABLE OF THE DAY

- Abu Dhabi best performing market followed by KSA in 5M-2021
- Oil tops \$70 before OPEC announcement today

TECHNICALS OF THE DAY

- GCC Technical Analysis

MARKET INDICATORS

Market Indices	Current Close	Change	D/D	YTD	Price to Earnings	Price to Book	Div Yield
	Index	Point	%	%	(x)	(x)	%
MSCI GCC Index	653.7	0.57	0.09%	14.75%	22.96	2.08	2.4%
Muscat Stock Exchange	3,852.6	16.26	0.42%	5.30%	11.47	0.72	4.7%
Saudi Stock Exchange	10,551.2	3.56	0.03%	21.42%	34.55	2.33	2.0%
Kuwait Stock Exchange	6,210.9	-0.11	0.00%	11.99%	39.45	1.59	2.3%
Qatar Exchange	10,748.3	17.65	0.16%	2.99%	18.21	1.61	2.7%
Bahrain Stock Exchange	1,527.6	-10.81	-0.70%	2.54%	26.23	1.02	2.2%
Dubai Financial Market	2,797.5	-11.53	-0.41%	12.26%	21.00	0.98	2.9%
Abu Dhabi Exchange	6,558.7	45.62	0.70%	30.00%	22.26	1.87	4.0%
Beirut Stock Exchange	900.1	5.17	0.58%	36.82%	34.50	0.70	0.0%
Palestine Stock Exchange	533.1	6.41	1.22%	13.13%	20.29	1.24	2.5%
Tunis Se Index	7,394.6	-44.89	-0.60%	7.40%	25.65	2.46	1.8%
EGX 30 Index	10,309.1	7.48	0.07%	-4.94%	10.98	1.45	2.8%
Amman General Index	2,052.9	2.05	0.10%	23.88%	36.44	0.88	3.6%

World Markets	Country	Value	D/D	YTD	Currency Cross Rates	Units/1 USD	YTD %
Europe					Currency		
FTSE 100	UK	7,022.6	0.04%	8.70%	Australian Dollar (AUD)	1.288	-0.89%
DAX	Germany	15,421.1	-0.64%	12.41%	British Pound (GBP)	0.703	-4.00%
CAC 40	France	6,447.2	-0.57%	16.14%	Canadian Dollar (CAD)	1.205	5.60%
United States					Chinese Renm. (CNH)	6.371	2.07%
DJIA	USA	34,529.5	0.19%	12.82%	Egyptian Pound (EGP)	15.672	0.35%
S&P 500	USA	4,204.1	0.08%	11.93%	Euro (EUR)	0.818	-0.09%
NASDAQ	USA	13,748.7	0.09%	6.68%	Indian Rupee (INR)	72.615	0.62%
Asia Pacific					Japanese Yen (JPY)	109.460	-5.67%
NIKKEI 225	Japan	28,743.0	-0.41%	4.73%	Swiss Franc (CHF)	0.899	-1.50%
HANG SENG	Hongkong	29,275.8	0.43%	7.51%	Omani Rial (OMR)	0.385	0.00%
KSE 100 Index	Pakistan	47,896.3	0.00%	9.46%	Pakistan Rupee (PKR)	154.325	3.57%
NSE Nifty 50	India	15,653.9	0.46%	11.96%	Russian Ruble (RUB)	73.432	1.34%
SHANGHAI COMPOSITE	China	3,611.3	-0.11%	3.98%	Singapore Dollar (SGD)	1.320	0.20%
SHANGHAI SHENZHEN CSI 300	China	5,325.3	-0.12%	2.19%	Turkish Lira (TRY)	8.488	-12.34%

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %	YTD %
	USD	%	%	UAE	0.38	-26.8%
Oil						
Brent Crude (per bbl)	70.1	1.18%	36.59%	Saudi Arabia	0.79	-3.2%
WTI Crude (per bbl)	67.6	1.92%	39.30%	Kuwait	1.50	4.3%
Oman Crude Oil (Last Closing)	68.4	0.60%	33.88%	Oman	2.50	-6.6%
OPEC (per bbl)	68.2	1.31%	35.75%	Qatar	1.17	4.3%
Precious Metals						
Gold100 OZ (per oz)	1,912.3	0.28%	0.73%	Bahrain	1.62	-28.1%
Silver (per oz)	28.2	0.76%	6.96%	GCC Latest 10-Yr Government Bond Yields		
Platinum (per oz)	1,194.4	0.36%	11.41%		Maturity date	YTM, %
Other Metals						
Copper, MT	10,258	0.36%	32.09%	KUWAIT	20/03/2027	1.49
Aluminium, MT	2,483	0.08%	25.44%	UAE	16/04/2030	2.03
Lead, MT	2,194	-0.41%	10.01%	QATAR	16/04/2030	2.08
Zinc, MT	3,060	-0.03%	11.23%	SAUDI ARABIA	22/10/2030	2.38
				OMAN	25/01/2031	5.39
				BAHRAIN	30/09/2031	5.54

Midswaps	Price	YTM %	USD Libor	Rate (%)	YTD
3 year	99.85	0.3	1m	0.09	-40.3%
5 year	99.71	0.8	3m	0.13	-44.9%
10 year	100.09	1.6	6m	0.17	-33.6%
30 year	101.67	2.3	1 year	0.25	-27.4%

Source: Bloomberg

CORPORATE NEWS, ANNOUNCEMENTS & DISCLOSURES

OMAN

Supreme Court passed a judgement against ONEIC and reduced the claim and referred the remaining claim to court of appeal

- With reference to Company disclosure on 8/11/2020 pertaining to the court of appeal judgement in favor of ONEIC for the sum of OMR 804,727.
- The electricity company has bring an appeal before the supreme court whom passed a judgment rejecting the claim of OMR 369,100 and referred the rest of the claim to another court of appeal.

SAUDI ARABIA

Takween Advanced Industries Company announces an update on in regards the developments on the Memorandum of Understanding signed with the Chinese company, JOFO Nonwoven Company Limited

- Takween would like to announce that the process for executing the deal is in accordance with the terms of the sale agreement, and the request is still under approval by the concerned Saudi government entities as of today, May 31.
- The two parties' (Takween Company and JOFO Company) have agreed to extend the deadline for fulfilling the implementation of the deal, which is in the final stage, to be June 30, 2021, instead of May 31, 2021.
- The deal fulfillment achieved so far is 85%.
- Accordingly, the agreement will be extended until the end of June 2021.

Appeal Committee orders Al-Mojil officials to pay SAR 40.2mn compensation to affected investors

- The General Secretariat of Committees for Resolution of Securities Disputes said the Appeal Committee for the Resolution of Securities Disputes' (ACRS) issued on May 6, 2021, a resolution on the class action filed by an investor against the officials responsible for the violations committed in Mohammad Al-Mojil Group (MMG).
- The committee ordered Adel bin Mohammad bin Hamad Almojil, Fahad bin Ali bin Saad Alraqttan (a Saudi national), Ibrahim bin Sa'ad Alshuai'r, Sek Choy Choong, Amaar bin Adnan bin Ibrahim Qudoomy, Deloitte & Touche Company (Bakr Abu-alkhair & Partners), and Baker bin Abdullah Abu.Jkhair, to jointly pay the inflected investors compensation of SAR 40.2 million.
- In January 2020, the Committee for the Resolution of Securities Disputes (CRSD) accepted the class action filed by an investor against MMG's board of directors, top executives and auditor for irregularities related to the company's IPO.

Walaa Cooperative Insurance Co. Announces Contract Sign Off with Arab National Bank (Related Party) to provide an insurance coverage on the auto leasing financing program

- Walaa Cooperative Insurance Company announces the signing of insurance agreement with Arab National Bank for providing insurance coverage on the auto leasing financing program.
- Contract duration is one year.
- Contract value is SAR 27mn.

Saudi Tadawul Group Announces the Listing of "Mohammed Hasan AlNaqool Sons Co."

- Saudi Tadawul Group announces the listing and trading shares of "Mohammed Hasan AlNaqool Sons Co." on Nomu – Parallel Market on Wednesday 02/06/2021, as a direct listing with the symbol 9514 and ISIN Code SA158GAKKL15, with +/- 30% daily price fluctuation limits and +/- 10% static price fluctuation limits.
- The company is active in the manufacturing of cement blocks and ready-mix concrete, with a capital of SAR 29 million, divided into 2.9 million shares.

Chemanol issues prospectus for SAR 480 mn rights issue

- Methanol Chemicals Co. (Chemanol) issued prospectus for its SAR 480mn rights issue through offering 48mn shares.
- On May 6, the Capital Market Authority (CMA) approved Chemanol's request to reduce its capital to SAR 674.5 million from SAR 1.21 billion followed by increasing capital through a SAR 480 million rights issue, Argaam reported.
- The capital cut and capital hike are pending approval from the company's extraordinary general meeting (EGM).
- The rights issue represents a 71.16% capital hike to SAR 1.1545 billion
- The capital hike aims at raising its solvency margin, as well as reduce credit rates and its financial charges.

Capital Market Authority Approves the Merger of SAMBA Capital & Investment Management Company into NCB Capital Company, and the Cancellation of the License Granted to SAMBA Capital & Investment Management Company

- The Board of the Capital Market Authority issued its resolution to approve the merger of SAMBA Capital & Investment Management Company as the merged company into NCB Capital Company as the merging company, and the cancellation of the license granted to SAMBA Capital & Investment Management Company.

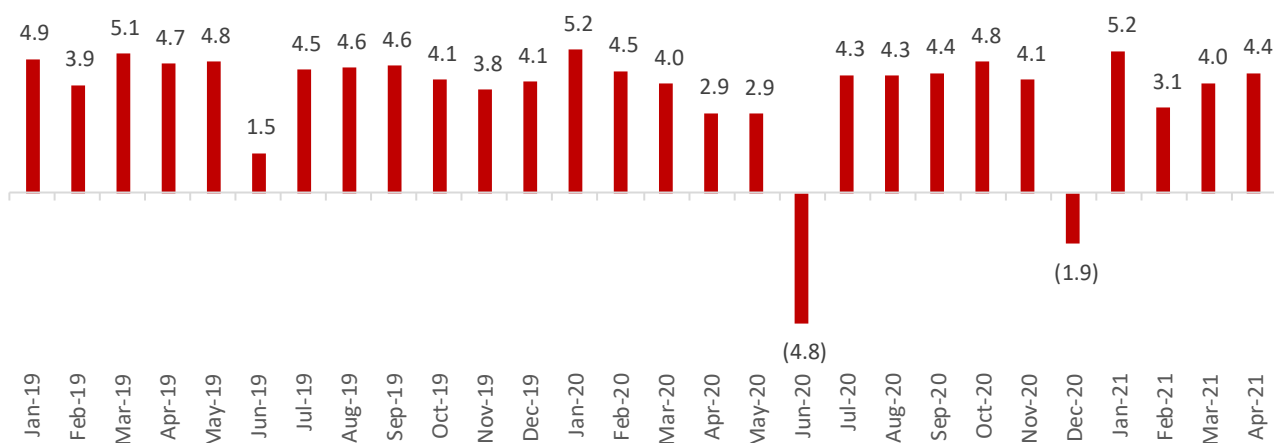
Care CEO expects to complete Riyadh hospital renovation by 2022-end

- National Medical Care Co. (Care) started the renovation of the Riyadh Care Hospital (RCH) in Q1 2021 and is being carried out in phases to minimize disruption to patients and hospital operations, chief executive officer (CEO) Abdulaziz Alobaid told.
- “We expect the entire project to complete by the end of next year,” Alobaid said.
- The company signed a contract worth SAR 32.4 million with Tabrak Najd Contracting Co. to develop RCH by the end of the first quarter of 2021.
- Commenting on the first-quarter financial results, Alobaid added that Care’s net revenue grew by 10% over the first quarter of last year, driven by increased volumes.
- “We witnessed growth in major customer segments, i.e., the Ministry of Health, the General Organization for Social Insurance (GOSI), insurance and cash patients. Our gross profit margin also improved, due to higher-margin customer mix, increased inpatient and surgical revenue and lower direct cost,” Alobaid elaborated.
- On the expansion of Care National Hospital, the company is currently awaiting the approval of the municipality. Once received, it will proceed with the Ministry of Health approval.
- On the company’s strategy for the next five years, Alobaid said: “We are always revising and building our strategy for the next five years by baselining our current performance against our peers, performing a KSA healthcare landscape assessment and exploring the opportunity space in light of market dynamics and organizational capabilities.”

Saudi Banks aggregate profit in 4M-2021 up 1% YoY compared to same period last year

- Saudi Banks aggregate profit in 4M-2021 was up 1% compared to same period last year at SAR 16.71bn vs SAR 16.58bn.
- The banks reported a 32% rise in aggregate net profit before Zakat and tax to SAR 4.38 billion in April 2021, from SAR 3.33 billion a year earlier, data from the Saudi Central Bank (SAMA) showed.
- Banks' aggregate assets grew by over 12% YoY to SAR 3.083 trillion in April.
- Combined deposits increased by 9% YoY to SAR 1.994 trillion in the same month
- Loans to the private sector saw an increase of 14% YoY to around SAR 1.884 trillion by the end of April.

Saudi Banking Sector Profit (SAR bn)



Source: SAMA

UAE

Integrated Development and Construction Services firm Emirates Stallions Group lists on Abu Dhabi Securities Exchange (ADX) Second Market

- Emirates Stallions Group, a diversified investment, engineering, and construction services business owned by International Holding Company (IHC), has listed on the Abu Dhabi Securities Exchange Second Market, making its trading debut today under the ticker ESG.
- Established in 2006, Emirates Stallions Group has grown rapidly as a business dedicated to engineering, construction, development, and management of real estate, as well as a service provider. The company, which is present in 12 markets, had assets of AED 537 million as of the end of Q1 2021 and over 1000 employees.
- Emirates Stallions is the fourth IHC Group company to list on the ADX Second Market, following the successful listings of Palm Sports, Easylease and Zee Stores in late 2020. Trading on the Abu Dhabi Securities Exchange has increased notably this year, as the exchange's market capitalization increased 25% during the first quarter to a record AED 936 billion. In the first three months of 2021, the total traded value of stocks bought and sold increased five-fold year on year to AED 107.8 billion and the benchmark ADX index advanced 17%.
- Meanwhile, buying and selling by institutional investors increased significantly to AED 92.6 billion in value, from AED 14.6 billion, while trading by retail investors more than doubled to AED 15.1 billion.

ADCB receives binding offer from TAT for stake in Alexandria Medical Services

- Abu Dhabi Commercial Bank (ADCB) has received a binding offer from TAT for Medical Services, a subsidiary of Alexandria Healthcare Investments, to acquire the bank's 51.54% stake in Alexandria Medical Services - Alexandria New Medical Center.
- TAT for Medical Services has submitted the binding offer to acquire ADCB's shares through a mandatory tender offer (MTO) for up to 100% of Alexandria Medical Services' shares at a total value of EGP 650 million.
- The price per share is valued at EGP 45.53 and should be decreased in case the issued capital increase of the bonus shares has been executed before the MTO is completed.
- The binding offer is subject to required regulatory approvals for the MTO, including the approval of the Ministry of Health and Population and the Financial Regulatory Authority (FRA).
- It is noteworthy to mention that in early May, ADCB received two additional preliminary non-binding offers from potential investors to acquire the bank's 51.54% stake in Alexandria Medical Services.

KUWAIT

Gulf Bank has redeemed the Tier 2 subordinated debt bonds of KWD 100mn

- Gulf Bank has redeemed the Tier 2 subordinated debt bonds of KWD 100mn.
- These bonds has a ten year tenor and a call option for redemption on any interest payment date falling on or after the fifth anniversary of the issue date.
- The prior written approval of the CBK for the bank to exercise its call option was issued on 18 April 2021.
- Moreover, the bank has obtained the final approval of the Central Bank of Kuwait for the banks issuance of compliant Tier 2 bonds at a maximum value of KWD 50mn.

Al Mazaya Holding announces off-market trade on 60m shares

- Bait Al-Amar Al-Khaleeji General Trading and Contracting has purchased 60.029 million shares of Al Mazaya Holding from Gimbal Holding Company through an off-market trade.
- The deal is priced at KWD 0.063 per share, aggregating at a total value of KWD 3.781 million, according to the company's disclosure to Boursa Kuwait on Monday.
- Hence, Bait Al-Amar Al-Khaleeji has become the biggest shareholder in Al Mazaya Holding with an 11.62% stake.
- It is noteworthy to mention that on 24 May 2021, Bait Al-Amar Al-Khaleeji General Trading and Contracting purchased 80 million shares of Al Mazaya from Gimbal Holding Company.

BAHRAIN

Batelco launches 'Business in a Box' solutions for SME sector

- Batelco has announced the launch of 'Business in a Box' an innovative solution to deliver a full suite of technology productivity tools for its small and medium enterprises (SMEs) clientele in the kingdom.
- SMEs in Bahrain are a key pillar of the economic diversification vision, accounting for 30% of Bahrain's GDP and contributing greatly to employment opportunities.
- Starting and running a small business can be overwhelming as there are many elements to consider, such as drafting a business plan, securing funding, finding the right technology and devices needed to run the business efficiently.
- Batelco's 'Business in a Box' includes all the essential digital business tools, which can be tailored to each company's specific requirements, all in one package with one single bill.
- It is a bundle of multiple products and services from Batelco that are customizable based on the type and size of the business, said Bahrain's telco giant.

ECONOMIC & GENERAL NEWS

OMAN

Fuel prices for June announced in Oman

Fuel prices for June 2021 have been announced by the authorities. The prices remain the same for M95 at 227 baisas and for M91 at 215 baisas. Diesel prices go up by six baisas to RO234. There was a drop of 18.9 percent in the producer price index of Oil and Gas products by the end of the first quarter of 2021, compared to the same period of 2020. The domestic sales of M91 declined by 2% while that of M95 increased by 20 percent in the first four months of 2021, compared to the same period a year ago.

[Source](#)

PDO's Yibal Khuff mega project hits key milestone

Petroleum Development Oman's (PDO) Yibal Khuff project, the most complex and second largest project in size in the company's history, has achieved a key milestone ahead of the commissioning, according to the engineering, procurement and construction management (EPCm) contractor Petrofac. 'Our team delivering the massive Yibal Khuff project for PDO has safely achieved an important milestone with the introduction of sweet hydrocarbons to the central processing facilities,' Petrofac said in a project update statement on its website.

[Source](#)

Omanisation up 1.5 percent in private sector in March

The total number of Omanis employed in the private sector increased by 1.5 per cent in March 2021, compared to the same period in 2020, according to the National Centre for Statistics and Information (NCSI). Citizens constituted 16.5 per cent of the total employees in the private sector in March 2020 and 18 per cent in March 2021. NCSI's figures indicate that the number of jobseekers reached 2.80 per cent at the end of March 2021. Bachelor's degree holders formed the largest category of jobseekers comprising 10.50 per cent, followed by university diploma holders - nine per cent, and General Education Diploma holders and equivalent category - four per cent.

[Source](#)

Oman Commerce Ministry Launches 50 Investment Opportunities in Industrial Sector

The Ministry of Commerce, Industry and Investment Promotion today launched 50 investment opportunities in the industrial sector. The induction, held via videoconferencing, comes within the context of Oman Vision 2040 strategy and as part of government-private sector partnership aimed at diversifying the economy, generating employment opportunities, upgrading the Sultanate's rating in international indices, maximizing foreign investment, enhancing and diversifying exports and bringing about balanced development in governorates of the Sultanate. The initiatives complement the Economic Stimulus Plan endorsed by His Majesty Sultan Haitham Bin Tarik.

[Source](#)

MIDDLE EAST

Mideast Stocks: UAE, Saudi indexes log monthly gain as Middle East markets end mixed

Middle Eastern stock markets closed mixed on Monday, with indexes in the United Arab Emirates and Saudi Arabia logging monthly gains amid rising oil prices and improving business activity in their non-oil sectors. The index in Abu Dhabi closed 0.7% higher, ending the month with a 8.5% rise, its eighth consecutive monthly gain. The Dubai index dropped 0.4%, Dubai's index logged its third monthly gain this year, rising 7.4% for the month. Saudi Arabia's all shares index closed flat, registering a fifth consecutive monthly gain, adding 1.3% for the month. The Qatari index closed 0.2%, Qatar's index lost 1.5% in May, logging its second monthly fall this year.

[Source](#)

UAE tenants still hold bargaining power over landlords: CBRE

Tenants in the UAE's property market, which is currently seeing an increased level of investor interest, continue to have the upper hand in negotiations, particularly over rental agreements, according to a new analysis by real-estate consultancy CBRE. In a report on Monday, CBRE said that the UAE is "increasingly a tenant-led market, with occupiers having greater bargaining power and flexibility in negotiating with landlords." Over the first quarter of 2021, rental rates for residential properties in Dubai continued their downward trajectory: villa rents fell by 2 percent, while apartment rents dropped by 10 percent in Q1 compared to the same period last year.

[Source](#)

UAE's liquid assets up to \$132bn in first quarter of 2021: Central Bank

Liquid assets held by UAE-based banks increased 2.6 percent to AED486.58 billion in Q1'21 from AED474.136 bn in the last quarter of last year, according to the UAE Central Bank's Core Financial Soundness Indicators report, released Monday. The steady growth in liquidity is yet a new sign of the gradual economic recovery underway across all sectors, primarily the retail and commercial platforms, despite the economic fallout from the pandemic. Liquid assets accounted for 15.9 percent of the total assets by the end of the reference quarter, according to the report.

[Source](#)

Saudi Arabia net foreign assets drop 1.9% to \$436 bln in April

Saudi Arabia's net foreign assets dropped to 1,636.2 billion riyals (\$436.30 billion) in April, down nearly 1.9% from 1.667.4 billion riyals in March, central bank data showed on Monday. The foreign assets were also lower than 1.665.6 billion riyals recorded in April 2020, the data showed. The central bank does not disclose the reasons for the change in foreign assets. An economist said it could be linked to the kingdom supporting the investment drive of its sovereign wealth fund, the Public Investment Fund (PIF).

[Source](#)

CBK issues KWD 360m bonds, related Tawarruq

The Central Bank of Kuwait (CBK) has issued bonds and related Tawarruq at a total value of KWD 360 million. With a six-month maturity period, the recent issues of CBK's bonds and related Tawarruq has a return rate of 1.250%, according to a press release on Monday. It is noteworthy to mention that bonds and related Tawarruq are local bonds offered by the CBK to banks working in the Kuwaiti financial sector to regulate the market's liquidity.

[Source](#)

Riyadh to become Mideast advertising hub, says Martin Sorrell

Riyadh is set to become the advertising capital of the Middle East, according to Sir Martin Sorrell, the veteran adman who created the largest agency in the world. Speaking on the sidelines of last week's Tourism Recovery Summit in the Saudi capital, Sorrell told Arab News: "Originally I think you'd probably say the heart of the advertising marketing service industry was Beirut and then it moved to Dubai, and now it's moving to Riyadh."

[Source](#)

INTERNATIONAL

European stocks fall from record but post fourth monthly gain

European stocks slipped from record highs on Monday in subdued trading due to holidays in major markets, but optimism over a swift economic recovery helped the STOXX 600 index mark its fourth straight month of gains. The pan-European index was down 0.5%, with shares in Frankfurt and Paris dropping 0.6%, each. UK and U.S. markets were closed for a holiday, keeping trading volumes muted across the board.

[Source](#)

Asia's factories sustain expansion, supply chain woes cloud outlook

Asia's factory activity continued to expand in May thanks to an ongoing recovery in global demand, surveys showed on Tuesday, though rising raw material costs and supply chain constraints clouded the outlook. A spike in COVID-19 infections in countries like Taiwan and Vietnam could disrupt semiconductor output and supply chains, posing a headache for manufacturers and weighing on Asia's export-driven recovery, analysts say. Japan and South Korea saw an expansion in factory activity moderate in May, purchasing managers' indexes (PMI) showed on Tuesday, underscoring the fragile nature of their recoveries.

[Source](#)

Australia's central bank holds rate at near zero as economy bolts ahead

Australia's central bank left its cash rate at record lows for its sixth straight meeting on Tuesday even as data showed the country's economic output was likely back to its pre-pandemic level while house prices were shooting through the roof. The Reserve Bank of Australia (RBA) left its policy settings at 0.1% as it awaits inflation and wage pressures. The outcome was expected unanimously by economists polled by Reuters.

[Source](#)

Asian equities perched at month high ahead of U.S. jobs data

Asian stock markets rose on Tuesday while gold flirted near five-month highs ahead of European and U.S. data this week that will likely offer clues on the health of the global economy. The world's recovery from the COVID-19 pandemic remains patchy with exports reviving but broader economic activity still dampened by new measures to contain fresh outbreaks

[Source](#)

Australia's home prices surge, adding challenges for dovish RBA

Australian home prices surged in May while approvals to build new houses reached record highs, helped by super-low rates, adding yet another challenge for the country's central bank, which wants to keep rates low until inflation revives. Data from property consultant CoreLogic out on Tuesday showed national home prices climbed 2.2% in May, their second fastest increase since the late 1980s and the eighth straight monthly gain.

[Source](#)

COMMODITIES

Brent hits \$70 on demand prospects of U.S. summer driving season

Oil prices rose on Tuesday, with Brent topping \$70, as optimism grew over the fuel demand outlook during the summer driving season of the United States, the world's top oil consumer. Prices were also boosted after data from China showed that factory activity expanded at its fastest this year in May. Brent crude futures for August gained 86 cents, or 1.2%, to \$70.18 a barrel by 0504 GMT. U.S. West Texas Intermediate crude for July was at \$67.61 a barrel, up \$1.29, or nearly 2% from Friday's close, with no settlement price for Monday due to a U.S. public holiday.

[Source](#)

Gold stays above \$1,900 per ounce after U.S. inflation data lifts appeal

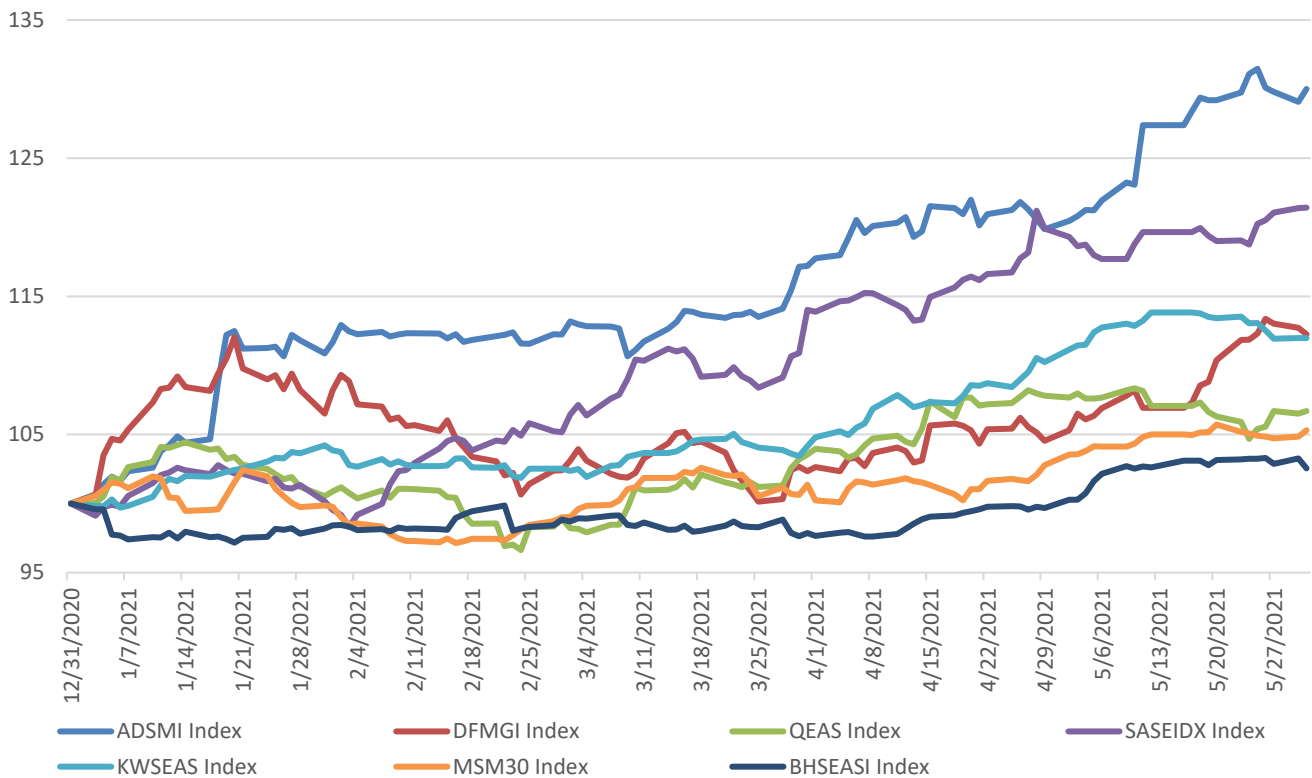
Gold prices on Tuesday traded near a five-month high scaled last week, supported by a softer dollar and growing inflationary pressures, while investors awaited key U.S. data that will provide a clearer picture on the global economy's recovery path. Spot gold was steady at \$1,907.54 per ounce by 0048 GMT. Last week, gold prices hit their highest since Jan. 8 at \$1,912.50. U.S. gold futures edged 0.3% higher to \$1,910.60 per ounce.

[Source](#)

CHART / TABLE OF THE DAY

Abu Dhabi best performing market followed by KSA in 5M-2021

Abu Dhabi = +30%
KSA = + 21.4%
Dubai = +12.3%
Kuwait = +12.0%
Oman = + 5.30%
Qatar = +3.0%
Bahrain = +2.5%



Source: Bloomberg

CHART / TABLE OF THE DAY

Oil tops \$70 before OPEC announcement today



TECHNICALS OF THE DAY

GCC Technical Analysis

Stock Name	Market Name	Purchase Price	Target 1	Target 2	Return T1	Return T2	Stop Loss	Risk
اسم السهم	السوق	سعر الشراء	الهدف الأول	الهدف الثاني	العائد الأول	العائد الثاني	وقف الخسارة	المخاطرة
MAADEN	SAUDI	59.00	61.00	61.20	3.39%	3.73%	58.50	-0.8%
CABLES	SAUDI	30.15	31.00	31.20	2.82%	3.48%	30.10	-0.2%
SAPTCO	SAUDI	25.85	26.50	27.00	2.51%	4.45%	25.70	-0.6%
SACO	SAUDI	70.90	72.50	73.00	2.26%	2.96%	70.60	-0.4%
H B	SAUDI	103.00	106.00	107.00	2.91%	3.88%	102.50	-0.5%
SAUDI CHEMICAL	SAUDI	38.00	39.00	39.50	2.63%	3.95%	37.70	-0.8%
MEDGULF	SAUDI	25.85	26.50	26.70	2.51%	3.29%	25.75	-0.4%
AJMAN BANK	UAE	0.745	0.770	0.775	3.36%	4.03%	0.74	-0.7%
METHAQ TAKAFUL	UAE	0.829	0.850	0.860	2.53%	3.74%	0.825	-0.5%
FIRST ABU DHABI BANK	UAE	16.86	17.30	17.40	2.61%	3.20%	16.75	-0.7%
RAK BANK	UAE	3.87	4.00	4.10	3.36%	5.94%	3.85	-0.5%
GULF INTERNATIONAL	QATAR	1.48	1.52	1.53	2.70%	3.38%	1.47	-0.7%

Note:

Support & Resistance for the 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

Purchase Price is the last closing prices

Prices are in Countries respective currency

Basheer Rousan



Uthar Capital SAOC (U Capital)
Ominvest Business Centre

Building no. 95
Way no. 501
Airport Heights
Tel: +968 2494 9000
Fax: +968 2494 9099
Email: research@u-capital.net
Website: www.u-capital.net

Name	Role	Email	Phone Number
Abdul Aziz Al Saadi	Chief Executive Officer	abdulaziz.alsaadi@u-capital.net	00968-2494-9001
Yasmin Abdullah	Chief Operating Officer	y.abdullah@u-capital.net	00968-2494-9020
Rohit Chaudhary	Acting Chief Investment Officer	rohit@u-capital.net	00968-2494-9058
Mohammed Al Rahbi	Head of Asset Management	m.alrahbi@u-capital.net	00968-2494-9028
Talal Balushi	Head of Brokerage	talal@u-capital.net	00968-2494-9051
Hettish Karmani	Head of Research	h.karmani@u-capital.net	00968-2494-9034
Madabusi Sundarajan	Head of Corporate Finance	m.sundararajan@u-capital.net	00968-2494-9006
Abhishek Mathur	Head of Wealth Management	a.mathur@u-capital.net	00968-2494-9026

Disclaimer: This report has been prepared by Uthar Capital (U Capital) Research, and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell or solicitation of any offer to buy. While all reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. The company accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. All opinions and estimates included in this document constitute U Capital Research team's judgment as at the date of production of this report, and are subject to change without notice. This report may not be reproduced, distributed or published by any recipient for any other purpose.