

PRE-MARKET REPORT

6 June 2021

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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 Index	661.9	0.03	0.00%	16.19%	23.25	2.11	2.3%
Muscat Stock Exchange	3,932.6	17.14	0.44%	7.48%	11.96	0.73	4.6%
Saudi Stock Exchange	10,698.3	41.49	0.39%	23.12%	35.10	2.36	2.0%
Kuwait Stock Exchange	6,256.8	5.66	0.09%	12.81%	39.75	1.60	2.2%
Qatar Exchange	10,754.5	-50.23	-0.46%	3.05%	18.22	1.61	2.7%
Bahrain Stock Exchange	1,538.4	16.16	1.06%	3.26%	26.41	1.02	2.2%
Dubai Financial Market	2,824.0	-15.10	-0.53%	13.33%	21.19	0.98	2.9%
Abu Dhabi Exchange	6,606.1	-20.11	-0.30%	30.94%	22.33	1.88	3.7%
Palestine Stock Exchange	532.5	-4.89	-0.91%	13.00%	20.27	1.24	2.5%
Tunis Se Index	7,367.4	-2.64	-0.04%	7.01%	25.56	2.45	1.8%
EGX 30 Index	10,054.8	-66.14	-0.65%	-7.29%	10.33	1.43	2.9%
Amman General Index	2,038.0	-15.14	-0.74%	22.98%	36.18	0.87	3.7%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	7,069.0	0.07%	9.42%
DAX	Germany	15,692.9	0.39%	14.39%
CAC 40	France	6,515.7	0.12%	17.37%
United States				
DJIA	USA	34,756.4	0.52%	13.56%
S&P 500	USA	4,229.9	0.88%	12.61%
NASDAQ	USA	13,814.5	1.47%	7.19%
Asia Pacific				
NIKKEI 225	Japan	28,941.5	-0.40%	5.46%
HANG SENG	Hongkong	28,918.1	-0.17%	6.20%
KSE 100 Index	Pakistan	48,211.7	0.25%	10.18%
NSE Nifty 50	India	15,670.3	-0.13%	12.08%
SHANGHAI COMPOSITE	China	3,591.8	0.21%	3.42%
SHANGHAI SHENZHEN CSI 300	China	5,282.3	0.51%	1.36%

Currency Cross Rates	Units/1 USD	YTD %
Australian Dollar (AUD)	1.292	-0.63%
British Pound (GBP)	0.706	-3.47%
Canadian Dollar (CAD)	1.208	5.30%
Chinese Renm. (CNH)	6.392	1.73%
Egyptian Pound (EGP)	15.682	0.28%
Euro (EUR)	0.822	0.40%
Indian Rupee (INR)	73.003	0.09%
Japanese Yen (JPY)	109.520	-5.73%
Swiss Franc (CHF)	0.899	-1.58%
Omani Rial (OMR)	0.385	0.00%
Pakistan Rupee (PKR)	154.605	3.38%
Russian Ruble (RUB)	72.779	2.25%
Singapore Dollar (SGD)	1.325	-0.18%
Turkish Lira (TRY)	8.669	-14.17%

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	71.9	0.81%	40.00%
WTI Crude (per bbl)	69.6	1.18%	43.49%
Oman Crude Oil (Last Closing)	70.5	0.66%	37.99%
OPEC (per bbl)	69.9	0.75%	39.11%
Precious Metals			
Gold100 OZ (per oz)	1,891.6	1.11%	-0.36%
Silver (per oz)	27.8	1.32%	5.27%
Platinum (per oz)	1,169.3	0.63%	9.07%
Other Metals			
Copper, MT	9,955	1.70%	28.19%
Aluminium, MT	2,455	2.08%	24.02%
Lead, MT	2,136	-1.70%	7.12%
Zinc, MT	3,011	0.87%	9.43%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	0.47	-8.8%
Saudi Arabia	0.79	-3.2%
Kuwait	1.50	4.3%
Oman	2.53	-5.5%
Qatar	1.17	4.8%
Bahrain	1.61	-28.7%

GCC Latest 10-Yr Government Bond Yields		
	Maturity date	YTM, %
KUWAIT	20/03/2027	1.48
UAE	16/04/2030	2.05
QATAR	16/04/2030	2.11
SAUDI ARABIA	22/10/2030	2.38
OMAN	25/01/2031	5.33
BAHRAIN	30/09/2031	5.54

Midswaps	Price	YTM %
3 year	99.85	0.3
5 year	99.86	0.8
10 year	100.66	1.6
30 year	103.13	2.2

USD Libor	Rate (%)	YTD
1m	0.08	-43.5%
3m	0.13	-46.2%
6m	0.16	-36.0%
1 year	0.25	-28.0%

Source: Bloomberg

CORPORATE NEWS, ANNOUNCEMENTS & DISCLOSURES

IPO / SAUDI ARABIA

Berain Water plans IPO in Saudi Arabia

- Riyadh-based Berain Water Co. hired Samba Capital to manage a possible initial public offering (IPO) of a 30% stake in the Saudi market, Bloomberg reported, citing unnamed sources with knowledge of the matter.
- No final decision has yet been taken in this regard, the sources added.
- Berain Water is owned by Global Beverages Co., a subsidiary of Rajhi Invest.

List of Potential IPOs in Saudi Arabia in 2021/22

- Saudi Tadawul Group
- Solutions by STC
- Dar Al-Arkan - Property Management Unit
- Saudia Cargo
- Saudi Flour Mills
- Othaim Malls Unit
- ACWA Power
- Takhzeen Logistics
- Al Hayat Clinics
- SABIC Specialty Chemical Business
- Al Meswak Dental Clinics
- Al-Motaqadimah Schools
- Arabian Drilling
- ELM – Digital Security Firm
- Tadweer – Electronic Eqp Recycling
- Jahez – Food Delivery
- Berian Water

SAUDI ARABIA

ACWA Power to triple planned investments on joining 'Shareek' program

- Chairman of ACWA Power, said that Vision 2030 established a robust partnership with the private sector, and created successful investment ecosystems through which the private sector contributes and works to achieve targets.
- The utilities provider will triple its planned investments as a result of joining the 'Shareek' program, as it is a catalyst and has major potential, Abunayyan said in a virtual interview organized by Communication and Financial Knowledge Center (CFKC).
- He predicted that the figures from the private sector and its contribution to the GDP will be much higher than planned over the next five years across sectors, and expected productivity jumps to promote competition locally and globally.
- The pandemic had positives for the private sector, which was supported by the government, in addition to creating new opportunities such as the transformation of local tourism, Abunayyan explained.

Saudi Chemical inks 5-year manufacturing pact with GlaxoSmithKline, revenue estimated at SAR 100 mn

- Saudi Chemical Co. Holding (SCCH) signed today, June 3, 2021, an agreement with GlaxoSmithKline Consumer Healthcare Saudi Ltd. to manufacture pharmaceutical products at AJA Pharmaceutical Industries Ltd. (AJA Pharma) in Saudi Arabia.
- The contract was signed through Saudi Chemical's pharmaceutical unit, AJA Pharma.
- The agreement aims to benefit from GlaxoSmithKline's experience in the consumer healthcare sector and ensure the transfer of technology for consumer healthcare products to Saudi Arabia, followed by the commercial-scale production at AJA Pharma manufacturing site.
- The agreement is for five years, with an expected revenue of around SAR 100 million, which means an increase in production capacity. Therefore, it is expected to result in creating more employment opportunities for Saudis.
- This strategic collaboration will contribute to localizing the pharmaceuticals sector, Thamer Al-Muhid, chief executive officer (CEO) of SCCH, said in the statement.

Ataa Educational Co. Announces the latest developments regarding the signing of a binding memorandum of understanding (MoU) with the Arabian Education and Training Group Co.

- Ataa Educational Company announces the signing a binding memorandum of understanding (MoU) with the Arabian Education and Training Group Co. in relation to the potential acquisition of the full shareholders' shares of the company.
- Ataa Educational Company will announce any additional developments in a timely manner.

UCA recommends using SAR 31.9 mln statutory reserve to offset accumulated losses

- United Cooperative Assurance Co.'s (UCA) board of directors recommended on June 2, 2021, the use of the company's entire statutory reserve as of March 31, 2021, amounting to SAR 31.94 million, to cover part of the accumulated losses.
- The decision aims to cut the company's accumulated losses from SAR 137.02 million as of March 31, 2021, 34% of the capital, to SAR 105.071 million (26% of the capital).
- The decision will be submitted to the general assembly for approval after completing the statutory approvals from the relevant regulatory authorities, the insurer said in a bourse statement.

Anaam International extends MoU with Wasit

- Anaam International Holding Group has extended its non-binding memorandum of understanding (MoU) with Saudi Wasit Establishment for 30 working days as of 3 June 2021, according to a bourse filing on Thursday.
- Extending the MoU aims to allow the completion of preparatory work necessary to implement the 51% acquisition of Wasit Factory and other final agreements.
- Anaam International has first penned the non-binding deal in April. Both parties back then agreed that the transaction value would be paid in cash when reaching a final agreement for the potential acquisition.

UAE

Deyaar Development" Board approves the settlement offer proposed by "Limitless

- Further to the disclosure released by Deyaar Development on 2 June, 2021 regarding the conditional approval on the offer proposed by Limitless to settle the judgment issued in favor of Deyaar against Limitless, the company announced that the Board in its meeting held on 1 June, has approved in principle a settlement offer of AED500 million which includes cash and land.
- The Board agreed on the settlement, taking into account that any proposed land have the necessary infrastructure and master plan approvals from the relevant authorities, and that such land are to be valued by independent external valuers appointed jointly by the two parties. Once the draft settlement is finalized, the settlement will be presented to the Shareholders in the general assembly meeting for discussion and approval. The final draft of the settlement is expected to be ready in the next few months. The Board formed a committee from its members to work on the settlement draft in a way that secures the rights of the company and its shareholders.

DXBE will instruct the Dubai Financial Market (DFM) to suspend trading of its shares with effect from Sunday, June 6 2021

- DXB Entertainments PJSC (DXBE) reminded its shareholders that the notice period for mandatory acquisition of its shares by Meraas Leisure and Entertainment (Meraas) will end on Thursday, June 2.
- "DXBE will instruct the Dubai Financial Market (DFM) to suspend trading of its shares with effect from Sunday, June 6 2021 and all remaining DXBE shares (not already held by Meraas or Meraas Holding will be re-registered in the name of Meraas in DXBE's share register," DXBE said in statement to DFM.
- Meraas will settle any cash consideration due to those remaining DXBE shareholders through the relevant payment method as registered with Dubai CSD at by such DXBE shareholders.

Juhayna says no acquisition offer received from ADQ

- Juhayna Food Industries responded to news reports about ADQ considering a potential acquisition of a stake in the company.
- The Egyptian firm said it hasn't received any official offers or letters related to the matter, according to a statement to the Egyptian Exchange (EGX) on Thursday.
- Any relevant developments will be disclosed to the EGX in a timely manner, the company said.
- During the first nine months of 2020, Juhayna Food Industries achieved net profits of EGP 383.74 million, up from EGP 291 million in the year-ago period, including minority shareholders' rights.

Dubai court, Emaar sign deal to enhance protection of expat properties

- The UAE's first English-language common law court has signed a cooperation agreement with Emaar Properties to promote its wills service among the real estate giant's buyers.
- The Dubai International Financial Centre (DIFC) Courts' wills service, established in 2015, allows non-Muslims who are investing in the UAE to pass on their assets and appoint guardians for their children.
- The agreement will encourage greater awareness for Emaar's clients, "offering both investors and residents additional protection on real estate investments in the UAE," the court said in a statement.
- "The UAE is home to over eight million expatriates, many of whom have settled in the country and purchased a home for their family.
- In addition, the UAE has welcomed and enabled many foreign investors to make property investments," Justice Omar Al-Mheiri, deputy chief justice at DIFC Courts said.

Abu Dhabi's IHC subsidiary adds former Louis Vuitton resort to portfolio

- Alpha Dhabi, a subsidiary of Abu Dhabi's International Holding Company (IHC), has added to its growing portfolio a luxury resort formerly operated by Louis Vuitton Moët Hennessy in the island of Maldives, according to a bourse filing.
- The sought-after Cheval Blanc Randheli resort, along with facility management company Etihad International Hospitality, is one of the latest assets that the UAE-based holding company has acquired from privately owned vehicle Murban.
- The newly acquired businesses bring the total value of assets taken over by Alpha Dhabi from Murban to 2.5 billion dirhams (\$680 million). The firm had previously announced a deal worth 1.7 billion dirhams to assume ownership of Murban's St Regis at Saadiyat, Al Wathba Luxury Collection Desert Resorts and the Le Noir Café brand.

Abu Dhabi Islamic Bank provided structured Islamic financing to Rasmala Long Income Fund to support its acquisition

- Abu Dhabi Islamic Bank (ADIB) said it has provided structured Islamic financing to Rasmala Long Income Fund to support its acquisition of a supermarket investment in Hattersley, Greater Manchester.
- The property, which was constructed in 2012, extends to 100,365 sqft and is leased to Tesco Stores Limited (the UK's largest supermarket chain) on a 25-year full repairing and insuring lease with 15.8 years remaining (with no tenant break options), at a rent of £1.46 million per annum which is subject to 5 yearly index linked upwards only rent reviews.
- Rasmala Long Income Fund was established in 2018 and has a diversified portfolio of real estate assets covering the UK, Europe and North America with a current net asset value in excess of \$250 million.
- The fund is managed by Rasmala Investment Bank Limited (RIBL) which is regulated by the Dubai Financial Services Authority (DFSA).

QATAR

QNB Group signs deal with Moscow asset management firm

- QNB Group said it has signed an agreement with Moscow-based asset manager VTB Capital Investments, to launch funds to attract foreign capital into Russia and Qatar, and build offerings for international investors.
- The Doha, Qatar-based financial institution, the largest in the Middle East and Africa, said the memorandum of understanding will also help manage and carry out advisory activities in debt, equity and real estate markets.
- VTB Capital said it expects a fund which focuses on investments in the Qatari economy to be "extremely popular".

Ooredoo, MegaFon sign MoU

- Ooredoo and MegaFon have signed a non-binding Memorandum of Understanding at St. Petersburg International Economic Forum to jointly explore possible future cooperation and share knowledge and experience providing telecoms and ICT services expertise at major sporting events.
- According to the non-binding Memorandum, MegaFon will explore the opportunity to share experience and the possibility to potentially provide Ooredoo with expert assistance on technological infrastructure preparation at mass gatherings and large events.
- Ooredoo is responsible for telecom infrastructure for the FIFA World Cup, which will be hosted in Qatar in 2022. The country is actively preparing all the necessary infrastructure to accommodate football fans and clubs from all around the world.
- MegaFon was the official provider of all telecom infrastructure and additional services to ensure network quality at all football World Cup 2018 events held in Russia. The Russian-based company delivered telecom infrastructure and services in 11 cities and 236 venues, including 12 stadiums.

Vodafone Qatar unveils enhanced IoT fleet management solution

- Vodafone Qatar has today unveiled its enhanced Internet of Things (IoT) Fleet Management solution, which enables businesses to maximize the efficiency of their fleet operations. The latest iteration of this solution delivers real-time information such as traffic data, vehicle location, fuel consumption, vehicle status and employee work-time, and is managed end-to-end by Vodafone Qatar.
- Two variations of the updated Fleet Management solution are now available. The Advanced solution gives enterprises access to a range of advanced features, which can be tailored to the individual requirements of both company admins and drivers. The Plug & Go solution is for businesses that do not require as complex features and enables company admins to quickly implement the solution to streamline their customer services and operations.

KUWAIT

Jazeera BoD approves sale and leaseback of CFM LEAP-1A 26 Engine

- Jazeera Airways' BoD approved the sale and leaseback transaction of CFM LEAP-1A 26 Engine.
- The transaction is expected to have a positive financial impact, which will be announced once the agreement is signed.

ECONOMIC & GENERAL NEWS

OMAN

U Capital Weekly Report: MSX ended 2.63% higher, supported by all sub-indices

The MSX30 Index ended the week higher by 2.63%. All sub-indices ended in green. Within the region, Oil remained the star performer which pulled the markets higher. OPEC led agreement which targets the gradual easing of curbs on supplies until the end of July made way for oil price to go above USD 70/barrel after a considerable period. Locally in MSX, market remained news driven with stocks which announced favourable announcement remained most sought by investors such as Maha Ceramics on acquisition news and NBO because of offer from CBQ. With oil prices looking to stay comfortably above USD 70/bbl.

[Source](#)

Sur shipyard and workforce township projects approved

The Board of Directors of the Public Establishment for Industrial Estates – Madayn has announced new projects in Sur Industrial City to be in line with the incentives that were announced earlier this year by Madayn. These incentives include exemption from rental value for a period of two years, followed by a reduction in the rental value for a period of three years by 50 per cent for contracts concluded during the period from 2021 to 2024, in addition to reducing all other fees listed in Annex (1) of the Investment Regulations by 50 per cent during the same period.

[Source](#)

First solar-powered biomethane project planned in south Oman

A state-owned utility responsible for wastewater services in Oman's Dhofar Governorate has invited proposals from investors for the development of a first-ever commercial-scale biomethane-based power plant coupled with a solar photovoltaic (PV) component. The client is the Salalah-based Dhofar Integrated Services Company (DISC), a newly established entity created out of the integration of Salalah Sanitary Drainage Services Company (which oversaw wastewater services in Salalah until recently), Directorate-General of Water (which was responsible for potable water distribution in the governorate), and Dhofar Power Company (which handled electricity distribution and supply in the governorate).

[Source](#)

NCSI Reviews Economic Indicators with IMF

The National Center for Statistics and Information (NCSI) conducted an online meeting with the International Monetary Fund (IMF). The meeting aimed at reviewing and discussing many economic data and indicators related to the center's specializations, especially inflation rates, GDP and the impacts of COVID-19 on the performance of these indicators. The meeting also reviewed the efforts exerted by the center to improve the performance of the economic indicators in Oman. It is worth mentioning that the meeting comes within the framework of the annual virtual visit that the IMF conducts during the period from May 24 to June 7 through which the IMF conducts bilateral discussions with the member countries to assess economic and financial developments.

[Source](#)

MIDDLE EAST

Dubai Economy clarifies full ownership procedures for foreign investors

Dubai Economy has issued guidelines clarifying the procedures for full ownership for foreign investors that started from the beginning of June, in accordance with the Federal Decree-Law No. (26) of 2020 that amended some provisions of Federal Law No. (2) of 2015 regarding ownership of commercial companies. The strategic decision enhances the UAE's investment attractiveness and its advanced position on the global business map, while also reinforcing the competitive advantages that Dubai enjoys as an ideal investment destination, Dubai Economy stated.

[Source](#)

Saudi macro-economic conditions on upward trend: report

The macro-economic conditions in Saudi Arabia are improving, with the spending in the local market, especially in the retail, transport, health, and food & beverages segments continuing to support the economy, a report said. Saudi Central Bank's April statistics looks healthy, added the report by said Al Rajhi Capital, a leading financial services provider in the kingdom, noting that POS transactions continued its uptrend, advancing 142.1% year-on-year (y-o-y) in April.

[Source](#)

UAE focused on investments in facilities, services to meet global trade needs

The UAE is focused on the investment in facilities and services required to meet the needs of global trade and hence shipping businesses located within the Middle East have some significant investment programmes underway, said Nikeel Idnani, honorary secretary, Institute of Marine Engineering, Science & Technology (IMarEST) UAE Branch. Idnani said: "The marine subsidiaries of national oil companies have ambitious fleet expansion programmes to meet the oil, gas, petrochemicals transportation requirements of their parent companies.

[Source](#)

Saudi non-oil business activity sees sharp output rise in May – PMI

A strong rise in new business and a jump in export orders led business activity in Saudi Arabia's non-oil output higher in May. While this led to firms building their inventories at the fastest rate for 18 months, they largely operated with existing workforces as backlogs continued to decline, a survey showed on Thursday. The seasonally adjusted IHS Markit Saudi Arabia Purchasing Managers' Index (PMI) rose for the second month to 56.4 in May from 55.2 in April. The reading indicated a robust improvement in business conditions that was the fastest recorded since January. Any rise above the 50 mark indicates expansion.

[Source](#)

Saudi Arabia eyes private sector participation in infrastructure, health services, transport networks: Al-Jadaan

Saudi Arabia is looking forward to fostering stronger partnership with the private sector on the management and financing of health infrastructure and services, as well as city transportation networks, school buildings, airport services, and water desalination and sewage treatment plants, said Minister of Finance Mohammed Al-Jadaan. The move aims to create a better, more cost-effective, and efficient delivery, reducing material and energy usage for a better planet, he added.

[Source](#)

Kalaam Telecom acquires Kuwaiti ISP leader Zajil in Kuwait

Bahrain's Kalaam Telecom, a leading technology solutions provider, has announced the acquisition of Zajil International Telecom Co. (KSCC), one of Kuwait's longest-established ISP and ICT services companies. The acquisition will create a combined entity with revenue of \$100 million, with data centers in five countries, network Point of Presence (PoPs) in 25 countries, and a subsea and land cable network that connects three continents. Kalaam will be among the top three ISPs in the GCC and will be the only operator with an ISP licence for Bahrain, Kuwait and Saudi Arabia.

[Source](#)

INTERNATIONAL

Yellen says she urged G7 to keep up fiscal support for recovery, climate investments

U.S. Treasury Secretary Janet Yellen said on Saturday that she is urging the G7 wealthy democracies and other countries to keep up fiscal support for their economic recoveries and to make investments to fight climate change and inequality. In prepared remarks for a news conference after G7 finance ministers met in London, Yellen also praised an agreement to pursue a global minimum tax of at least 15% on corporations as helping to stabilize tax systems while preserving national authority to set tax rates and policies.

[Source](#)

Tech giants and tax havens targeted by historic G7 deal

The United States, Britain and other large, rich nations reached a landmark deal on Saturday to squeeze more money out of multinational companies such as Amazon and Google and reduce their incentive to shift profits to low-tax offshore havens. Hundreds of billions of dollars could flow into the coffers of governments left cash-strapped by the COVID-19 pandemic after the Group of Seven (G7) advanced economies agreed to back a minimum global corporate tax rate of at least 15%.

[Source](#)

Charts show Asia is far behind the U.S. and Europe in Covid vaccinations

El Salvador is looking to introduce legislation that will make it the world's first sovereign nation to adopt bitcoin as legal tender, alongside the U.S. dollar. In a video broadcast to Bitcoin 2021, a multiday conference in Miami being billed as the biggest bitcoin event in history, President Nayib Bukele announced El Salvador's partnership with digital wallet company, Strike, to build the country's modern financial infrastructure using bitcoin technology.

[Source](#)

Malaysia's Covid lockdown puts 'a lot of pressure' on government finances

Malaysia's government finances are becoming "very constrained" as a surge in Covid-19 infections has once again forced the country into a lockdown, International Trade and Industry Minister Mohamed Azmin Ali told CNBC on Friday. The Malaysian government has announced a new stimulus package worth 40 billion Malaysian ringgit (roughly \$9.68 billion) to help businesses and households cope with another round of "total lockdown" that started on Tuesday.

[Source](#)

COMMODITIES

Russia and Saudi Arabia reject calls to end oil and gas spending, call IEA's net-zero plan 'unrealistic'

Two of the world's largest oil-producing countries plan to defy the International Energy Agency's recommendations and continue investing in oil and gas, rejecting calls to drastically scale back the use of fossil fuels despite a deepening climate crisis. Policymakers are under immense pressure to deliver on promises made as part of the Paris Agreement, a landmark accord widely recognized as critically important to avoid the most devastating impact of climate change.

[Source](#)

Russia's Sechin warns of 'acute' oil shortage amid drive for green energy

Igor Sechin, the head of Russian oil major Rosneft (ROSN.MM), said on Saturday the world was facing an acute oil shortage in the long-term due to underinvestment amid a drive for alternative energy, while demand for oil continued to rise. Russia, which heavily relies on revenues from oil and gas sales, has pledged to cut greenhouse emissions but lags behind many countries in the development of renewable energy sources, such as solar and wind power as well as hydrogen.

[Source](#)

Oil hits two-year high on OPEC+ discipline, demand hopes

Oil extended gains on Friday, with Brent topping \$72 a barrel for the first time since 2019, as OPEC+ supply discipline and recovering demand countered concerns about a patchy COVID-19 vaccination rollout around the globe. The Organization of the Petroleum Exporting Countries and allies on Tuesday said they would stick to agreed supply restraints. A weekly supply report on Thursday showed U.S. crude inventories dropped more than expected last week.

[Source](#)

Oman Oil Price Rises 68 Cents

Oman oil price (August Delivery 2021) today reached 70.14 US Dollars, comprising an increase by 68 cents from the price of yesterday (Wednesday), which was 69.46 US Dollars. The average price of Oman oil (June Delivery 2021) has stabilized at 63.10 US Dollars, thus 1.33 US Dollar per barrel lower than May Delivery 2021.

[Source](#)

FIXED INCOME / RATING ACTION / RATING AGENCY OUTLOOK

Saudi Aramco in talks with banks for new bond sale

- Saudi Arabian oil group Aramco is in talks with banks for a U.S. dollar-denominated bond issue, two sources said, seeking to raise money ahead of large commitments for its major shareholder, the Saudi government.
- Aramco was widely expected to become a regular bond issuer after its debut \$12 billion bond deal in 2019 was followed by an \$8 billion, five-part transaction in November last year.
- Aramco did not immediately respond to a request for comment.
- The oil company last year maintained a \$75 billion promised dividend despite lower oil prices and is expected to shoulder significant domestic investments that form part of Saudi Arabia's plans to transform the economy.

Abu Dhabi Securities Exchange (ADX) Lists US\$1 Billion Bonds Issued by Abu Dhabi Ports bonds

- Abu Dhabi Securities Exchange (ADX) announced today that it has listed USD 1 billion of bonds issued by Abu Dhabi Ports. The 10-year bonds, with a primary listing on the London Stock Exchange, are rated A+ (stable) by S&P and A+ (stable) by Fitch, and were 4.5 times over-subscribed. The Notes mature on 6 May 2031 and carry a coupon of 2.5% per annum.
- Bond market development is a key part of the Abu Dhabi exchange's "ADX One" strategy, which aims to increase liquidity and broaden the market's offering of products and services.
- In the last year the ADX has attracted exchange traded funds (ETFs) and listings on the Second Market, and the launch of a derivatives market is scheduled for late 2021.
- The listing of Abu Dhabi Ports bonds follows the listing on ADX in April of 1.1 billion euros of bonds issued by Mamoura Diversified Global Holding, a debt issuing entity of Mubadala Investment Company.

Bahrain in Talks with Banks for Bond Sale in Second Half of 2021

- Bahrain has started talks with banks for a potential debt sale in the second half of this year, according to people familiar with the matter.
- The discussions are still preliminary, the people said, asking not to be identified because the plans are private. The nation last tapped the international debt market in January, when it raised \$2 billion.
- Cash from a debt sale would bring some relief for the island state. Bahrain saw a sharp deterioration in finances in 2020 after the Covid-19 pandemic spurred widespread lockdowns and curbed demand for energy, dragging Brent crude to the lowest level in about two decades.

Moody's affirms Dubai Aerospace's Baa3 issuer rating; revises outlook to stable

- Moody's Investors Service (Moody's) has affirmed the Baa3 issuer rating of Dubai Aerospace Enterprise (DAE) while revising the outlook to stable from negative.
- Moody's has also affirmed the Baa3 long-term senior unsecured rating of its subsidiary DAE Funding, with a stable outlook, according to a recent press release.
- Moody's affirmation of DAE's ratings shows the company's strong liquidity position, strong capital management, and disciplined transaction underwriting, enabling it to manage the aviation sector challenges facing earnings and cash flow.
- The affirmation is also based on Moody's expectation that air travel volumes will be growing through 2023, which will gradually tackle the challenges before profitability and earnings.
- In addition, Moody's has revised DAE's outlook to stable based on expectations of higher demands for leased aircraft, which will help DAE to improve its profitability and cash flow metrics over the next 12-18 months.

Bank of Sharjah's OGM approves \$1bn securities issuance

- The ordinary general meeting (OGM) of Bank of Sharjah has approved to issue non-convertible Tier 1 capital perpetual securities at a total value not exceeding \$1 billion.
- The OGM will authorize the board to set the date of issuance, which should be completed within one year from the date of the OGM's approval, according to the bank's disclosure to the Abu Dhabi Securities Exchange (ADX) on Thursday.
- During the meeting, the shareholders also agreed on raising the foreign ownership limit in the bank's share capital to 40% from 30%.
- Meanwhile, the OGM approved to renew the bank's \$2.5 billion Euro Medium Term Note Program.
- It is noteworthy to mention that as of the first quarter (Q1) of 2021, the bank has incurred accumulated losses of AED 444.909 million, accounting for 21.19% of the capital.

CHART / TABLE OF THE DAY

MSX 30 - Foreign Ownership Change

- Top three Gainers: Jazeera Steel, Al Madina Takaful & Al Maha Ceramics
- Top three Losers: Renaissance Services, Al Anwar Ceramics, OIFC

%	Foreign Ownership						Absolute Change (May 21 - Dec 20)
	Apr-20	Jun-20	Sep-20	Dec-20	Mar-21	May-21	
FINANCIAL SECTOR							
AL ANWAR HOLDING	1.50%	1.39%	1.55%	1.90%	1.86%	2.04%	0.14%
AHLI BANK	0.17%	0.12%	0.11%	0.10%	0.09%	0.09%	-0.01%
AL MADINA TAKAFUL	3.20%	2.87%	1.82%	1.76%	1.89%	2.68%	0.92%
BANK DHOFAR	0.17%	0.18%	0.24%	0.20%	0.22%	0.21%	0.01%
BANK MUSCAT	3.42%	3.35%	2.94%	2.59%	2.56%	2.48%	-0.11%
BANK NIZWA	0.94%	1.02%	0.98%	0.97%	0.98%	0.95%	-0.02%
SOHAR INTERNATIONAL BANK	0.54%	0.59%	0.53%	0.51%	0.51%	0.48%	-0.03%
HSBC BANK OMAN	52.15%	52.06%	51.49%	51.36%	51.23%	51.24%	-0.12%
OMAN ARAB BANK	n/a	0.04%	1.07%	1.07%	1.07%	1.07%	0.00%
NATIONAL BANK OF OMAN	0.77%	0.64%	0.55%	0.50%	0.42%	0.43%	-0.07%
OMINVEST	0.37%	0.30%	0.37%	0.35%	0.35%	0.35%	0.00%
AL SHARQIA INVESTMENT	0.43%	0.41%	0.44%	0.50%	0.58%	0.42%	-0.08%
OMAN UNITED INSURANCE	1.50%	0.31%	0.77%	0.49%	0.61%	0.51%	0.02%
AI OMANIYA FINANCIAL SERVICES	2.31%	2.23%	2.26%	2.15%	2.09%	1.92%	-0.23%
INDUSTRIAL SECTOR							
AL MAHA CERAMICS	0.92%	0.92%	0.94%	0.88%	1.01%	1.19%	0.31%
AL ANWAR CERAMIC TILES	1.61%	2.22%	2.21%	2.43%	2.76%	1.97%	-0.46%
OMAN CEMENT	0.81%	0.79%	0.66%	0.61%	0.62%	0.51%	-0.10%
OMAN FLOUR MILLS	1.30%	1.19%	1.09%	0.94%	1.23%	1.20%	0.26%
GALFAR ENGINEERING	23.27%	23.27%	22.89%	22.89%	22.81%	22.77%	-0.12%
SERVICES SECTOR							
AL BATINAH POWER	14.87%	14.85%	14.88%	14.88%	14.86%	14.85%	-0.03%
OMAN INVESTMENT & FINANCE	2.00%	1.53%	1.12%	1.06%	0.78%	0.60%	-0.46%
AL JAZEERA SERVICES	2.02%	1.19%	1.08%	1.06%	1.08%	1.01%	-0.05%
JAZEERA STEEL	3.33%	3.00%	2.83%	1.87%	3.45%	3.16%	1.29%
RENAISSANCE SERVICES	8.55%	8.44%	6.90%	5.41%	4.42%	4.15%	-1.26%
OOREDOO	3.44%	3.42%	2.58%	1.83%	2.13%	2.11%	0.28%
OMAN TELECOMMUNICATION	1.02%	1.08%	1.15%	1.15%	1.15%	1.15%	0.00%
PHOENIX POWER	52.49%	52.49%	52.50%	52.51%	52.53%	52.48%	-0.03%
NATIONAL ALUMINUM	0.54%	0.54%	0.56%	2.36%	2.38%	2.58%	0.22%
SEMBCORP SALALAH	40.71%	40.68%	40.59%	40.54%	40.50%	40.51%	-0.03%
AL SUWADI POWER	14.95%	14.93%	14.95%	14.94%	14.86%	14.85%	-0.09%

Source: Muscat Clearing & Depository Co. (SAOC) & MSX

TECHNICALS OF THE DAY

MSM Virtual Technical Portfolio

Stock Name	MSM	Purchase Price	Target 1	Status	Target 2	Status	Return T1	Return T2	Turnover Ratio	Stop Loss	Risk	Recommendation Date
MUSCAT GAS		0.191	0.196		0.197		2.62%	3.14%	0.09	0.190	-0.5%	6-Jun-21
GULF INTERNATIONAL CHEM.		0.104	0.106		0.107		1.92%	2.88%	0.07	0.103	-1.0%	6-Jun-21
ORDS		0.404	0.416		0.418		2.97%	3.47%	0.06	0.402	-0.5%	6-Jun-21
OMAN QATAR INSURANCE		0.091	0.093		0.094		2.20%	3.30%	0.06	0.090	-1.1%	6-Jun-21
GALFAR ENGINEERING		0.051	0.053		0.054		3.92%	5.88%	0.07	0.050	-2.0%	6-Jun-21
OMAN AND EMIRATES		0.055	0.056		0.057		1.82%	3.64%	0.08	0.054	-1.8%	6-Jun-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
AL ANWAR INVESTMENT		0.098	0.090	0.093		0.094		3.33%	4.44%	0.10	0.089	-1.1%	30-May-21
AL MADINA TAKAFUL		0.096	0.094	0.096		0.097		2.13%	3.19%	0.09	0.093	-1.1%	30-May-21
MUSCAT FINANCE		0.051	0.046	0.047		0.048		2.17%	4.35%	0.08	0.045	-2.2%	30-May-21
OIFC		0.104	0.100	0.103		0.104		3.00%	4.00%	0.08	0.099	-1.0%	30-May-21
SHARQIYAH INVESTMENT		0.100	0.090	0.093		0.094		3.33%	4.44%	0.07	0.089	-1.1%	30-May-21
RENAISSANCE SERVICES		0.428	0.418	0.430		0.435		2.87%	4.07%	0.08	0.415	-0.7%	30-May-21

(Week 22 - 2021) ----- Gain/Loss = +3.34%



Weekly performance for the past 4 weeks

No. of the Week	Report No.	% Gain/Loss for MVP	U Capital Oman 20 Index	MSX 30 Index	MSCI Oman Index
Week 22 - 2021	192	3.34%	2.71%	2.63%	1.70%
Week 21 - 2021	191	0.35%	-0.57%	-0.94%	-1.20%
Week 20 - 2021	190	0.05%	0.84%	0.86%	-1.60%
Week 19 - 2021	189	1.99%	0.96%	0.66%	0.49%

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	5.06%	2.62%	1.12%	3.80%
Month 05 - 2021	187-190	6.20%	4.19%	3.94%	0.29%
Month 06 - 2021	191-194				
Month 07 - 2021					
Month 08 - 2021					
Month 09 - 2021					
Month 10 - 2021					
Month 11 - 2021					
Month 12 - 2021					
YTD		25.54%	7.18%	8.59%	8.85%

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	26%	7%	9%	9%

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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