

PRE-MARKET REPORT

8 June 2021

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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	661.3	0.51	0.08%	16.08%	23.23	2.10	2.3%
Muscat Stock Exchange	3,967.1	1.60	0.04%	8.43%	12.06	0.74	4.6%
Saudi Stock Exchange	10,719.9	34.40	0.32%	23.37%	35.17	2.37	1.9%
Kuwait Stock Exchange	6,270.7	9.21	0.15%	13.07%	39.84	1.60	2.0%
Qatar Exchange	10,708.4	-30.72	-0.29%	2.61%	18.14	1.60	2.7%
Bahrain Stock Exchange	1,537.3	-4.84	-0.31%	3.19%	26.39	1.02	2.2%
Dubai Financial Market	2,839.0	18.30	0.65%	13.93%	21.31	0.99	2.8%
Abu Dhabi Exchange	6,646.1	22.73	0.34%	31.73%	22.44	1.90	3.7%
Palestine Stock Exchange	532.1	-0.08	-0.02%	12.91%	20.54	1.24	2.2%
Tunis Se Index	7,373.5	6.10	0.08%	7.10%	25.58	2.46	1.8%
EGX 30 Index	10,105.0	-17.40	-0.17%	-6.83%	10.47	1.43	1.7%
Amman General Index	2,021.3	-21.70	-1.06%	21.97%	36.01	0.87	3.7%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	7,077.2	0.12%	9.55%
DAX	Germany	15,677.2	-0.10%	14.28%
CAC 40	France	6,543.6	0.43%	17.87%
United States				
DJIA	USA	34,630.2	-0.36%	13.15%
S&P 500	USA	4,226.5	-0.08%	12.53%
NASDAQ	USA	13,881.7	0.49%	7.71%
Asia Pacific				
NIKKEI 225	Japan	28,969.9	-0.07%	5.56%
HANG SENG	Hongkong	28,685.5	-0.35%	5.34%
KSE 100 Index	Pakistan	48,302.7	0.00%	10.39%
NSE Nifty 50	India	15,720.3	-0.20%	12.43%
SHANGHAI COMPOSITE	China	3,581.3	-0.51%	3.11%
SHANGHAI SHENZHEN CSI 300	China	5,234.3	-0.82%	0.44%

Currency Cross Rates	Units/1 USD	YTD %
Australian Dollar (AUD)	1.291	-0.67%
British Pound (GBP)	0.706	-3.48%
Canadian Dollar (CAD)	1.209	5.26%
Chinese Renm. (CNH)	6.390	1.76%
Egyptian Pound (EGP)	15.680	0.29%
Euro (EUR)	0.821	0.31%
Indian Rupee (INR)	72.809	0.35%
Japanese Yen (JPY)	109.420	-5.64%
Swiss Franc (CHF)	0.898	-1.43%
Omani Rial (OMR)	0.385	0.00%
Pakistan Rupee (PKR)	155.025	3.10%
Russian Ruble (RUB)	72.822	2.18%
Singapore Dollar (SGD)	1.323	-0.10%
Turkish Lira (TRY)	8.617	-13.65%

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	70.8	-0.94%	37.86%
WTI Crude (per bbl)	68.6	-0.88%	41.38%
Oman Crude Oil (Last Closing)	70.1	-0.55%	37.23%
OPEC (per bbl)	70.2	0.46%	39.75%
Precious Metals			
Gold100 OZ (per oz)	1,895.6	-0.19%	-0.14%
Silver (per oz)	27.8	-0.37%	5.27%
Platinum (per oz)	1,171.9	-0.39%	9.31%
Other Metals			
Copper, MT	9,901	-0.55%	27.49%
Aluminium, MT	2,426	-1.18%	22.56%
Lead, MT	2,153	0.80%	7.97%
Zinc, MT	3,000	-0.37%	9.03%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	0.38	-25.9%
Saudi Arabia	0.79	-3.2%
Kuwait	1.50	4.3%
Oman	2.66	-0.5%
Qatar	1.20	6.9%
Bahrain	1.61	-28.7%

GCC Latest 10-Yr Government Bond Yields		
	Maturity date	YTM, %
KUWAIT	20/03/2027	1.47
UAE	16/04/2030	2.03
QATAR	16/04/2030	2.10
SAUDI ARABIA	22/10/2030	2.38
OMAN	25/01/2031	5.31
BAHRAIN	30/09/2031	5.53

Midswaps	Price	YTM %
3 year	99.83	0.3
5 year	99.80	0.8
10 year	100.56	1.6
30 year	103.02	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

SAUDI ARABIA

MIS signs deal with Saudi Fransi Capital to set up fund to develop, operate data centers

- Al Moammar Information Systems Co. (MIS) signed, a binding memorandum of understanding (MOU) with Saudi Fransi Capital (SFC) to establish a private investment fund to develop, own, and operate data centers across the Kingdom, according to a bourse filing.
- Both parties expect the fund to have an initial size of around SAR 700 million. However, the long-term vision and strategy are to grow this venture to be to a potential size of up to SAR 3.5 billion, the company added.
- Under the MoU, MIS will be the main developer of all the data centers that are affiliated to the planned fund. It will also be responsible for exclusively developing, operating, managing, and marketing these centers, and accordingly, it will in return receive an annual percentage of the revenues and returns of these centers.

Basic Chemical Industries Co. Announces an update on Commencement of work for Jubail project as well as a change in project costs from SAR 685mn to SAR 750mn

- Basic Chemical Industries Company (BCI) announces the latest developments of the project to produce chlorine and its derivatives in Jubail Industrial City and also a change in project implementation costs from 685 million Saudi riyals to 750 million Saudi riyals.
- A change in the project costs from 685 million Saudi riyals to 750 million Saudi riyals.
- The reasons for the increase in costs are due to the addition of some facilities necessary for the project and the high cost of construction for the project as a result of the high cost and the difference in some measurements and engineering details.

CMA approves Fitaihi's request to cut capital to SAR 275mn

- The Capital Market Authority (CMA) approved Fitaihi Holding Group's request to reduce its capital from SAR 550 million to SAR 275 million by reducing the number of shares from 55 million to 27.5 million.
- The CMA's decision is conditional on the company's extraordinary general assembly (EGM) approval and completion of the necessary procedures in relation to the applicable regulations, the market regulator said in a statement.
- The company will publish a disclosure document to its shareholders related to the proposed method of capital reduction and its expected impact within sufficient time prior to the EGM to enable shareholders to vote on the planned capital decrease.

FIPCO renews SAR 73.7mn Islamic facility with Riyadh Bank

- Filling and Packing Materials Manufacturing Co. (FIPCO) renewed today, June 7, 2021, a SAR 73.68 million Shariah-compliant credit facility agreement with Riyadh Bank, the company said in a bourse statement.
- The loan tenure starts from March 25, 2021, until March 25, 2024, and the final approved agreement was obtained today.
- The credit facility, which is guaranteed by a promissory note, will be used to finance working capital needs of the company and its subsidiary, FPC Industries Co.
- The deal has no related parties, the statement noted.

Zahrat Al Waha Trading Company announces the repayment of a long-term loan from Alinma Bank.

- According to the bank facilities contract obtained by the company from Alinma Bank for financing capital expansions, with a total amount of 11,025,740 SR, a long-term loan for a period of three years, starting from the date of 2, July 2018.
- Zahrat Al-Waha Trading Company announces that it has paid the loan on 6, June 2021, which it obtained from Alinma Bank, where the company made an early payment of the remaining balance of the loan, which will have an impact on the company's loan balance as part of the company's plan in its quest to reduce loans and work to rely on self-financing from the company's cash to finance the purchase of assets or working capital, and it will also have an impact on the company's financial position.

UAE

Creditors agree to restructure NMC Health; DOCA plan urges lenders to bring down debt to USD 2.25bn from USD 7bn

- Creditors owed more than \$6.4 billion by UAE healthcare group NMC Health agreed to a restructuring of the business.
- Joint administrators Alvarez & Marsal said it received enough firm commitments from creditors to embark on a restructuring, which will lead to billions of dollars worth of debt being expunged in return for equity instruments under a legal process known as Deeds of Company Arrangement. It will now begin a formal voting process to complete the restructuring.
- NMC Health grew from a single clinic into the UAE's biggest healthcare provider, but after a report by short seller Muddy Waters in December 2019 accused the company of inflating its assets and understating its debt, an independent investigation uncovered more than \$4.4bn of previously unreported debt, leading to the company being placed into administration in April last year.
- In an update to lenders in April this year, Alvarez & Marsal said it had received about \$6.4bn of creditor claims to date, including about \$6.3bn from a group of 136 financial creditors. Administrators had also identified a further \$650m of potential claims from another 10 financial creditors.
- Administrators urged lenders to vote for the DOCA plan, which will bring the group's debt pile down to a more manageable \$2.25bn, with a mechanism allowing for them to benefit from an eventual exit that generates more than that amount.
- In a presentation to lenders, administrators argued that such a restructuring would be preferable to a distressed sale or liquidation.

NMC DIRECT & INDIRECT EXPOSURE	Exposure - USD mn
UAE BANKS	
Abu Dhabi Commercial Bank	981
Dubai Islamic Bank	541
Abu Dhabi Islamic Bank	322
Emirates NBD	204
Emirates Islamic	184
Commercial Bank of Dubai	150
Commercial Bank International	116
National Bank of Fujairah	79
Ajman Bank	41
United Arab Bank	37
National Bank of Ras Al Khaimah	27
National Bank of Umm Al Quain	14
Finance House	12
Sharjah Islamic Bank	8
First Abu Dhabi Bank	1
KUWAIT BANKS	
National Bank of Kuwait	93
Kuwait International Bank	75
Warba Bank	68
Ahli Bank of Kuwait	32
BAHRAIN BANKS	
Bank ABC	116
Salam Bank - Bahrain	44
Khaleeji Commercial Bank	33
OMAN BANKS	
Sohar International Bank	9
HSBC Oman	16
Bank Nizwa	13

FAB Properties partners with Emirates International Gas for gas supply

- FAB Properties, the subsidiary of First Abu Dhabi Bank (FAB), has partnered with Emirates International Gas (EIG) to offer gas supply services to its residential, commercial, and industrial properties.
- Under the agreement, EIG will supply all residential, commercial, industrial properties, owned or managed by FAB Properties, with liquified petroleum gas (LPG), according to a press release on Monday.
- FAB Properties manages a diversified portfolio of over 20,000 units across different market segments.

Air Arabia launches region's first service to Thailand's Phuket

- Air Arabia has introduced a new service to Phuket in Thailand to become the first low-cost carrier in the region to launch a direct route to the island.
- The carrier will launch direct flights from Sharjah International Airport starting on 2 July 2021, according to a press release.
- The Tourism Authority of Thailand previously announced that travelers, who have been vaccinated against the coronavirus (COVID-19) from low-risk countries, will be allowed to fly direct to the country without having to quarantine from 1 July.
- Air Arabia has applied free COVID-19 insurance coverage to ensure the highest standards of safety.

QATAR

Barwa's Dara in Lusail City offers additional apartments

- Barwa Real Estate continues to enrich the residential real estate market in Qatar with more high-end units, this time through its Dara (A) project, which has offered its residential units in Building A1 and is now available to investors wishing to own property. The building provides 142 apartments of various sizes for ownership. This step comes after the success achieved by the sales of Building A2, where the percentage of sales reached about 80 percent, out of the total 129 apartments offered by the building, despite the repercussions of the COVID-19 pandemic which contributed significantly to influencing the thinking of investors and individuals.
- This brings the total number of buildings offered for sale in this pioneering project to three buildings.

KUWAIT

CMA approves Kuwait Finance House USD 1bn Sukuk Issuance

- Capital Market Authority has issued its approval on the KFH request to issue securities with value not to exceed USD 1bn.
- The issuance has been planned to support the banks capital base within the capital – Tier 1 in accordance with Basel III requirements.

BAHRAIN

ALBA shows resilience amid Covid, outlines 5-year strategic initiatives

- Aluminium Bahrain (Alba), the world's largest aluminium smelter ex-China, outlined its 5-year strategic initiatives and insights on the market fundamentals and also reviewed its overall performance to-date.
- Despite COVID-19 outbreak, Alba continued to maintain stable operations thanks to its Business Continuity Plan and Emergency Preparedness Plan and sent-out few Letters of Assurance on Safe operations at Alba to all its stakeholders (customers, suppliers, and regulators) during 2020.
- Alba is the world's largest aluminium smelter ex-China with a production of more than 1.548 million metric tons per annum (mtpa) (2020). With a dual listing on Bahrain Bourse and London Stock Exchange, the Company's shareholders are Bahrain Mumtalakat Holding Company B.S.C. © (69.38%), SABIC Industrial Investment Company (SIIC) (20.62%) and General Public (10%).

ECONOMIC & GENERAL NEWS

OMAN

China's Alibaba to invest in cloud computing centre in Oman

Chinese IT technology and e-commerce giant Alibaba Group has signed an agreement with the partnership of Datamount and International Emerging Technology Company (ETCO), both Oman-based IT services providers, for the establishment of a cloud computing centre in the Sultanate. The initiative is backed by Oman's Ministry of Transport, Communications and Information Technology (MTCIT). Under the pact, Datamount and ETCO will manage, operate and market cloud computing services of Alibaba Cloud in the region – a move that will strengthen Oman's position as a regional gateway for cloud computing services and technologies.

[Source](#)

Oman-India JV launches engineered quartz stone project in Sohar FZ

An Omani-Indian joint venture has announced the commercial launch of its new engineered quartz stone products manufacturing plant at Sohar Free Zone – an investment that will further strengthen the Sultanate's credentials as leading a manufacturer and exporter of natural and engineered stones for the global construction industry. Madhav Surfaces FZC LLC, a partnership of Al Khanjar Commercial Agencies LLC, a subsidiary of well-diversified Omani business house Khimji Ramdas LLC, and Madhav Ashok Ventures Private Limited (MAVPL), a leading Indian manufacturer of marble and granite surfaces, has invested around \$10 million in the establishment of a high-tech plant at the free zone in Sohar.

[Source](#)

SMEs in Oman come to the fore during COVID pandemic

Small and medium enterprises (SMEs) are helping businesses and people in Oman lessen the economic and personnel impact the COVID-19 pandemic has had on them. SMEs have been able to provide vital goods to those who were unable to buy them from elsewhere, have offered shops required to shut down an online space to continue operations, and created digital solutions for clinics to reduce crowding, and the chances of a potential spread of infection. There are 52,524 SMEs currently operating in the country, and more than 7,000 of them have been set up after March 2020, shortly after the pandemic began in Oman.

[Source](#)

Total Fixed Internet Subscribers Rise 13.5 Percent till April 2021

The Sultanate's total fixed internet subscriptions increased by 13.5% to reach 514,512 at the end of April 2021, compared to the same period of 2020. Fixed telephone lines rose by 0.8% to 593,802 at the end of April 2021, according to the latest data released by the National Centre for Statistics and Information (NCSI). Analogue fixed telephones comprised 292,768 subscribers whereas the number of fixed telephones connected to the internet reached 244,953. Digital network lines for integrated services declined by 4.8% to reach 47,971 subscriptions. The number of fixed wireless subscriptions went down by 16.8% to 1,309.

[Source](#)

Oman Oil Price Declines 3 Cents

Oman oil price (August Delivery 2021) today reached 70.35 US Dollars, comprising a decline by 3 cents from the price of last (Friday), which was 70.38 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](#)

MIDDLE EAST

Mideast Stocks: Emaar lifts Dubai

Dubai's stock market closed higher on Monday after blue-chip developer Emaar Properties reported strong property sales. The main share index in Dubai rose 0.7%, boosted by a 1.5% rise in Emaar Properties after the company posted a more than three-fold jump in property sales for the first five months of 2021. In Abu Dhabi, the index was up 0.3%. Saudi Arabia's benchmark index closed 0.3% higher. Qatar's index lost 0.3% to record its third straight session of losses, as the Gulf's largest lender, Qatar National Bank, dropped 0.6%.

[Source](#)

UAE central bank sets up 'whistleblowing' portal for misconduct, unethical practices

The UAE Central Bank has set up a special platform for whistleblowers to anonymously report misconduct and other wrongdoings that may be committed by any of its staff, contractors and representatives. The portal (<https://eservices.centralbank.ae/wb/>) is an encrypted online tool for anyone, including vendors, the public and financial institutions, to raise concerns around misconduct "without fear of reprisal", the banking authority said on Monday.

[Source](#)

Saudi's PIF, early Alibaba investor back Jordanian startup OpenSooq

A unit of Saudi Arabia's \$400 billion Public Investment Fund has led a new financing round for OpenSooq.com, a Jordan-based online classifieds business that's looking to triple its headcount across the Middle East. The Saudi Jordanian Investment Fund, a \$3 billion entity created by the Saudi wealth fund and a group of Jordanian banks, is backing OpenSooq along with existing investors iMENA Group and FJLabs -- founded by Fabrice Grinda, who was an early investor in Alibaba Group Holding Ltd.

[Source](#)

CBK issues more debt instruments worth KWD 280m

The Central Bank of Kuwait (CBK) has announced the issuing of bonds and related Tawarruq worth a total value of KWD 280 million, according to an official statement on Monday. The debt instruments hold a maturity period of six months, and a 1.25% rate of return.

[Source](#)

Dubai Customs records 71% higher transactions at Jebel Ali Centre in 4M

Dubai Customs' Jebel Ali Centre has completed 952,232 transactions in the first four months of 2021, up 71% from 557,318 in the year-ago period. The centre recorded AED 298.3 billion goods of a volume of 38.848 million tons in the January-April period of 2021, according to a press release on Monday. Meanwhile, Jebel Ali Customs Centre has foiled smuggling attempts, with 64 seizures through 75,434 inspection operations, with the help of the Customs Intelligence Department.

[Source](#)

INTERNATIONAL

Asia stocks open higher on record for MSCI's All-Country World Index

Asia stocks opened higher on Tuesday, cruising in the slipstream of a record high overnight gauge of global equity markets, with investors hoping for inflation and monetary policy clues later in a week full of key central bank meetings and data points. Australia's S&P/ASX 200 was up 0.32% at 0130GMT, while Japan's Nikkei 225 edged up 0.35%, as the country revised first-quarter data showing the economy shrank at a slower pace than initially reported.

[Source](#)

U.S. Republicans vow to oppose Yellen's G7 tax deal, casting doubt on its future

Several top U.S. Senate Republicans on Monday rejected Treasury Secretary Janet Yellen's G7 deal to impose a global minimum corporate tax and allow more countries to tax big multinational firms, raising questions about the U.S. ability to implement a broader global agreement. The opposition from Republicans may push President Joe Biden to attempt to use budget procedures to pass the initiatives with only Democratic votes.

[Source](#)

Japan upgrades Q1 GDP on smaller hit to domestic demand

Japan's economy shrank at a slower-than-initially reported pace in the first quarter, on smaller cuts to plant and equipment spending, but the coronavirus pandemic still dealt a huge blow to overall demand. Separate data showed growth in bank lending slowed sharply in May, while real wages posted the biggest monthly jump in more than a decade in April, in signs that the world's third-largest economy was gradually overcoming last year's pandemic hit.

[Source](#)

Deutsche Bank warns of global 'time bomb' coming due to rising inflation

Inflation may look like a problem that will go away, but is more likely to persist and lead to a crisis in the years ahead, according to a warning from Deutsche Bank economists. In a forecast that is well outside the consensus from policymakers and Wall Street, Deutsche issued a dire warning that focusing on stimulus while dismissing inflation fears will prove to be a mistake if not in the near term then in 2023 and beyond.

[Source](#)

The Fed is in early stages of a campaign to prepare markets for tapering its asset purchases

The Federal Reserve is in the early stages of a campaign to ready markets for reducing its \$120 billion in monthly asset purchases to stimulate the economy. Comments by Fed officials in the past several weeks suggest the issue of tapering looks likely to be discussed as soon as the Federal Open Markets Committee meeting next week, and the Fed may be on track to begin asset reductions later this year or early next year.

Source

COMMODITIES

Oil falls again amid concerns over demand rebound

Oil prices lost more ground on Tuesday as concerns about the fragile state of the global recovery in demand for crude and fuels were heightened by data showing China's oil imports fell in May. Brent crude was down 11 cents, or 0.2%, at \$71.38 a barrel by 0151 GMT, after declining 0.6% overnight. U.S. oil was off by 13 cents, or 0.2%, at \$69.10 a barrel, having dropped by 0.6% in the previous session. "Chinese oil imports at a five-month low ... would tend to confirm weakness in the Asia market," said Bob Yawger, director of energy futures at Mizhuo Securities.

Source

FIXED INCOME / RATING ACTION / RATING AGENCY OUTLOOK

OMAN

IPT: Oman US\$ 144a/RegS 9-Year Sukuk at 5.375%-5.500%

- Books open, today's business.
- Issuer: Oman Sovereign Sukuk S.A.O.C.
- Obligor: The Government of the Sultanate of Oman represented by the Ministry of Finance
- Expected Issue Rating: Ba3 by Moody's and BB- by Fitch
- Sukuk Structure: Sukuk Al- Ijara
- Status: Senior Unsecured
- Format: 144A / RegS
- Documentation: Trust Certificate Issuance Program
- Settlement: 15 June 2021 (T+5)
- Transaction: 9-year Sukuk
- Maturity: 15 June 2030
- Size/Fungibility: USD Benchmark
- IPTs: 5.375%-5.500%
- Coupon: FXD S/A 30/360
- Min. denoms: USD 200,000 x USD 1,000

SAUDI ARABIA

Fitch, Moody's assign Saudi Aramco sukuk 'A(EXP)', (P)A1 ratings

- Saudi Arabian Oil Co.'s (Saudi Aramco) new "Trust Certificate Issuance Program" was assigned an expected rating of 'A(EXP)' from Fitch Ratings, and (P)A1 rating from Moody's.
- Fitch said in a recent report that the expected rating is in line with Saudi Aramco's Long-Term Issuer Default Rating (IDR) and senior unsecured rating of 'A'.
- The assignment of the final rating is contingent on the successful issuance of the sukuk and final documents materially conforming to information already reviewed.
- On the other hand, Moody's pointed out that Saudi Aramco's 'A1' rating reflected its strong financial profile with very low production costs and modest debt in its capital structure.
- The company has excellent liquidity with consolidated cash balances and operational cash flows more than sufficient to meet group debt maturities, investment commitments and dividends over the next 12 to 18 months.
- Saudi Aramco had \$54.1 billion of cash and cash equivalents relative to \$143.7 billion of total reported group debt, of which \$17.7 billion is due within the next 12 months, Moody's clarified.

QATAR

S&P reaffirmed Industries Qatar's credit rating

- Industries Qatar, announced, Standard & Poor's Financial Services (S&P), has reaffirmed IQ's credit ratings at 'A+' with a 'stable' outlook.
- The reaffirmation of credit rating was based on S&P's annual review of IQ's current and future financial and operational performance, and financial position, where consideration was given to several factors including, IQ's robust liquidity profile, strong competitive market position, prudent financial policy, product and end-market diversity, along with greater integration with the Parent entity (Qatar Petroleum).
- In a report published by S&P on 7 June 2021, the rating agency cited that "IQ's prudent financial policy and strong cash flow support very strong credit metrics".
- S&P considered the business risk to be 'satisfactory' with 'minimal' financial risk. This underscores IQ's superior profitability margins and robust operating cash flows benefiting from competitively priced feedstock, efficient assets, higher capacity utilization and synergies among Group companies.

UAE

IPT: Emirates Development Bank USD Benchmark 5Y at MS+105-110bps

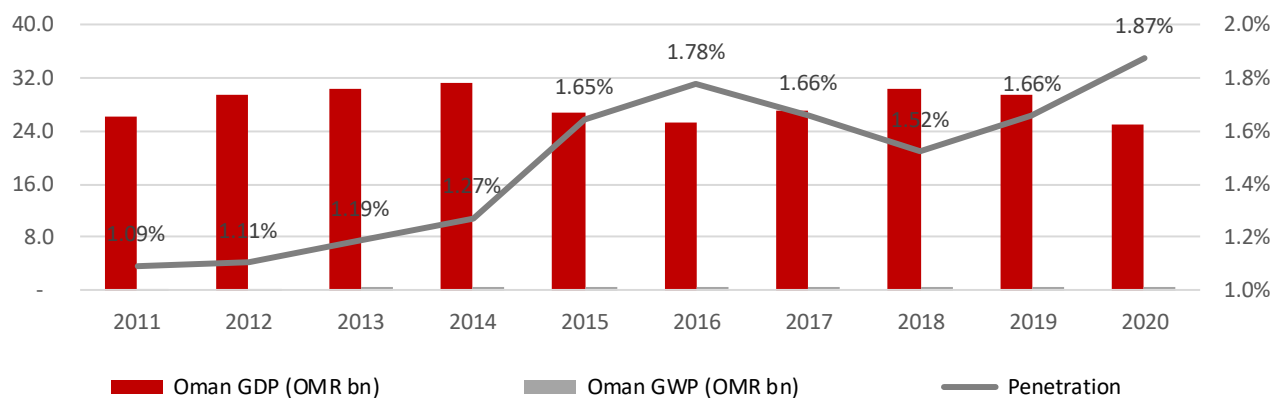
- Books open, today's business.
- Issuer: Emirates Development Bank P.J.S.C.
- Issuer LEI: 5493002OSL5GLN4HID57
- Issuer Rating: AA- (Stable) by S&P / AA- (Stable) by Fitch
- Expected Issue Rating: AA- (Stable) by Fitch
- Format: RegS, Category 2
- Documentation: Drawdown from EDB's USD 3.0bn Euro Medium Term Note Programme
- Status: Senior, Unsecured
- Issue Size: USD Benchmark
- Tenor: 5 year
- Pricing Date: 8 June 2021
- Settlement Date: 15 June 2021 (T+5)
- Maturity Date: 15 June 2026
- IPTs: MS+105-110bps
- Benchmark Rate: 5-year Mid-Swap Rate

CHART / TABLE OF THE DAY

Insurance premiums in Oman drop 4.3% to OMR 466mn in 2020; Penetration @1.87% & Density @ OMR 104.2

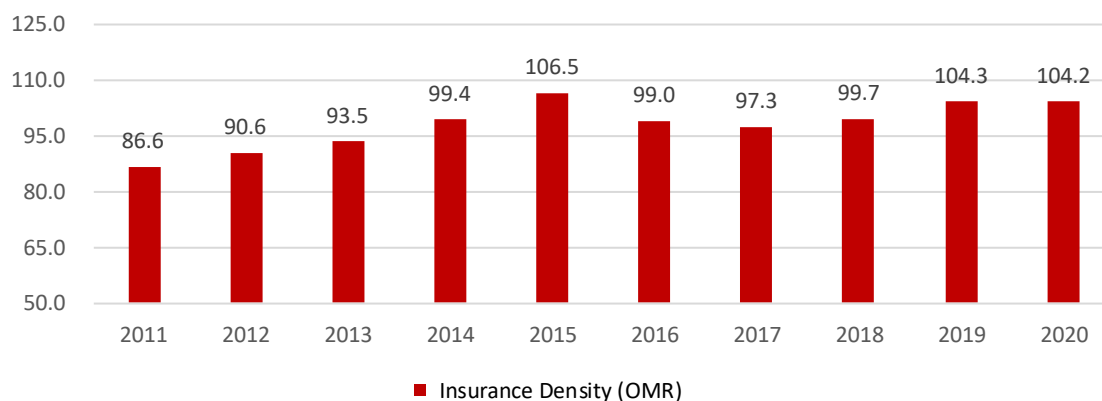
- Total premiums of insurance companies in Oman decreased by 4.3% to OMR 465.9mn in 2020 compared with OMR 486.6mn recorded in 2019, according to Capital Market Authority (CMA).
- Gross direct premiums for general insurance decreased by 3.2 percent to RO412.14mn in 2020 compared to RO425.88mn in 2019, while gross direct premiums of life insurance fell 11.4 per cent to RO53.75mn compared to RO60.7mn in the previous year.
- Gross direct premiums of national insurance companies decreased by 4.4 percent to RO384.63mn in 2020 compared to RO402.25mn in the previous year.
- Despite a decline in total premiums, insurance companies in Oman received a profit boost for the year 2020, thanks to fewer motor and medical claims because of strict coronavirus-related lockdowns that cut the amount of traffic and accidents last year. Most of the Omani insurance firms reported robust growth in their profitability for 2020 versus 2019.
- Total number of insurance policies (general and life) issued by insurance companies in Oman decreased by 15.1 per cent to 1.640mn in 2020 against 1.932mn policies in 2019, the statistics showed.
- Retention ratio of insurance companies in 2020 stood at 56.5 per cent in Oman, decreasing from 60.5 per cent retention ratio in 2019. Retention ratio for motor insurance was highest at 87.3 per cent compared to other segments within the national insurance companies.

Oman Insurance Penetration



Source: NCSI, CMA & U Capital

Oman Insurance Density



Source: NCSI, CMA & U Capital

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
SARCO	SAUDI	189.00	195.00	196.00	3.17%	3.70%	188.00	-0.5%
ALDREES	SAUDI	63.80	65.50	66.00	2.66%	3.45%	63.50	-0.5%
MEPCO	SAUDI	28.00	28.80	29.00	2.86%	3.57%	27.80	-0.7%
YANSAB	SAUDI	71.30	73.00	73.50	2.38%	3.09%	71.00	-0.4%
AL KATHIRI	SAUDI	101.00	104.00	105.00	2.97%	3.96%	100.25	-0.7%
CABLES	SAUDI	30.40	31.30	31.50	2.96%	3.62%	30.20	-0.7%
AMIANITIT	SAUDI	28.20	29.00	29.20	2.84%	3.55%	28.00	-0.7%
CATERING	SAUDI	80.50	83.00	83.25	3.11%	3.42%	80.25	-0.3%
SAUDI BUDGET	SAUDI	44.30	45.50	45.80	2.71%	3.39%	44.00	-0.7%
AL HAMMADI	SAUDI	35.15	36.00	36.20	2.42%	2.99%	35.00	-0.4%
DAR AL ARAKAN	SAUDI	10.64	11.00	11.05	3.38%	3.85%	10.60	-0.4%
EMAAR PROPERTIES	UAE	4.11	4.23	4.25	2.92%	3.41%	4.10	-0.2%
RAK BANK	UAE	3.90	4.00	4.05	2.56%	3.85%	3.88	-0.5%
WIDAM	QATAR	4.57	4.75	4.80	3.96%	5.06%	4.55	-0.4%

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

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