

PRE-MARKET REPORT

27 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	671.0	0.01	0.00%	17.77%	23.56	2.13	2.2%
Muscat Stock Exchange	4,046.9	-0.70	-0.02%	10.61%	14.21	0.82	3.9%
Saudi Stock Exchange	10,919.7	25.48	0.23%	25.66%	36.01	2.41	1.9%
Kuwait Stock Exchange	6,459.7	-3.97	-0.06%	16.47%	41.20	1.66	2.0%
Qatar Exchange	10,761.4	-5.82	-0.05%	3.12%	18.19	1.61	2.7%
Bahrain Stock Exchange	1,579.2	0.32	0.02%	6.00%	27.11	1.05	2.1%
Dubai Financial Market	2,857.1	-10.84	-0.38%	14.65%	21.70	1.00	2.8%
Palestine Stock Exchange	539.4	-0.36	-0.07%	14.46%	20.84	1.26	2.4%
Tunis Se Index	7,304.2	7.32	0.10%	6.09%	25.43	2.43	2.0%
EGX 30 Index	10,278.9	6.14	0.06%	-5.22%	10.24	1.44	1.7%
Amman General Index	2,110.9	9.61	0.46%	27.38%	25.10	0.89	3.5%

World Markets	Country	Value	D/D	YTD	Currency Cross Rates	Units/1 USD	YTD %
			%	%	Currency		
Europe					Australian Dollar (AUD)	1.317	1.34%
FTSE 100	UK	7,136.1	0.37%	10.46%	British Pound (GBP)	0.720	-1.56%
DAX	Germany	15,608.0	0.12%	13.77%	Canadian Dollar (CAD)	1.229	3.52%
CAC 40	France	6,622.9	-0.12%	19.30%	Chinese Renm. (CNH)	6.461	0.64%
United States					Egyptian Pound (EGP)	15.643	0.53%
DJIA	USA	34,433.8	0.69%	12.51%	Euro (EUR)	0.838	2.35%
S&P 500	USA	4,280.7	0.33%	13.97%	Indian Rupee (INR)	74.198	-1.53%
NASDAQ	USA	14,360.4	-0.06%	11.42%	Japanese Yen (JPY)	110.750	-6.77%
Asia Pacific					Swiss Franc (CHF)	0.917	-3.50%
NIKKEI 225	Japan	29,066.2	0.66%	5.91%	Omani Rial (OMR)	0.385	0.00%
HANG SENG	Hongkong	29,288.2	1.40%	7.55%	Pakistan Rupee (PKR)	157.950	1.19%
KSE 100 Index	Pakistan	47,603.4	-0.75%	8.79%	Russian Ruble (RUB)	72.220	3.04%
NSE Nifty 50	India	15,860.4	0.44%	13.44%	Singapore Dollar (SGD)	1.342	-1.50%
SHANGHAI COMPOSITE	China	3,607.6	1.15%	3.87%	Turkish Lira (TRY)	8.765	-15.11%
SHANGHAI SHENZHEN CSI 300	China	5,240.0	1.63%	0.55%			

Commodity Prices	Price	D/D	YTD	GCC 3m Interbank Rates	Current Rate %	YTD %
	USD	%	%			
Oil						
Brent Crude (per bbl)	76.2	0.82%	48.35%	UAE	0.41	-20.2%
WTI Crude (per bbl)	74.1	1.02%	52.62%	Saudi Arabia	0.79	-3.0%
Oman Crude Oil (Last Closing)	74.0	0.74%	44.83%	Kuwait	1.50	4.3%
OPEC (per bbl)	74.1	0.11%	47.47%	Oman	2.10	-21.5%
Precious Metals						
Gold100 OZ (per oz)	1,781.4	0.35%	-6.16%	Qatar	1.00	-10.6%
Silver (per oz)	26.1	0.60%	-1.14%	Bahrain	1.64	-27.0%
Platinum (per oz)	1,110.7	1.32%	3.60%	GCC Latest 10-Yr Government Bond Yields		
Other Metals						
Copper, MT	9,414	-0.06%	21.21%		Maturity date	YTM, %
Aluminium, MT	2,486	1.89%	25.59%	KUWAIT	20/03/2027	1.40
Lead, MT	2,220	-0.02%	11.33%	UAE	16/04/2030	2.03
Zinc, MT	2,908	-0.29%	5.69%	QATAR	16/04/2030	2.08
				SAUDI ARABIA	22/10/2030	2.30
				OMAN	25/01/2031	5.21
				BAHRAIN	30/09/2031	5.46

Midswaps	Price	YTM %	USD Libor	Rate (%)	YTD
3 year	99.34	0.5	1m	0.10	-33.2%
5 year	99.77	0.9	3m	0.15	-38.8%
10 year	100.92	1.5	6m	0.17	-35.8%
30 year	104.97	2.2	1 year	0.25	-27.1%

Source: Bloomberg

GCC CORPORATE NEWS, ANNOUNCEMENTS & DISCLOSURES

GCC

Gulf countries impose 33% antidumping tax on China's exports of aluminium products

- The Gulf countries are set to impose a 33% antidumping tax on aluminum products imported from China from July 22 after the Gulf Cooperation Council, or GCC, issued a final ruling in the case. The decision was made by GCC's Bureau of Technical Secretariat of Anti Injurious Practices in International Trade and follows a preliminary ruling made in December 2020, according to a June 24 report by China Trade Remedies Information under the Ministry of Commerce.
- The tax will be levied for a period of five years and is aimed at plates, sheets and strips of aluminum alloys, of a thickness not exceeding 8 mm but greater than 0.2mm, except those polished, coated and heat treatable. Aluminum can stocks used for beverage cans and its lids also fall under the levy.
- The GCC had said earlier that China's aluminum products imported into the Gulf market resulted in "material damage to the Gulf industry of similar products."

Listed Aluminum producers in GCC

Name	Px Chg 1D	Px Chg 3m	Px Chg YTD	P/E (x)	P/B (x)	RoE
SAUDI ARABIAN MINING CO	0.00%	8.6%	40.25%	76.3	2.25	3.0%
QATAR INDUSTRIAL MANUFACTUR	-0.84%	-1.6%	-11.62%	14.4	0.85	5.9%
NATL ALUMINIUM PRODUCTS	-0.73%	21.4%	58.14%	9.0	0.57	5.9%
ALUMINIUM BAHRAIN BSC	0.79%	26.8%	24.37%	14.6	0.80	5.1%

OMAN

Ooredoo and Nokia have announced a partnership for the introduction of Nokia's FastMile 4G and 5G fixed wireless access (FWA) on-premises gateway

- Ooredoo and Nokia have announced a partnership for the introduction of Nokia's FastMile 4G and 5G fixed wireless access (FWA) on-premises gateway, which offers an amazing and superfast in-home Wi-Fi experience to customers across the Sultanate. The new state-of-the-art units will provide homes and businesses with a fantastic internet experience.
- Chief Technology and Information Officer at Ooredoo Oman, said, "Fixed wireless access is a critical part of our strategy to provide high-speed internet across Oman. These top-of-the-line wireless CPE devices are taking our 4G and 5G experience to the next level. Meanwhile, we continue to offer market-leading connectivity, supporting the demands of our residential and business customers for superfast and reliable internet."
- The Nokia FastMile FWA gateway includes customer premises equipment with a built-in modem and antenna. Together, they provide a powerful end-to-end solution delivering guaranteed sustained rates to Ooredoo Oman fixed wireless subscribers.

SAUDI ARABIA

Zain KSA, Mobily mull options for new merged towers entity, share offering

- Etihad Etisalat Co. (Mobily) and Mobile Telecommunication Company Saudi Arabia (Zain KSA) are studying several options regarding Towers Co., including the possibility of offering a share not exceeding 30% in the Saudi market.
- Consultants have already been appointed to study the proposed offering, with discussions currently underway, CNBC Arabia reported, citing sources.
- There are other options that include forming an alliance to buy telecom towers owned by both parties by acquiring a minority stake, with Mobily and Zain KSA owning majority stakes.
- Meanwhile, there is another option to operate these towers on behalf of the two companies through an intermediary company with a rate of return (RoR) system.
- An alliance of companies outside Saudi Arabia may be entered with local firms to acquire a stake in the new company.
- All matters are still on the table, the sources said.

Tadawul posts SAR 501mn net profit in 2020

- The Saudi Exchange (Tadawul) posted net profit of SAR 501 million (EPS: SAR 4.17) for 2020, compared to a net profit of SAR 153 million a year earlier.
- The profit rise was mainly attributed to an over 91% surge in the full-year revenue to SAR 1.100 billion, compared to SAR 565 million a year earlier, driven by a 141% year-on-year (YoY) rise in trading commissions.
- Moreover, Tadawul's profit before Zakat skyrocketed 281% YoY to SAR 584 million.
- The company made several achievements as part of its plan to develop the capital market. It completed the fifth and sixth phases of inclusion in FTSE Russell Emerging Market Index.
- The company also launched the derivatives market, the MSCI TADAWUL 30 Index (MT30), and the iBoxx Tadawul SAR Government Sukuk Index, a riyal-denominated index aimed at tracking the performance of Saudi government Sukuks, in coordination with IHS Markit.

CMA nods for Alandalus Property's SAR 233m capital hike

- The Capital Market Authority (CMA) gave its approval for Alandalus Property Company to increase the capital by SAR 233.33 million through 23.33 million bonus shares, according to a bourse disclosure on Thursday.
- Alandalus Property will raise its capital to SAR 933.33 million distributed over 93.33 million shares, compared with SAR 700 million and 70 million shares prior to the increase.
- The real estate firm will issue one bonus share for every three owned shares.
- The company's board recommended last May to raise the capital by 33%.

Bank AlJazira to raise \$500m via Islamic bond sale

- Bank AlJazira is expected to raise \$500 million on Thursday via an Islamic bond sale.
- The bond or sukuk will price in the range of 3.95% to 4.05%, tighter than initial guidance of between 4.25% and 4.375% after the deal attracted more than \$1 billion in orders, the document from one of the banks on the deal showed.
- The deal is for Additional Tier 1 bonds, the riskiest debt instruments banks can issue, which are designed to be perpetual in nature but issuers can redeem or "call" them after a specified period.
- AlJazira's sukuk will be non-callable for five years.

Emaar Economic City Gets Approval to Defer Loan Repayment

- Emaar the Economic City gets finance ministry's approval to add 364 million riyals in repayments to the main loan.
- Gross loan total now at 5.36 billion riyals
- First repayment starts in June 2024 with last being in 2030
- The ministry may release part of the pledged assets of the company

QATAR

Mannai Said to Mull \$2.4 Billion Sale of IT Services Firm Inetum

- Mannai Corp. is considering a sale of French information technology services provider Inetum SA, which could fetch about 2 billion euros (\$2.4 billion).
- The Qatari trading company is working with advisers to help gauge interest in Inetum, the people said, asking not to be identified discussing confidential information. The company could attract private equity firms as well as other technology companies, the people said.
- Shares of Mannai have risen 23% in Doha trading this year, giving the company a market value of about \$456 million. Deliberations are at an early stage, and there's no certainty they will lead to a transaction, the people said.
- Representatives for Mannai and Inetum declined to comment.

QNCC gets QR281.4mn contract from MME

- Qatar National Cement Company (QNCC) has bagged a contract worth QR281.4mn from the Ministry of Municipality and Environment to treat and recycle waste and dispose it in the kilns of Umm Bab cement factories.
- In a communique to the Qatar Stock Exchange, QNCC said it was notified by the Ministry of Municipality and Environment of awarding the tender.
- The board of directors' plan for 2021 had mentioned the measures to follow up the implementation of the waste burning project with the Ministry of Municipality and Environment, aiming to start operating the project as soon as possible.

UAE

International Holding Co. Unit to List in Abu Dhabi Next Week

- International Holding Co. said its unit Alpha Dhabi intends to list on the Abu Dhabi Securities Exchange on June 27.
- The offering is expected to comprise a sale of shares to individuals and other investors in the UAE and to qualified institutional and other investors.
- Alpha Dhabi has 10 billion dirhams in paid-up capital.
- In June 2021, Alpha Dhabi acquired assets from privately-held Murban Energy, valued at 2.5 billion dirhams, which includes hotels and resorts.
- The Company's investment portfolio, local and international, includes 25 subsidiaries and 40,000 employees active in different fields such as but not limited to:
 - Energy, engineering consultancy, operation and maintenance services
 - Operation of commercial, service, real estate, contracting, mining and industrial investment
 - Dredging and marine construction
 - Forest management, landscaping, animal feed and tourism
 - Onsite and Digital healthcare management, occupational health solutions and health assessment
- Financials of Alpha Dubai:

	2020 AED	2019 AED
Revenue	3,784,984,004	3,705,681,733
Direct costs	(3,452,573,266)	(3,329,509,110)
Gross profit	332,410,738	376,172,623
General and administrative expenses	(99,479,788)	(169,977,256)
Impairment loss charge/(reversal) of trade receivables, retention receivables, advances to suppliers and other financial assets	(28,199,810)	7,773,125
Impairment loss of contract asset	(9,749,065)	(6,978,482)
Impairment loss (charge)/reversal on due from related parties	(1,699,950)	15,212,103
Other income	28,995,064	20,324,362
Finance income	5,588,589	8,938,557
Finance costs	(18,737,015)	(32,777,873)
Share of profit from joint venture	7,657,526	-
Share of profit from associates	954,029	143,636
Profit for the year	217,740,318	218,830,795

Mubadala Satellite Group to Raise Up to \$811 Million in IPO

- Satellite operator Yahsat is looking to raise as much as \$811 million in what would be the first initial public offering on the Abu Dhabi stock exchange since 2017.
- Al Yah Satellite Communications Co., owned by Abu Dhabi's \$243 billion sovereign fund Mubadala Investment Co., set the price range for its listing at 2.55 dirhams (\$0.69) to 3.05 dirhams per share. The company plans to offer up to 40% of its shares in the IPO.
- Yahsat's share sale would mark the first IPO in Abu Dhabi since Abu Dhabi National Oil Co. for Distribution PJSC began trading in 2017. Sovereign funds ADQ and Mubadala -- alongside the emirate's state oil company -- have signaled their intentions to list more assets locally.
- Offer Details:
 - IPO for minimum 731.9 million shares and a maximum 975.9 million shares, representing minimum 30% stake and maximum of 40% stake in the company.
 - Final offer price and size: July 9
 - Expected date of listing in Abu Dhabi: July 14

Arkan's board approves Emirates Steel acquisition transaction

- The board of Arkan Building Materials Company has approved the offer, received from General Holding Corporation (Senaat) on 9 May, to transfer its wholly-owned subsidiary, Emirates Steel Industries (Emirates Steel), to Arkan.
- Arkan will acquire Emirates Steel in exchange for the issuance of a convertible instrument to Senaat.
- Upon closing of the transaction, the instrument would automatically convert into 5.1 billion ordinary shares in Arkan at a fixed price of AED 0.798 per share.
- Following the conversion, Senaat would own 87.5% of the entire issued share capital of Arkan.
- The Chairman of Arkan, Jamal Salem Al Dhaheri, said: "It [the transaction] will strengthen Arkan's balance sheet and financial performance, deliver greater international scale, and position Arkan to become an entry point for investing in a key regional sector while playing a key role in the UAE's Industrial Strategy 'Operation 300 Billion.'"

BAHRAIN

GFH acquires mission critical FedEx logistics facility in Ohio

- GFH Financial Group (GFH) announced the acquisition of a US-based warehousing and distribution logistics facility situated in Ohio and fully leased to FedEx Inc. in a transaction valued at approximately US\$100 million.
- This is part of GFH's logistics and industrial sector investment theme, focusing on the acquisition of high quality logistics assets in key distribution hubs to capitalize on the strong tailwinds from growing e-commerce penetration rates and sales.
- GFH continues to scale up its global logistics platform with its recent acquisitions of the Amazon Spain Portfolio, the Michelin distribution facility in Chicago and the current FedEx distribution facility transaction. This will gain exposure to well positioned top credit tenants occupying a variety of mission critical facilities in key locations in North America and Europe.

ECONOMIC & GENERAL NEWS

OMAN

U Capital: MSX ended the week lower by 0.76%

MSX30 Index ended the week lower by 0.76%. Industrial sector was the only sector to end green for the week gaining 1.33%. Financial sector and Service sector closed lower by 0.91% and 0.24% respectively. MSX Shariah Index increased by 1.09%. Net foreign inflows has increased for the second week recording at OMR 22.26mn, totaling an inflow of OMR 30.07mn for two weeks. Oman market witnessed sizable interest from foreign investors last week. This interest was mostly directed towards the fixed income market but shows that foreign investors are getting more comfortable with investing in Oman, which should be seen positively. We expect this to continue in the coming period and with second quarter results around the corner, we believe market will continue to witness better turnover.

[Source](#)

Bids Invited for Oman's Maiden Satellite Project

Firming up its ambitious plans to procure and launch Oman's maiden satellite, wholly government-owned Space Communications Technology LLC (SCT) has invited international companies to compete for its contract to support the delivery of its OmanSat-1 satellite program. Muscat-based SCT, part of Oman Investment Authority (OIA), has been tasked with spearheading the development of the country's National Satellite Program centering on the construction of national satellite communications infrastructure to meet the requirements of public and private sector telecommunications.

[Source](#)

Over 24,000 licenses approved via Invest Easy and Sanad

The Invest Easy portal and Sanad have seen 24,664 submissions for automatic license approval since the launch of the service on April 4 until June 2021, according to the Ministry of Commerce, Industry and Investment Promotion (MoCIIP). The top 10 countries that utilized the new automatic license approval service include Oman, India, Iran, Pakistan, Yemen, Syria, Bangladesh, UAE, Egypt and Iraq. A number of investors and businessmen, who obtained the automatic licenses praised the new service. They believed that this would enhance the growth and diversification of the economy.

[Source](#)

Alshawamikh Oil Services inks strategic pact with Highwood Global

To maintain the high-level of service qualities for different operating companies in the oil concession areas, Alshawamikh Oil Services, one of the Super Local Community Contractor companies (SLCC), recently signed a strategic cooperation agreement with Highwood Global, a technological Canadian leader company in the design and metal fabrication industry. The agreement will enable Alshawamikh Oil Services to include high quality equipment and modern technologies that will serve their clients and meet their high-level standards and expectations for upcoming projects in different concession areas.

[Source](#)

MIDDLE EAST

Saudi Arabia considers developing industrial zone in Oman

Saudi Arabia has shown interest in developing an industrial zone in Oman as officials from the two countries met last week in Riyadh discussing investment opportunities in both the countries. The Omani delegation, led by H E Aseela Salim al Samsamiyah, Undersecretary for Investment Promotion in the Ministry of Commerce, Industry and Investment Promotion, visited Saudi Arabia last week, and discussed various investment opportunities in real estate, industry, tourism, fisheries, renewable energy and petrochemicals sectors to the tune of RO1.5bn.

[Source](#)

Digital banks to increase competition with Saudi banks, fintech firms: official

Licensed digital banks in Saudi Arabia will provide various services and products for their customers through improving quality and user experience, supporting innovation and reducing costs, Al-Eqtisadiyah reported, citing Yazeed Al-Sheikh General Director of Banking Control at the Saudi Central Bank (SAMA). This move will directly contribute to stimulating competition with local banks and fintech players. The difference between fintech firms and digital banks is that the former mainly focuses on innovative technology for a certain activity and offers a certain financial product or service to the target category through digital platforms or smart applications.

[Source](#)

Dubai's weeklong real estate transactions valued at \$2.09bln

Dubai Land Department (DLD) reported a total of 1,982 real estate and properties transactions with a gross value of 7.7 billion during the week ending 24th June 2021. According to the DLD weekly report, 98 plots were sold for AED 685.29 million, 1,336 apartments and villas were sold for AED 2.59 billion. The gross value of mortgaged properties for the week reached 4.32 billion, with the highest being a land in Business Bay, mortgaged for AED 1 billion.

[Source](#)

UAE tax authority urges registrants to take advantage of penalty redetermination

The Federal Tax Authority (FTA) has called on tax registrants in the UAE to benefit from the penalty redetermination scheme introduced by Cabinet Decision No. 49 of 2021 on Amending Some Provisions of Cabinet Decision No. 40 of 2017 on the Administrative Penalties for Violation of Tax Laws in the UAE, which will be effective from 28th June 2021. In a press release issued today, the FTA stressed the three conditions that must be met in order for tax registrants to benefit from the re-determination of unpaid administrative penalties imposed prior to 28 June 2021, to equal 30 percent of the total unpaid penalties. The first condition is that the administrative penalty must have been imposed under Cabinet Decision No. 40 of 2017 before 28th June 2021, and some or all of it remains outstanding.

[Source](#)

DP World Sokhna carries out huge operation

DP World Sokhna, the main gateway of trade in Egypt, and the operator of the Ein Sokhna port, an affiliate of the Suez Canal Economic Zone, managed "the largest shipping process in the history of the port" with a volume of 8,580 cubic meters of steel transformers. The shipment was loaded onboard MSM Douro destined for Germany. The consignment belongs to Ferrrometalzo Steel Construction, one of the largest metal manufacturers in the region.

[Source](#)

KSA launches incentives to encourage tech, industrial companies to list on Tadawul

The Saudi Authority for Industrial Cities and Technology Zones (MODON) has launched an incentive package to encourage companies to list shares on the Saudi Stock Exchange (Tadawul). "A set of incentives and facilities have been announced to encourage companies to list in the Saudi Stock Exchange within the framework of the initiative to stimulate the private sector to list in the Saudi financial market," a MODON spokesman told Arab News.

[Source](#)

INTERNATIONAL

U.S. consumer spending takes breather amid shortages; inflation rises

U.S. consumer spending paused in May as shortages hurt motor vehicle purchases, but the supply constraints and increased demand for services helped to lift prices, with the Federal Reserve's main inflation measure rising by the most in 29 years. There was, however, some good news on inflation. Consumers this month perceived higher inflation to be temporary, a survey showed on Friday, aligning with the views of Fed Chair Jerome Powell and Treasury Secretary Janet Yellen. Consumers' inflation expectations are key as they can influence households' behavior.

[Source](#)

Fed's Rosengren says possible conditions for rate increase could be met next year

It is possible the U.S. economy could reach the conditions on maximum employment and inflation that would merit an interest rate increase next year, but it will be important to watch the data, Boston Federal Reserve Bank President Eric Rosengren said on Friday. Rosengren declined to provide his projection for interest rates, stressing the Fed's policy will depend on economic data. "But it wouldn't surprise me based on the current projections of what we're seeing in the data that that criteria could be met as soon as the end of next year," he said during an interview with Yahoo Finance.

[Source](#)

China's industrial profit growth slows amid high raw material prices

Profit growth at China's industrial firms slowed again in May as surging raw material prices squeezed margins and weighed on factory activity. Profits at China's industrial firms rose 36.4% in May from a year earlier to 829.92 billion yuan (\$128.58 billion) official data showed on Sunday. That was a slowdown from the 57% surge reported in April, according to National Bureau of Statistics. The world's second-largest economy has largely recovered from disruptions caused by COVID-19, but it faces new challenges such as elevated raw material costs and global supply chain crunches. Officials warn that China's recovery remains uneven.

[Source](#)

Sydney to enter two-week lockdown as it scrambles to contain delta variant

Sydney and some surrounding areas will enter a hard two-week COVID-19 lockdown on Saturday as authorities struggle to control a fast-spreading outbreak of the highly infectious Delta variant that has grown to 80 cases. More than a million people in downtown Sydney and eastern suburbs of Australia's biggest city were already under lockdown due to the outbreak, but health authorities said they needed to expand the curbs after more infections were recorded, with exposure sites increasing beyond the initial areas of concern.

[Source](#)

Britain could face food shortages due to lorry driver crisis

Britain could face gaps on supermarket shelves this summer and an "unimaginable" collapse of supply chains after the pandemic and Brexit led to a shortage of more than 100,000 truck drivers, industry leaders have warned. In a June 23 letter sent to Prime Minister Boris Johnson, the industry called for his personal intervention to allow access to European labor by introducing temporary worker visas for HGV drivers and adding them to a "shortage occupation list". A government spokesman said however that with the country's new post-Brexit immigration system, the industry should look to hire local workers instead.

[Source](#)

COMMODITIES

Oil rises for 5th week to highest since 2018 on strong demand

Oil prices climbed to their highest since October 2018 on Friday, putting both benchmarks up for a fifth week in a row on expectations demand growth will outstrip supply and OPEC+ will be cautious in returning more crude to the market from August. Brent futures rose 62 cents, or 0.8%, to settle at \$76.18 a barrel, while U.S. West Texas Intermediate (WTI) crude rose 75 cents, or 1.0%, to \$74.05. Those were the highest closes for both benchmarks since October 2018 and put both contracts up over 3% for the week.

[Source](#)

Gold set for weekly gain as inflation data calms Fed taper fears

Gold edged higher on Friday after stagnant U.S. consumer spending tempered bets for early monetary policy tightening by the Federal Reserve, setting bullion on track for its first weekly gain in four. Spot gold inched 0.1% higher to \$1,776.96 per ounce by 01:07 p.m. EDT, adding about 0.8% for the week thus far. U.S. gold futures were little changed at \$1,782.80.

[Source](#)

FIXED INCOME / RATING ACTION / RATING AGENCY OUTLOOK

SAUDI ARABIA

Fitch affirms SAIB rating at 'BBB+'

- Fitch Ratings has affirmed the long-term issuer default rating (IDR) of the Saudi Investment Bank (SAIB) at 'BBB+', with a 'Negative' outlook. The rating was backed by potential sovereign support.
- Fitch also placed a national long-term rating of 'AA-(sau)' to the Saudi financial institution, with a 'Stable' outlook, according to a press release.
- The viability rating (VR) of the bank reflected "the bank's modest franchise, weaker asset-quality metrics than peers', high asset-and- liability concentrations, and an adequate but less stable funding profile than that of peers," according to the rating agency.
- SAIB's profitability improved last year, with operating profit-to-risk weighted assets (RWA) at 1.54%, compared to 0.44% in 2019. Net income in 2020 was more in line with the level of other banks in the Kingdom, with return on average equity (ROAE) at 8.1% and return on average assets (ROAA) at 1%.

UAE

Fitch Affirms Abu Dhabi's Mamoura at 'AA'; Outlook Stable

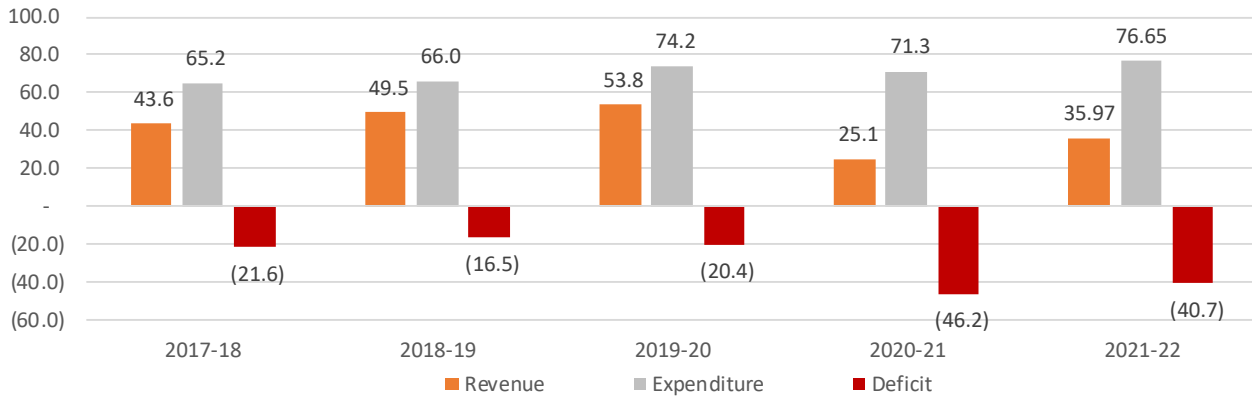
- Fitch Ratings has affirmed Mamoura Diversified Global Holding PJSC's (MDGH) Long-Term Local and Foreign-Currency Issuer Default Ratings (IDR) at 'AA'. The Outlooks on the Long-Term IDRs are Stable.
- The ratings on MDGH - GMTN B.V.'s and MDGH GMTN (RSC) LTD's GMTN programs have been affirmed at 'AA'. MDGH - GMTN B.V. and MDGH GMTN (RSC) LTD are wholly owned subsidiaries of MDGH and their obligations are unconditionally and irrevocably guaranteed by the parent. A full list of ratings is provided below.
- Fitch views MDGH as a government-related entity (GRE) of Abu Dhabi (AA/Stable) and equalises its ratings with those of the sovereign, irrespective of its Standalone Credit Profile (SCP). This reflects a score of 55 points under our GRE Rating Criteria.

CHART / TABLE OF THE DAY

Kuwait Government passed budget last week with a deficit of USD 40.7bn

- The budget projects a deficit of KWD 12.1bn.
- Spending forecast at KWD 23bn, Revenue of KWD 10.9bn.
- Oil income expected at KWD 9.13bn, based on oil at \$45 a barrel.
- Wages and subsidies account for 71.6% of budget; capital expenditure are 15% of total spending.

Kuwait Budget - USD bn



Source: Ministry of Finance & Reuters

TECHNICALS OF THE DAY

MSX 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
AHLI BANK		0.111	0.114		0.115		2.70%	3.60%	0.09	0.110	-0.9%	27-Jun-21
BANK MUSCAT		0.420	0.430		0.432		2.38%	2.86%	0.12	0.418	-0.5%	27-Jun-21
OMAN AND EMIRATES		0.065	0.067		0.068		3.08%	4.62%	0.10	0.064	-1.5%	27-Jun-21
AL BATINAH POWER		0.053	0.054		0.055		1.89%	3.77%	0.09	0.052	-1.9%	27-Jun-21
OMAN FISHERIES		0.085	0.087		0.088		2.35%	3.53%	0.09	0.084	-1.2%	27-Jun-21
NATIONAL GAS		0.157	0.160		0.162		1.91%	3.18%	0.08	0.156	-0.6%	27-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
BANK DHOFAR		0.126	0.124	0.127		0.128		2.42%	3.23%	0.09	0.123	-0.8%	20-Jun-21
BANK NIZWA		0.096	0.097	0.099		0.100		2.06%	3.09%	0.08	0.096	-1.0%	20-Jun-21
SOHAR INTER. BANK		0.097	0.099	0.101		0.102		2.02%	3.03%	0.07	0.098	-1.0%	20-Jun-21
OMAN NATIONAL ENG.		0.091	0.094	0.096		0.097		2.13%	3.19%	0.08	0.093	-1.1%	20-Jun-21
OOREDOO		0.412	0.410	0.420		0.430		2.44%	4.88%	0.08	0.408	-0.5%	20-Jun-21
SEMBORP SALALAH		0.084	0.084	0.086		0.087		2.38%	3.57%	0.09	0.083	-1.2%	20-Jun-21

(Week 25 - 2021) ----- Gain/Loss = +0.33%



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 25 - 2021	195	0.33%	-0.64%	-0.76%	-1.20%
Week 24 - 2021	194	0.91%	1.23%	1.19%	0.30%
Week 23 - 2021	193	1.56%	2.96%	2.47%	2.60%
Week 22 - 2021	192	3.34%	2.71%	2.63%	1.70%

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	6.16%	6.33%	5.35%	3.40%
Month 07 - 2021	195-198				
Month 08 - 2021					
Month 09 - 2021					
Month 10 - 2021					
Month 11 - 2021					
Month 12 - 2021					
YTD		31.70%	13.51%	13.94%	12.25%

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	32%	14%	14%	12%

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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