

U Capital Morning Brief

5 January 2021

Market Indices	Current Close	Change	D/D	YTD	Price to Earnings	Price to Book	Div Yield
	Index	Point	%	%	(x)	(x)	%
U Capital Oman 20 Index	837.31	0.00	0.00%	0.77%	7.52	0.79	7.1%
U Capital GCC 50 Index	1,382.20	10.91	0.80%	0.58%	20.53	2.18	3.7%
U Capital MENA 200 Index	1,092.16	8.00	0.74%	0.13%	16.48	1.96	4.1%
MSCI GCC Countries Index	550.11	3.22	0.59%	0.22%	21.67	1.84	3.1%
Muscat Securities Market	3,695.16	15.82	0.43%	0.99%	11.12	0.71	6.8%
Saudi Stock Exchange	8,667.66	54.84	0.64%	-0.25%	34.76	2.07	2.4%
Kuwait Stock Exchange	5,536.07	-9.97	-0.18%	-0.18%	35.64	1.38	3.5%
Qatar Exchange	10,477.12	39.62	0.38%	0.39%	17.82	1.53	3.8%
Bahrain Stock Exchange	1,483.30	-6.48	-0.44%	-0.43%	14.40	0.99	4.5%
Dubai Financial Market	2,579.00	72.61	2.90%	3.49%	12.03	0.90	3.8%
Abu Dhabi Exchange	5,115.46	36.36	0.72%	1.39%	20.32	1.44	4.8%
Beirut Stock Exchange	654.85	-3.04	-0.46%	-0.46%	22.31	0.49	0.0%
Palestine Stock Exchange	470.37	2.30	0.49%	-0.19%	18.39	1.12	4.3%
Tunis Se Index	6,808.14	-76.79	-1.12%	-1.12%	20.59	2.24	0.6%
EGX 30 Index	10,813.78	-31.25	-0.29%	-0.29%	11.56	1.46	2.9%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	6,571.9	1.72%	1.72%
DAX	Germany	13,726.7	0.06%	0.06%
CAC 40	France	5,589.0	0.68%	0.68%
United States				
DJIA	USA	30,223.9	-1.25%	-1.25%
S&P 500	USA	3,700.7	-1.48%	-1.48%
NASDAQ	USA	12,698.5	-1.47%	-1.47%
Asia Pacific				
NIKKEI 225	Japan	27,144.1	-0.43%	-1.09%
HANG SENG	Hongkong	27,456.6	-0.06%	0.83%
KSE 100 Index	Pakistan	44,743.2	0.10%	2.26%
NSE Nifty 50	India	14,120.2	-0.09%	0.99%
SHANGHAI COMPOSITE	China	3,511.7	0.25%	1.11%
SHANGHAI SHENZHEN CSI 300	China	5,328.7	1.16%	2.25%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.771	1.297
British Pound (GBP)	1.360	0.735
Canadian Dollar (CAD)	0.784	1.275
Chinese Renminbi (CNH)	0.155	6.438
Egyptian Pound (EGP)	0.064	15.723
Euro (EUR)	1.227	0.815
Indian Rupee (INR)	0.014	73.115
Japanese Yen (JPY)	0.010	102.960
New Zealand Dollar (NZD)	0.722	1.386
Omani Rial (OMR)	2.597	0.385
Pakistani Rupee (PKR)	0.625	159.834
Russian Ruble (RUB)	0.013	74.325
Singapore Dollar (SGD)	0.758	1.319
Turkish Lira (TRY)	0.135	7.423

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	51.0	-0.22%	-1.62%
WTI Crude (per bbl)	47.5	-0.13%	-2.02%
Oman Crude Oil (Last Closing)	50.5	-1.85%	-1.10%
OPEC (per bbl)	50.2	0.04%	-26.07%
Precious Metals			
Gold100 OZ (per oz)	1,938.9	-0.19%	2.13%
Silver (per oz)	27.3	0.22%	3.33%
Platinum (per oz)	1,066.6	-0.75%	-0.52%
Other Metals			
Copper, MT	7,861	1.22%	1.22%
Aluminium, MT	2,032	2.63%	2.63%
Lead, MT	2,052	2.88%	2.88%
Zinc, MT	2,792	1.49%	1.49%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	0.45	-12.2%
Saudi Arabia	0.82	-0.2%
Kuwait	1.44	0.0%
Oman	2.68	0.2%
Qatar	0.96	-14.8%
Bahrain	2.25	0.0%

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
KUWAIT	20/03/2027	1.17
UAE	16/04/2030	1.60
QATAR	16/04/2030	1.68
SAUDI ARABIA	22/10/2030	2.07
OMAN	01/08/2029	5.43
BAHRAIN	14/05/2030	4.80

Midswaps	Price	YTM %
3 year	99.89	0.2
5 year	100.10	0.4
10 year	99.58	0.9
30 year	99.06	1.7

USD Libor	Rate (%)	YTD
1m	0.14	-91.8%
3m	0.24	-87.5%
6m	0.26	-86.5%
1 year	0.34	-82.9%

Source: Bloomberg

Note: All values are updated at 9:00 AM Muscat Time. Markets are closed on Saturday and Sunday

OMAN ECONOMIC & CORPORATE NEWS

Fish landing rises 40.9% till October

The total quantity of fish landed in the Sultanate reached 607,978 tonnes at the end of October 2020 compared to 431,630 tonnes during the same period of 2019, which is a rise of 40.9 per cent, according to statistics released by the National Centre for Statistics and Information (NCSI). Traditional fishing practices in the Sultanate contributed to 579,817 tonnes of fish at the end of October 2020, constituting a rise of 40.3 per cent over 413,263 tonnes in 2019.

Source: [Oman Observer](#)

Oman's share index ends marginally higher

The MSM index closed at 3,695.16 points, up 0.43 per cent from the previous close. The Sharia Index ended up 0.43 per cent at 524.78 points. Muscat Thread Mills, up 9.72 per cent, was the top gainer while Dhofar Cattle Feed, down 4.21 per cent, was the top loser. Shares of Galfar Engineering were the most active in terms of the number of shares traded while Omantel was most active in terms of turnover.

Source: [Times of Oman](#)

Oman Oil Price Rises 1.68 US Dollar

Dubai Mercantile Exchange (DME) said that Oman oil price (February Delivery 2020) reached 52.55 US Dollars. The DME statement said that the price of Oman oil today rose 1.68 US Dollar. The average price of Oman oil (January Delivery 2021) has stabilized at 43.83 US Dollars, thus 2.72 US Dollars per barrel higher than December 2020.

Source: [ONA](#)

Tethys Oil begins drilling operations on Block 49 onshore Oman

Tethys Oil announced on Monday that drilling operations of exploration well Thameen-1 on Block 49 onshore the Sultanate of Oman has commenced. The well is planned to be drilled to a depth of about 4,000 metres below ground and drilling operations are expected to last about 45 days. Primary target is the Late Ordovician Hasirah Sandstone layer at a depth of 3,500 metres (TVD). A secondary target is the Mid-Ordovician Saih Nihayda Sandstone at a depth of 3,700 metres (TVD). In addition, the well will also investigate the shallower Gharif Sandstone.

Source: [Times of Oman](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Saudi Arabia, Qatar to open airspace, land and sea borders

Saudi Arabia reopened its air traffic, land and sea crossings with Qatar on Monday, in a breakthrough agreement aimed at ending the three-year diplomatic row with Doha, media reports said. The agreement is expected to be signed on Tuesday at the 41st annual GCC Summit in the northwestern Saudi city of Al Ula, chaired by Saudi Arabia's King Salman bin Abdulaziz and attended by Qatari emir Sheikh Tamim bin Hamad Al-Thani, reported Arab News.

Source: [Trade Arabia](#)

New businesses triggered strong growth in Saudi non-oil sector in December

Business conditions in Saudi Arabia's non-oil sector saw robust growth in December, driven by a substantial increase in output and the fastest rise in new businesses in 12 months, a survey from HIS Markit. The seasonally-adjusted IHS Markit Saudi Arabia Purchasing Managers' Index (PMI) rose to its highest reading for 13 months in December, up from 54.7 in November to 57.0, signalling a sharp improvement in operating conditions.

Source: [Zawya](#)

'Inclusive' GCC summit to lead members to 'reunification': Saudi crown prince

Saudi Arabia is committed to achieving the "supreme interests" of Gulf Cooperation Council (GCC) states and other Arab countries, the Kingdom's Crown Prince Mohammed bin Salman announced on Monday. The crown prince said the upcoming GCC summit, to be held in Saudi Arabia on Tuesday and chaired by King Salman, would be a comprehensive and "inclusive" summit, one that led members to "reunification", that reinforced the path toward prosperity and one of solidarity in the face of challenges that the Middle East region is facing.

Source: [Arab News](#)

UAE has prioritised infrastructure development projects: Suhail Al Mazrouei

Suhail bin Mohammed Al Mazrouei, Minister of Energy and Infrastructure stated that the UAE has prioritised infrastructure development projects around the country, to improve road quality, reinforce the country's global competitiveness, and continue the implementation of development projects that support the national economy and development process.

Source: [WAM](#)

Kuwait makes new oil discoveries -KUNA

Kuwait has discovered two new oilfields, oil minister Mohammad al-Fares announced on Monday, according to state news agency KUNA. One of the discoveries is in Houma oilfield in northwestern Kuwait, with production capacity of 1,452 barrels per day (bpd) of light oil. The second is in the Al-Qashaniya field in the north of the country, where light oil was discovered with a commercial quantity of 1,819 bpd and 2.78 million cubic feet of associated gas per day, KUNA reported.

Source: [Arabian Business](#)

Saudi, UAE business conditions improve, though employment falls

Business activity in the Arab world's two largest economies improved at the end of last year, with Saudi Arabia seeing its strongest expansion in 13 months. After 2020 setbacks caused by the spread of Covid-19 and lower crude prices, non-oil private sector economies in the United Arab Emirates and neighbouring Saudi Arabia still faced job losses as firms adjusted to the challenges of the global pandemic.

Source: [Arabian News](#)

Record number of firms set up business in Dubai's DMCC

The Dubai Multi Commodities Centre (DMCC) saw a record number of companies setting up their businesses in the free zone in 2020. From January to December last year, new business registrations reached 2,025, the highest in five years, DMCC said. In March 2020, DMCC rolled out a business support package, said to be the largest ever commercial offering by the business hub. The incentives include discounts and waivers for existing and new companies looking to set up their business at the zone.

Source: [Zawya](#)

Foreign investors sold net \$150.5mln of stocks on Saudi Tadawul in December

Foreign investors were net sellers of 564.5 million riyals (\$150.5 million) worth of stocks on the Saudi Stock Exchange (Tadawul) in December 2020, according to data issued by the bourse. During the month, they bought 15.95 billion riyals worth of stocks and sold 16.52 billion riyals worth of stocks. Saudi institutional investors were net buyers of 4.06 million riyals worth of stocks as they bought stocks worth 10.70 billion riyals and sold stocks worth 6.65 billion riyals. GCC investors were net buyers of 3.26 billion riyals worth of stocks. They bought stocks worth 1.85 billion riyals and sold 1.52 billion riyals worth of stocks.

Source: [Zawya](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

Wall Street ends lower on worries over Georgia elections, virus surge

Shares on Wall Street closed sharply lower on Monday, sliding from all-time peaks on the first trading day of the year, as risk appetite ebbed amid upcoming runoff elections in Georgia and the persistent surge in coronavirus cases. The Dow, which touched a record high earlier in the session along with the S&P 500, was also dragged down by a more than 4% fall in Boeing Co's shares after Bernstein cut its rating to "underperform," citing concerns about cash flow. All three main indexes hit two-week lows, with record highs in the Dow and S&P 500 extending a 2020 rally fueled by monetary stimulus and the start of vaccine rollouts.

Source: [Reuters](#)

NYSE says it will no longer delist three Chinese telecom giants

The New York Stock Exchange said it no longer plans to delist three Chinese telecommunications giants. In a late Monday statement, the NYSE said it dropped the plans after "further consultation with relevant regulatory authorities in connection with Office of Foreign Assets Control." Hong Kong-listed shares of China Telecom, China Mobile and China Unicom rallied after news of the reversal.

Source: [CNBC](#)

U.S. construction spending races to record high in November

U.S. construction spending rose to a record high in November, boosted by a robust housing market amid historically low mortgage rates, which could help blunt some of the hit on the economy from raging COVID-19 infections. The Commerce Department said on Monday that construction spending increased 0.9% to \$1.459 trillion, the highest level since the government started tracking the series in 2002. Data for October was revised higher to show construction outlays accelerating 1.6% instead of 1.3% as previously reported.

Source: [Reuters](#)

British Prime Minister Boris Johnson imposes national lockdown on England to combat new Covid variant

British Prime Minister Boris Johnson said England is adopting a national lockdown that he hopes will be tough enough to contain a new, highly contagious variant of Covid-19. People can only leave their homes to shop for essentials, work if they can't from home, exercise, go to the doctor's and escape domestic abuse, he said in an announcement Monday evening. Primary schools, secondary schools and colleges will also move to remote learning Tuesday, except in rare cases, he said.

Source: [CNBC](#)

COMMODITIES NEWS

Oil prices slip before OPEC+ resumes meeting on Feb output levels

Oil prices edged down on Tuesday before deadlocked talks between major producers about potential changes in February output are set to continue later in the day while fuel demand concerns lingered amid new COVID-19 lockdowns. Brent crude futures for March fell 12 cents, or 0.2%, to \$50.97 a barrel by 0437 GMT, while U.S. West Texas Intermediate crude for February was at \$47.56 a barrel, down 6 cents, or 0.1%.

Source: [Reuters](#)

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