

# U Capital Morning Brief

10 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	840.34	-3.08	-0.37%	1.14%	7.55	0.79	7.1%
U Capital GCC 50 Index	1,402.76	12.38	0.89%	0.58%	20.60	2.21	3.7%
U Capital MENA 200 Index	1,104.63	8.07	0.74%	1.28%	16.74	1.99	4.1%
MSCI GCC Countries Index	557.03	0.03	0.00%	1.48%	21.98	1.86	3.0%
Muscat Securities Market	3,699.36	-12.14	-0.33%	1.11%	11.13	0.71	6.8%
Saudi Stock Exchange	8,737.20	66.40	0.77%	0.55%	35.04	2.09	2.4%
Kuwait Stock Exchange	5,537.19	7.53	0.14%	-0.16%	35.38	1.37	3.6%
Qatar Exchange	10,678.28	98.62	0.93%	2.32%	18.17	1.56	3.7%
Bahrain Stock Exchange	1,451.23	-4.20	-0.29%	-2.59%	14.09	0.96	4.6%
Dubai Financial Market	2,625.66	19.69	0.76%	5.36%	12.45	0.91	3.7%
Abu Dhabi Exchange	5,163.75	34.96	0.68%	2.35%	20.51	1.45	4.7%
Beirut Stock Exchange	656.84	-4.36	-0.66%	-0.16%	22.39	0.49	0.0%
Palestine Stock Exchange	477.08	0.93	0.20%	1.23%	18.65	1.13	4.2%
Tunis Se Index	6,743.51	21.69	0.32%	-2.05%	20.38	2.22	0.6%
EGX 30 Index	10,952.14	122.18	1.13%	0.99%	11.70	1.48	2.9%

World Markets	Country	Value	D/D	YTD
			%	%
<b>Europe</b>				
FTSE 100	UK	6,873.3	0.24%	6.39%
DAX	Germany	14,049.5	0.58%	2.41%
CAC 40	France	5,706.9	0.65%	2.80%
<b>United States</b>				
DJIA	USA	31,098.0	0.18%	1.61%
S&P 500	USA	3,824.7	0.55%	1.83%
NASDAQ	USA	13,202.0	1.03%	2.43%
<b>Asia Pacific</b>				
NIKKEI 225	Japan	28,139.0	2.36%	2.53%
HANG SENG	Hongkong	27,878.2	1.20%	2.38%
KSE 100 Index	Pakistan	45,654.3	0.68%	4.34%
NSE Nifty 50	India	14,347.3	1.48%	2.61%
SHANGHAI COMPOSITE	China	3,570.1	-0.17%	2.79%
SHANGHAI SHENZHEN CSI 300	China	5,495.4	-0.33%	5.45%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.776	1.288
British Pound (GBP)	1.357	0.737
Canadian Dollar (CAD)	0.788	1.270
Chinese Renminbi (CNH)	0.155	6.465
Egyptian Pound (EGP)	0.064	15.693
Euro (EUR)	1.222	0.819
Indian Rupee (INR)	0.014	73.245
Japanese Yen (JPY)	0.010	103.940
New Zealand Dollar (NZD)	0.724	1.381
Omani Rial (OMR)	2.597	0.385
Pakistani Rupee (PKR)	0.623	160.293
Russian Ruble (RUB)	0.014	74.134
Singapore Dollar (SGD)	0.755	1.326
Turkish Lira (TRY)	0.136	7.352

Commodity Prices	Price	D/D	YTD
	USD	%	%
<b>Oil</b>			
Brent Crude (per bbl)	56.0	2.96%	8.09%
WTI Crude (per bbl)	52.2	2.77%	7.67%
Oman Crude Oil (Last Closing)	55.8	2.72%	9.28%
OPEC (per bbl)	53.8	1.03%	7.17%
<b>Precious Metals</b>			
Gold100 OZ (per oz)	1,849.0	-3.39%	-2.60%
Silver (per oz)	25.4	-6.33%	-3.71%
Platinum (per oz)	1,069.3	-4.49%	-0.27%
<b>Other Metals</b>			
Copper, MT	8,131	-0.59%	4.70%
Aluminium, MT	2,022	-0.74%	2.12%
Lead, MT	2,002	-1.65%	0.38%
Zinc, MT	2,814	-2.58%	2.27%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	0.42	-17.3%
Saudi Arabia	0.82	0.0%
Kuwait	1.44	0.0%
Oman	2.67	-0.3%
Qatar	0.97	-13.4%
Bahrain	2.25	0.0%

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
KUWAIT	20/03/2027	1.23
UAE	16/04/2030	1.64
QATAR	16/04/2030	1.71
SAUDI ARABIA	22/10/2030	2.13
OMAN	01/08/2029	5.33
BAHRAIN	14/05/2030	4.95

Midswaps	Price	YTM %
3 year	99.73	0.2
5 year	99.47	0.5
10 year	97.77	1.1
30 year	94.34	1.9

USD Libor	Rate (%)	YTD
1m	0.13	-12.2%
3m	0.22	-5.9%
6m	0.25	-4.3%
1 year	0.33	-3.6%

Source: Bloomberg

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

## OMAN ECONOMIC & CORPORATE NEWS

### MSM closes higher on budget announcement

MSM30 Index ended the week up by 1.11 per cent. All sectors ended positively. The Financial Index ended the highest and up by 1.41 per cent. Industrial Index was higher by 0.86 per cent and the services Index was up by 0.38 per cent. The MSM Shariah Index rose by 0.32 per cent.

Source: [Oman Observer](#)

### Tethys Oil starts drilling activity on Block 49

Swedish energy company Tethys Oil last week announced that the drilling operations of its exploration well Thameen-1 on Block 49 onshore Oman has commenced. The well is planned to be drilled to a depth of about 4,000m below ground and drilling operations are expected to last about 45 days, the company said in a statement on its website.

Source: [Muscat Daily](#)

### Oman enacts measures to tackle public debt pile

The Sultanate's authorities, led by the Ministry of Finance, have outlined a slew of measures aimed at reining in the country's sizable public debt, which is projected to reach RO 21.7 billion by the end of this year.

Source: [Oman Observer](#)

### MoCIIP completes updating of Omani standards for paints and varnishes

The Ministry of Commerce, Industry and Investment Promotion (MoCIIP) has completed the updating of Omani standards for two categories of paints: Omani Standard 'OS 197' for paints and varnishes, covering emulsified paints for internal and external painting; and Omani Standard 'OS 240' for paints and varnishes, covering glossy alkyd paints, semi-glossy and matte finishing for interior and exterior surfaces.

Source: [Oman Observer](#)

## MIDDLE EAST ECONOMIC & CORPORATE NEWS

### Saudi Cabinet approves amendment to information rules of bankruptcy law

The official gazette published, on Jan. 8, that Saudi Arabia's Cabinet approved amendment to the information and documents rules stipulated in the Bankruptcy Law, to be effective from the publication date.

Source: [Argaam](#)

### \$2.72bln infrastructure projects under way in UAE's east coast

The UAE has infrastructure projects worth AED10 billion (\$2.72 billion) currently under way along the country's east coast, said Suhail bin Mohammed Al Mazrouei, Minister of Energy and Infrastructure. These project are part of the 2018-23 five year plan, which includes the ministry's investment programme and the projects undertaken by the Follow up Committee of the Initiatives of the UAE President.

Source: [Zawya](#)

### Public Pension Agency says annual return on investments hit 7.9% in 2020

The Public Pension Agency (PPA) said total funds disbursed for pensions exceeded SAR 83 billion for 1.2 million retirees and beneficiaries in 2020. Despite the COVID-19 fallout, the PPA's investment unit Raidah Investment Co. (RIC) maintained its solid performance, generating an annual return on investments (ROI) of 7.9%, driven by a long-term investment diversification policy, the PPA said in its annual report.

Source: [Argaam](#)

### **Abu Dhabi's \$232bn Mubadala wants to take crack at Top 10**

Abu Dhabi's Mubadala Investment Co. is overhauling its structure and deploying capital to double in size to nearly half a trillion dollars in the next decade, a plan that will vault it into the top ranks of the world's sovereign wealth funds.

Source: [Gulf Business](#)

### **Expats welcome end of ban on running Saudi firms**

Expat workers and business people have welcomed a Saudi government decision allowing foreign nationals to run Saudi-owned firms, saying the move will strengthen and broaden economic activity in the Kingdom. The announcement of the policy change was made after the Ministry of Justice lifted a previous ban on expatriates managing Saudi companies.

Source: [Arab News](#)

### **Lebanon central bank governor says no currency float before IMF agreement**

Lebanon's central bank governor Riad Salameh told Reuters on Friday the country's currency would not be floated unless an agreement with the International Monetary Fund was reached. Asked whether the currency price would be determined by the market - after remarks made in an interview with France24 where he said the era of the dollar peg was finished - Salameh said the matter was dependent on negotiations with the IMF. "It is all contingent to the IMF," he said.

Source: [Oman Observer](#)

## **INTERNATIONAL ECONOMIC & CORPORATE NEWS**

### **Passenger demand recovery grinds to a halt in November**

The International Air Transport Association (IATA) announced that the recovery in passenger demand which had been slowing since the Northern hemisphere's summer travel season, came to a halt in November 2020.

Source: [Oman Observer](#)

### **Nio launches first electric sedan model as Tesla delivers China-built SUV**

Chinese electric vehicle (EV) maker Nio Inc on Saturday launched its first sedan model, eyeing a greater share of the world's largest car market. The launch of the ET7, at an event in the western city of Chengdu, came as rival Tesla started selling its China-made Model Y sport-utility vehicle in the Chinese market.

Source: [Reuters](#)

### **IMF board, citing increased credit exposure risks, raises reserve target**

The Executive Board of the International Monetary Fund has agreed to raise the medium-term target for the fund's precautionary reserves given a sharp increase in financial risks since 2018, the IMF said on Friday.

Source: [Reuters](#)

## **COMMODITIES NEWS**

### **Oil prices rise, touch 9-month high on U.S. stimulus progress**

Oil climbed on Thursday and touched a nine-month high, with traders optimistic about progress toward a U.S. fiscal stimulus deal and strong Asian demand. Record-breaking refining demand in China and India lent further strength to the market.

Source: [CNBC](#)



**Uthar Capital SAOC (U Capital)**

Oinvest Business Centre

Building no. 95

Way no. 501

Airport Heights

Tel: +968 2494 9000

Fax: +968 2494 9099

Email: [research@u-capital.net](mailto:research@u-capital.net)

Website: [www.u-capital.net](http://www.u-capital.net)



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