

U Capital Morning Brief

11 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	852.42	12.08	1.44%	2.59%	7.61	0.79	7.1%
U Capital GCC 50 Index	1,414.66	11.90	0.85%	0.58%	20.66	2.22	3.7%
U Capital MENA 200 Index	1,122.44	17.81	1.61%	2.91%	16.86	2.00	4.1%
MSCI GCC Countries Index	560.77	3.74	0.67%	2.16%	22.13	1.88	3.0%
Muscat Securities Market	3,730.85	31.49	0.85%	1.97%	11.23	0.71	6.7%
Saudi Stock Exchange	8,817.05	79.85	0.91%	1.47%	35.33	2.11	2.4%
Kuwait Stock Exchange	5,572.96	35.77	0.65%	0.49%	35.60	1.38	3.5%
Qatar Exchange	10,725.73	47.45	0.44%	2.78%	18.26	1.57	3.7%
Bahrain Stock Exchange	1,453.48	2.25	0.16%	-2.44%	14.11	0.97	4.6%
Dubai Financial Market	2,674.30	48.64	1.85%	7.32%	12.68	0.93	3.6%
Abu Dhabi Exchange	5,176.11	12.36	0.24%	2.59%	20.57	1.46	4.7%
Beirut Stock Exchange	656.84	-4.36	-0.66%	-0.16%	22.39	0.49	0.0%
Palestine Stock Exchange	475.30	-1.78	-0.37%	0.86%	18.58	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	11,213.48	261.34	2.39%	3.40%	11.98	1.52	2.8%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
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%
United States				
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%
Asia Pacific				
NIKKEI 225	Japan	28,139.0	2.36%	2.53%
HANG SENG	Hongkong	28,122.9	0.88%	3.27%
KSE 100 Index	Pakistan	45,654.3	0.68%	4.34%
NSE Nifty 50	India	14,453.8	0.74%	3.38%
SHANGHAI COMPOSITE	China	3,561.8	-0.23%	2.55%
SHANGHAI SHENZHEN CSI 300	China	5,492.7	-0.05%	5.40%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.770	1.299
British Pound (GBP)	1.350	0.741
Canadian Dollar (CAD)	0.784	1.276
Chinese Renminbi (CNH)	0.154	6.487
Egyptian Pound (EGP)	0.064	15.693
Euro (EUR)	1.217	0.822
Indian Rupee (INR)	0.014	73.441
Japanese Yen (JPY)	0.010	104.200
New Zealand Dollar (NZD)	0.719	1.392
Omani Rial (OMR)	2.598	0.385
Pakistani Rupee (PKR)	0.624	160.293
Russian Ruble (RUB)	0.013	74.134
Singapore Dollar (SGD)	0.751	1.332
Turkish Lira (TRY)	0.135	7.384

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	55.3	-1.18%	6.83%
WTI Crude (per bbl)	51.8	-0.86%	6.76%
Oman Crude Oil (Last Closing)	55.8	2.72%	9.28%
OPEC (per bbl)	53.8	1.03%	7.17%
Precious Metals			
Gold100 OZ (per oz)	1,831.9	-0.95%	-3.50%
Silver (per oz)	24.7	-3.02%	-6.60%
Platinum (per oz)	1,038.4	-2.92%	-3.15%
Other Metals			
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	-18.2%
Saudi Arabia	0.82	0.0%
Kuwait	1.44	0.0%
Oman	2.68	0.0%
Qatar	1.03	-7.7%
Bahrain	2.23	-0.7%

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

U Capital: New IPOs, REITs to buoy Oman bourse performance in 2021

Investors are pinning their hopes on a sustained market recovery this year following what has been a challenging 2020 for the MSM. Boding well for an uptick in the performance of the Muscat Securities Market (MSM) — soon to be renamed Muscat Bourse Company (SAOG) — are a number of initiatives and developments that promise to provide new opportunities for investment and market growth during 2021. On the cards are several Initial Public Offerings (IPOs), potentially new products in the form of Exchange Traded Funds, and new listings of Real Estate Investment Trusts (REITs).

Source: [Oman Observer](#)

Electricity production falls 3.1% in October

The Sultanate's total electricity production at the end of October 2020 fell 3.1 per cent to reach 32,891.5 GW per hour compared to the end of the same month of 2019 when the total production was 33,955.1 GW per hour. Meanwhile, water production at the end of October 2020 increased by 6.5 per cent to reach 396.83 million cubic metres compared to 372.57 million cubic metres in the same period in 2019, according to statistics released by the National Centre for Statistics and Information (NCSI).

Source: [Times of Oman](#)

Now motor insurance cover can be obtained online

In line with the government's digital transformation efforts, the Capital Market Authority (CMA) has introduced etaameen — an app that allows motorists to obtain motor insurance coverage via the net or their smartphones. etaameen provides details on available insurance options, best offers and prices. Customers can access the Standard Motor Insurance Policy feature on the app for all details, as well as terms and conditions.

Source: [Oman Observer](#)

Sultanate sets stage for sustainable, post-pandemic economic growth

Oman's tenth five-year development plan aims to achieve an annual real GDP growth of minimum 3.5 per cent during the five years period of the plan. The dual shock of the coronavirus pandemic and sharp declines in oil prices hit Oman's economy hard last year. The measures to contain the spread of the virus led to a sudden decline in economic activity and lower oil revenues resulted in an increased budget deficit for the year 2020.

Source: [Muscat Daily](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Crown Prince launches THE LINE project in NEOM

Crown Prince Mohammed bin Salman and board chairman of NEOM revealed the launch of THE LINE project in NEOM, a city of million residents with a length of 170 kilometers that preserves 95% of nature within NEOM. The new city will contribute to fulfilling man's daily needs in five minutes of walking maximum. People can also reach from end to end in 20 minutes only. THE LINE was built with 30% less infrastructure costs, 30% quality of products and 100% renewable energy.

Source: [Argaam](#)

CMA studies direct listing on main market, says ElKuwaiz

Mohammed ElKuwaiz, Chairman of the Capital Market Authority (CMA), said that direct listing on Nomu Parallel Market was successful, adding that a new player will be directly listed soon. Moreover, the Saudi market regulator is planning to allow direct listing on the main market, taking into account the characteristics, nature and structure of the main market and the listed stocks.

Source: [Argaam](#)

CEOs of over 30 Saudi-listed firms resign in 2020

More than 25 Saudi-listed firms witnessed the departure of chief executive officers (CEOs) in 2020 for personal or business-related reasons, compared with 35 a year earlier, data compiled by Argaam showed. The materials sector recorded the largest number of resignations. The petrochemicals and banking sectors each saw resignations of five CEOs during the last year.

Source: [Argaam](#)

Strong catalysts could support IPO activity in Saudi and UAE in 2021

Kuwait-based Kamco Invest expects the GCC initial public offering (IPO) market to remain active in 2021, given the number of catalysts that could support primary markets within the region. In a report issued Sunday, Kamco Invest said that Saudi Arabia will continue to lead the regional IPO market in 2021 as well, with the Capital Markets Authority (CMA) reportedly

mentioning in November that they are reviewing more than 15 applications for listing both in the main market and the Nomu parallel market.

Source: [Zawya](#)

Lifting of Qatar blockade will have 'limited' gains: Moody's

The restoration of diplomatic ties between Qatar and four Arab nations is unlikely to have immediate material credit ramifications, said Moody's Investors Service. Saudi Arabia, Bahrain, Egypt and UAE agreed to reinstate diplomatic relations with Qatar, at last week's Gulf Cooperation Council (GCC) summit, ending a three-year standoff and restoring full ties with the Gulf state.

Source: [Zawya](#)

Qatar's credit profile to remain resilient: S&P

Restoration of ties between Qatar and the four Arab countries will improve economic cooperation within the Gulf Cooperation Council (GCC) region, S&P Global Ratings has said in its latest report. "We expect that the resolution of the boycott will support improvement in the region's broader business and investment environment. In our view, Qatar's intraregional travel, tourism, and real estate sectors will benefit most, although the impact on bilateral trade could be marginal," S&P said.

Source: [Qatar Tribune](#)

Qatar Insurance sector stands to gain from tourism, realty boost: S&P

Qatar's intraregional travel, tourism and real estate sectors will benefit the most, lifting the prospects of the insurance sector, as the end of blockade will improve political and economic co-operation within the Gulf Co-operation Council (GCC) region, according to Standard & Poor's (S&P), a global credit rating agency. "The restoration of ties between Qatar and the four Arab countries previously boycotting the country will improve political and economic co-operation within the GCC region," the credit rating agency said.

Source: [Gulf Times](#)

INTERNATIONAL ECONOMIC & CORPORATE NEWS

China's December factory prices fall at slowest pace in ten months

China's factory gate prices fell last month at their slowest pace since February, official data showed on Monday, suggesting China's manufacturing sector continues to see a steady recovery from the COVID-19 shock. The producer price index (PPI) fell 0.4% from a year earlier, the National Bureau of Statistics said in a statement. The index was expected to fall 0.8%, according to a median forecast in a Reuters poll, after a 1.5% drop in November.

Source: [Reuters](#)

Asia stocks off highs, yields up on looming U.S. stimulus

Asian shares took a breather on Monday while Treasury yields were at 10-month highs as "trillions" in new U.S. fiscal stimulus plans were set to be unveiled this week, stoking a global reflation trade. Investors were keeping a wary eye on U.S. politics as pressure grew to impeach President Donald Trump, though signs were an actual trial could be some time away.

Source: [Reuters](#)

Stock futures fall after Wall Street closed at record highs to end last week

Stock futures fell in overnight trading Sunday as investors assessed the outlook for more Covid-19 relief stimulus. Futures on the Dow Jones Industrial Average fell 130 points. S&P 500 futures traded 0.5% lower and Nasdaq 100 slid 0.3%. The stock market is coming off a solid week to start 2021 as investors looked past a violent siege of the Capitol and focused on the prospect for additional fiscal stimulus after a Democratic sweep of Congress.

Source: [CNBC](#)

COMMODITIES NEWS

Oil Slips Near \$52 on Stronger Dollar as Rally Takes Breather

Oil slipped as the dollar strengthened, with the market taking a breather after a recent rally as investors weigh the potential for U.S. stimulus. Futures lost 0.5% in New York as a stronger dollar reduced the appeal of raw materials like oil that are priced in the currency.

Source: [Bloomberg](#)

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