

U Capital Morning Brief

12 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	847.53	-4.89	-0.57%	2.00%	7.56	0.79	7.1%
U Capital GCC 50 Index	1,425.60	10.94	0.77%	0.58%	20.79	2.24	3.6%
U Capital MENA 200 Index	1,118.26	-4.18	-0.37%	2.52%	17.00	2.02	4.0%
MSCI GCC Countries Index	565.24	4.48	0.80%	2.98%	22.30	1.89	3.0%
Muscat Securities Market	3,725.35	-5.51	-0.15%	1.82%	11.16	0.71	6.8%
Saudi Stock Exchange	8,869.47	52.42	0.59%	2.07%	35.49	2.13	2.4%
Kuwait Stock Exchange	5,619.28	46.32	0.83%	1.32%	35.90	1.39	3.5%
Qatar Exchange	10,842.99	117.26	1.09%	3.90%	18.46	1.58	3.6%
Bahrain Stock Exchange	1,453.09	-0.39	-0.03%	-2.46%	14.11	0.97	4.6%
Dubai Financial Market	2,698.68	24.38	0.91%	8.30%	12.80	0.94	3.6%
Abu Dhabi Exchange	5,237.48	61.37	1.19%	3.81%	20.81	1.47	4.7%
Beirut Stock Exchange	656.84	0.00	0.00%	-0.16%	22.39	0.49	0.0%
Palestine Stock Exchange	475.41	0.11	0.02%	0.88%	18.59	1.13	4.2%
Tunis Se Index	6,729.02	-14.49	-0.21%	-2.26%	20.34	2.22	0.6%
EGX 30 Index	11,278.72	65.24	0.58%	4.00%	12.05	1.53	2.8%

World Markets	Country	Value	D/D	YTD
			%	%
Europe				
FTSE 100	UK	6,798.5	-1.09%	5.23%
DAX	Germany	13,936.7	-0.80%	1.59%
CAC 40	France	5,662.4	-0.78%	2.00%
United States				
DJIA	USA	31,008.7	-0.29%	1.31%
S&P 500	USA	3,799.6	-0.66%	1.16%
NASDAQ	USA	13,036.4	-1.25%	1.15%
Asia Pacific				
NIKKEI 225	Japan	28,157.8	0.07%	2.60%
HANG SENG	Hongkong	28,037.5	0.46%	2.96%
KSE 100 Index	Pakistan	45,605.4	0.00%	4.23%
NSE Nifty 50	India	14,489.1	0.03%	3.63%
SHANGHAI COMPOSITE	China	3,559.9	0.80%	2.50%
SHANGHAI SHENZHEN CSI 300	China	5,501.2	1.10%	5.56%

Currency Cross Rates	USD/1 Unit	Units/1 USD
Australian Dollar (AUD)	0.769	1.300
British Pound (GBP)	1.352	0.740
Canadian Dollar (CAD)	0.782	1.279
Chinese Renminbi (CNH)	0.155	6.472
Egyptian Pound (EGP)	0.064	15.652
Euro (EUR)	1.214	0.824
Indian Rupee (INR)	0.014	73.425
Japanese Yen (JPY)	0.010	104.300
New Zealand Dollar (NZD)	0.716	1.396
Omani Rial (OMR)	2.597	0.385
Pakistani Rupee (PKR)	0.624	160.345
Russian Ruble (RUB)	0.013	74.667
Singapore Dollar (SGD)	0.751	1.332
Turkish Lira (TRY)	0.134	7.478

Commodity Prices	Price	D/D	YTD
	USD	%	%
Oil			
Brent Crude (per bbl)	55.6	-0.13%	7.32%
WTI Crude (per bbl)	52.2	-0.10%	7.58%
Oman Crude Oil (Last Closing)	55.4	-0.66%	8.56%
OPEC (per bbl)	54.4	1.02%	8.26%
Precious Metals			
Gold100 OZ (per oz)	1,849.1	0.28%	-2.59%
Silver (per oz)	25.1	0.78%	-4.91%
Platinum (per oz)	1,059.4	2.31%	-1.18%
Other Metals			
Copper, MT	7,864	-3.28%	1.26%
Aluminium, MT	2,010	-0.59%	1.52%
Lead, MT	1,967	-1.75%	-1.38%
Zinc, MT	2,768	-1.63%	0.60%

GCC 3m Interbank Rates	Current Rate %	YTD %
UAE	0.42	-17.8%
Saudi Arabia	0.82	0.0%
Kuwait	1.44	0.0%
Oman	2.67	-0.2%
Qatar	1.01	-9.5%
Bahrain	2.23	-0.7%

GCC Latest 10-Yr Government Bond Yields	Maturity date	YTM, %
KUWAIT	20/03/2027	1.25
UAE	16/04/2030	1.66
QATAR	16/04/2030	1.72
SAUDI ARABIA	22/10/2030	2.17
OMAN	01/08/2029	5.43
BAHRAIN	14/05/2030	5.00

Midswaps	Price	YTM %
3 year	99.66	0.2
5 year	99.37	0.5
10 year	97.50	1.1
30 year	94.27	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 launches new electronic trading system

The Muscat Securities Market launched the new electronic trading system (OPTIQ). The system is considered a quantum leap as it is the most recent and developed at the level of exchanges, which will enhance the market's capabilities in trading and control operations.

Source: [Times of Oman](#)

Oman's inflation drops 1.42% in December

The inflation rate in the Sultanate, measured by movement in the average Consumer Price Index (CPI), fell by 1.42 per cent in December 2020 compared to the same month of 2019, according to the latest data released by the National Centre for Statistics and Information (NCSI) on consumer prices' index. According to the report, the inflation rate in December fell by 0.18 per cent compared to November 2020.

Source: [Times of Oman](#)

Takaful Oman to offer OMR25mn perpetual Sukuk issue

The Capital Market Authority has approved the main prospectus of Mudharabah Sukuk of Takaful Oman Insurance for the offer of perpetual Sukuk worth OMR25 million. The Oman-based Sharia-compliant insurance provider Takaful Oman, has announced in the prospectus the first issuance of OMR6 million in a private placement at an issue price of OMR1.020 for each Sukuk unit made up of OMR1 nominal value in addition to 20 baisa for the issue costs.

Source: [Times of Oman](#)

Muscat Gases to acquire Al Aman

Muscat Gases Company on Monday announced that it will acquire 100 per cent share capital of Al Aman Industrial & House Gas Company LLC. 'Muscat Gases Company signed an agreement on January 6, 2021 with the shareholders of Al Aman to acquire the 100 per cent share of the capital of Al Aman, including all the LPG filling stations owned by them in Oman,' Muscat Gases Company said in a disclosure filed to the Muscat Securities Market.

Source: [Muscat Daily](#)

MIDDLE EAST ECONOMIC & CORPORATE NEWS

Saudi Arabia Aims to Raise Over \$5 Billion in Bond-Market Return

Saudi Arabia is preparing to return to global capital markets with a bond sale aimed at raising about \$5 billion to help cover financing needs heightened by last year's slide in oil prices, according to people with knowledge of the plan. The kingdom is close to hiring banks for a sale earmarked for as early as this month, the people said, declining to be identified because the matter is private. No final decision on the timing has been made and the country may still put off the sale should market conditions deteriorate, they said. The Finance Ministry in Riyadh didn't immediately respond to requests for comment.

Source: [Bloomberg](#)

Advanced expects better demand, product selling prices in Q1 2021: chairman

Advanced Petrochemical Co. expects better product selling prices in Q1 2021, driven by a rise in demand during Q4 2020 and market recovery from the COVID-19 pandemic, Chairman Khalifa Al Mulhem told Argam in a telephone interview. Commenting on the Q4 2020 financial results, Al Mulhem said net earnings did not see a significant drop but were down due to lower polypropylene prices and a decrease in the company's profit share from Advances SK, compared to Q4 2019.

Source: [Argam](#)

Saudi cement sales rise 9% to 5.2 mln tons in December 2020

The aggregate sales of 17 Saudi cement producers increased by 9% to 5.2 million tons in December 2020, compared to 4.7 million tons in the same month last year, according to recent data issued by Yamama Cement Company.

Source: [Argam](#)

Dubai's non-oil economy returns to growth in December - IHS Markit

IHS Markit Dubai Purchasing Managers' Index (PMI) has increased to 51 in December from 49 in November, reflecting a return to expansion in Dubai's non-oil sector at the end of 2020. The improvement in Dubai PMI, the first seen in three months, is attributed to a significant increase in the emirate's business activity in December, according to a press release on Monday.

Source: [Mubasher](#)

DP World signs agreement with Israel's Allalouf Logistics

Both companies are jointly working towards boosting business opportunities, collaboration and knowledge sharing across the logistics sector with the main objective of providing unparalleled services in key locations Dubai DP World's port-centric logistics arm Smart Solution Logistics (SSL) has signed an agreement with Israel-based Allalouf Logistics to explore new growth opportunities for the logistics and general freight forwarding business in the UAE and Israel.

Source: [Khaleej Times](#)

Saudi Central Bank Issues Rules for Practicing Debt Crowdfunding Activities

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

Money markets ramp up bets on U.S. interest rate hikes by 2023

Judging by trading in U.S. money markets, investors are starting to ramp up expectations for a rise in U.S. interest rates by the second half of 2023 on the prospects of more fiscal stimulus and higher inflation. Eurodollar futures contracts maturing in September 2023 on Monday were pricing more than one rate hike by the U.S. Federal Reserve by then, compared with barely one increase last week.

Source: [Reuters](#)

Asia shares mostly lower amid rising coronavirus cases, Washington turmoil

Asian stocks were mostly lower on Tuesday, tracking Wall Street declines as political turmoil in Washington and rising coronavirus cases worldwide weighed on sentiment ahead of the start of the quarterly earnings season. Political uncertainty dominated trading as House Democrats introduced a resolution to impeach US President Donald Trump, accusing him of inciting insurrection following a violent attack on the Capitol last week.

Source: [ET](#)

Dollar buoyed by rising U.S. yields amid new stimulus prospects

The dollar held four days of gains against major peers on Tuesday as the prospect of massive fiscal stimulus pushed U.S. yields higher. President-elect Joe Biden, who takes office on Jan. 20 with his Democratic party in control of both Houses, has promised "trillions" in extra pandemic-relief spending.

Source: [Reuters](#)

COMMODITIES NEWS

Oil prices sapped by rising virus cases; anticipated drop in U.S. inventory stems losses

Oil prices slipped on Tuesday as investors remained concerned about climbing coronavirus cases globally, though an anticipated drawdown in crude oil inventory in the United States for a fifth straight week stemmed losses. After falling on Monday, Brent crude oil futures slipped by 9 cents, or 0.2%, to \$55.57 a barrel by 0135 GMT while U.S. West Texas Intermediate (WTI) fell by 8 cents, or 0.2%, to \$52.17 a barrel.

Source: [Reuters](#)

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