

U Capital Weekly Report

Market Review & Outlook:

MSM rises on the back of foreign inflows

MSM30 closed the week higher by 3.31%. Despite two-day trading week, the turnover was higher than last week. Foreigners were net buyers of approximately USD 4.9mn.

All the sub-indices closed higher as well. Financial index was up by 3.38%, Services Index was up by 2.88% while the Industrial index was up by 0.76%. Shariah Index also closed up by 1.21% during the week.

As expected, almost all utility companies announced that Oman Power and Water Procurement Company (OPWP) will continue to pay the investment charge for all the valid invoices. Reversal of the decision is an encouraging sign over how closely government is looking at the interests of the investors. With the reversal of such a decision the debt servicing will continue as scheduled and dividend payments as well.

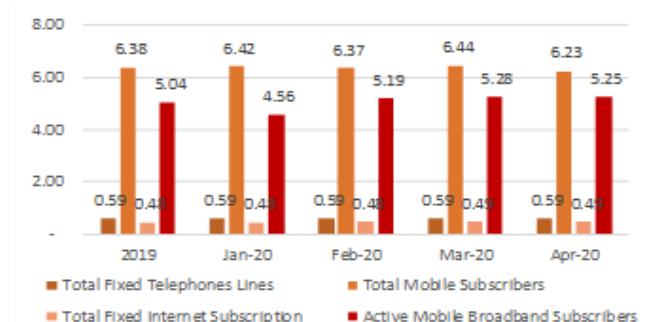
Oman Cement announced that bids are due in by mid-July for two key tenders linked to the establishment of a new integrated cement plant in the Special Economic Zone (SEZ) at Duqm in Oman's Wusta Governorate. The client is Al Sahawa Cement Company (ASCC), a subsidiary of Oman Cement Company, the Sultanate's first cement manufacturer. Total investment in the cement mill is estimated at USD 212mn. At its heart is a 5,000 tons per day (tpd) clinker production unit, a contract for which is proposed to be awarded on an Engineering – Procurement – Construction (EPC) basis. Oman Cement had earlier announced that the Duqm project will be implemented in "backward integration mode" with ASCC producing cement with clinker initially sourced from the Muscat-based parent company. In this phase, cement will be available in the local market as early as during September 2021. Work on the clinker production unit is expected to be pursued in parallel with the construction of a cement grinding unit, with commissioning slated during March 2022.

The Central Bank of Oman (CBO) issued the first license to non-bank financial entities (Fintech companies) in favor of Thawani Technologies for complying with all regulatory requirements. The license is a fundamental step towards achieving Oman's vision to nurture and enable Fintech companies to offer acceptable, affordable, accessible and available services to the nation.

According to the newly published 2019 Annual Report of the Capital Market Authority (CMA), there were as many as four corporate bond issuances (Sohar International Bank Perpetual Bonds, Al Omaniya Financial Services Bonus Stock Bonds, Ahli Bank Perpetual Bonds, and DIDIH Unsecured Subordinated Non-Convertible Bonds) in 2019 totaling OMR 146.5mn in value. The sole Sukuk issuance (Meethaq Sukuk Series 2) raised OMR 45.6mn. By the end of 2019, a total of 16 corporate bond issuances totaling OMR 556mn in value were listed on the MSM. So were five corporate Sukuk totaling OMR 169.7mn in value. Bonds and Sukuk, aggregating OMR 3.92bn in value last year, accounted for a 21% of the MSM's market capitalization of OMR 18.7bn. This compares with a total value of OMR 560mn in 2011, representing a roughly 5% of the MSM's capitalization of just over OMR 10bn then.

As per NCSI, total mobile subscribers drop in the month of April to 6.23mn compared to 6.44mn in the month of March. Prepaid mobile subscribers dropped by 3.8% to 5.41mn while the postpaid rose by 0.8% m-o-m to 816k. Resellers are gaining market share against the telecom operators as their market share as of April stands at 17.4% compared to 16.8% at the end of March and 15.2% at the end of December 2019. Active mobile broadband subscribers dropped marginally by 0.6% to 5.25mn compared to 5.28mn in March 2020. As highlighted before, we expected this trend of drop in mobile subscribers and increase in fixed line subscribers as many individuals are working from home.

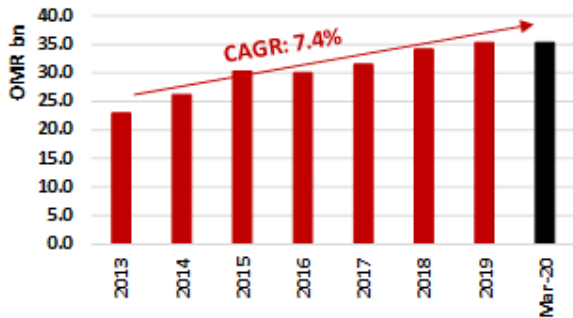
Telecom Data of Oman



Source: NCSI

Oman's total banking assets (Conventional as well as Islamic) grew by 0.3% in Mar'20 on year-to-date (YTD) basis. The assets have grown at a compounded average growth rate (CAGR) of 7.4% since 2013 until 2019. As at the end of Mar'20, total credit has grown by 2.2% since Dec'19, reaching OMR 26.40bn, and total deposits have grown by 2.0% (YTD) reaching OMR 24.14bn. The loan-to-deposit (LTD) ratio stood at about 109%, roughly stable from Dec'19.

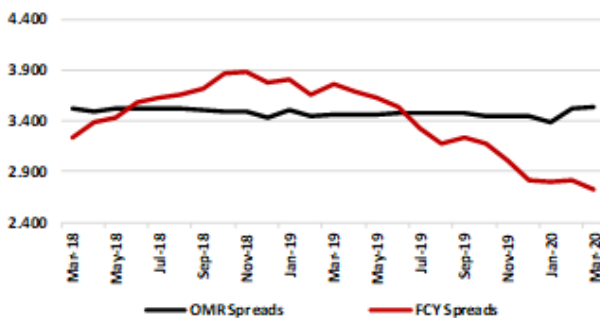
Oman: Total Banking Assets



Source: CBO

The latest CBO data for conventional banks indicates that the weighted average Oman Rial interest rate spread (calculated as lending rate minus deposit rate) widened by 8.5bps on year-on-year basis (YoY), at 3.543% during the month of Mar'20, as the YoY growth in deposit rate lagged behind the YoY growth in lending rate. On month-on-month (MoM) basis, the spread improved by 1.5bps as deposit rate contraction (-4.5bps) outpaced lending rate decline (-3.0bps). The weighted average deposit rate on OMR deposits dropped to 1.936% from the peak of 2.089% (since March 2010) witnessed in Jan'20. Weighted average FCY spread softened by 9bps on month-on-month (MoM) basis during Mar'20 to 2.73%. The FCY spread is lower by 103.4bps when compared to that recorded in Mar'19. Weighted average interest rate on private sector OMR time deposits contracted by 4.6bps MoM in Mar'20 and expanded by 19.5bps YoY, to 3.981%. Weighted average interest rate on ALL private sector deposits (OMR), rose to 1.511% (+2.1bps MoM and +13.7bps YoY).

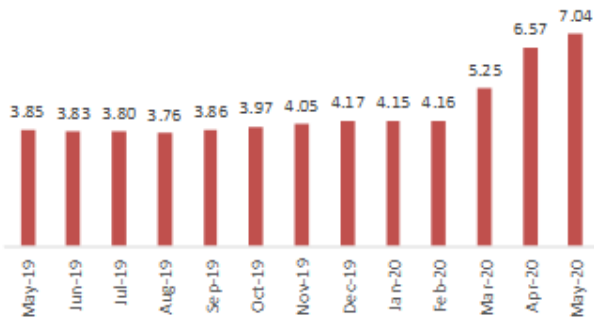
Spreads, %



Source: CBO

US FED balance sheets size increases to USD 7.037 trillion as of 19th May 2020 compared to USD 4.24 trillion at the end of February 2020. Securities held by the USD Fed rose from USD 3.876 trillion at end February 2020 to USD 5.954 trillion as of 19th May 2020. Support for some of the specific institutions important to their economy has risen to USD 509.5bn compared to zero at the end of February 2020. The Federal Reserve's balance sheet has expanded and contracted over time. During the 2007-08 financial crisis and subsequent recession, total assets increased significantly from USD 870bn in August 2007 to USD 2.32 trillion by December 2008 and then further rising over the years to USD 4.5 trillion by 2015. After 2015, we witnessed a balance sheet normalization program that took place between October 2017 and August 2019 and total assets declined to under USD 3.8 trillion. Beginning in September 2019, total assets started to increase. Current increase in the balance sheet size is largely due to COVID-19 related facilities announced by the US Fed. As per the size of stimulus announced by US we believe we are nearing to that. However, the Fed can continue to support the markets through increase in size of other instruments as well.

US Fed Assets (USD trn)

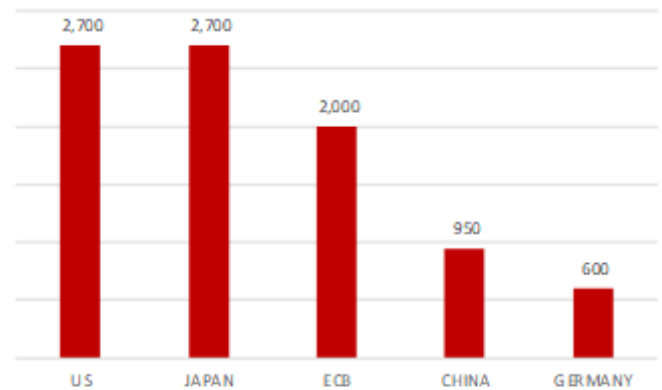


Source: Bloomberg

Additional stimulus of USD 2.5trn has been announced by Japan, China and ECB. With these announcements total stimulus in different forms and structures have now crossed USD 10 trillion mark. In last one week, we witnessed announcement of multi trillion-dollar package pledged by Japan, China and ECB to counter against COVID-19 related challenges.

- Japan is planning a second round of stimulus bringing the total value of its Covid-19 rescue package to over 200 trillion yen (USD 2.7trn), or a whopping 40% of its gross domestic product.
- Europe Commission announced a mega stimulus plan also. The plan will include a mix of grants, loans and guarantees exceeding EUR 1 trillion.
- Chinese government unveiled a fiscal stimulus package of nearly 3.6 trillion yuan (US\$506 billion), as Beijing tries to offset the economic shock caused by the coronavirus pandemic and prepare for an “unpredictable” path ahead. Beijing will also issue 1 trillion yuan of special treasury bonds for the first time since 2007. The local government special bond quota, another source of infrastructure funding, has been boosted by 1.6 trillion yuan to 3.75 trillion yuan for 2020.

Top-5 Stimulus announced Globally against COVID-19 (USD bn)



Source: Bloomberg, Reuters

Recommendation:

With US fed continuing to pump liquidity in the markets along with additional USD 2.5 trillion of stimulus being announced by some of the developed countries, we believe the rally in global markets will continue until the second quarter. Once the countries announce the second quarter GDP numbers (which will be significantly down as per various world bodies), we might see some correction at that time.

Oil has been continuing to face volatility in the short term. But we believe with sizable investment/capital expenditure cuts announced globally by oil giants, the supply would be issue in the coming years which will aid the oil prices with support of demand recovery post COVID-19.

Locally as expected in our previous reports, OPWP withdrew their decision regarding investment charge for utility companies. We believe this is a step in the right direction and will bring investor confidence back in the market.

MSM Summary	Current Wk	Previous Wk	Change	W/W	MTD	YTD
				%	%	%
U Capital Oman 20 Index	787.12	739.38	47.74	6.46%	-2.04%	-11.29%
U Capital GCC 50 Index	1,175.30	1,172.50	2.80	0.24%	4.57%	-15.65%
U Capital MENA 200 Index	917.50	905.60	11.90	1.31%	3.11%	-16.57%
MSM Shariah Index	517.50	511.32	6.18	1.21%	-0.31%	-3.46%
MSM 30	3,520.80	3,407.98	112.82	3.31%	-0.53%	-11.56%
Volume (In 000)	21,915.04	23,228.31	(1,313.28)	-5.65%		
Value traded (In OMR 000)	3,862.82	3,450.95	411.88	11.94%		
No. of Trades	1,006				Volume of Bonds	0

Top Equity Gainers	Price	Chg	Chg
	OMR	OMR	%
VISION INSURANCE SAOC	0.091	0.009	10.98%
SEMBCORP SALALAH POWER & WA	0.106	0.010	10.42%
BANKMUSCAT SAOG	0.346	0.028	8.81%
GULF INVESTMENTS SERVICES	0.059	0.004	7.27%
OMAN NATIONAL ENGINEERING AI	0.107	0.007	7.00%

Top Equity Losers	Price	Chg	Chg
	OMR	OMR	%
UNITED FINANCE CO	0.070	-0.002	-2.78%
OMAN CEMENT CO	0.230	-0.004	-1.71%
-	-	-	-
-	-	-	-
-	-	-	-

Top Co. -Value	Price	Value	Mkt Share
Companies	OMR	in OMR 000	
BANKMUSCAT SAOG	0.346	1,372.7	35.5%
AL-ANWAR CERAMIC TILES CO	0.135	472.9	12.2%
OMAN TELECOMMUNICATIONS CO	0.636	451.9	11.7%
OOREDOO	0.410	293.3	7.6%
AHLI BANK	0.120	184.2	4.8%

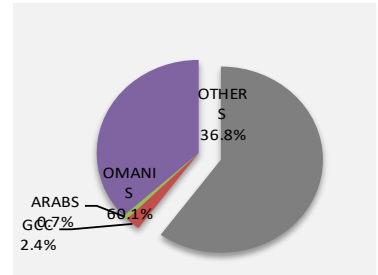
Top Co. -Volume	Price	Volume	Mkt Share
Companies	OMR	in 000	
BANKMUSCAT SAOG	0.346	3,993.3	18.2%
AL-ANWAR CERAMIC TILES CO	0.135	3,508.3	16.0%
AL BATINAH POWER	0.057	2,768.4	12.6%
SOHAR INTERNATIONAL BANK	0.084	1,705.5	7.8%
AHLI BANK	0.120	1,535.2	7.0%

Market Capitalization	
(In Billion)	
USD	OMR
47.39	18.37

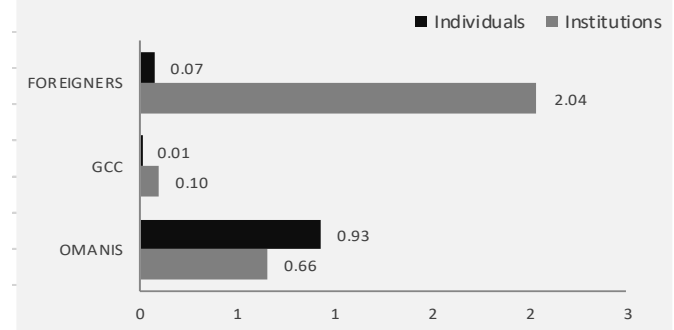
No. of Companies		
Equal	Down	Up
14	2	31

Nationality Trading - Buy

Value	
(OMR 000)	
OMANIS	2,320.2
GCC	92.6
ARABS	28.4
OTHERS	1,421.7

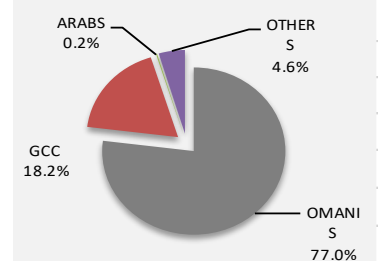


Buy Side (In OMR mn)



Nationality Trading - Sell

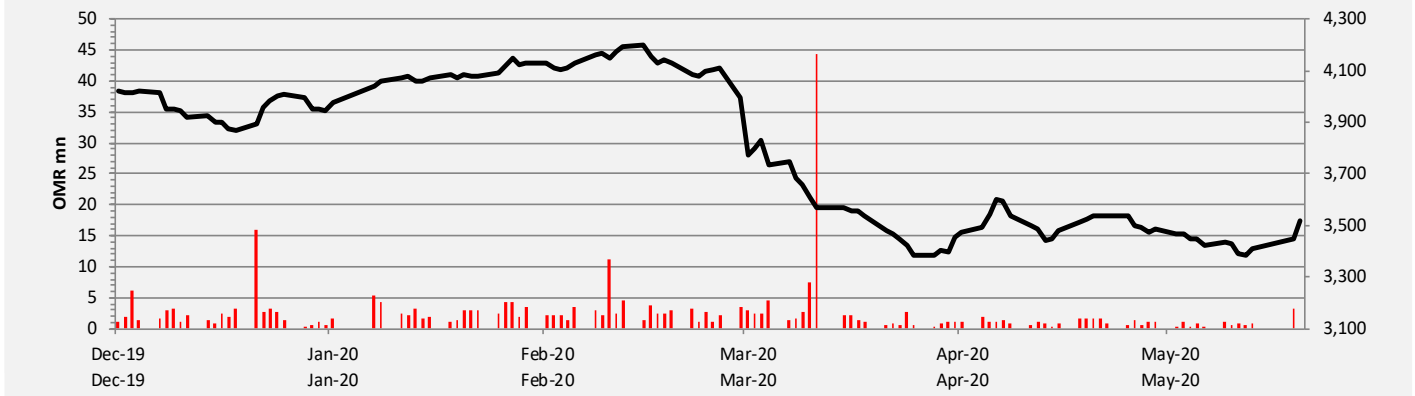
Value	
(OMR 000)	
OMANIS	2,972.9
GCC	703.7
ARABS	7.8
OTHERS	178.5



Sell Side (In OMR mn)



MSM 30 Index (RHS) vs. Turnover (LHS)



Sector Name	Bloomberg Code	Current	Previous	Points Daily	WTW %	Points Monthly	MTD %	Points Yearly	YTD %
Financial Sector	BKINV	5,530.83	5,350.06	181	3.38%	(38)	-0.7%	(818)	-12.9%
Industry Sector	INDSI	4,057.78	4,027.10	31	0.76%	53	1.3%	(149)	-3.5%
Services Sector	SINSI	1612.54	1567.33	45	2.88%	(85)	-5.0%	(284)	-15.0%

Source: MSM, Bloomberg






Main Indicators - Sectors	Beta	52-Week High	52-Week Low	Div. Yield %	P/B (x)
MSM 30		4,200.65	3,367.32	6.8%	0.75
Financial Sector	0.49	6,631.83	5,311.43	5.0%	0.77
Industry Sector	0.46	4,809.13	3,801.04	5.1%	0.59
Services Sector	0.47	1,983.19	1,555.74	9.7%	0.77

Source: Bloomberg

Oman Government Bonds

GDB Issue	Maturity Date	Issue Value OMR	Coupon	Listing Date
46	2/23/2025	200,000,000	4.50%	04/03/2015
47	8/9/2020	300,000,000	3.00%	11/08/2015
48	2/22/2021	100,000,000	3.50%	24/02/2016
49	4/25/2023	100,000,000	1.00%	04/05/2016
50	10/3/2022	100,000,000	5.00%	13/10/2016
51	12/27/2026	150,000,000	5.50%	01/01/2017
52	2/20/2024	150,000,000	5.00%	26/02/2017
53	5/15/2023	150,000,000	5.25%	21/05/2017
54	9/20/2027	150,000,000	5.75%	25/09/2017
55	12/19/2024	150,000,000	5.25%	24/12/2017
56	3/21/2028	150,000,000	6.00%	25/03/2018
57	6/28/2023	100,000,000	4.75%	03/07/2018
58	9/25/2025	150,000,000	5.75%	26/09/2018
59	12/18/2023	100,000,000	5.00%	23/12/2018
60	28/04/2026	100,000,000	5.75%	4/28/2019
61	23/07/2024	100,000,000	5.25%	7/23/2019
62	26/12/2029	200,000,000	5.55%	12/26/2019
63	10/12/2026	200,000,000	5.50%	12/10/2019

Source: MSM, Bloomberg

GCC Market Indices		Current Close	Previous Close	Change	W/W	MTD	YTD	P/E	P/B
		Index	Index	%	%	%	%		
	Muscat Securities Market	3,520.80	3,407.98	112.82	3.31%	-0.53%	-11.56%	9.12	0.75
	Saudi Stock Exchange	-	7,050.66	-	-	-0.88%	-15.96%	21.34	1.71
	Kuwait Stock Exchange	5,018.83	4,904.61	114.22	2.33%	0.87%	-20.11%	14.02	1.14
	Qatar Exchange	-	8,873.16	-	-	1.24%	-14.89%	13.98	1.37
	Bahrain Bourse	1,276.06	1,270.39	5.67	0.45%	-2.64%	-20.75%	9.08	0.77
	Dubai Financial Market	1,961.48	1,938.91	22.57	1.16%	-3.21%	-29.06%	7.68	0.70
	Abu Dhabi Sec. Exchange	4,119.32	4,112.90	6.42	0.16%	-2.63%	-18.84%	12.55	1.22

Source: Bloomberg, U Capital

World Markets	Country	Value	Change	WTD	YTD	Commodity Prices	Change	WTD	YTD	
						USD	USD	%	%	
Europe						Brent Crude (per bbl)	34.14	-1.0	-2.8%	-46.2%
UK	FTSE 100	6,169.20	175.9	2.9%	-18.2%	WTICrude (per bbl)	32.19	-1.1	-3.2%	-45.3%
Germany	DAX	11,683.29	609.4	5.5%	-11.8%	Oman Crude Oil	35.49	-1.3	-3.6%	-47.4%
France	CAC 40	4,710.60	266.0	6.0%	-21.2%	Gold 100 OZ (per oz)	1,721.83	-12.9	-0.7%	13.5%
US						Silver (per oz)	17.33	0.1	0.7%	-2.9%
USA	DJIA	25,548.27	1083.1	4.4%	-10.5%	Platinum (per oz)	839.36	3.6	0.4%	-13.2%
USA	S&P 500	3,036.13	80.7	2.7%	-6.0%	Copper, MT	5,259.50	-29.0	-0.5%	-14.8%
USA	NASDAQ	9,412.36	87.8	0.9%	4.9%	Aluminium, MT	1,525.00	18.5	1.2%	-15.7%
Asia Pacific						Lead, MT	1,638.00	-7.5	-0.5%	-15.0%
Japan	NIKKEI 225	21,916.31	1528.2	7.5%	-7.4%	Zinc, MT	1,920.50	-65.0	-3.3%	-15.5%
Hongkong	HANG SENG	23,132.76	202.6	0.9%	-17.9%	Nickel, MT	12,116.00	-134.0	-1.1%	-13.6%
Arab						Source: Bloomberg (Sat and Sun market is closed)				
Tunis	Tunis Se Index	6,441.94	-31.2	-0.5%	-9.5%	Cross Rates of Major World Currencies				
EGYPT	The Egyptian Exchange	10,109.91	0.0	0.0%	-27.6%	Currency	Code	USD/1 Unit	Units/1 USD	
Jordan	Amman Stock Exchange					EURO	EUR	1.100	0.909	
Palestine	Palestine Sec. Exchange	476.35			-9.4%	British Pound	GBP	1.224	0.817	
Lebanon	Blom Stock Index	575.30	4.9	0.9%	-26.8%	Japanese Yen	JPY	0.009	107.750	
MSCI						Chinese Renminbi	CNH	0.139	7.177	
	Bahrain	73.71	1.2	1.7%	-33.0%	Indian Rupee	INR	0.013	75.763	
	Kuwait	589.25	18.3	3.2%	-20.6%	Russian Ruble	RUB	0.014	71.029	
MSCI	Oman	423.04	8.0	1.9%	-16.3%	Canadian Dollar	CAD	0.726	1.377	
	Qatar	713.86	0.0	0.0%	-14.8%	Australian Dollar	AUD	0.661	1.512	
	UAE	257.04	3.2	1.3%	-23.3%	Source: Bloomberg				
	GCC Countries	404.54	5.3	1.3%	-20.0%					

Source: Bloomberg at 3.00 P.M Muscat time (note: Sat and Sun global markets are closed)

MSM 30

Company Name	M.Cap (OMR mn)	Price (OMR)	YTD (%)	Beta (x)	6m Avg. Val (OMR 000)	6m Avg. Vol (000)	P/E (x) (x)	P/Bv (x) (x)	ROE (%)	ROA (%)
BANKMUSCAT SAOG	1,124.3	0.346	-16.3%	1.11	488.23	1,190	6.06	0.60	9.9%	1.5%
OMAN TELECOMMUNICATIONS CO	477.0	0.636	6.0%	1.35	119.57	189	6.14	0.84	13.8%	1.0%
BANK DHOFAR SAOG	311.6	0.104	-15.4%	1.09	31.75	255	10.30	0.59	5.7%	0.7%
OOREDOO	266.9	0.410	-21.8%	1.06	75.97	160	7.82	1.02	13.0%	7.7%
NATIONAL BANK OF OMAN SAOG	250.4	0.154	-16.3%	0.97	69.05	378	4.87	0.57	11.7%	1.4%
OMINVEST	271.4	0.336	-1.2%	0.82	440.04	1,176	8.45	1.41	16.7%	1.1%
HSBC BANK OMAN	180.0	0.090	-25.6%	0.79	17.18	151	6.15	0.51	8.3%	1.1%
SOHAR INTERNATIONAL BANK	204.5	0.084	-21.3%	1.17	37.10	371	5.94	0.61	10.2%	1.0%
AHLI BANK	198.0	0.120	-3.1%	0.74	13.52	105	6.38	0.75	11.7%	1.2%
SEMBCORP SALALAH POWER & WAT	101.2	0.106	-21.5%	0.47	7.43	64	6.72	1.00	14.8%	4.6%
PHOENIX POWER CO SAOC	80.4	0.055	-16.7%	0.89	8.65	138	5.54	0.45	8.2%	2.4%
BANK NIZWA	142.5	0.095	0.0%	0.83	102.62	740	14.00	0.96	6.9%	1.0%
SHELL OMAN MARKETING	88.9	0.880	-26.7%	0.51	10.17	9	7.61	1.55	20.4%	7.0%
RENAISSANCE SERVICES SAOG	98.8	0.418	-12.6%	1.20	76.09	156	7.78	1.69	21.7%	6.1%
OMAN CEMENT CO	76.1	0.230	-2.1%	1.07	22.54	88	18.96	0.51	2.7%	2.3%
OMAN FLOUR MILLS	124.7	0.792	32.0%	0.26	19.10	27	20.04	1.63	8.1%	5.5%
OMAN REFRESHMENT CO	50.0	1.000	-16.7%	0.48	2.47	2	5.91	0.79	13.4%	9.8%
RAYSUT CEMENT CO	71.6	0.358	-16.0%	1.64	142.64	174	31.69	0.49	1.5%	0.9%
GALFAR ENGINEERING&CONTRACT	65.6	0.056	-18.8%	1.45	20.17	323	nm	0.30	-0.1%	0.0%
AL SUWADI POWER	40.0	0.056	-5.1%	0.84	14.48	241	4.04	0.45	11.2%	3.3%
AL-ANWAR CERAMIC TILES CO	40.0	0.135	0.7%	1.53	66.70	479	19.75	1.06	5.4%	4.7%
MUSCAT FINANCE	15.1	0.049	-3.9%	1.07	5.31	94	34.92	0.37	1.1%	0.3%
AL ANWAR HOLDINGS SAOG	14.2	0.071	-13.4%	1.20	37.96	477	80.23	0.41	0.5%	0.3%
OMAN INVESTMENT & FINANCE	16.6	0.083	-23.9%	1.33	64.94	593	4.48	0.54	12.0%	3.4%
AL MADINA TAKAFUL CO SAOC	11.9	0.068	-13.9%	1.15	31.58	418	13.03	0.51	3.9%	1.0%
GULF INVESTMENTS SERVICES	13.1	0.059	-10.6%	1.53	41.93	624	nm	0.24	-15.2%	-11.8%
AL MAHA PETROLEUM PRODUCTS M	45.0	0.652	-10.4%	0.43	4.70	6	13.20	0.99	7.5%	2.3%
AL SHARQIYA INVEST HOLDING	6.0	0.067	-13.0%	1.39	12.73	146	11.96	0.50	4.2%	3.2%
OMAN FISHERIES CO	11.6	0.093	14.8%	0.76	19.90	237	nm	1.12	-35.1%	-24.0%
AL BATINAH POWER	38.5	0.057	-1.7%	0.79	16.49	278	3.95	0.47	11.9%	3.7%

Source: MSM, Bloomberg

nm = not meaningful

MSM Shariah Compliant Companies

Company Name	M.Cap (OMR mn)	Price (OMR)	YTD (%)	Beta (x)	6m Avg. Val (OMR 000)	6m Avg. Vol (000)	P/E (x) (x)	P/Bv (x) (x)	ROE (%)	ROA (%)
OOREDOO	266.9	0.410	-21.8%	1.06	75.97	160	7.82	1.02	13.0%	7.7%
BANK NIZWA	142.5	0.095	0.0%	0.83	102.62	740	14.00	0.96	6.9%	1.0%
SHELL OMAN MARKETING	88.9	0.880	-26.7%	0.51	10.17	9	7.61	1.55	20.4%	7.0%
SALALAH PORT SERVICES	107.9	0.600	0.0%	0.33	0.01	0	19.02	1.75	9.2%	5.0%
OMAN FLOUR MILLS	124.7	0.792	32.0%	0.26	19.10	27	20.04	1.63	8.1%	5.5%
OMAN CEMENT CO	76.1	0.230	-2.1%	1.07	22.54	88	18.96	0.51	2.7%	2.3%
AL IZZ ISLAMIC BANK	55.0	0.055	-12.7%	0.72	7.13	123	nm	0.78	-14.2%	-1.4%
OMAN CABLES INDUSTRY	44.0	0.490	-9.3%	0.40	9.42	16	6.30	0.42	6.7%	5.2%
A'SAFFA FOODS SAOG	71.8	0.598	0.0%	0.34	0.00	0	37.09	1.74	4.7%	2.3%
AL KAMIL POWER CO	32.7	0.340	9.7%	0.30	5.81	18	9.19	1.10	12.0%	10.5%
AL JAZEERA SERVICES	37.5	0.159	6.0%	1.50	49.72	291	5.94	0.55	9.3%	8.1%
AL ANWAR CERAMIC TILES CO	40.0	0.135	0.7%	1.53	66.70	479	19.75	1.06	5.4%	4.7%
SAHARA HOSPITALITY	21.0	3.115	0.0%	0.24	0.07	0	7.50	0.91	12.1%	9.9%
OMAN EDUCATION	15.3	0.218	0.0%	0.38	0.09	0	41.10	0.94	2.3%	0.9%
AL MADINA TAKAFUL CO SAOC	11.9	0.068	-13.9%	1.15	31.58	418	13.03	0.51	3.9%	1.0%
TAKAFUL OMAN	12.0	0.120	-4.0%	0.30	6.86	55	4.30	0.57	13.2%	13.1%
GULF MUSHROOM COMPANY	11.6	0.306	0.0%	0.33	-	-	19.30	1.63	8.5%	3.7%
MAJAN COLLEGE	14.0	0.155	-9.9%	0.50	0.26	2	8.03	1.18	14.7%	10.7%
AL MAHA CERAMICS CO SAOC	10.2	0.185	-2.6%	0.43	1.79	9	10.06	1.06	10.5%	7.9%
OMAN PACKAGING	9.7	0.300	11.1%	0.24	1.50	5	8.63	1.32	15.3%	11.0%
DHOFAR FISHERIES	3.3	1.280	0.0%	0.33	-	-	nm	-	77.3%	-5.7%
GULF INTERNATIONAL CHEMICALS	2.2	0.103	-6.4%	0.84	2.75	26	15.30	0.78	5.1%	4.5%
DHOFAR BEVERAGES CO	5.2	0.260	0.0%	0.33	0.00	0	nm	1.41	-4.2%	-2.8%
MAJAN COLLEGE	14.0	0.155	-9.9%	0.50	0.26	2	8.03	1.18	14.7%	10.7%
NATIONAL BISCUIT	3.9	3.920	0.0%	0.33	-	-	5.09	0.64	12.6%	8.2%
CONSTRUCTION MATERIAL INDUSTR	2.6	0.030	-16.7%	0.71	0.19	6	17.59	0.43	2.5%	1.9%
COMPUTER STATIONERY INDS	2.6	0.260	0.0%	0.33	-	-	nm	1.15	-3.6%	-2.9%
MUSCAT THREAD MILLS CO	1.1	0.072	-8.9%	0.36	0.01	0	10.11	0.59	5.8%	4.0%
OMAN INT. MARKETING	0.3	0.518	0.0%	0.33	-	-	nm	6.19	-34.7%	-24.0%

Source: MSM, Bloomberg

nm = not meaningful

Top 30 GCC Companies by Market Capitalization

Company Name	M.Cap (USD bn)	Price (LCY)	YTD (%)	Beta (x)	6m Avg. Val (LCY mn)	6m Avg. Vol (000)	P/E (x) (x)	P/Bv (x) (x)	ROE (%)	ROA (%)
SAUDI ARABIAN OIL CO	1,757.0	33.000	-6.4%	na	-	-	19.95	6.38	32.0%	22.1%
SAUDI BASIC INDUSTRIES CORP	66.3	83.000	-11.6%	1.04	173.6	2,157	44.76	1.48	3.3%	1.8%
SAUDI TELECOM CO	53.2	100.000	-1.8%	0.87	105.5	1,156	18.75	3.24	17.3%	9.0%
AL RAJHI BANK	37.4	56.200	-14.1%	0.99	398.9	6,808	13.83	2.74	19.8%	2.6%
FIRST ABU DHABI BANK PJSC	32.9	11.080	-26.9%	1.31	97.7	6,951	9.66	1.25	12.9%	1.5%
QATAR NATIONAL BANK	44.5	17.680	-14.1%	1.18	59.2	3,159	11.38	2.22	19.5%	1.5%
NATIONAL COMMERCIAL BANK	29.9	37.400	-24.1%	1.23	89.4	2,264	9.84	1.81	18.4%	2.2%
EMIRATES TELECOM GROUP CO	37.0	15.640	-4.4%	0.84	22.1	1,466	15.65	2.92	18.6%	6.8%
INDUSTRIES QATAR	13.0	7.870	-23.4%	1.17	12.3	1,477	18.49	1.39	7.5%	7.2%
SAMBA FINANCIAL GROUP	12.5	23.560	-27.4%	1.36	42.7	1,704	11.83	1.04	8.8%	1.6%
SAUDI ELECTRICITY CO	18.7	16.900	-16.4%	0.79	21.0	1,211	50.75	0.96	1.9%	0.3%
RIYAD BANK	13.1	16.400	-31.7%	1.19	43.3	2,313	8.78	1.21	13.8%	2.1%
SAUDI ARABIAN MINING CO	11.0	33.550	-24.4%	1.14	23.4	627	nm	1.35	-2.4%	-0.8%
EMIRATES NBD PJSC	14.9	8.640	-33.5%	1.29	33.3	3,262	3.76	0.76	20.1%	2.1%
SAUDI BRITISH BANK	12.5	22.900	-34.0%	1.35	34.7	1,228	16.63	0.84	5.0%	1.1%
ALMARAI CO	13.1	49.050	-0.9%	0.85	24.2	515	27.07	3.35	12.4%	5.5%
EMIRATES ISLAMIC BANK	11.6	7.830	-21.6%	0.50	0.0	0	40.07	5.12	12.8%	1.6%
ABU DHABI COMMERCIAL BANK	8.3	4.400	-44.4%	0.98	23.6	4,086	6.39	0.62	9.6%	1.2%
BANQUE SAUDI FRANSI	9.5	29.750	-21.5%	1.20	41.5	1,367	11.51	1.09	9.5%	1.7%
YANBU NATIONAL PETROCHEMICAL	7.5	49.900	-10.7%	0.91	34.4	703	25.76	1.74	6.8%	6.0%
EZDAN HOLDING GROUP	5.3	0.730	18.7%	0.84	15.0	22,822	62.61	0.61	1.0%	0.6%
QATAR ISLAMIC BANK	9.9	15.400	0.5%	1.12	15.4	1,010	11.91	2.12	17.8%	1.9%
ALINMA BANK	7.8	14.680	-22.8%	1.05	316.0	19,209	11.58	1.31	11.3%	1.9%
ARAB NATIONAL BANK	7.9	19.760	-27.9%	1.23	32.2	1,385	9.80	1.05	10.7%	1.6%
DUBAI ISLAMIC BANK	7.0	3.550	-35.6%	0.84	37.6	8,582	5.13	1.01	19.6%	2.2%
SAUDI ARABIAN FERTILIZER CO	8.4	75.500	-2.6%	0.80	24.0	343	21.34	3.93	18.4%	15.3%
EMAAR PROPERTIES PJSC	4.9	2.500	-37.8%	1.27	41.0	13,870	2.89	0.33	11.4%	5.3%
JABAL OMAR DEVELOPMENT CO	5.7	23.080	-15.0%	1.05	39.4	1,513	nm	2.33	-4.3%	-1.4%
KINGDOM HOLDING CO	6.4	6.450	-14.6%	0.67	3.0	422	56.89	0.76	1.3%	0.9%
MASRAF AL RAYAN	8.0	3.920	-1.0%	0.81	21.4	5,480	13.50	2.11	15.7%	2.0%

Source: MSM, Bloomberg (At 3:00pm Muscat Time)

nm = not meaningful

Ubhar GCC Fund

NAV
As of: 20 May 2020
OMR: 0.870



Ubhar Capital SAOC (U Capital)

Ominvest Business Centre
Building no. 95
Way no. 501
Airport Heights
Tel: +968 2494 9000
Fax: +968 2494 9099

Email: research@u-capital.net

Website: www.u-capital.net



Disclaimer: This report has been prepared by Ubhar 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.