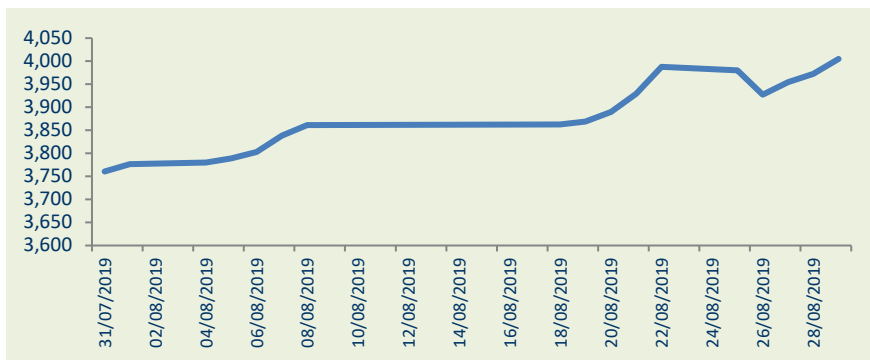


September 5, 2019

Index Performance	End Aug 19	End July 19	MTD (%)	YTD (%)
MSM30 Index	4,004.9	3,760.6	6.5%	-7.4%
Financial Index	6,534.3	6,110.3	6.9%	-4.3%
Industrial Index	4,412.3	4,414.3	0.0%	-11.6%
Services Index	1,873.6	1,838.6	1.9%	-18.2%
Shariah Index	529.2	517.2	2.3%	-10.6%

**MSM 30 Index- Aug 2019**



**MSM Trading – Monthly Turnover – RO 165.06 million (USD 427.5 million)**

Fig. In RO	Buy	Sell	Net Buy / (Sell)
Omanis	22,063,383	21,840,754	<b>222,628</b>
GCC	139,430,534	138,373,936	<b>1,056,598</b>
Arabs	227,278	568,567	<b>(341,289)</b>
Others	3,336,031	4,273,969	<b>(937,938)</b>

Source: MSM, GBCM Research

**GCC Equities down on negative global cues, Revival in Omani equities seen...**

For the month of August, all regional markets ended in red for except for Oman that outperformed, gaining 6.5% MTD. Global markets saw increased selling pressure as US-China trade war escalated with new US-Tariffs that were met by a depreciation in the Chinese currency. In addition, hard Brexit starting to look like an outcome and global outlook became increasingly gloomy, leading to profit booking trend. GCC markets followed suit amidst decrease in oil prices. MSM30 performed independent of the pact, as low valuations and high yielding dividends became an attraction for regional and international investors. MSM Index ended the month of Aug increasing 6.5% to close at 4,004.9 points. The industrial index ended flat. Financial and Services indices increased by 6.9% and 1.9% respectively during the month.

Saudi equities were the biggest losers for the month, shedding 8.2% as the market completed its phase two of MSCI inclusion. UAE-DFM and UAE-ADX also saw selling pressure, closing lower by 5.5% and 2.9% respectively. Kuwait and Qatar decreased by 2.9% and 2.6% respectively. Bahrain decreased by 0.9% on negative sentiments.

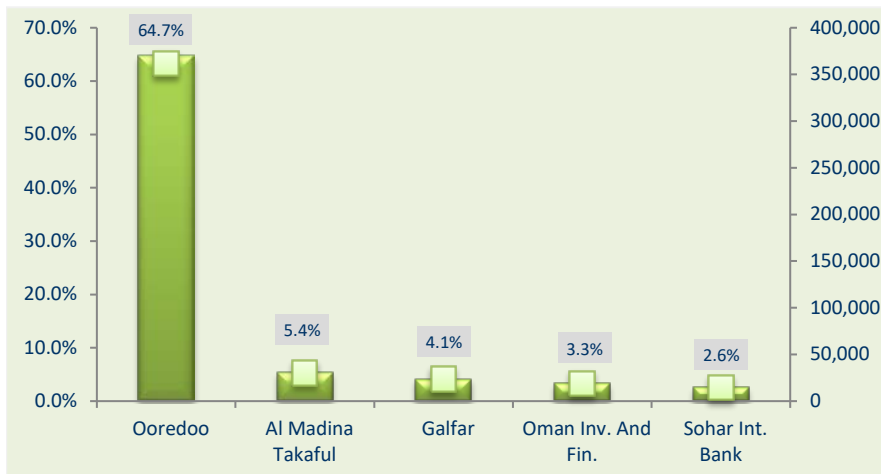
Oil Prices revealed negative trend during the month amid weak global economic outlook. Brent crude and Oman Crude decreased by 8.2% and 6.7% respectively during the month. All major global indices closed lower due to the increased uncertainty. US indices closed lower with -1.7% decrease in Dow Jones, -1.8% for S&P 500 and -2.6% for Nasdaq. In Europe, Germany-Dax closed (-2% MTD), CAC 40 (-0.7%) and UK- FTSE 100 (-5% MTD) also ended on a negative note. Hang Seng Index lost 7.4% MTD.

**Market activity:** Total traded volume in August stood at 558.836 million. Total market turnover increased to RO 165.057 million, as against RO 37.43 million in the previous month. Average MSM daily turnover for the month stood at RO 10.32 million amid block deal in Ooredoo Oman (about 83.1% of total value). Foreign investors ended as net sellers to an extent of RO 0.938 million. GCC and Local investors emerged as net buyers to an extent of RO 1.057 million and RO 0.223 million respectively.

**September 2019 Outlook- GCC equities to reveal volatility, Local market may outperform...**

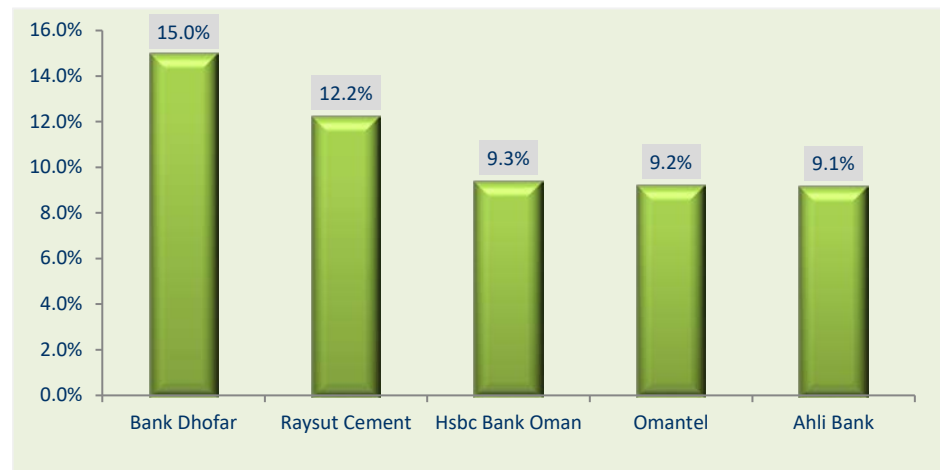
During September 2019, we expect the local market to continue its positive momentum, while the regional market to see stock specific activity amidst a higher level of correlation with international markets. Oman’s encouraging fiscal numbers that saw reduction in H1 2019 budgetary deficit in addition to successful USD 3 billion bond issuance, that saw orders by investors reach USD 14 billion to help bring in structural developments and better business conditions. We recommend stock selective activity with a bias towards blue chips stocks with stable fundamentals. Caveat remains on oil prices affected by the US-China trade war and Brexit progressions. We anticipate regional equities to see higher volatility, in line with international markets and affected by global cues. **At current levels, MSM30 Index trades at PE (TTM) of 8.0X, PBV (Latest) of 0.8X and provides Div. Yield of 7.4%.**

**Volume Leaders for the Month**



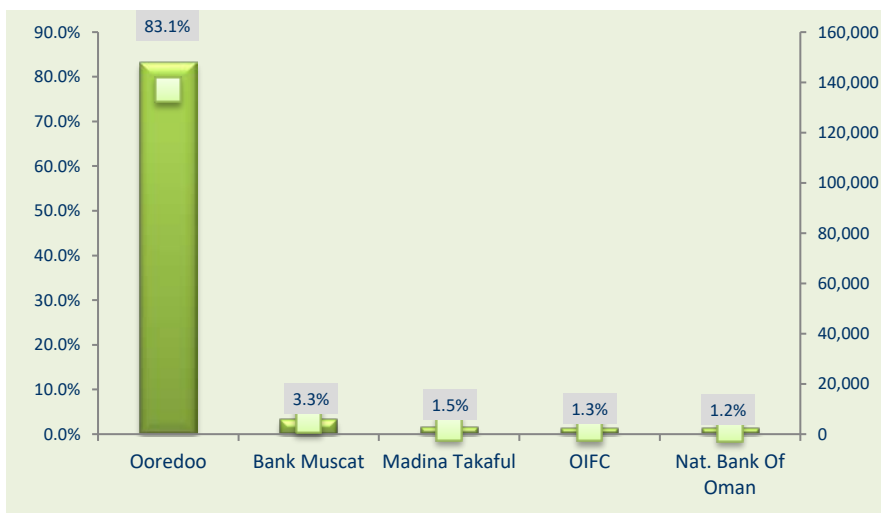
Source: MSM, GBCM Research

**Gainers for the Month**



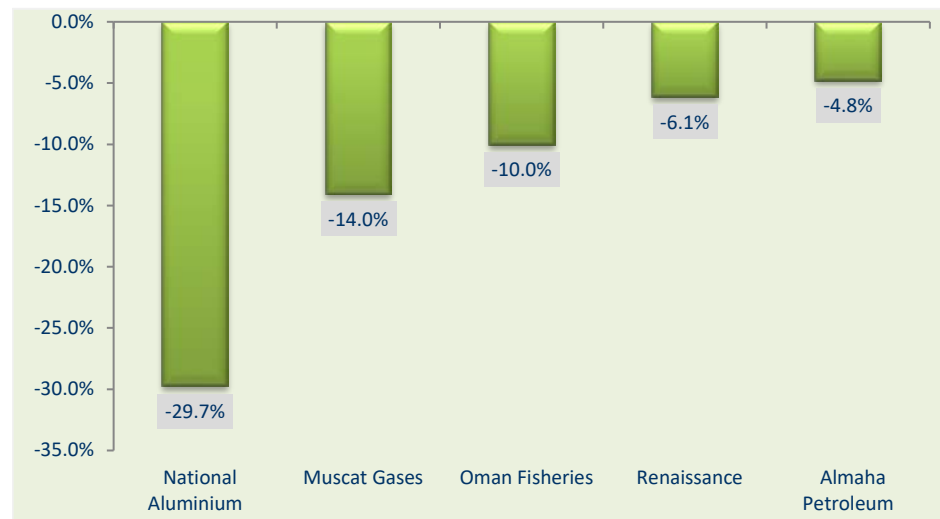
Source: MSM, GBCM Research

**Value Leaders for the Month**



Source: MSM, GBCM Research

**Losers for the Month**



Source: MSM, GBCM Research

Markets Performance - Heat Map

GCC Markets	MTD (%)	QTD (%)	YTD (%)
Oman	6.5%	3.1%	-7.4%
Saudi	-8.2%	-9.1%	2.5%
UAE (DFM)	-5.5%	3.8%	9.0%
UAE (ADX)	-2.9%	3.7%	5.1%
Kuwait	-2.9%	1.9%	17.0%
Qatar	-2.6%	-2.1%	-0.6%
Bahrain	-0.9%	4.2%	14.6%

Source: Bloomberg, GBCM Research

Commodities Performance - Heat Map

Energy	MTD (%)	QTD (%)	YTD (%)
NYMEX WTI Crude	-6.0%	-5.7%	14.7%
ICE Brent Crude	-8.2%	-7.5%	7.6%
Crude Oil, Oman	-6.7%	-6.8%	11.2%
NYMEX Natural Gas	1.6%	-1.1%	-17.0%
NYMEX Gasoline	-10.3%	-9.9%	12.2%

Source: Bloomberg, GBCM Research

Precious/ Base Metals	MTD (%)	QTD (%)	YTD (%)
Gold Spot	7.5%	7.9%	18.5%
Silver Spot	13.0%	20.0%	18.6%
Platinum Spot	8.0%	11.8%	17.3%
LME Aluminium (Spot)	-2.7%	-3.1%	-7.4%
LME Copper (Spot)	-4.2%	-5.5%	-4.9%
LME Zinc (Spot)	-9.4%	-13.8%	-12.2%
LME Lead (Spot)	0.7%	5.0%	0.3%
LME Nickel (Spot)	24.6%	42.7%	69.8%

Source: Bloomberg, GBCM Research

Global Markets	MTD (%)	QTD (%)	YTD (%)
S&P 500	-1.8%	-0.5%	16.7%
Dow Jones	-1.7%	-0.7%	13.2%
Nasdaq	-2.6%	-0.5%	20.0%
FTSE 100	-5.0%	-2.9%	7.1%
CAC 40	-0.7%	-1.1%	15.8%
DAX	-2.0%	-3.7%	13.1%
Nikkei	-3.8%	-2.7%	3.4%
Hang Seng	-7.4%	-9.9%	-0.5%
Sensex	-0.4%	-5.2%	3.5%
Shanghai	-1.6%	-3.1%	15.7%

Source: Bloomberg, GBCM Research

| **Institutional Sales** - Hunaina Banatwala, (+968) 2235 0717 | **Institutional Brokerage** - Talal Al Balushi, (+968) 2235 0725 |

| **Equity Research** - Kanaga Sundar, (+968) 2235 0727 | Kumail Al Humaid, (+968) 2235 0728 |

---

***Disclaimer:** This document has been prepared and issued by **GULF BAADER CAPITAL MARKETS SAOC** ("the Company") based on publicly available information, internally developed data and other sources believed to be reliable. While all care has been taken to ensure that the facts stated are accurate and the opinions given are reasonable, neither **GULF BAADER CAPITAL MARKETS SAOC** nor any employee shall be in anyway responsible for the contents of this report. The Company may have a position and may perform buying/selling for itself or its clients in any security mentioned in this report. This is not an offer to buy or sell the investments referred therein.*