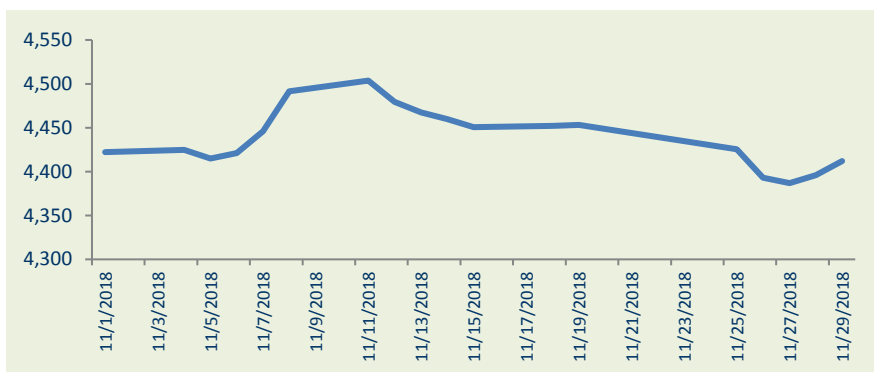


December 6, 2018

Index Performance	End Nov 18	End Oct 18	MTD (%)	YTD (%)
MSM30 Index	4,412.1	4,422.9	-0.2%	-13.5%
Financial Index	6,890.3	6,925.4	-0.5%	-7.8%
Industrial Index	5,254.1	5,337.5	-1.6%	-23.1%
Services Index	2,353.8	2,390.2	-1.5%	-11.0%
Shariah Index	602.4	603.3	-0.2%	-15.6%

MSM 30 Index- Nov 2018



MSM Trading – Monthly Turnover – RO 33.848 million (USD 87.665 million)

Fig. In RO	Buy	Sell	Net Buy / (Sell)
Omanis	25,271,126	29,807,254	(4,536,129)
GCC	3,912,273	1,409,815	2,502,458
Arabs	286,709	236,344	50,364
Others	4,377,575	2,394,269	1,983,306

Source: MSM, GBCM Research

Weak sentiments prevailed, Concern remain on dull volumes...

MSM30 index closed lower for the month amidst drop in oil prices impacting sentiments. The local market did however show resilience compared to other GCC markets on the back of favourable valuations in frontline stocks. The benchmark MSM index ended the month of November down by 0.2% at 4,412.1 points. The Financial index closed lower by 0.5%. the Industrial and Services indices declined by 1.6% and 1.5% respectively.

We saw mixed closing in GCC markets in the month of November as negative sentiments increased risk aversion. UAE-DFM saw the sharpest decline for the month, falling by 4.2%. Saudi and UAE-ADX closed lower by 2.6% and 2.7% respectively. Kuwait emerged as the best performing market in the region, gaining 1.3% as institutional support helped lift the market. Qatar and Bahrain gained 0.6% and 1.1% respectively amidst buying in frontline stocks.

Oil Prices corrected sharply during the month as fears inventory build-up and the slowdown of the economy created a selloff. Brent crude and Oman Crude declined by 20.8% and 20.1% respectively. Global equities saw mixed results as US and China both performed well after a month of decline and Europe closed lower.

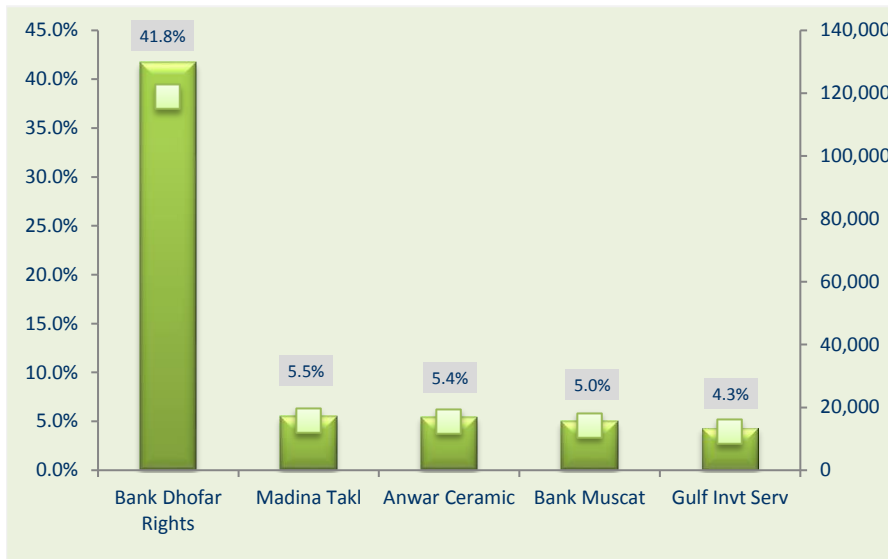
Market activity for Nov 2018: Total traded volume for the month stood at 283.5 million. Total market turnover decreased to RO 33.8 million, as against RO 40.2 million in the previous month. Average MSM daily turnover for the month stood at RO 1.822 million. Omani investors ended as net sellers to an extent of RO 4.536 million. Foreign investors emerged as buyers to an extent of RO 1.983M. GCC investors were net buyers to an extent of RO 2.502 million.

Dec 2018 Outlook- Technical bounce back seen, Blue-chip stocks may outperform...

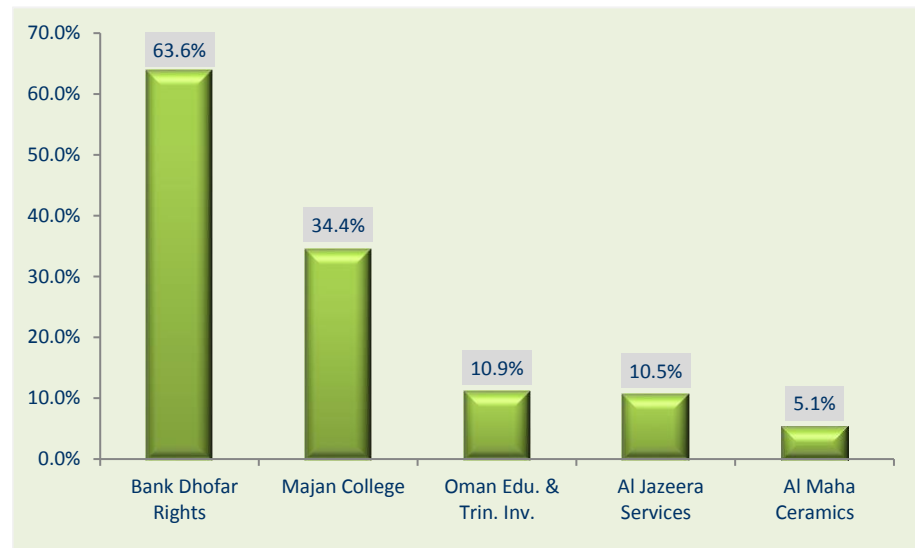
MSM continued to trade at distress valuations and provides attractive dividend yield, we expect local institutional buying in key stocks before the year end. In addition, we are positive with the net buying coming from foreign investors during last two months which would improve sentiments. On a technical perspective, the market seems to have bottomed out around 4,400 points and to trend positively in Dec. While, the upcoming OPEC meeting to dictate oil price trend which remain critical.

We do see the earnings of companies bottoming out in 2018 and see improvement going ahead into the New Year. In addition, demand growth would be seen during the coming months with the commencement of new government projects. Further, the anticipated end of Yemen War to boost economic activities in Yemen which would benefit several Omani companies. We continue to adopt bottom up approach with focus on steady cash flows, earnings growth and free cash flow visibility. **As of Nov 2018, MSM30 Index trades at PE (Ann) of 8.3X, PBV of 0.9X and offers Div. Yield (TTM) of 6.5%.**

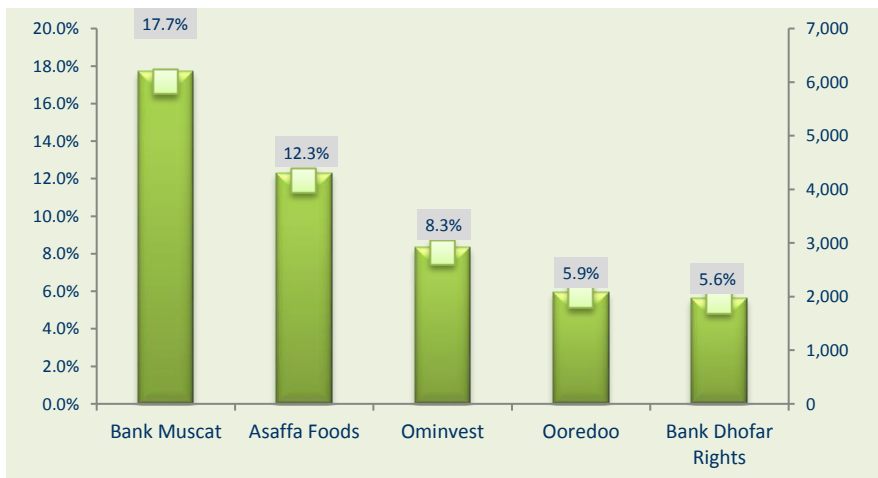
Volume Leaders for the Month



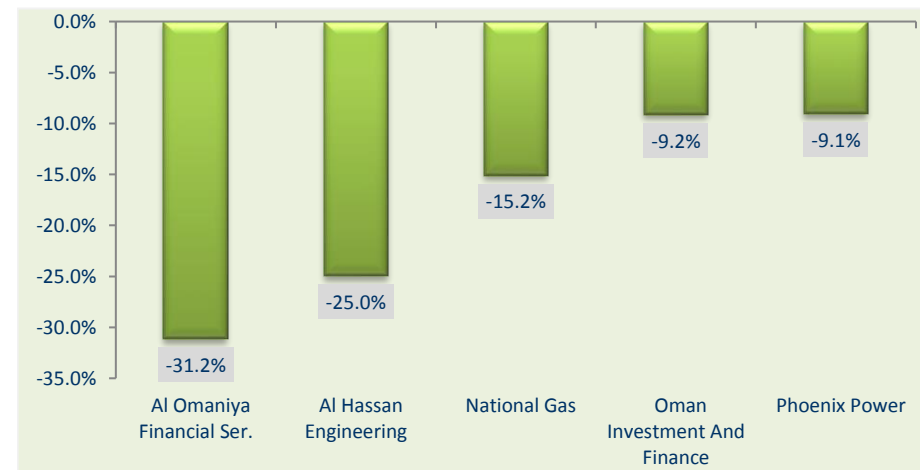
Gainers for the Month



Value Leaders for the Month



Losers for the Month



Source: MSM, GBCM Research

Source: MSM, GBCM Research

Markets Performance - Heat Map

GCC Markets	MTD (%)	YTD (%)
Oman	-0.2%	-13.5%
Saudi	-2.6%	6.6%
UAE (DFM)	-4.2%	-20.8%
UAE (ADX)	-2.7%	8.4%
Kuwait	1.3%	2.2%
Qatar	0.6%	21.6%
Bahrain	1.1%	-0.2%

Source: Bloomberg, GBCM Research

Commodities Performance - Heat Map

Energy	MTD (%)	YTD (%)
NYMEX WTI Crude	-22.2%	-11.8%
ICE Brent Crude	-20.8%	-5.6%
Crude Oil, Oman	-20.1%	-1.2%
NYMEX Natural Gas	39.7%	49.7%
NYMEX Gasoline	-20.0%	-17.8%

Source: Bloomberg, GBCM Research

Precious/ Base Metals	MTD (%)	YTD (%)
Gold Spot	0.6%	-6.2%
Silver Spot	-0.5%	-16.3%
Platinum Spot	-4.5%	-14.1%
LME Aluminium (Spot)	1.2%	-13.2%
LME Copper (Spot)	3.2%	-13.6%
LME Zinc (Spot)	4.0%	-20.4%
LME Lead (Spot)	3.1%	-21.1%
LME Nickel (Spot)	-2.5%	-12.4%

Source: Bloomberg, GBCM Research

Global Markets	MTD (%)	YTD (%)
S&P 500	1.8%	3.2%
Dow Jones	1.7%	3.3%
Nasdaq	0.3%	6.2%
FTSE 100	-2.1%	-9.2%
CAC 40	-1.8%	-5.8%
DAX	-1.7%	-12.9%
Nikkei	2.0%	-1.8%
Hang Seng	6.1%	-11.4%
Sensex	5.1%	6.3%
Shanghai	-0.6%	-21.7%

Source: Bloomberg, GBCM Research

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