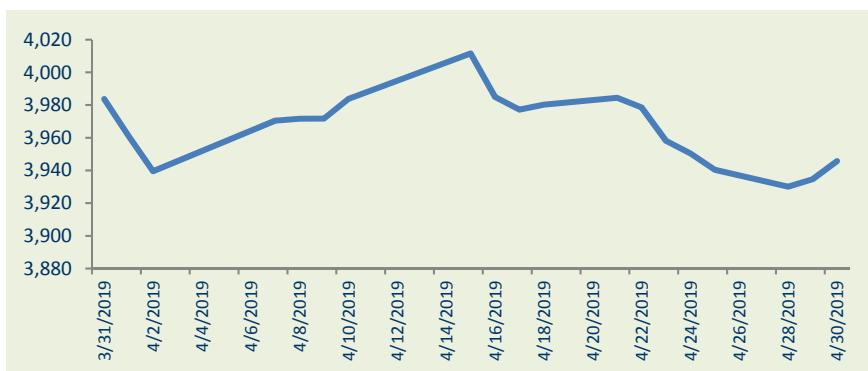


May 7, 2019

Index Performance	End April 19	End Mar 19	MTD (%)	YTD (%)
MSM30 Index	3,945.6	3,983.7	-1.0%	-8.7%
Financial Index	6,338.0	6,541.3	-3.1%	-7.2%
Industrial Index	4,645.6	4,637.0	0.2%	-6.9%
Services Index	2,034.3	1,979.6	2.8%	-11.2%
Shariah Index	533.5	531.5	0.4%	-9.9%

MSM 30 Index- April 2019



MSM Trading – Monthly Turnover – RO 42.494 million (USD 110.5 million)

Fig. In RO	Buy	Sell	Net Buy / (Sell)
Omanis	31,465,771	32,921,206	(1,455,436)
GCC	5,319,347	4,250,381	1,068,966
Arabs	1,134,702	597,252	537,450
Others	4,574,437	4,725,418	(150,981)

Source: MSM, GBCM Research

Stock specific activity seen amidst mixed Q1 earnings season...

MSM30 Index closed lower for the month of April led by mixed bag of Q1 2019 corporate results along with dull volumes. The market started the month on positive note post dividend season and later the sentiments changed amidst negative rating outlook from S&P which increased investor risk aversion. MSM30 Index ended the month of April lower declining 1% to close at 3,945.6 points. MSM has declined 8.7% YTD, being the worst performing market in the region. The Financial index closed lower by 3.1%. industrial and Services indices increased by 0.2% and 2.8% respectively for the month.

On the contrary, we saw stronger performance from the regional markets during the month on foreign flows, higher oil prices and overall stable Q1 corporate results. Saudi and UAE-DFM increased the most by 5.5% and 5% respectively on strong institutional buying support. Followed by UAE-ADX (+3.6%) after foreign ownership cap was increased for second time in FAB. Qatar and Bahrain closed higher by 2.7% and 1.5% respectively, while Kuwait closed marginally higher at 0.2% after a strong previous month.

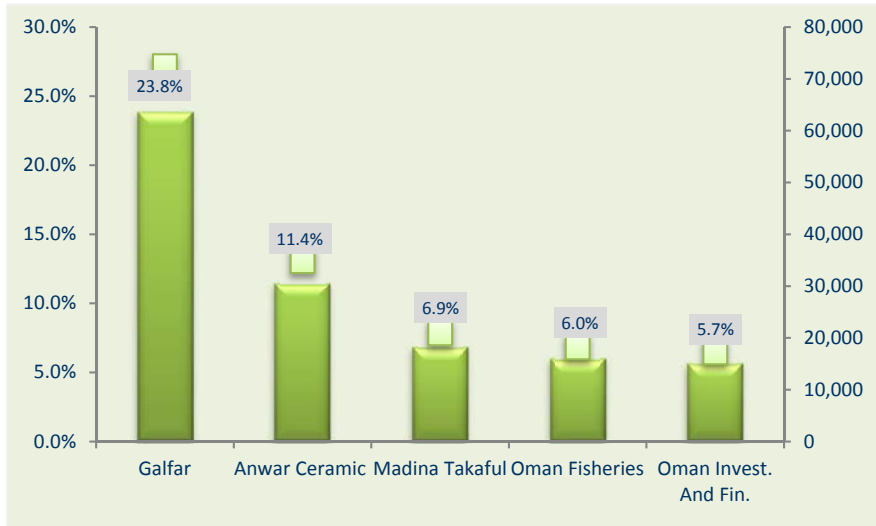
Oil Prices revealed positive trend due to OPEC strict compliance to supply cuts and the decision of the US to put an end to waivers for the purchase of Iranian Crude Oil. Brent crude and Oman Crude both gained 7.2% for the month. Almost all major global indices closed higher for third consecutive month amidst strengthening US economy. US indices closed higher, increasing 2.6% for the Dow Jones, 3.9% for S&P 500 and 4.7% for Nasdaq. Germany (+7.1%) and Canada (+4.4%) also ended on a strong note.

Market activity for April 2019: Total traded volume for the month stood at 303.84 million. Total market turnover declined to RO 42.494 million, as against RO 45.679 million in the previous month. Average MSM daily turnover for the month stood at RO 2.237 million. Omani and Foreign investors ended as net sellers to an extent of RO 1.455 million and RO 151K respectively. GCC investors emerged as net buyers to an extent of RO 1.069 million.

May 2019 Outlook- Range bound activity to prevail...

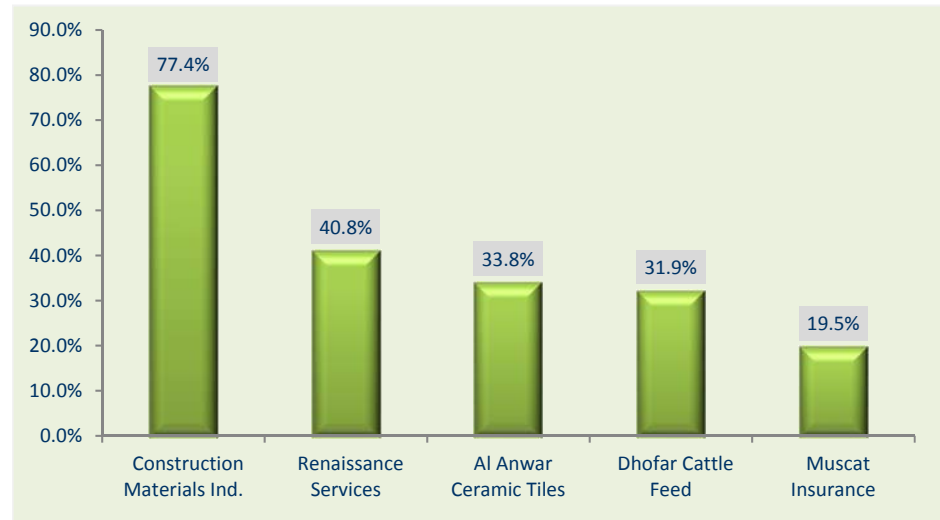
During May 2019, we anticipate the local market to reveal range bound trading as lack of market catalyst may lead to sideways movement. The commencement of holy month of Ramadhan would also dampen market participation. Amid expected volatility in global equities, we anticipate correction in regional markets. For medium term investors, we find select buying opportunities in key Omani stocks, post Q1 earnings season. The near-term triggers to come from sentimental boost on oil price gains, improvement in cash payment cycle, and opening of foreign investors to key sectors. We recommend investors to look at stocks which remain underleveraged, able to generate higher free cash flows and thereby stable dividends. **At current levels, MSM30 Index trades at PE (TTM) of 8.3X, PBV (Latest) of 0.8X and provides Div. Yield of 7.6%.**

Volume Leaders for the Month



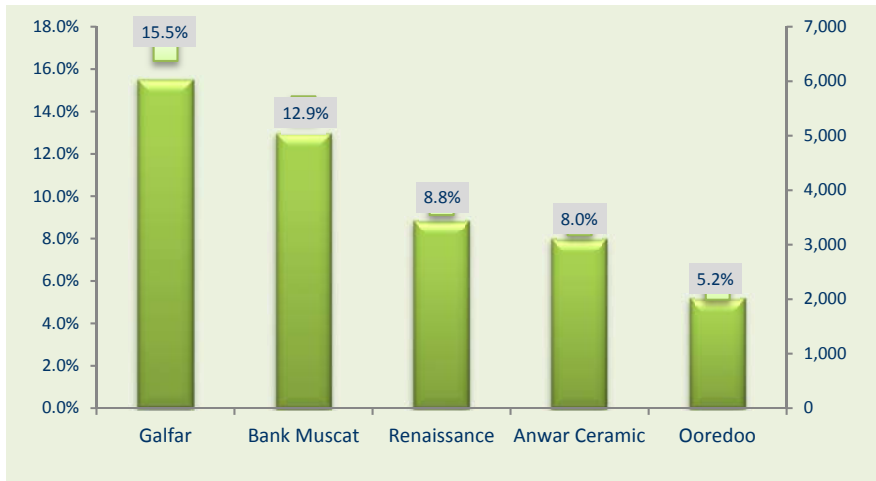
Source: MSM, GBCM Research

Gainers for the Month



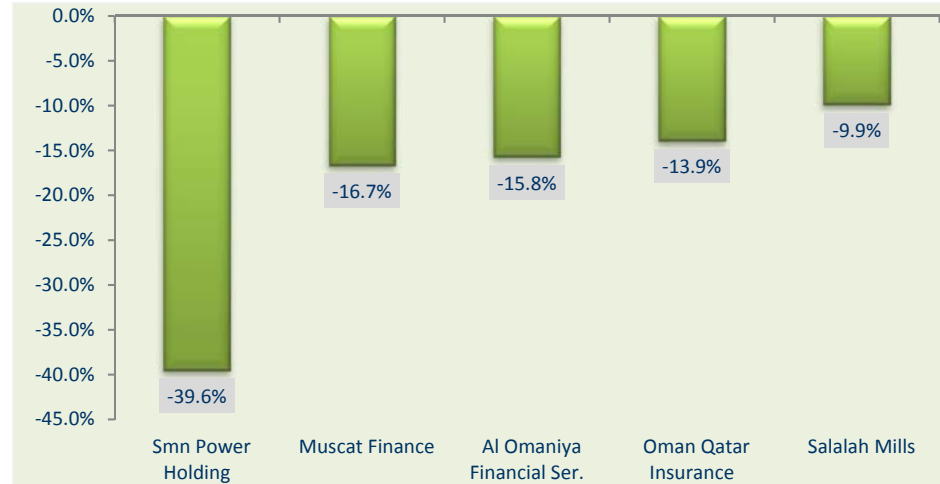
Source: MSM, GBCM Research

Value Leaders for the Month



Source: MSM, GBCM Research

Losers for the Month



Source: MSM, GBCM Research

Markets Performance - Heat Map

GCC Markets	MTD (%)	YTD (%)
Oman	-1.0%	-8.7%
Saudi	5.5%	18.9%
UAE (DFM)	5.0%	9.4%
UAE (ADX)	3.6%	7.0%
Kuwait	0.2%	10.8%
Qatar	2.7%	0.8%
Bahrain	1.5%	7.2%

Source: Bloomberg, GBCM Research

Commodities Performance - Heat Map

Energy	MTD (%)	YTD (%)
NYMEX WTI Crude	6.0%	36.2%
ICE Brent Crude	7.2%	31.6%
Crude Oil, Oman	7.2%	35.5%
NYMEX Natural Gas	-5.1%	-5.2%
NYMEX Gasoline	10.6%	37.1%

Source: Bloomberg, GBCM Research

Precious/ Base Metals	MTD (%)	YTD (%)
Gold Spot	-0.7%	0.1%
Silver Spot	-1.1%	-3.5%
Platinum Spot	4.6%	11.6%
LME Aluminium (Spot)	-5.8%	-4.3%
LME Copper (Spot)	-0.9%	8.0%
LME Zinc (Spot)	-1.3%	17.5%
LME Lead (Spot)	-4.8%	-5.1%
LME Nickel (Spot)	-5.9%	14.4%

Source: Bloomberg, GBCM Research

Global Markets	MTD (%)	YTD (%)
S&P 500	3.9%	17.5%
Dow Jones	2.6%	14.0%
Nasdaq	4.7%	22.0%
FTSE 100	1.9%	10.3%
CAC 40	4.4%	18.1%
DAX	7.1%	16.9%
Nikkei	5.0%	11.2%
Hang Seng	2.2%	14.9%
Sensex	0.9%	8.2%
Shanghai	-0.4%	23.4%

Source: Bloomberg, GBCM Research

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