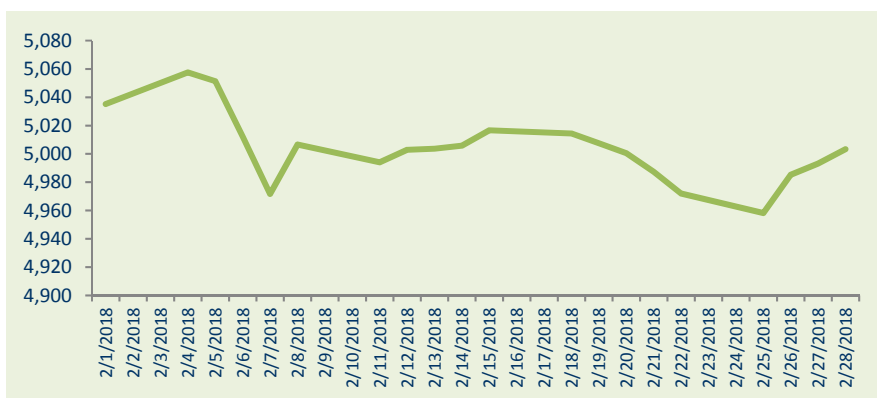


March 8, 2018

Index	End Feb 18	End Jan 18	MTD (%)	YTD (%)
MSM30 Index	5,003.370	4,999.960	0.1%	-1.9%
Financial Index	7,364.510	7,375.740	-0.2%	-1.5%
Industrial Index	6,801.640	6,781.550	0.3%	-0.5%
Services Index	2,631.570	2,619.630	0.5%	-0.4%

MSM 30 Index- Feb 2018



MSM Trading – Monthly Turnover – RO 55.040 million (USD 142.553 million)

Fig. In RO	Buy	Sell	Net Buy / (Sell)
Omanis	43,795,014	45,238,212	(1,443,198)
GCC	5,648,700	4,064,653	1,584,047
Arabs	735,161	926,743	(191,582)
Others	4,861,236	4,810,504	50,732

Source: MSM, GBCM Research

Range bound activity prevailed ...

Though the month started on a positive note, a global sell off along with increasing treasury yields resulted in the benchmark Index touching a low of 4,972 points during the early part of the month. The market remained range bound for most part of the month due to lack of participation. However, buying in select attractive dividend yielding stocks lifted the market and closed the month on a flattish note at 5,003 points. We saw positive dividend surprises in some of the key frontline stocks which lifted the market sentiments. For the month, Industrial and Services closed on a positive note by marginally increasing 0.30% and 0.46% respectively. While Financial index ended negatively by 0.2%.

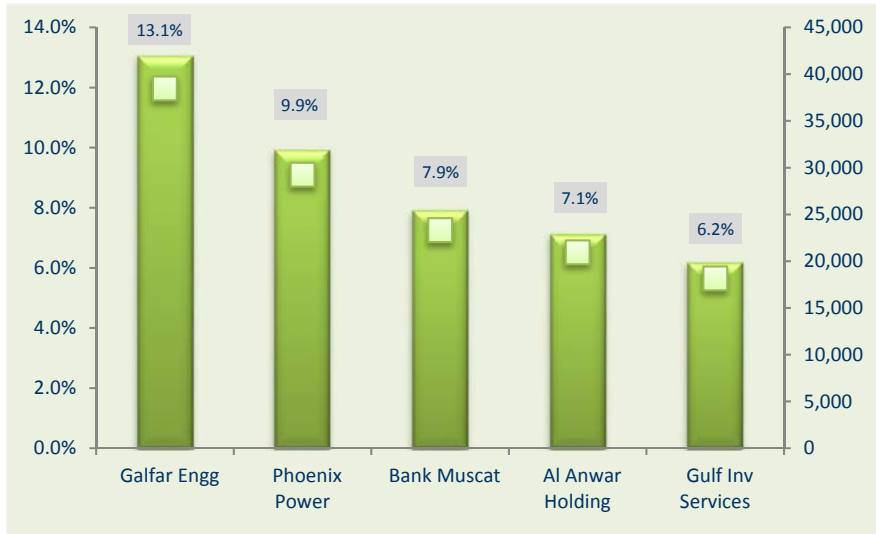
The global crude prices also corrected during the month with Brent Crude and Oman Benchmark declined by c. 5.6% and 6.3% to close at \$ 64.7 and \$ 61.8 per barrel respectively. A global sell off coupled with fall in crude oil prices weighed on the rest of the GCC markets except Kuwait and Bahrain. Reclassification in MSCI and sell-off post rally weighed on Qatar due to which the market declined by 6% for the month, while Saudi, UAE (DFM) and UAE (ADX) also declined by 3.0%, 4.4%, 0.1% respectively.

Market activity for Feb 2018: Overall traded volumes for the month stood at 294.622 million, while total market turnover stood at RO 55.0 million, as against previous month turnover of RO 52.9 million. Average daily MSM turnover for Feb 2018 declined to RO 2.8 million as compared RO 2.3 million in previous month. On the participation front, Omani investors were net sellers to an extent of RO 1.443 million for the month. While Foreign and GCC investors were net buyers to an extent of RO 51K and RO 1.584 million.

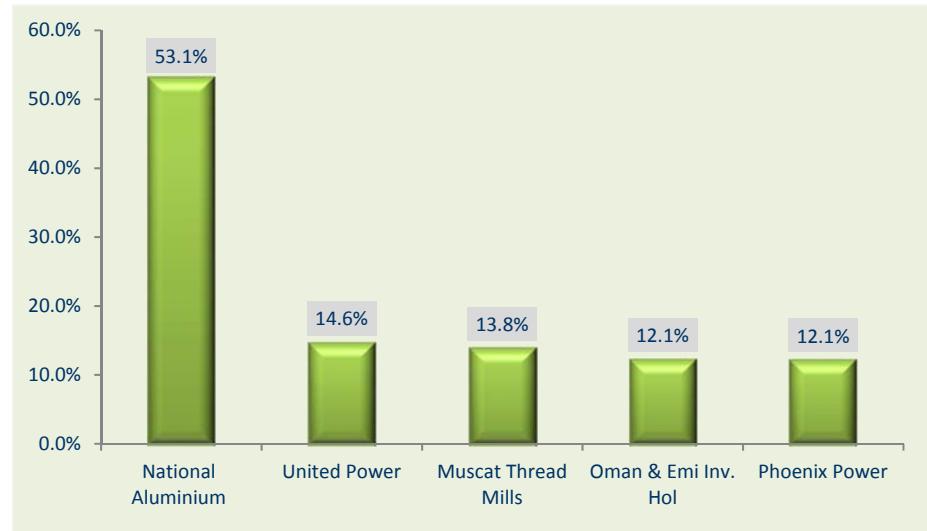
Mar 2018 Outlook- Dividend adjustments to impact...

The global equities are expected to remain volatile as the central banks are pursuing tightening monetary policy in addition to US President Trump's plan to impose penalties on imported steel and aluminium, raising the spectre of a trade war. While in GCC, the fall in crude prices coupled with dividend adjustments season to weigh on their performance. In Oman, March would be the month of dividend adjustments which would have a say on the market directions. We expect the dividend related correction to kick start with most of the major AGMs (dividend cut off dates) scheduled during second half of March. On a technical perspective, **the local MSM index to find stronger support around 4,900 levels over the short term.** End Feb 2018, MSM30 Index is trading at PE (Ann.) of 11.9X, PBV of 1.0X and Div. Yield at 5.5%. Key near term triggers for the local equities would come from the expected improvement in Government payment cycle and the revival in the Project spending.

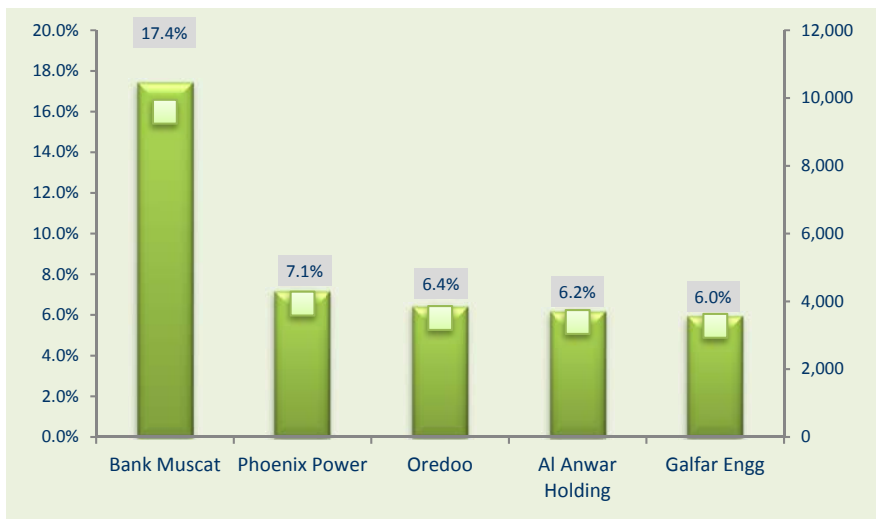
Volume Leaders for the Month



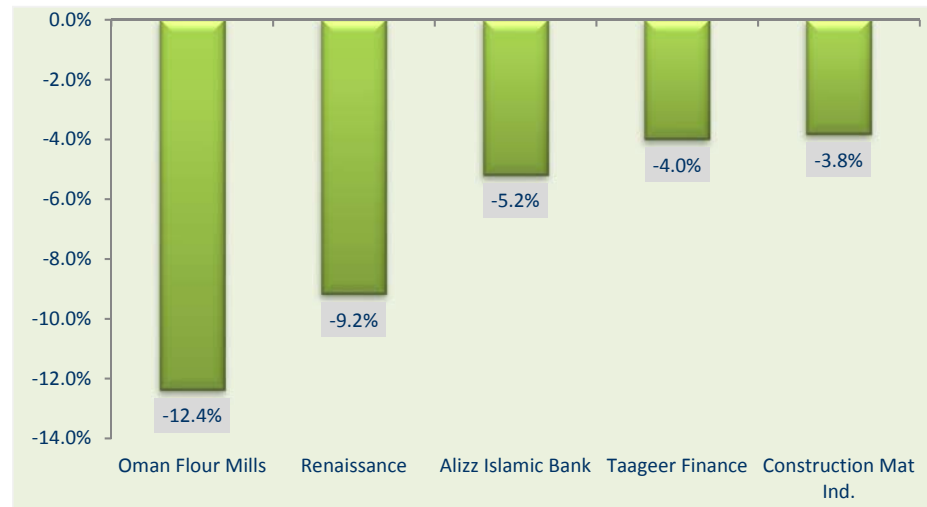
Gainers for the Month



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	0.1%	-1.9%
Saudi	-3.0%	2.7%
UAE (DFM)	-4.4%	-3.7%
UAE (ADX)	-0.1%	4.5%
Kuwait	1.3%	5.7%
Qatar	-6.0%	1.5%
Bahrain	1.4%	2.9%

Source: Bloomberg, GBCM Research

Commodities Performance - Heat Map

Energy	MTD (%)	YTD (%)
NYMEX WTI Crude	-4.5%	2.1%
ICE Brent Crude	-5.6%	-2.1%
Crude Oil, Oman	-6.3%	-3.0%
NYMEX Natural Gas	-6.7%	-3.0%
NYMEX Gasoline	-6.8%	-3.4%

Source: Bloomberg, GBCM Research

Global Markets	MTD (%)	YTD (%)
S&P 500	-3.9%	1.5%
Dow Jones	-4.3%	1.3%
Nasdaq	-1.9%	5.4%
FTSE 100	-4.0%	-5.9%
CAC 40	-2.9%	0.1%
DAX	-5.7%	-3.7%
Nikkei	-4.5%	-3.1%
Hang Seng	-6.2%	3.1%
Sensex	-5.0%	0.4%
Shanghai	-6.4%	-1.4%

Source: Bloomberg, GBCM Research

Precious/ Base Metals	MTD (%)	YTD (%)
Gold Spot	-2.0%	1.2%
Silver Spot	-5.3%	-3.1%
Platinum Spot	-1.9%	5.7%
LME Aluminium (Spot)	-3.0%	-4.5%
LME Copper (Spot)	-2.6%	-4.3%
LME Zinc (Spot)	-3.3%	4.2%
LME Lead (Spot)	-4.8%	0.5%
LME Nickel (Spot)	1.4%	8.2%

Source: Bloomberg, GBCM Research

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