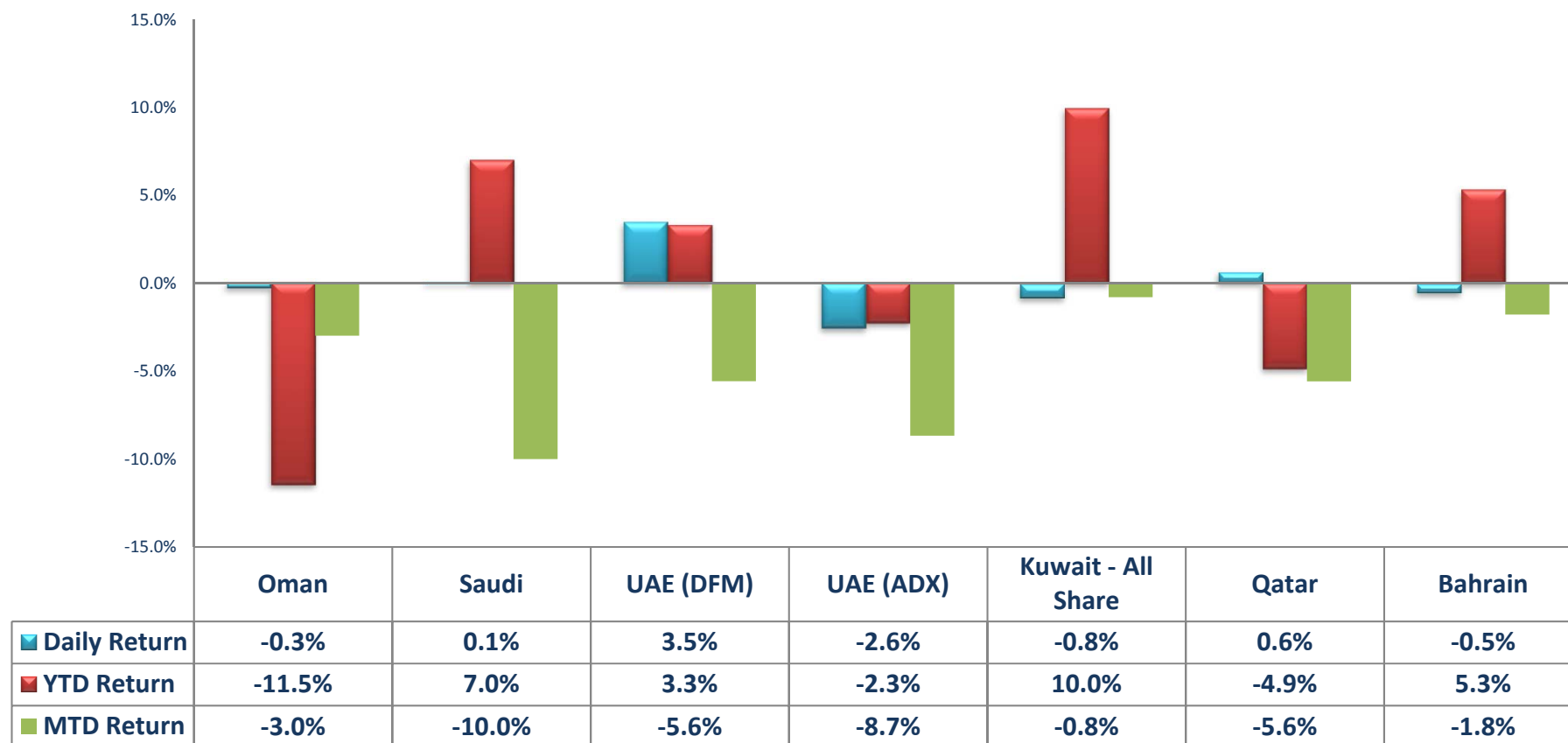


GBCM Morning Briefing

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GCC - Equity Market Monitor



Source: Respective Stock Markets, Bloomberg

MSM - Net Buy/(Sell) Position

Previous Day Turnover: RO 0.632 million (c. US\$ 1.6 million)			
Figures In RO	BUY	SELL	NET
Omanis	516,060	549,981	(33,921)
GCC	87,540	63,930	23,610
Arabs	843	0	843
Others	27,370	17,902	9,468

Top 5 - Turnover Market Share – Previous Day

Value Leaders	Sector	Turnover (RO)	Market Share
Bank Muscat	Banking	175,686	27.8%
Renaissance Services	Services	100,805	16.0%
Al Anwar Hldg	Inv Hldg	68,062	10.8%
Nat Life & Gen Ins	Insurance	58,500	9.3%
Galfar Engineering	Eng. / Cons	48,719	7.7%

MSM - Lead Indicators

Value Indicators **	Mkt. Cap (In RO 000s)	PER (X)	P/BV (X)	Dividend Yield (%)
MSM 30 Index	4,373,502	7.5	0.8	7.8%
Financial	3,002,868	6.9	0.8	7.6%
Industrial	540,535	12.6	0.7	6.1%
Services	1,433,809	12.5	1.0	8.7%
MSM Shariah	1,456,511	15.1	0.9	7.2%

Daily Market Performance

Indices Monitor	Current Closing	Previous Closing	Daily % Chg	MTD % Chg	YTD % Chg
MSM 30	3,828.05	3,840.18	-0.32%	-2.98%	-11.46%
Financial	6,270.66	6,275.40	-0.08%	-1.06%	-8.15%
Industrial	4,529.00	4,504.60	0.54%	-2.51%	-9.26%
Services	1,940.98	1,965.20	-1.23%	-4.59%	-15.25%
MSM Shariah	520.02	519.19	0.16%	-2.53%	-12.14%

MENA Markets Performance

Index	Closing	% Chg	%MTD	%QTD	%YTD
MENA					
Egypt	14,024.2	0.9	-6.0	-4.8	7.6
Jordan	1,834.2	0.2	1.3	-4.2	-3.9
Tunis	6,919.8	-0.3	0.5	0.9	-4.8
Morocco	23,574.4	0.2	0.6	3.1	-1.0
Palestine	530.0	0.0	0.5	-0.1	0.1
Turkey	88,022.9	2.0	-7.7	-6.1	-3.6
MENA Benchmark (S&P/ MSCI)					
S&P GCC LMC	143.1	0.2	-8.2	-3.7	5.5
S&P GCC (USD)	111.9	0.1	-8.0	-3.7	4.4
S&P GCC (40 Index)- Price return	1,044.4	-0.1	-5.7	-2.8	0.9
S&P GCC (40 Index)- Total return	1,857.4	-0.1	-5.6	-1.8	5.1
MSCI GCC	562.5	0.1	-8.8	-4.3	4.6
MSCI Frontier	536.7	-0.4	-1.0	-2.1	4.0
MSCI Frontier ex GCC	738.3	0.0	-1.0	-3.4	-1.1
MSCI Arabian Index	602.3	0.1	-8.4	-4.0	4.4

Global Benchmark Indices

Index	Closing	% Chg	%MTD	%QTD	%YTD
Global Equity (MSCI)					
MSCI World – USD	2,098.8	0.6	-3.7	-0.4	11.4
MSCI World -Ex USA	1,853.1	0.2	-3.5	-1.1	8.3
MSCI Europe- USD	1,621.4	0.7	-3.8	-0.8	9.1
MSCI EM Index	1,014.5	-0.2	-6.0	-4.1	5.0
Commodity (Bloomberg)					
Commodity	79.3	0.0	-1.6	-2.2	3.4

Source: Bloomberg

Global Markets Performance

Index	Closing	% Chg	%MTD	%QTD	%YTD
Americas					
S&P 500	2,834.4	0.8	-3.8	0.0	13.1
Dow Jones	25,532.1	0.8	-4.0	-1.5	9.5
Nasdaq	7,734.5	1.1	-4.5	0.1	16.6
Brazil	92,092.4	0.4	-4.4	-3.5	4.8
Europe					
FTSE 100	7,241.6	1.1	-2.4	-0.5	7.6
CAC 40	5,341.4	1.5	-4.4	-0.2	12.9
DAX	11,991.6	1.0	-2.9	4.0	13.6
Asia Pacific					
Nikkei	21,116.9	0.2	-5.1	-0.4	5.5
Hang Seng	28,326.3	0.7	-4.6	-2.5	9.6
Sensex	37,516.1	0.5	-3.9	-3.0	4.0
Shanghai	2,915.3	1.1	-5.3	-5.7	16.9
Korea	2,093.6	0.6	-5.0	-2.2	2.6
Russia	1,241.5	2.8	-0.6	3.6	16.2

Global Currencies

Index	Closing	% Chg	%MTD	%QTD	%YTD
In Comparison with USD					
USD Index	97.525	0.0	0.0	0.2	1.4
USD Vs EURO	1.121	0.0	-0.1	-0.1	-2.2
USD Vs Canadian Dollar	1.347	0.0	-0.6	-0.9	1.3
USD Vs Japanese Yen	109.640	0.0	1.6	1.1	0.0
USD Vs GBP	1.291	0.1	-0.9	-0.9	1.3
USD Vs Swedish Krona	9.606	0.0	-1.2	-3.3	-7.8
USD Vs Swiss Franc	1.009	0.0	1.1	-1.3	-2.6
USD Vs Chinese Renminbi	6.874	0.0	-2.0	-2.4	0.1
USD Vs Hong Kong Dollar	7.849	0.0	-0.1	0.0	-0.2
USD Vs Indian Rupee	70.260	0.3	-1.0	-1.6	-0.7
USD Vs Aus Dollar	0.693	-0.2	-1.7	-2.4	-1.7
USD Vs Indonesia Rupiah	14,445.000	-0.1	-1.3	-1.4	-0.4
USD Vs Turkish Lira Spot	6.057	-0.5	-1.5	-8.0	-12.7
USD Vs Omani Riyal	0.385	-0.1	-0.1	0.0	0.0
USD Vs UAE Dirham	3.673	0.0	0.0	0.0	0.0
USD Vs Saudi Riyal	3.750	0.0	0.0	0.0	0.0
USD Vs Kuwait Dinar	0.304	0.0	0.0	-0.1	-0.2
USD Vs Qatar Riyal	3.660	0.0	0.0	0.0	-0.1
USD Vs Bahrain Dinar	0.377	0.0	0.0	0.0	0.0



Commodities Performance

Index	Closing	% Chg	%MTD	%QTD	%YTD
Energy					
NYMEX Crude	61.3	-0.7	-4.1	1.7	30.7
ICE Brent Crude	71.0	-0.4	-1.5	5.6	29.6
Crude Oil, Oman	71.5	1.6	-1.2	6.0	33.5
NYMEX Natural Gas	2.7	-0.1	3.2	-2.1	-2.2
NYMEX Gasoline	196.7	-0.5	-4.8	5.3	30.5
Precious Metals					
Gold Spot	1,295.1	-0.1	0.9	0.2	1.0
Silver Spot	14.8	0.0	-1.0	-2.2	-4.5
Platinum Spot	856.5	0.0	-3.6	0.8	7.6
Palladium Spot	1,331.2	-0.1	-3.7	-0.8	12.6
Base Metals					
LME Aluminium-Spot	1,813.5	2.0	1.7	-4.2	-2.6
LME Copper-Spot	5,997.0	0.2	-6.7	-7.5	0.8
LME Zinc-Spot	2,714.3	0.2	-8.3	-9.5	7.8
LME Lead-Spot	1,785.5	1.0	-6.2	-10.8	-11.0
LME Nickel-Spot	11,912.0	1.3	-1.8	-7.6	12.3
Steel					
US - Hot Roll Coil Steel	645.0	0.0	-1.4	-7.5	-9.2
Agriculture					
Corn - Active Contract	370.8	0.5	2.3	1.2	-5.1
Wheat - Active Contract	450.8	0.5	5.1	-2.8	-13.1
CBOT - Soya bean	830.0	-0.2	-2.8	-7.5	-9.8
Shipping					
Baltic Dry Index	1,043.0	1.7	3.2	51.4	-17.9

Source: Data taken from Bloomberg c. 9 AM Muscat Time

Petrochemical Performance

Index	Closing	%MTD	%QTD	%YTD
Aromatics (in USD/ MT)				
Benzene Aromatics Rotterdam	745.0	-3.3	7.2	39.3
Benzene FOB Korea Spot	625.0	-0.8	11.6	21.4
Benzene CFR Japan Spot	620.0	-0.8	9.7	13.8
Benzene CFR India Spot	625.0	-0.8	9.7	13.6
Condensates (in USD/ MT)				
European Naptha	553.5	-1.7	3.8	19.6
Naptha C&F Japan	558.9	-5.7	-0.8	20.2
Naptha CIF NWE Cargo	545.7	-4.3	2.1	24.5
Naptha fob Singapore Spot	60.4	-5.7	-0.7	21.1
Olefins (in USD/ MT)				
Ethylene Spot	1,145.0	4.6	15.7	34.7
Ethylene FOB Korea Spot	915.0	2.2	-4.2	4.0
Ethylene FOB Japan Spot	910.0	2.3	-4.2	4.0
Propylene FOB Korea Spot	845.0	-1.2	-2.3	-5.1
Intermediate (in USD/ MT)				
2EH CFR Far East Asia	1,045.0	-2.3	-1.0	-0.5
2EH CFR South East Asia	1,080.0	-2.3	-1.4	-0.9
DOP CFR Far East Asia	1,025.0	-1.4	-2.4	-6.4
Polymers (in USD/ MT)				
LLDPE Future Contract (CNY/ MT)	7,730.0	-6.8	-5.7	-7.5
Film Grd Poly HDPE Far E Spot	1,070.0	-1.8	0.9	0.0
Film Grd Poly HDPE SE Asia	1,090.0	-1.8	0.0	0.9
Film Grd Poly HDPE India Spot	1,070.0	-2.7	-0.5	0.0
Urea (in USD/ MT)				
Urea Price (RMB/ MT)	2,020.0	-1.0	1.0	0.5
UREA Cornbelt	425.0	28.8	39.3	32.8
UREA Middle East	271.0	2.3	14.4	-4.9
US Urea Avg. Retail Price	NA	NA	NA	NA
Propane/ Butane (In USD/ MT)				
Arab LPG Propane Mo Posted	525.0	0.0	7.1	18.0
BP Amoco LPG Propane Mo	561.6	0.0	0.0	19.8
Arab LPG Butane Mo Posted	530.0	0.0	1.9	27.7
BP Amoco LPG Butane Mo	536.2	0.0	0.0	13.8

Oman Government/ Corporate USD Bonds- Performance Monitor

Description	Issue Date	Maturity	Moody's Rating	Tenure	Coupon	Bid	Ask	Offer Yield (YTM %)
Oman Sovereign- Eurobonds								
5 Year Bond								
Oman Gov International Bond	6/15/2016	6/15/2021	Ba1	5.0	3.625	97.31	97.83	4.734
Oman Gov International Bond	3/8/2017	3/8/2022	Ba1	5.0	3.875	96.76	97.42	4.868
Oman Gov International Bond	1/17/2018	1/17/2023	Ba1	5.0	4.125	96.27	96.89	5.066
Sukuk								
Oman Sovereign Sukuk (S)	7/14/2016	7/14/2022	Ba1	6.0	3.500	96.83	97.49	4.357
Oman Sovereign Sukuk (S)	6/1/2017	6/1/2024	Ba1	7.0	4.397	95.11	95.57	5.412
Oman Sovereign Sukuk (S)	10/31/2018	10/31/2025	Ba1	7.0	5.932	100.52	101.07	5.730
10 Year Bond								
Oman Gov International Bond	6/15/2016	6/15/2026	Ba1	10.0	4.750	90.89	91.53	6.248
Oman Gov International Bond	3/8/2017	3/8/2027	Ba1	10.0	5.375	92.51	93.23	6.493
Oman Gov International Bond	1/17/2018	1/17/2028	Ba1	10.0	5.625	93.29	93.95	6.551
30 Year Bond								
Oman Gov International Bond	3/8/2017	3/8/2047	Ba1	30.0	6.500	85.07	85.80	7.751
Oman Gov International Bond	1/17/2018	1/17/2048	Ba1	30.0	6.750	86.75	87.35	7.866
Corporate Bonds (USD)								
Oman Electricity	5/7/2015	5/7/2025	Ba1	10.0	3.958	87.89	88.15	6.374
Mohammed Al Barwani Sukuk Issue SAOC	6/29/2016	6/29/2021	NR	5.0	8.500	100.23	101.23	7.849
Oman Electricity	5/16/2017	5/16/2027	Ba1	10.0	5.196	91.36	91.93	6.506
Mazoon Assets Co SAOC	11/8/2017	11/8/2027	Ba1	10.0	5.200	90.58	91.04	6.597
Mazoon Assets Co SAOC	11/8/2017	11/8/2027	Ba1	10.0	5.200	91.01	91.36	6.544
Bank Muscat SAOG	3/14/2018	3/14/2023	Ba1	5.0	4.875	99.10	99.56	5.000
Omantel	4/24/2018	10/24/2023	Ba1	5.5	5.625	100.51	100.93	5.386
Omantel	4/24/2018	4/24/2028	Ba1	10.0	6.625	97.49	98.17	6.902
National Bank of Oman	9/25/2018	9/25/2023	Ba1	5.0	5.625	100.28	101.02	5.357
Tilal Sukuk	11/12/2018	11/12/2023	B1	5.0	6.500	92.91	93.91	8.147
Omani Banks Perpetual Bonds (USD)								
Bank Dhofar Saog	5/27/2015	First Call- May-2020	NR	-	6.850			6.715
Renaissance International Ltd	7/29/2015	First Call- July-2020	NR	-	7.900			NA
National Bank Of Oman	11/18/2015	First Call- Nov-2020	NR	-	7.875			6.989

Source: Data taken from Bloomberg c. 9 AM Muscat Time

Oman News

CBO Announces Treasury Bills Tender Results

(Source: ONA)

- A tender of Government Treasury Bills, issue number 077, was held at the Central Bank of Oman (CBO) this week with total value allotted amounted to RO 65 million, for a maturity period of 28 days, from 15th May, 2019 until 12th June, 2019.
- Average accepted price reached 99.814 for every RO 100, and the minimum accepted price arrived at 99.810 per RO 100. **Whereas the average discount rate and the average yield reached 2.42665% and 2.43117%, respectively.**
- The interest rate on the Repo operations with CBO is 2.940% for the period from 14/5/2019 to 20/5/2019, while the discount rate on the Treasury Bills Discounting Facility with CBO is 3.690%, for the same period.

OOMCO secures nod for 30,000m3 capacity bunker terminal at Duqm Port

(Source: MSM, Oman Observer)

- Oman Oil Marketing Company (OOMCO) has announced that it has secured board approval for the construction of an in-port bunker terminal at the Port of Duqm on the Sultanate's Al Wusta coast.
- **The Board's green-light was received for 30,000 cubic metres of tankage capacity together with the required ancillary equipment and facilities, OOMCO said in a filing.**
- This bunker terminal will supply marine fuels of required grades to ships in and around the port. As such, our bunker terminal will serve to enhance the portfolio of services available to attract ships to Duqm and thus contribute to the port's growth and business development.
- Last May, OOMCO announced the appointment of WorleyParsons Engineering Oman LLC as the project management consultants for the Duqm Bunker Terminal Project. **The terminal is expected to be commissioned in early 2021.**

Oman News

Salalah Grand Mall signs lease agreements with key brands

(Source: Oman Observer)

- Salalah Commercial Centre has signed 27 new lease agreements for the new 'Salalah Grand Mall' mixed-use commercial complex located in the Dhofar Governorate.
- The mall has been developed by the Salalah Commercial Centre in partnership with the Ministry of Defence Pension Fund and Al Madina Real Estate Company. The mall is expected to open before the end of this year.
- **The new Salalah Grand Mall is located in Adahariz, in the Wilayat of Salalah. It covers an area of 51,000 square meters, with a total floor area of over 91,000 square meters.**
- As an international shopping mall it encompasses a huge hypermarket, a number of retail stores of the finest local, regional and international brands, food court, and a number of leading cafes with stunning views of Salalah city.

Sohar Alloy wheels plant to create 500 jobs

(Source: Times of Oman)

- A new factory that is being set up in Sohar to manufacture alloy wheels will generate up to 500 jobs for talented local workers.
- The move was announced as part of the country's Tanfeedh plans for economic expansion, which is being overseen by the state's Implementation, Support and Follow-up Unit (ISFU). **The plan was published in the ISFU's Annual Report for 2018, and will use aluminium produced by Sohar Aluminium as part of the raw material for the facility, which will be located next to the aluminium plant.**
- The alloy wheels will be supplied to the Indian and American markets. Sohar Aluminium Plant, located next door to the alloy wheel manufacturing facility, will supply 45% of the raw materials needed for the proposed output.
- With an export value targeted at upwards of OMR20 million, the project will provide 500 new jobs across the 12 steps of the production process
- Stakeholders in the project include various bodies like Ministry of Oil and Gas, Ministry of Commerce and Industry, Sohar Aluminium, Synergies Castings LLC and Sohar Industrial Estate.
- The report says that the construction of the project is likely to begin in Q2 2019 once the finance agreement is established.

MSM - Market Watch



Source: Bloomberg, GBCM Research

Market Outlook – Geopolitical concerns to increase volatility, Stay invested in frontline stocks...

During previous trading day, we saw mixed closing among the regional markets post sell-off seen across the board on Monday amidst increased global market uncertainties and higher equity risk aversion. UAE-DFM recovered sharply for the day gaining 3.5%, Qatar and Saudi also ended in green. While UAE-ADX had its worst closing (-2.6%) amid MSCI decision not to change Foreign Inclusion Factor for FAB. Bahrain, Oman and Kuwait also fell amid weak market sentiments and stock specific activity. **We anticipate MSM and GCC equities to open on a negative note amid increased geopolitical concerns in the region. We expect some stability during later part of the day with institutional support in frontline stocks post sharp correction during this month.** Overall market activity to remain dull amidst ongoing holy month of Ramadan. **MSM to remain technically weak below 3,900 points along with subdued volumes, MSM to find next key support at 3,805 levels.**

GCC News

Aldar reports Q1 2019 results

(Source: Trade Arabia)

- Aldar Properties has reported a 20% growth in its revenue for Q1 2019, which soared to Dh1.76 billion (\$479 million) from last year's figure of Dh1.47 billion (\$400 million) amid strong development activity across all its projects.
- Aldar said its development sales surged by 49% to hit Dh1 billion (\$272 million) in Q1 2019, driven by the successful launch of its key projects Alreeman, a development in the Alshamkha area of Abu Dhabi, in January
- The Abu Dhabi developer's gross profit for the period hit Dh723 million in line with the first quarter of 2018. However, its net profit fell 26% to Dh493 million owing to legacy of other income events. **The net profit attributable to shareholders rose 4% YoY to Dh553 million.**

Abengoa consortium wins \$700m UAE desal plant deal

(Source: Trade Arabia)

- Abengoa said its consortium with Chinese EPC contractor Sepco III has received an order to start early works for the construction of the world's largest reverse osmosis (RO) desalination plant at Taweelah, 45 km north of Abu Dhabi, UAE.
- The go-ahead for the engineering, supply and construction services contract was given by Acwa Power
- **On completion, the giant desalination plant, being built at a cost of over \$700 million at Taweelah power and water generation complex, will boast a capacity of 909,000 cu m per day, said a statement from the company.**

Burgan Bank reports Q1 2019 results

(Source: Trade Arabia)

- Burgan Bank has reported a net income of KD19.2 million (\$63.10 million) for Q1 2019. The bank's revenue for the period was KD50.3 million (\$165.3 million), while it maintained a healthy net interest margin of 2.7%.
- Q1 operating profit of the bank was KD29.2 million (\$95.9 million) with stable cost-to-income ratio of 41.8%. As per the bank, Q1 2019 cost of credit stood at 0.4% as compared Q1 2018 levels of 0.5%. Q1 2019 NPL Ratio is at 1.8% vs 1.7% levels in Q1 2018.

GCC News

Arabian Centres closes IPO, retail investors buy 6 million shares

(Source: Argaam)

- Arabian Centres Co.'s initial public offering (IPO) closed yesterday, with the conclusion of the retail offering. **A total of 26,480 retail investors subscribed to 5.7 million shares at SAR 26 each, or 6 percent of offered shares, the company said.**
- **Based on the results of the retail offering, the shares allocated to institutional investors will be scaled back to 89.3 million shares excluding the purchase option, representing 94% of the offer shares.**
- Final allocations and refunds (if any) will be processed on 14 May 2019. The offering size is SAR 2.5 billion excluding the purchase option and total offering size is SAR 2.8 billion including 12.83 million over-allotment shares that have been allocated pursuant to the purchase option.

Finablr cuts IPO price in volatile markets

(Source: Arab News)

- Finablr had to cut the price on its initial public offering as the payments and foreign exchange company faced weak investor demand in jittery markets which also rocked ride-hailing app Uber's Wall Street debut.
- **Finablr was priced at 175 pence per share, the bookrunner said yesterday, significantly below an initially anticipated 210-260 pence range, giving the company an implied market value of about 1.23 billion pounds (\$1.59 billion).**
- Books were covered at full value of the deal worth 192.5 million shares, according to sources from a bookrunner, which means the share offering will raise about 337 million pounds.
- The deal size includes a revised base deal size of 175 million shares and 17.5 million of over-allotment option shares, the bookrunner said.

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