

Index Performance	Current Week	Previous Week	WTD (%)	YTD (%)	Beta (Yr)
MSM 30	5,668.33	5,791.74	-2.13%	-1.98%	1.000
Financial	8,005.12	8,183.77	-2.18%	4.34%	1.210
Industrial	7,883.60	8,058.05	-2.16%	6.43%	0.734
Services	2,988.68	3,013.92	-0.84%	-2.29%	0.596

Source: MSM, GBCM Research

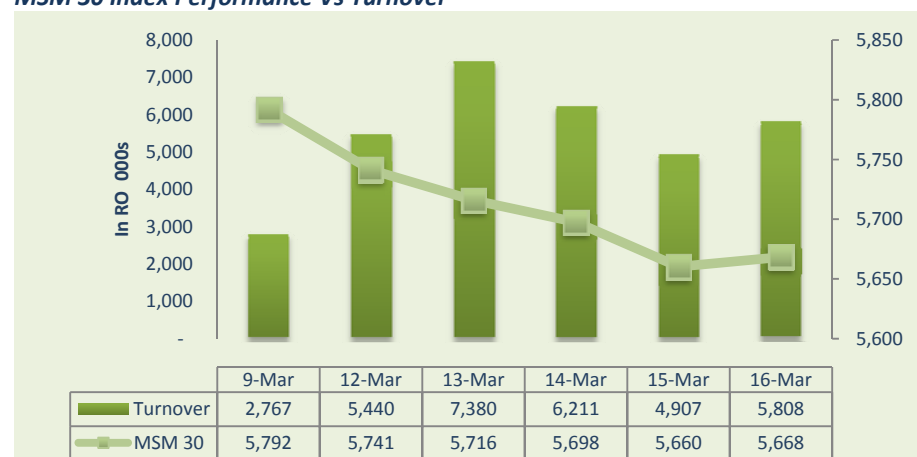
MSM 30 Index Performance Vs Turnover**MSM Weekly Trading Activity - Total Turnover RO 29.745 million (c.US\$ 77.34 million)**

Fig. In RO	Buy	Sell	Net Buy / (Sell)
Omanis	26,013,818	20,041,910	5,971,908
GCC	2,093,345	2,725,082	(631,737)
Arabs	228,137	131,326	96,811
Others	1,409,920	6,846,902	(5,436,982)

Source: MSM, GBCM Research

Negative sentiments prevailed across the board...

The week gone by saw the MSM30 Index decline by 2.13% to close at 5,668.33 points. Negative sentiments brought about by drop in oil prices, lack of clarity on new taxes in Oman, coupled with dividend adjustments in the market weighed on the Benchmark Index. For the week, the Financial Index declined by 2.18%. The Industrial Index ended the week lower by 2.16% while the Services Index dropped 0.84% for the week.

In terms of market activity, a total of 92.793 million shares got traded during the week amounting to an aggregate turnover of RO 29.745 million as against RO 17.520 million in previous week. In terms of participation, Omani Investors remained as net buyers to an extent of RO 5.972 million. GCC and Foreign Investors emerged as net sellers to an extent of RO 632K and RO 5.437 million respectively.

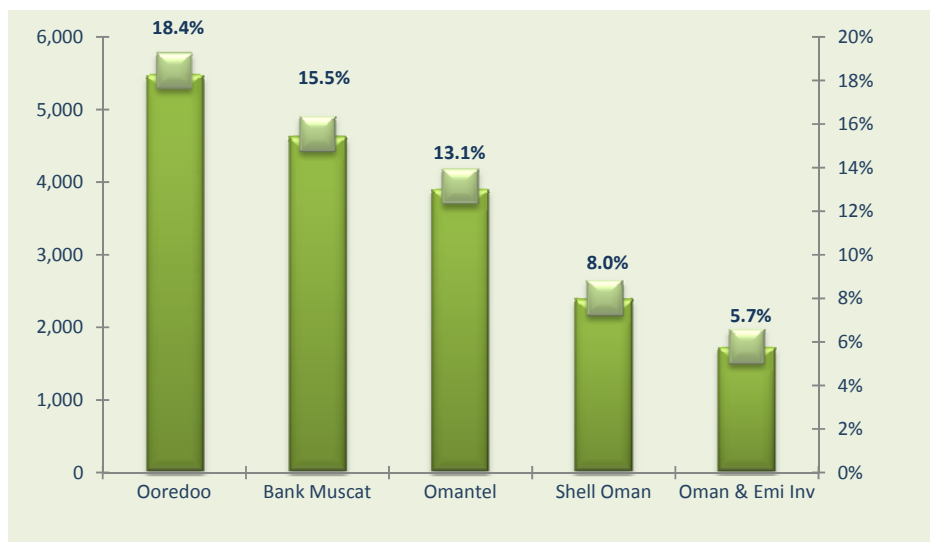
Oman Crude Data – February 2017

Oman produced 27.16 million barrels of crude oil in Feb 2017, equivalent to 970,000 barrels per day. This indicates a marginal drop of 0.1%, compared to Jan 2017. Of the total production, 22.53 million barrels of crude oil were exported in February 2017, equivalent to 948,440 barrels per day a fall of 6.4% compared to the previous month. China was the major importer of the Sultanate's oil, accounting for 82.5% of total exports, which also shows a growth of 18.3% over the previous month. (Source: Times of Oman)

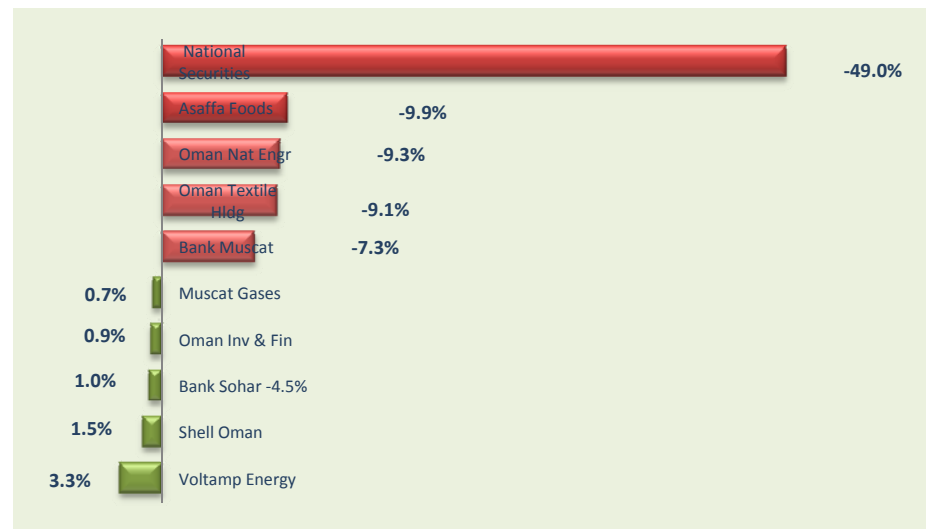
Outlook for the upcoming week...

During the previous trading week, we saw mixed closing among the regional markets with Kuwait (+1.5% WTD) and Bahrain (+1.6% WTD) revealing outperformance. While Saudi and UAE markets reported range bound trade. Oman and Qatari equities underperformed to close lower by 2.1% WTD and 1% WTD respectively. MSM Index saw continued selling pressure from the foreign (net sellers of RO 5.4 million) and GCC investors amid dividend adjustments and the negative sentiments prevailing. We anticipate the MSM and GCC equities to reveal consolidation trend during the week and to see stock specific buying support from the institutional investors. **While in Oman, we would see major dividend adjustments from the index heavyweights, expected to reveal in market correction.** MSM would continue its negative trend and see next support coming around 5,600 points.

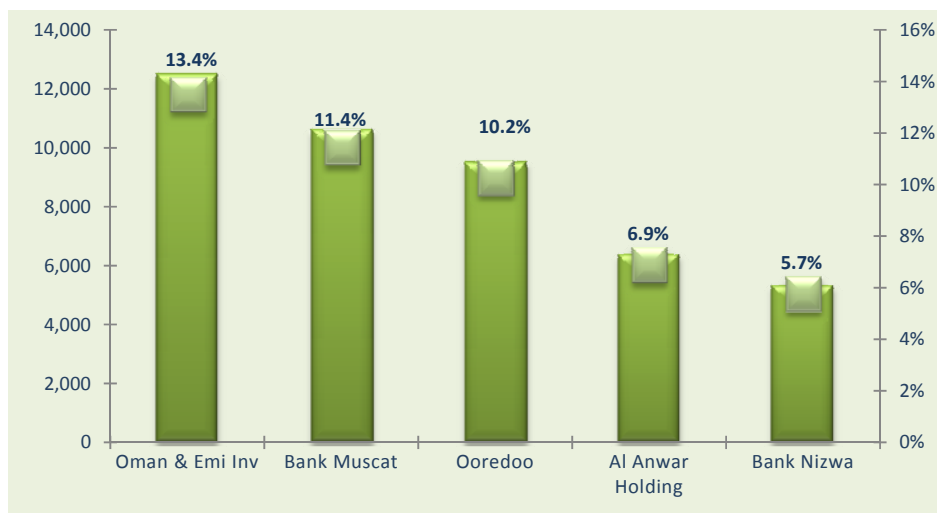
Value Leaders-Weekly



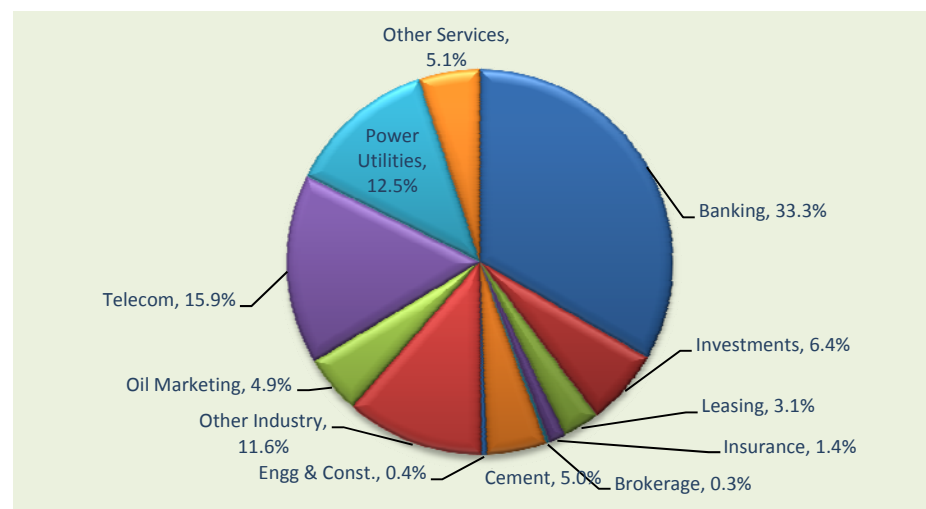
Top Five Gainers/ Losers for the Week



Volume Leaders- Weekly



MSM Sectoral Market cap for the week



Source: MSM, GBCM Research

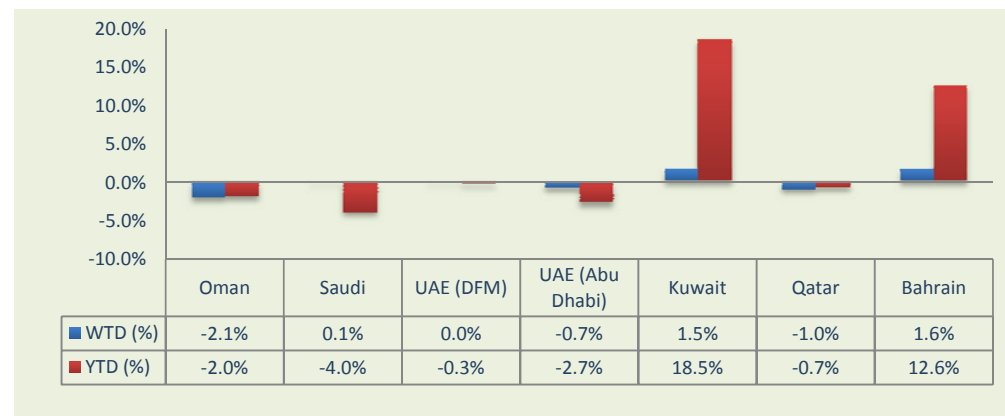
Source: MSM, GBCM Research

MSM - Value Indicators

Value Indicators	Mkt. Cap (RO'000s)	PER	P/BV	Dividend Yield (%)
MSM 30 Index	6,504,786	10.4	1.1	5.5%
Financial	3,316,348	8.7	0.9	4.8%
Industrial	995,415	20.0	1.4	4.8%
Services	2,876,218	12.2	1.7	6.4%
MSM Shariah	2,680,662	10.6	1.6	6.1%

Source: MSM, GBCM Research

GCC- Market Performance for the week



Source: Bloomberg, GBCM Research

Commodities Performance for the week

Commodities	Current Week	Last Week	WTD (%)
NYMEX WTI Crude	48.8	48.5	0.6%
ICE Brent Crude	51.8	51.4	0.8%
Crude Oil, Oman	50.6	50.2	0.8%
NYMEX Natural Gas	2.9	3.0	-2.0%
NYMEX Gasoline	159.9	160.0	-0.1%
Gold Spot	1,229.3	1,204.7	2.0%
Silver Spot	17.4	17.0	2.1%
LME Aluminium (Spot)	1,901.5	1,867.8	1.8%
LME Copper (Spot)	5,916.5	5,716.3	3.5%
LME Zinc (Spot)	2,864.0	2,687.5	6.6%
Hot Rolled Coil - Steel	625.0	625.0	0.0%
CBOT Corn	367.5	364.3	0.9%
CBOT Wheat	436.3	440.5	-1.0%
CBOT Soyabean	1,000.0	1,006.5	-0.6%

Source: Bloomberg; GBCM Research

Oman - Weekly News watch...

The Board of **Oman Investment & Finance** has recommended a cash dividend of 16% for FY 2016 subject to necessary approvals at its forthcoming AGM. (Source: MSM)

Galfar Engineering reported revised net loss of RO 10.8 million for FY 2016 as per its audited accounts. Loss of the company has increased as compared to the initial results disclosed earlier, largely due to additional impairment of receivables RO 4.5 million and investment RO 2 million for another associate company in India as assessed by statutory Auditors in line with IFRS provisions. (Source: MSM)

GCC - Weekly News Watch...

Etisalat Group announced its consolidated financial results for the 12 months ending on December 31, 2016. The group's consolidated net profit after Federal Royalty amounted to Dhs 8.4 billion resulting in a net profit margin of 16% and increased year over year by 2%. Etisalat Group Board proposed final dividend payout of 40 fils per share for 2016, representing a total dividend payout of 80 fils for the full year and a dividend payout ratio of 83%. (Source: Gulf Base)

Aamal Company announced 7.3 % rise in its net profit before fair value gains on investment properties (underlying net profit) to QR 559.3 million for the year ended on December 31, 2016 against QR 521.3 million in 2015. (Source: Gulf Base)

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