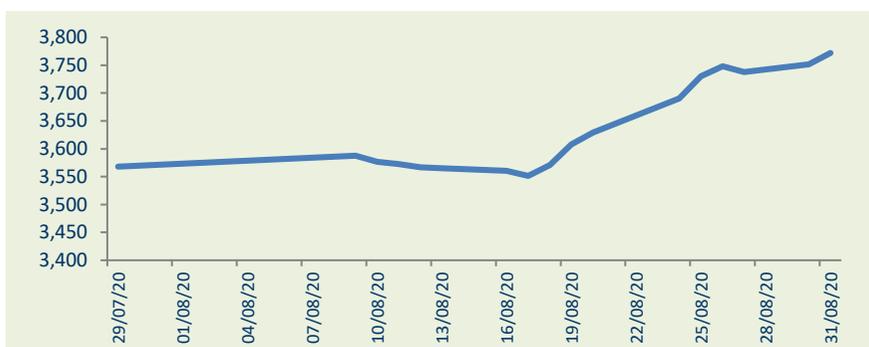


September 3, 2020

Index Performance	End Aug 20	End July 20	MTD (%)	YTD (%)
MSM30 Index	3,771.9	3,568.1	5.7%	-5.3%
Financial Index	6,126.0	5,706.4	7.4%	-3.5%
Industrial Index	4,000.6	3,947.3	1.4%	-4.9%
Services Index	1,579.0	1,538.5	2.6%	-16.7%
Shariah Index	524.8	521.1	0.7%	-2.1%

**MSM 30 Index- Aug 2020**



**MSM Trading – Monthly Turnover – RO 29.705 million (USD 76.9 million)**

Fig. In RO	Buy	Sell	Net Buy / (Sell)
Omanis	18,120,475	24,826,215	(6,705,740)
GCC	5,175,896	1,046,667	4,129,229
Arabs	262,868	279,853	(16,985)
Others	6,145,981	3,552,485	2,593,496

Source: MSM, GBCM Research

**Strong buying across the board amidst positive sentiments...**

The MSM30 Index ended with strong gains during Aug 2020 amidst favourable sentiments post announcement of Government reforms along with supportive global / regional market performance. **MSM30 Index ended the month gaining 5.7% to close at 3,771.9 points, the strongest monthly gains in 2020.** Within sector indices, Financial Index gained the most by 7.4% MTD. While Services, Industrial and Shariah Index gained 2.6%, 1.4% and 0.7% MTD, respectively. The recent reform measures taken in Oman is in line with the Vision 2040 program and to be taken as long-term positive for overall fiscal stability. All GCC equities revealed strong performance with UAE-DFM gaining the most by 9.5%. Qatar (7%), Kuwait (6.6%), Saudi (6.5%) and UAE-ADX (5%) increased during the month. S&P GCC Total return Index recouped most of losses during the year with gains of 6% MTD.

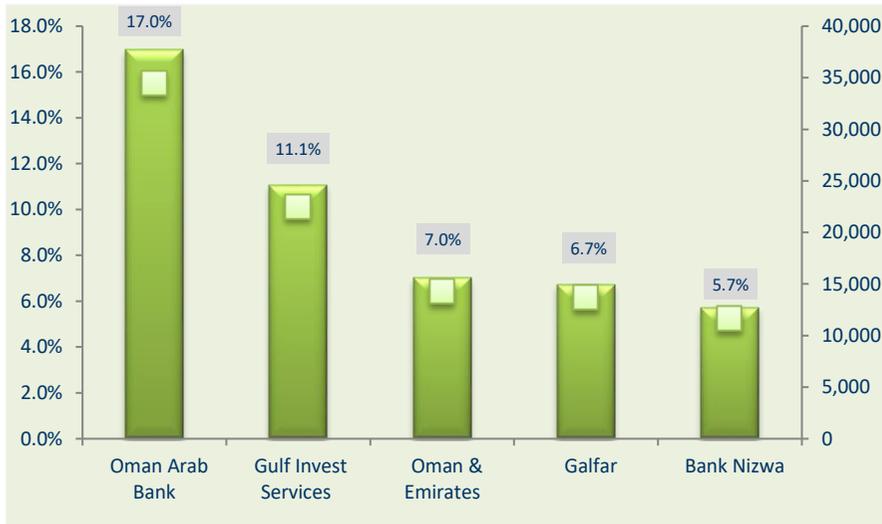
The global markets likewise saw positive trend during the month amidst favourable monetary policy, economic re-opening post lockdowns and Government relief packages. MSCI World gained 6.5%, while MSCI Emerging Markets increased 2.1% during the last month. USA equities posted strong gains, with Nasdaq, Dow Jones and S&P 500 gaining 9.6%, 7.6% and 7.0%, respectively. European markets revealed relative underperformance. Within Asia, Nikkei gained 6.6%, while Shanghai, and India increased 2.6% MTD. Within commodities, Oil prices gained moderately, with WTI Crude gaining 5% and Brent Crude 3.3% in previous month. In Precious metals, Silver gained 16%, while Gold remain flat. Within base metals, Copper prices increased 4% MTD and Aluminium by 5.3%. Nickel, Zinc and Lead prices also gained during the month.

**Market activity:** MSM total traded volume in the month stood at 203 million. Total market turnover remained at RO 29.705 million, as against RO 30.71 million in previous month amid few block deals. Average MSM daily turnover in Aug increased RO 1.86 million as compared to RO 1.46 million in previous month. **GCC and Foreign investors ended as net buyers to an extent of RO 4.129 million and RO 2.593 million, respectively.** Omani investors emerged as net sellers to an extent of RO 6.706 million during the last month.

**Sep 2020 Outlook – Risk on sentiments to prevail, stick to frontline stocks...**

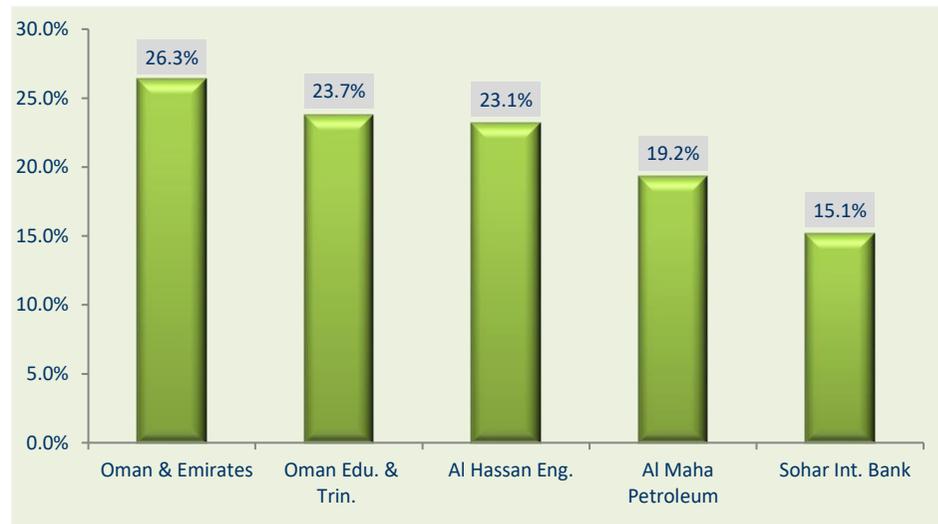
Post strong rally during this quarter till date, **we anticipate the regional markets to reveal consolidation and stock specific buying interest with the gradual reopening of economic activities and pickup in overall Industrial productivity.** The continuance of risk on rally in global markets and increased flow in emerging markets may support regional equities. On the other hand, the oil prices continued to hover around USD 45/ barrel, we estimate further gain in oil prices during the coming months. In line with this, we expect MSM and GCC markets to reflect the fundamentals and we may see shift from low beta to cyclical sector themes over the medium term. The shift in investor focus to come in frontline stocks with market leadership position. **MSM could see sideways movement post rally, while the regional markets may stock specific activity and keen to watch out the positive developments on vaccination.** We recommend adopting stock picking approach with focus on blue-chip stocks and emphasis on unleveraged balance sheet and steady free cash flow stories. **At the current levels, MSM30 Index trades at P/E (ann.) of 11X and PBV (latest) of 0.7X.**

**Volume Leaders for the Month**



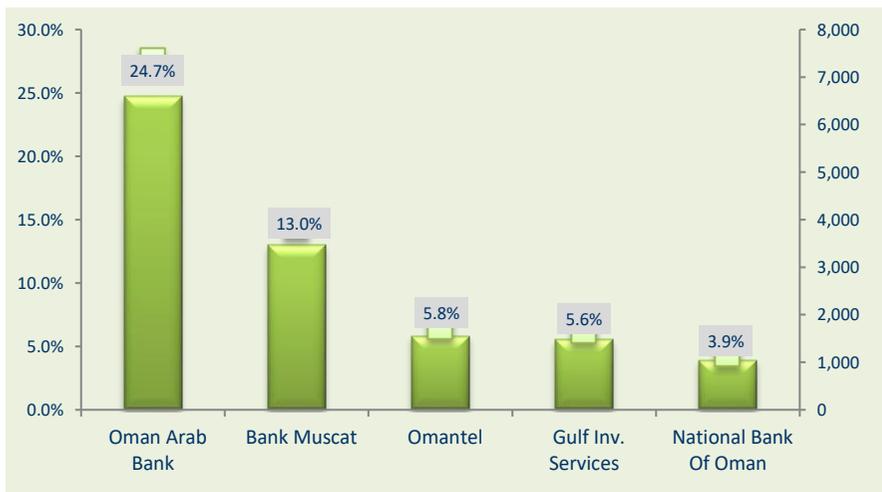
Source: MSM, GBCM Research

**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 (%)	QTD (%)	YTD (%)
Oman	5.7%	7.3%	-5.3%
Saudi	6.5%	9.9%	-5.3%
UAE (DFM)	9.5%	8.7%	-18.8%
UAE (ADX)	5.0%	5.4%	-11.0%
Kuwait	6.6%	3.2%	-15.7%
Qatar	5.1%	9.4%	-5.6%
Bahrain	7.0%	8.1%	-14.2%

Source: Bloomberg, GBCM Research

Commodities Performance - Heat Map

Energy	MTD (%)	QTD (%)	YTD (%)
NYMEX WTI Crude	5.0%	7.9%	-25.6%
ICE Brent Crude	3.3%	9.0%	-26.5%
Crude Oil, Oman	2.8%	7.9%	-25.3%
NYMEX Natural Gas	34.4%	39.4%	12.1%
NYMEX Gasoline	10.3%	9.9%	-26.3%

Source: Bloomberg, GBCM Research

Global Markets	MTD (%)	QTD (%)	YTD (%)
S&P 500	7.0%	12.9%	8.3%
Dow Jones	7.6%	10.1%	-0.4%
Nasdaq	9.6%	17.1%	31.2%
FTSE 100	1.1%	-3.3%	-20.9%
CAC 40	3.4%	0.2%	-17.2%
DAX	5.1%	5.2%	-2.3%
Nikkei	6.6%	3.8%	-2.2%
Hang Seng	2.4%	3.1%	-10.7%
Sensex	2.7%	10.6%	-6.4%
Shanghai	2.6%	13.8%	11.3%

Source: Bloomberg, GBCM Research

Precious/ Base Metals	MTD (%)	QTD (%)	YTD (%)
Gold Spot	-0.2%	10.6%	29.5%
Silver Spot	16.0%	55.3%	57.6%
Platinum Spot	3.0%	12.5%	-4.3%
LME Aluminium (Spot)	5.3%	10.2%	-0.9%
LME Copper (Spot)	4.3%	11.5%	8.9%
LME Zinc (Spot)	7.9%	22.3%	9.3%
LME Lead (Spot)	4.6%	10.4%	1.8%
LME Nickel (Spot)	11.6%	20.2%	9.9%

Source: Bloomberg, GBCM Research

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