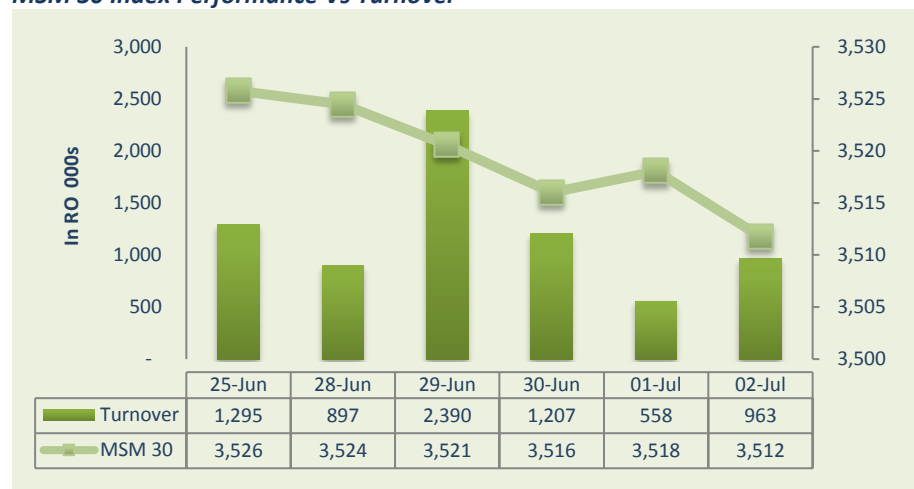


Index Performance	Current Week	Previous Week	WTD (%)	YTD (%)	Beta (Yr.)
MSM 30 Index	3,511.77	3,525.77	-0.40%	-11.79%	1.000
Financial Index	5,575.30	5,600.52	-0.45%	-12.19%	1.046
Industrial Index	3,956.83	3,987.65	-0.77%	-5.93%	0.640
Services Index	1,577.49	1,572.12	0.34%	-16.82%	0.676

Source: MSM, GBCM Research

**MSM 30 Index Performance Vs Turnover**

Source: MSM, GBCM Research

**MSM Weekly Trading Activity - Total Turnover RO 6.015 million (c.US\$ 15.6 million)**

Fig. In RO	Buy	Sell	Net Buy / (Sell)
Omanis	4,831,136	4,774,151	56,985
GCC	242,993	166,425	76,568
Arabs	109,668	83,560	26,108
Others	830,849	990,510	(159,661)

Source: MSM, GBCM Research

**Negative trend prevailed amidst macro challenges...**

During last trading week, the MSM30 Index reveal negative sentiments to close lower by **0.4% at 3,511.77 points amidst stock specific activity along with macro concerns**. We saw continued lower level of market participation, which remain as key concern. For the week, MSM Services index closed on a positive note gaining 0.34%. While MSM Industrial and Financial Index declined by 0.77% and 0.45% WTD, respectively.

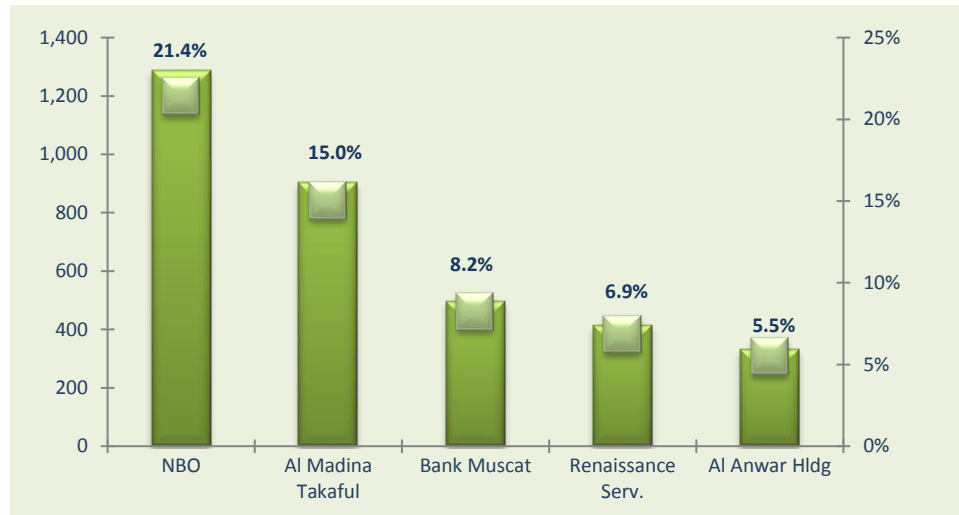
In terms of overall market activity, a total of 49.736 million shares got traded during the week amounting to an aggregate turnover of RO 6.015 million as compared to RO 5.520 million in the previous week. In terms of participation, Foreign investors ended as net sellers to an extent of RO 160K. While, Omani and Foreign investors emerged as net buyers to an extent of RO 57K and RO 77K, respectively.

**Oman GDP Data- Q1 2020-** Oman gross domestic product (GDP) at current market prices fell by 3.9% to reach RO6.75 billion at the end of March 2020, according to official data. **Oil activities increased by 0.7% at the end of March 2020**, registering RO2.42 billion compared to RO2.41 billion at the end of March 2020. The share of crude oil from among oil activities was RO2.07 billion, which is an increase of 2.6% YoY. The activities of natural gas dropped by 9.1%, reaching RO356.7 million compared to RO392.5 million at the end of March 2019. **Total non-oil activities declined by 6.2% to RO4.63 billion**. Services activities were at the forefront of non-oil activities, which was at RO3.33 billion, down by 5.2% over RO3.51 billion at the end of March 2019. Industrial activities dropped by 11.5 % to RO1.10 billion at the end of the first quarter of 2020. (Source: NCSI Oman, GBCM Research)

**Outlook...**

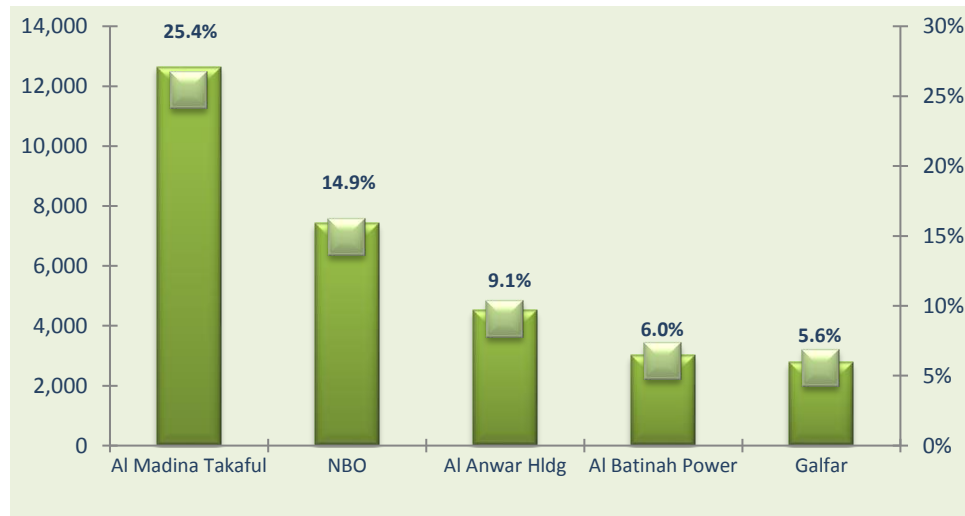
During previous trading week, the regional markets ended on a mixed note amidst stable global market cues and oil prices. Saudi ended on a strong note gaining 1.1% for the week. UAE-DFM lowered 1.2% WTD, while UAE-ADX ended positive gaining 0.6% WTD. Qatar gained 0.3% WTD, while Kuwait ended lower by 0.9% and Bahrain declined 0.4% for the week. Oman revealed negative sentiments and stock specific volumes, while the market volumes remain subdued last week. The global equities ended the week on a positive note on the back of estimates of economic recovery coupled with higher level of liquidity. Oil prices are trading steadily above USD 40/ barrel. **We expect MSM and regional equities to open in green for the week and to reveal consolidation trend ahead of the upcoming Q2 2020 results. We anticipate the markets may reveal volatility during the earnings season due to estimated weak earnings, which may affect short term market sentiments.** We recommend the medium to long investors to adopt conservative approach with emphasis on sector leaders, robust balance sheet, quality management and stable free cash flows.

## Value Leaders-Weekly



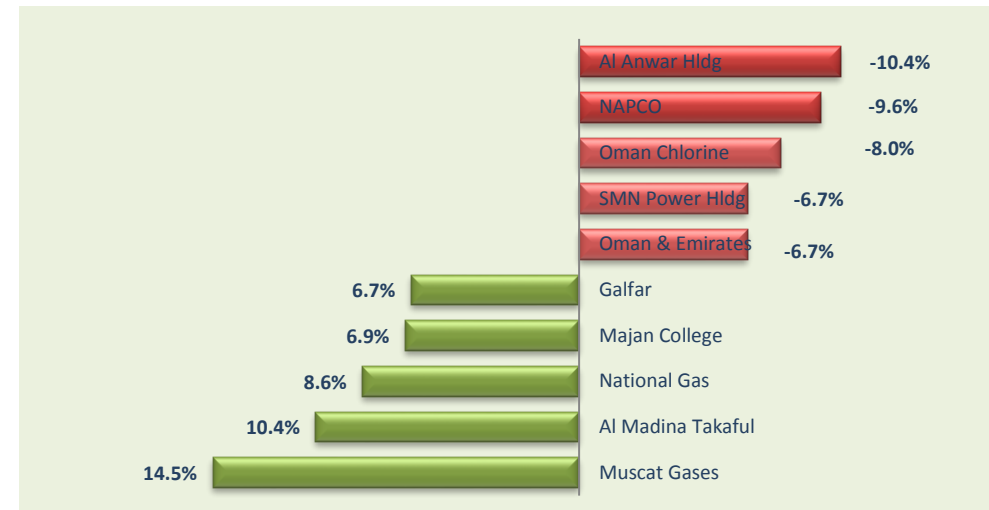
Source: MSM, GBCM Research

## Volume Leaders- Weekly



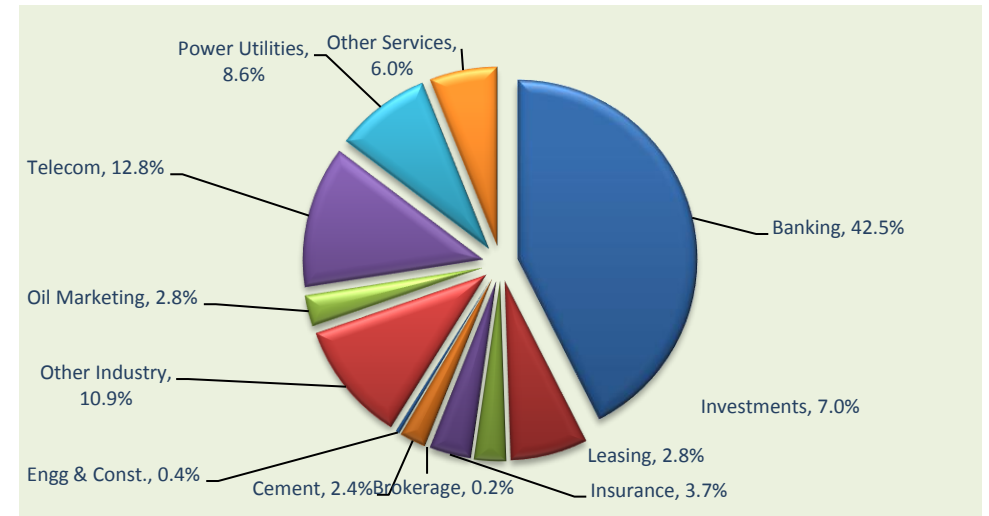
Source: MSM, GBCM Research

## Top Five Gainers/ Losers for the Week



Source: MSM, GBCM Research

## MSM Sectoral Market



Source: MSM, GBCM Research

## MSM - Value Indicators

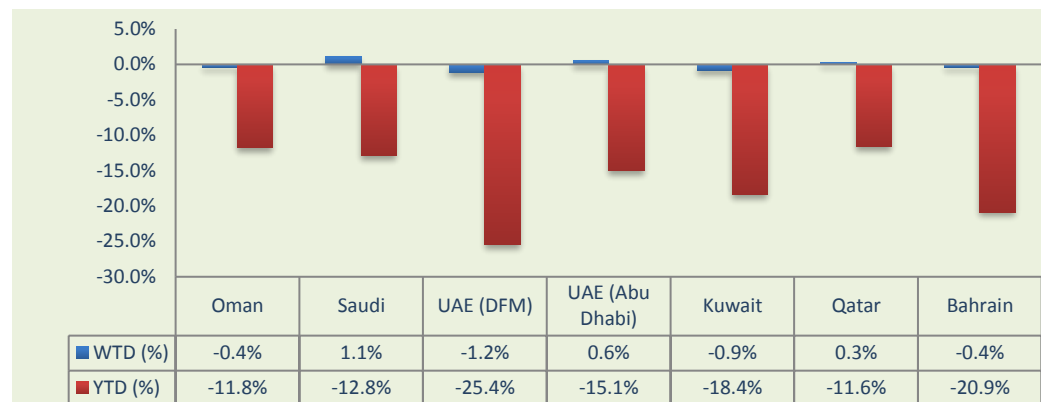
Value Indicators	Mkt. Cap (RO'000s)	PER	P/BV	Dividend Yield %
MSM 30 Index	4,160,392	11.7	0.7	8.3%
Financial	2,805,038	9.5	0.7	7.6%
Industrial	543,157	NM	0.7	5.3%
Services	1,324,891	13.1	0.9	9.2%
MSM Shariah	972,734	11.3	0.8	6.6%

Source: MSM, GBCM Research

Commodities	Current Week	Last Week	WTD (%)
NYMEX WTI Crude	40.3	38.5	4.8%
ICE Brent Crude	42.8	41.0	4.3%
Crude Oil, Oman	43.3	42.0	3.0%
NYMEX Natural Gas	1.8	1.5	13.3%
NYMEX Gasoline	124.4	115.3	7.9%
Gold Spot	1,772.1	1,771.3	0.0%
Silver Spot	18.0	17.8	1.2%
LME Aluminium (Spot)	1,582.8	1,586.3	-0.2%
LME Copper (Spot)	6,023.5	5,953.3	1.2%
LME Zinc (Spot)	2,015.0	2,030.5	-0.8%
Hot Rolled Coil - Steel	487.0	492.0	-1.0%
CBOT Corn	343.5	319.3	7.6%
CBOT Wheat	492.0	475.8	3.4%
CBOT Soyabean	896.8	861.3	4.1%

Source: MSM, GBCM Research

## GCC- Market Performance for the week



Source: Bloomberg, GBCM Research

## Oman - Weekly News watch...

**Galfar Engineering-** As per the company disclosure, towards its endeavors in obtaining new projects in Oil and Gas sector, OQ Exploration and Production LLC has awarded a contract to Galfar Engineering for the construction of pipeline at the company concession areas for the length of 120 kms. The contract date of award is 30-Jun-2020; The total value of this project is RO 11 million and the project is expected to commence from 1 July 2020 to 30 June 2021. (Source: MSM)

**The Oman Tax Authority will apply a 100% selective tax on alcoholic beverages**, which was 50% at the time of its implementation in June last year. Oman, in 2019, introduced a rate of 100% for excise tax imposed on alcohol and alcohol products, energy drinks, carbonated drinks, pork and pork products, and tobacco and tobacco products. Oman Tax Authority will apply a 100% selective tax on alcoholic beverages, which was 50% at time of its implementation in June last year. (Source: Oman Observer)

## GCC - Weekly News Watch...

Saudi King Salman issued a royal decree towards **extending some government initiatives to mitigate the fallout of the coronavirus pandemic on economic activities and the private sector**. The measures include a pledge to cover 60 per cent of some Saudi salaries in the private sector through a government unemployment insurance program called Saned. (Source: Argaam, The National)

**Saudi bank loans** granted to the public and private sectors increased 11% year-on-year (YoY) by the end of May 2020 to SAR 1.71 trillion, from SAR 1.54 trillion a year earlier, according to data issued by the Saudi Arabian Monetary Authority (SAMA). Private sector lending also rose 11% YoY to SAR 1.64 trillion for the same month. (Source: Argaam)

| **Institutional Sales** – Hunaina Banatwala, (+968) 2235 0717 | **Institutional Brokerage** – Talal Al Balushi, (+968) 2235 0725 |

| **Equity Research** - (+968) 2235 0727/ 728

**Disclaimer:** This document has been prepared and issued by **GULF BAADER CAPITAL MARKETS SAOC** ("the Company") on the basis of publicly available information, internally developed data and other sources believed to be reliable. While all care has been taken to ensure that the facts stated are accurate and the opinions given are reasonable, neither GULF BAADER CAPITAL MARKETS SAOC nor any employee shall be in anyway responsible for the contents of this report. The Company may have a position and may perform buying/selling for itself or its clients in any security mentioned in this report. This is not an offer to buy or sell the investments referred therein.