

Index Performance	Current Week	Previous Week	WTD (%)	YTD (%)	Beta (Yr.)
MSM 30 Index	3,513.67	3,517.60	-0.11%	-11.74%	1.000
Financial Index	5,576.30	5,529.48	0.85%	-12.17%	1.047
Industrial Index	4,016.54	4,091.23	-1.83%	-4.51%	0.639
Services Index	1,584.47	1,602.20	-1.11%	-16.46%	0.675

Source: MSM, GBCM Research

**MSM 30 Index Performance Vs Turnover**

Source: MSM, GBCM Research

**MSM Weekly Trading Activity - Total Turnover RO 7.722 million (c.US\$ 20.1 million)**

Fig. In RO	Buy	Sell	Net Buy / (Sell)
Omanis	7,182,930	4,517,284	2,665,646
GCC	147,604	256,967	(109,363)
Arabs	28,554	59,454	(30,899)
Others	363,300	2,888,683	(2,525,383)

Source: MSM, GBCM Research

**Consolidation trend prevailed along with foreign selling pressure...**

During previous trading week, **the local benchmark Index ended marginally lower by 0.11% to close at 3,513.67 points amid consolidation trends.** We saw foreign investor selling pressure in key frontline stocks. During the week, Galfar reported 2019 results and Raysut Cement reported Q1 2020 results, both numbers disappointed the market and the stock prices reacted negatively. For the week, Financial Index ended higher by 0.85%, while Industrial and Services Index lowered by 1.83% and 1.11% WTD, respectively last week.

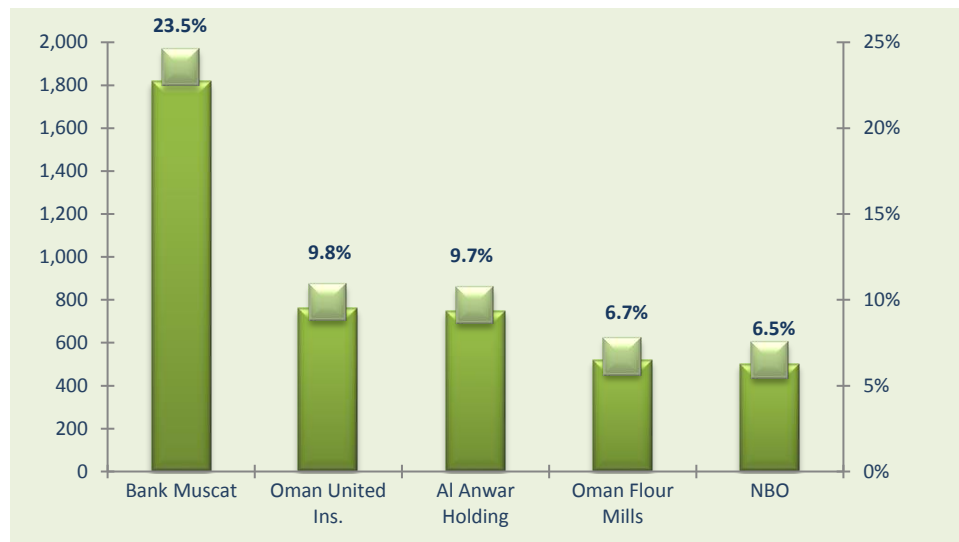
In terms of market activity, a total of 48.672 million shares got traded during the week amounting to an aggregate turnover of RO 7.7 million as compared to RO 5.4 million in the previous week. In terms of participation, local investors ended as net buyers to an extent of RO 2.666 million. Foreign and GCC investors emerged as net sellers to an extent of RO 2.525 million and RO 109K, respectively.

**Oman Oil Production data- May 2020-** Average daily production of crude oil during May 2020 reached 679,334 barrels in Oman. **Average daily exported quantities of Oman Blend crude oil stood at 737,258 barrels, down by 17.6% compared with April 2020.** During May 2020, China and South Korea were the only destination whereby Oman Export Blend has been sailed to. China's imports declined by 11.37% m-o-m, compared with April 2020. Oppositely, imports from South Korea has progressed by 5.66% compare to the last month. Average price of Oman's Crude Oil futures contract on Dubai Mercantile Exchange (DME) rose 42.4% compared to previous month. The monthly official selling price for Oman Crude oil for July 2020 delivery traded during May 20 was \$33.68 per barrel, an increase of \$10.03 compared with the June 2020 official selling price. (Source: ONA, Oman Observer)

**Outlook...**

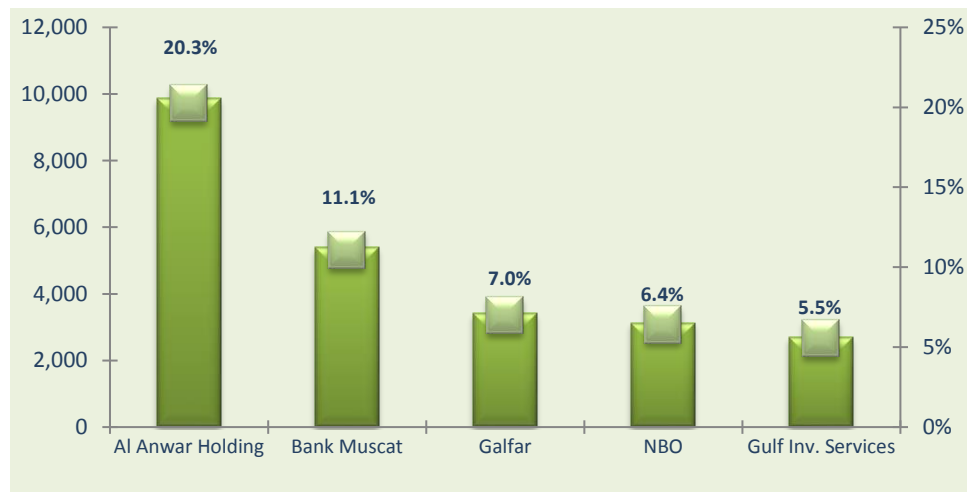
During previous trading week, most of the regional markets ended on a strong note led by global risk on rally amidst reopening of economies and improvement in overall sentiments. Saudi continued its strong run closing higher by 1.4% WTD. UAE-DFM gained 3.1%, while UAE-ADX declined 0.2% for the week. Kuwait and Bahrain closed higher by 1.4% and 0.6% WTD, respectively. Qatar ended marginally lower for the week. Oman revealed sideways movement for the week amidst foreign investors selling pressure in key frontline stocks. Over the weekend, we saw dramatic market reactions with correction in global equities on Thursday and then recovering marginally on Friday. While Oil prices corrected sharply to trade around USD 38.7 per barrel levels for Brent Crude. **We expect the local and regional equities to open on a flattish note with negative bias for the new trading week and to reveal consolidation trend. Few of the sectors may reveal declining trend due to low oil prices.** We maintain our defensive approach and focus on strong balance sheet, quality management and steady cash flows. We anticipate the consolidation trend to prevail in GCC equities over the short term.

## Value Leaders-Weekly



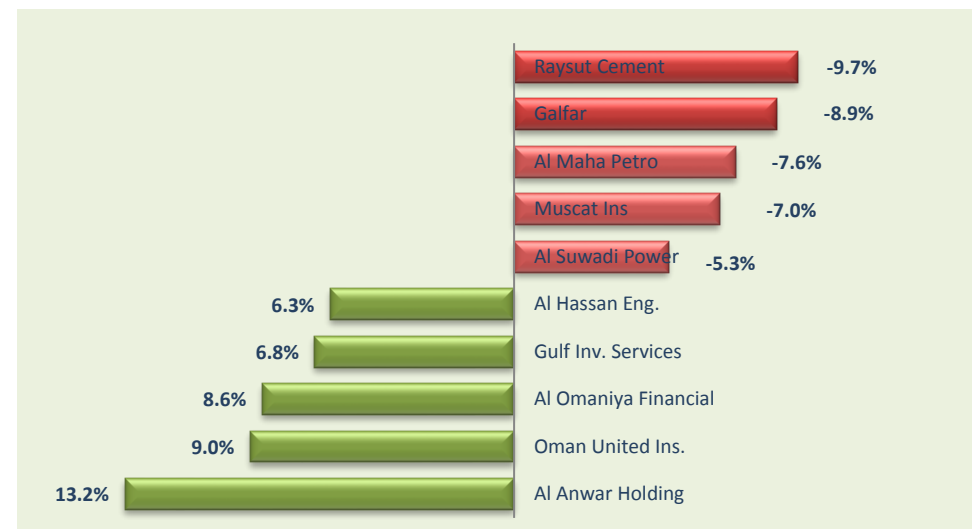
Source: MSM, GBCM Research

## Volume Leaders- Weekly



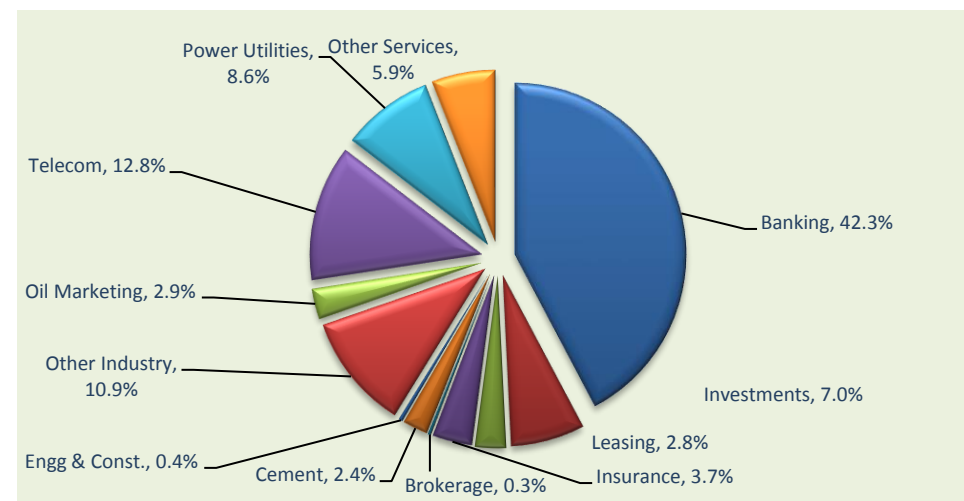
Source: MSM, GBCM Research

## Top Five Gainers/ Losers for the Week



Source: MSM, GBCM Research

## MSM Sectoral Market



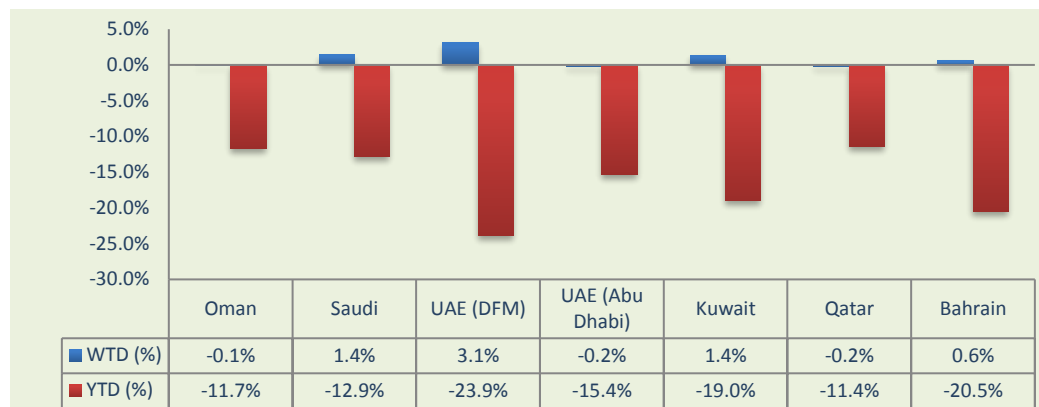
Source: MSM, GBCM Research

## MSM - Value Indicators

Value Indicators	Mkt. Cap (RO'000s)	PER	P/BV	Dividend Yield %
MSM 30 Index	4,364,479	10.6	0.7	7.9%
Financial	2,797,595	10.4	0.7	7.7%
Industrial	531,189	28.6	0.7	5.4%
Services	1,369,497	11.6	0.9	8.9%
MSM Shariah	1,135,219	12.8	1.0	5.7%

Source: MSM, GBCM Research

## GCC- Market Performance for the week



Source: Bloomberg, GBCM Research

Commodities	Current Week	Last Week	WTD (%)
NYMEX WTI Crude	36.3	39.6	-8.3%
ICE Brent Crude	38.7	42.3	-8.4%
Crude Oil, Oman	39.9	43.2	-7.6%
NYMEX Natural Gas	1.7	1.8	-2.9%
NYMEX Gasoline	112.4	121.4	-7.4%
Gold Spot	1,730.8	1,685.1	2.7%
Silver Spot	17.5	17.4	0.4%
LME Aluminium (Spot)	1,560.8	1,566.1	-0.3%
LME Copper (Spot)	5,761.5	5,669.4	1.6%
LME Zinc (Spot)	1,966.3	2,047.8	-4.0%
Hot Rolled Coil - Steel	511.0	517.0	-1.2%
CBOT Corn	334.5	331.3	1.0%
CBOT Wheat	507.8	515.3	-1.5%
CBOT Soyabean	879.8	867.8	1.4%

Source: MSM, GBCM Research

## Oman - Weekly News watch...

**Raysut Cement** has reported total revenue for Q1 2020 at RO 25.612 million as compared to RO 23.008 million in Q1 2019, an increase of 11.3% YoY. The total expenses of the company for Q1 increased sharply by 31.5% YoY to RO 29.879 million as compared to RO 22.718 million in the same period last year. Amid sharp increase in operating expenses, the company has reported losses of RO 4.010 million for the quarter as compared to profit of RO 243K in the same period last year. Overall a disappointing set of results reported by the company. (Source: MSM)

**Galfar** reports 2019 audited results with parent co reporting net loss of RO 20.149 million as compared to profit of RO 5.679 million in 2018. In line with IFRS adjustments, the company has reported higher provisions to an extent of RO 17.8 million due to impairment of receivables and other assets. The management and Board remain confident to collect outstanding receivables against for which the provision is created. The group co reported loss (after discontinued operations) of RO 6.294 million in 2019 as compared to profit of RO 82K in 2018. (Source: MSM)

## GCC - Weekly News Watch...

**Jarir Marketing Co. (JMC)** reported a net profit after Zakat and tax of SAR 251.7 million for Q1 2020, a rise of 7.7% year-on-year (YoY), driven by higher sales across all segments, particularly electronics. (Source: Argaam)

**Saudi Vitriified Clay Pipes Co. (SVCP)** reported a net profit after Zakat and tax of SAR 5.4 million for Q1 2020, a rise of over threefold year-on-year (YoY), from SAR 1.6 million, thanks to higher sales, as well as a decline in the cost of sales and operating expenses. (Source: Argaam)

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