

Financial Services Morning Report

Digital News



Indicator	Price Momentum			T12M Price to Earnings		T12M Price to Book		Dividend Yield %
	Last price	% Chg, 1 Day	% chg, YTD	Last	5 Year Avg T12M P/E	TTM P/B	5 Year Avg T12M P/B	
MSCI World Index	3,115.68	(0.9)	(1.7)	20.1	20.3	3.1	2.7	1.99%
MSCI Emerging Markets Index	1,003.13	(1.3)	(2.0)	15.3	14.8	1.6	1.6	2.75%
MSCI FM FRONTIER MARKETS	506.88	0.3	(0.0)	11.6	12.9	1.6	1.8	3.95%

GCC	Price Momentum			T12M Price to Earnings		T12M Price to Book		Dividend Yield %
	Last price	% Chg, 1 Day	% chg, YTD	Last	5 Year Avg TTM P/E	TTM P/B	5 Year Avg TTM P/B	
MSCI GCC Countries ex Saudi Arabia Index	530.28	(1.2)	(0.1)	11.2	14.5	1.6	1.7	3.72%
Muscat Stock Exchange MSX 30 Index	4,579.54	(0.2)	1.5	11.6	11.6	0.9	0.8	4.80%
Tadawul All Share Index	11,928.89	(1.6)	(0.3)	20.2	22.0	2.4	2.2	3.02%
Dubai Financial Market General Index	4,077.58	(0.3)	0.4	9.1	12.3	1.3	1.0	4.24%
FTSE ADX GENERAL INDEX	9,715.51	1.3	1.4	27.5	20.4	3.1	2.1	1.60%
Qatar Exchange Index	10,385.56	(3.0)	(4.1)	12.4	12.7	1.4	1.5	4.68%
Bahrain Bourse All Share Index	1,963.51	0.3	(0.4)	7.0	11.8	0.7	1.0	8.53%
Boursa Kuwait All Share Price Return Index	6,950.70	0.6	2.0	14.8	20.2	1.5	1.5	4.04%

Asia	Price Momentum			T12M Price to Earnings		T12M Price to Book		Dividend Yield %
	Last price	% Chg, 1 Day	% chg, YTD	Last	5 Year Avg TTM P/E	TTM P/B	5 Year Avg TTM P/B	
MSCI AC Asia Pacific Excluding Japan Index	517.70	(1.4)	(2.1)	16.6	16.7	1.6	1.7	2.84%
Nikkei 225	33,048.58	(1.2)	(1.2)	27.5	24.6	1.9	1.8	1.83%
S&P/ASX 200	7,501.00	(0.3)	(1.2)	16.6	19.0	2.1	2.1	4.00%
Hang Seng Index	16,539.72	(0.6)	(3.0)	8.7	11.3	0.9	1.1	4.19%
NSE Nifty 50 Index	21,517.35	(0.7)	(1.0)	24.8	24.7	3.0	2.9	1.35%

Europe	Price Momentum			T12M Price to Earnings		T12M Price to Book		Dividend Yield %
	Last price	% Chg, 1 Day	% chg, YTD	Last	5 Year Avg TTM P/E	TTM P/B	5 Year Avg TTM P/B	
MSCI Europe Index	159.17	(0.8)	(0.9)	13.7	16.5	1.8	1.7	3.34%
MSCI Emerging Markets Europe Index	114.80	(1.4)	(2.2)	6.0	7.0	1.3	0.9	3.70%
FTSE 100 Index	7,682.33	(0.5)	(0.7)	10.4	14.4	1.7	1.6	3.94%
Deutsche Boerse AG German Stock Index DAX	16,538.39	(1.4)	(1.3)	14.4	15.9	1.4	1.6	3.21%
CAC 40 Index	7,411.86	(1.6)	(1.7)	13.0	16.9	1.8	1.6	3.03%

America's	Price Momentum			T12M Price to Earnings		T12M Price to Book		Dividend Yield %
	Last price	% Chg, 1 Day	% chg, YTD	Last	5 Year Avg TTM P/E	TTM P/B	5 Year Avg TTM P/B	
MSCI North America Index	4,672.08	(0.8)	(1.5)	23.1	22.4	4.3	3.8	1.55%
S&P 500 INDEX	4,704.81	(0.8)	(1.4)	22.6	22.2	4.4	4.0	1.51%
Dow Jones Industrial Average	37,430.19	(0.8)	(0.7)	22.0	19.6	4.8	4.4	1.96%
NASDAQ Composite Index	14,592.21	(1.2)	(2.8)	38.3	36.7	5.8	5.4	0.80%

Commodities	Last price	% Chg, 1 Day	% chg, YTD	% chg from 10 year high	
				% chg from 10 year high	% chg from 10 year Low
S&P GSCI Index Spot	539.2	1.6	0.7	-34%	136%
Gold Spot \$/Oz	2,045.3	0.2	-0.9	-2%	95%
BRENT CRUDE FUTR Mar24	78.5	0.3	1.9	-17%	78%
Generic 1st'OQA' Future	78.2	3.2	2.4	-38%	324%
LME COPPER 3MO (\$)	8,517.0	-0.3	-0.5	-20%	97%
SILVER SPOT \$/OZ	23.0	-0.1	-3.5	-21%	92%

SPOT Currencies Indices	Last price	% Chg, 1 Day	% chg, YTD	% chg from 10 year high	
				% chg from 10 year high	% chg from 10 year Low
DOLLAR INDEX SPOT	102.5	-0.01	1.14	-10%	30%
Euro Spot	1.0922	0.00	-1.06	-22%	14%
British Pound Spot	1.2662	-0.02	-0.54	-26%	18%
Swiss Franc Spot	0.8494	-0.04	-0.94	-18%	1%
China Renminbi Spot	7.1568	-0.10	-0.79	-3%	18%
Japanese Yen Spot	143.4	-0.10	-1.67	-5%	44%
Australian Dollar Spot	0.6730	-0.03	-1.20	-29%	17%
USD-OMR X-RATE	0.3848	0.00	0.00	0%	0%
AED-USD X-RATE	0.2723	0.00	0.00	0%	0%
USD-EGP X-RATE	30.8452	0.00	0.16	0%	344%
USD-TRY X-RATE	29.7825	-0.04	-0.85	0%	1340%

GCC Government Bond Yields		
	Maturity date	YTM, %
Oman	01/08/2029	5.32
Abu Dhabi	16/04/2030	4.26
Qatar	16/04/2030	4.22
Saudi Arabia	22/10/2030	4.56
Kuwait	20/03/2027	4.28
Bahrain	14/05/2030	6.66

Bond Indices	Close	D/D	YTD
S&P MENA Sukuk TR Index	137.01	-0.4%	-0.8%
S&P MENA Bond TR Index	137.01	-0.4%	-0.8%
S&P MENA Bond & Sukuk TR Index	137.01	-0.4%	-0.8%

3m Interbank Rates		
	Current Rate %	As on 31 Dec 2021
GLOBAL		
US	6.52	0.09
UK	-	-
EURO	6.52	(0.57)
GCC		
Oman	6.52	2.13
Saudi Arabia	6.52	0.91
Kuwait	6.52	1.50
UAE	6.52	0.36
Qatar	6.52	1.13
Bahrain	6.52	1.52

Source: FSC

Oman Economic and Corporate News

SNF announces \$250mn expansion plan in Oman

SNF, world's leading manufacturer of polyacrylamide, has announced \$250 million expansion plan in self-financing and partnerships in the Sultanate of Oman. With more than 1.5 million tonnes capacity of active content SNF is the foremost global supplier of integrated solutions for chemical enhanced oil recovery (EOR). SNF expects to use these funds to further develop its production capabilities within the country, meet infrastructure needs of its key clients, expand its workforce in the region and promote academic collaborations and research and development (R&D) activities in the oil and gas sector in Oman. In 2024, SNF plans to open its Regional SNF Technical Centre in Muscat, to be known as RSTC Oman, which will serve as SNF's R&D hub for the entire Gulf region. This facility expands the commitment of SNF in developing world-leading polymer expertise to support customers to achieve their production and sustainability objectives at every phase of oil and gas lifecycle.

[Source: Times of Oman](#)

Oman's public debt drops to 35% of GDP in 2023

Helped by fiscal reforms and elevated oil prices, Oman's public debt has substantially decreased to 35% of gross domestic product (GDP) in 2023 from nearly 70% of GDP in 2020 when the dual-shock of the pandemic and oil price collapse severely impacted the government finances. The sultanate's debt-to-GDP ratio also declined significantly in 2023 compared to 2022 when it stood at 40%, attributed to the government's spending restraints and higher than budgeted oil prices. This improved debt situation has also contributed to an enhancement in Oman's sovereign credit ratings. Due to the fall in oil prices since 2014, Oman's general budgets recorded deficits for more than eight years, forcing the country to finance these deficits by borrowing from local and external institutions. Consequently, public debt increased to nearly 70% of GDP in 2020.

[Source: Muscat Daily](#)

Strategic partnership formed for employee training initiatives

In a significant move towards collaborative synergy, OQ, the global integrated energy group, has formalised a cooperation agreement with the General Federation of Oman Workers. This strategic partnership encompasses the exchange of experiences, agreements for collective group work, employee secondment opportunities, implementation of awareness programmes, employee training initiatives and mutual utilisation of facilities and services. The agreement symbolising a commitment to community partnership, was inked by Ashraf bin Hamad Al Mamari, CEO of People, Technology and Culture at OQ and Nabhan bin Ahmed Al Battashi, Chairman of the Board of Directors of the General Federation of Oman Workers. Dr Mahad bin Said Baowain, Minister of Labour attended the occasion. Ashraf bin Hamad Al Mamari expressed.

[Source: Times of Oman](#)

Otaxi to launch e-cabs in Muscat

An electric taxi service will be launched on a trial basis in Muscat governorate in the first quarter of 2024, Harith al Maqbali, CEO of Otaxi, has informed. Speaking to Muscat Daily, Maqbali said, "Launching electric cars in our fleet will support the Omani government to achieve net zero emissions by 2050. The launch of the service in Muscat will be followed by the other governorates." According to official estimates, 60% of emissions from the transport sector are from light vehicles, while heavy vehicles, trucks and the maritime transport sector contribute the rest. In line with Oman's commitment to achieve net zero emissions by 2050, the Ministry of Transport, Communications and Information Technology (MTCIT) announced in March 2023 Oman's plans to phase out fuel-operated vehicles and ensure that 79% of vehicles in the country by 2035 are electric.

[Source: Muscat Daily](#)

Middle east Economic and Corporate News

Saudi firms say Aramco's new price hikes to increase production costs

Saudi-listed producers in Saudi Arabia said on Wednesday that Saudi Aramco's new price increases for the year will increase production costs and impact corporate financial results. The world's largest oil exporter has sent out notices to businesses in the kingdom, informing them that the cost of Aramco's feedstock and fuel products will increase effective January 1, 2024, according to multiple filings on the Saudi Stock Exchange (Tadawul). The price adjustments, imposed on products used to operate plants of various manufacturers, including cement and petrochemical makers in the kingdom, were confirmed by Saudi Kayan Co., Saudi Cement Company, Yanbu Cement Company, Hail Cement Company and Umm Al-Qura Cement Co. The price hikes could affect corporate results as early as the first quarter of the year, but businesses are assuring shareholders they are looking for ways to mitigate the financial impact.

[Source: Zawya](#)

S&P GCC composite index up 6.2% in 2023: Markaz

GCC markets were mixed during 2023, with the S&P GCC Composite index registering a yearly gain of 6.2% as only Dubai and Saudi Arabia equity indices ended the year on a positive note. Within the GCC, Dubai and Saudi Arabia equity indices surged 21.7% and 14.2% respectively during the year on the back of positive investor sentiment and strong earnings growth from major blue-chip stocks, said Kuwait Financial Centre (Markaz), which released its Monthly Market Review report for December 2023. Dubai's performance was driven by a strong economic outlook supported by real estate and tourism sectors in addition to the relative undervaluation of the markets compared to GCC peers. Emaar Developers and Emaar Properties surged with total returns of 77.5% and 40.9% respectively during the year. Emaar Properties and its construction unit reported results in line with the market's high expectations, with a 42% and 43% increase in their 9M profits respectively on higher retail sales and a rise in real estate demand.

[Source: Zawya](#)

International Economic and Corporate News

Money transfer costs still exceed 30% to 50% in some markets – IMF

Money transfer costs may have fallen over the years, but they continue to be costly for a lot of people, with charges still exceeding 30% to 50% of the funds in some markets, according to a new analysis by the International Monetary Fund (IMF). The G20 countries have set a target to bring down the cost of sending money to no more than 3% by 2030, but as of the first quarter of 2023, some remittance corridors like Turkey to Bulgaria and Tanzania to Uganda are still charging fees of 34% and 52%, respectively, the lender said in its blog on Wednesday. "Fees exceed 50% for funds sent from Turkey to neighbouring Bulgaria... Costs are notably high for sending money in sub-Saharan Africa, where Tanzanian remittances to Uganda and Kenya incur fees over 30%," wrote Kieran Murphy, Senior Financial Sector.

[Source: Zawya](#)

Asian stocks extend new year rout amid profit-taking, rate-cut anxiety

Most Asian stocks fell on Thursday, extending declines after a weak start to the year as persistent doubts over the timing and scale of the Federal Reserve's interest rate cuts saw investors lock-in more profits. Regional markets took a weak lead-in from Wall Street, with U.S. stock benchmarks falling for a second straight session on Wednesday as sentiment towards equities remained on edge. U.S. stocks also saw a heavy dose of profit-taking after a stellar melt-up through December. In Asia, Japan's Nikkei 225 index was the worst performer, losing 1.2% in catch-up trade after an extended new year's holiday. Sentiment towards Japan was also rattled by a devastating earthquake earlier this week, which killed scores of people and caused widespread disruption in central Japan.

[Source: Investing](#)

Oil and Metal News

OPEC+ promises unity as group plans monitoring meeting

OPEC said on Wednesday cooperation and dialogue within the wider OPEC+ producer alliance will continue, after OPEC member Angola last month said it would quit, and that it plans a Feb. 1 meeting to review implementation of its latest oil output cut. Continued cooperation within the Organization of the Petroleum Exporting Countries and allies such as Russia will benefit "all producers, consumers and investors, as well as the global economy at large," OPEC said in a statement. Angola said on Dec. 21 that it will leave OPEC from this month, a decision that prompted a drop in oil prices and that some analysts said raised questions about the unity of both OPEC and the wider OPEC+ alliance. The OPEC statement made no mention of Angola but said OPEC members were united. "OPEC member-countries re-affirm their steadfast commitment to the shared objectives of unity and cohesion both within the organization, and with the non-OPEC producing countries participating in the DoC," it said, using OPEC+'s formal name the Declaration of Cooperation.

[Source: Zawya](#)

Gold Declines on Rate Cut Expectations; British Pound Retreats From a 5-Month High

gold (XAU) pulled back by 0.2% due to a recovery in the US dollar and Treasury yields. This decline happened as traders reduced their expectations regarding the extent of interest rate cuts by major central banks this year. Overall, expectations of upcoming rate cuts contributed to XAU/USD's 13% rise in 2023, marking its first yearly gain since 2020. Still, the chance of a 25-basis-point (bps) rate cut by the US central bank in March decreased from 90% to 70%. Thus, XAU/USD declined slightly because higher interest rates increased the opportunity cost of holding non-yielding bullion. Also, the US dollar rose sharply in the first trading session this year, rebounding from the previous month's lows. However, a sell-off in risky assets and escalating geopolitical tensions in the Middle East have supported gold. Ending 2023 on a strong note for the yellow metal, traders entered the new year cautiously, expecting a possible large pullback in XAU/USD.

[Source: Investing](#)

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