

The MSX30 at highest point YTD ... Positive announcement for companies' financial results

MSX summary	Current Wk	Previous Wk	Change points	W/W %
MSX 30	4,621.70	4,597.89	23.81	0.52
Volume (In 000)	78,728.63			
Value traded (In RO 000)	16,949.08			
Industry Index	5,352.90	5,282.18	70.73	1.34
Services Index	1,732.96	1,748.12	(15.16)	(0.87)
FINANCIAL INDEX	7,935.92	7,863.62	72.30	0.92
MSX Shariah Index	429.27	425.20	4.07	0.96
FIXED INCOME INDEX	1,166.89	1,166.89	0.00	0.00
MSX TR INDEX	6,472.68	6,439.34	33.35	0.52
No. of Transactions	4,289			

MSX Performance:

The past week was highlighted by the publication of Oman's public companies' financials, where the MSX30 index closed at a new 2025 high of 4621.699 points. The MSX30 index rose by 23.81 basis points, or 0.52%, WoW by the end of the week. The MSX30's growth was supported by increases in the Industry Sector and Financial Sector by 1.34% and 0.92%, respectively in an order of declining growth.

The total net income of the local financial sector in 2024 was OMR 475.735 million, marking a 9.12% YoY increase compared to the OMR 435.988 million registered in 2023. The financial sector's net profit increase was driven by rises in the net income of Sohar International Bank and Oman Arab Bank, which grew by 42.5% and 48.1%, respectively. However, the overall net income gain of the sector was weighed down by significant decreases in the net profit of the insurance sub-sector. The biggest losers in the insurance sub-sector in terms of net profit were Arabia Falcon Insurance, Liva Group, Oman Qatar Insurance, and Dhofar Insurance, which fell by 1,166.6%, 214.9%, 47.8%, and 30.1%, respectively. Muscat Finance and Al Madina Takaful outperformed their rivals, recording increases in their net profit of 148.4% and 9.8%, respectively.

In the local corporate news, the Central Bank of Oman granted final approval for Bank Dhofar to acquire the banking business of Bank of Baroda, Oman Branch.

In the GCC, during the week, Abu Dhabi Future Energy Company - Masdar and Emirates Water and Electricity Company launched the largest and first project of its kind in the world that combines solar energy with energy storage batteries in Abu Dhabi. The project is an important step that contributes to achieving a qualitative shift in energy systems, as it will provide renewable energy around per hours, which consolidates the UAE's global leadership in deploying renewable energy solutions, and contributes to providing about 1 gigawatt per day of baseload renewable energy, making it the largest solar power plant equipped with battery systems for energy storage in the world. Commenting on this, Mohamed Al Ramahi, CEO of Masdar, said that this project will provide more than 10,000 new job opportunities, contribute to enhancing innovation and driving sustainable economic growth in the country, and that it is Masdar's largest project to date.

Top Gainers	Price	Chg	Chg
Companies	RO	RO	%
VOLTAMP ENERGY	0.479	0.073	17.98
NATIONAL DETERGENT	0.780	0.070	9.86
AHLI BANK	0.181	0.016	9.70
TAAGEER FINANCE	0.115	0.010	9.52
CONSTRUCTION MATERIAL INDUSTRIES	0.049	0.004	8.89

Top Losers	Price	Chg	Chg
Companies	RO	RO	%
GULF HOTELS (OM)	3.510	(0.389)	(9.98)
AL ANWAR CERAMIC	0.097	(0.010)	(9.35)
OMAN EMIRATES HO.	0.069	(0.005)	(6.76)
NATIONAL FINANCE	0.130	(0.008)	(5.80)
DHOFAR FOODS AND INVESTMENT	0.076	(0.004)	(5.00)

Top Co. - Value	Price	Value	Mkt.Share
Companies	RO	in RO 000	
OQ EXPLORATION AND PRODUCTION	0.340	6,497.17	38.33%
OQ BASE INDUSTRIES (SFZ)	0.114	1,273.08	7.51%
SOHAR INTERNATIONAL BANK	0.141	1,218.38	7.19%
GOV. BONDS ISS 46	100.062	1,000.62	5.90%
OMAN CABLES INDUSTRY	2.899	899.93	5.31%

Top Co. - Volume	Price	Volume	Mkt.Share
Companies	RO	in 000	
OQ EXPLORATION AND PRODUCTION	0.340	18,906.68	24.02%
OQ BASE INDUSTRIES (SFZ)	0.114	11,186.48	14.21%
GALFAR ENGINEERING & CONTRACTING	0.074	9,164.71	11.64%
SOHAR INTERNATIONAL BANK	0.141	8,696.75	11.05%
OQ GAS NETWORKS	0.136	5,852.51	7.43%

Market Capitalization		No. of Companies		
(In Billion)		Increased	Decreased	unchanged
OMR	USD	↑ 30	↓ 28	≡ 20
28.10	72.49			

In the International News, US bond yields stabilized after touching a 14-month high in midweek trading, as investors awaited inflation data after the monthly jobs report reinforced the possibility of the Federal Reserve slowing the pace of monetary easing. The 10-year note yield stabilized at 4.766% after touching 4.776% earlier in the week, its highest level since November 1, 2023. The 30-year US Treasury yield fell 1.9 basis points to 4.945%, while the two-year yield stabilized at 4.396%. The rise in US debt yields during the week came amid a global wave of investor reluctance to hold government bonds following diminished expectations of continued monetary easing efforts in major economies.

Technical Analysis Pulse

BANK NIZWA

We will keep our last recommendation. In line with FSC technical analysis. Currently we found the RSI, MFI and MACD are attractive to buy. So this week the trend will be clear after the stock cross the resistance level of OMR 0.099 in upside momentum to be over the Short-Term of MA10. We expect the first target to be at OMR 0.101.

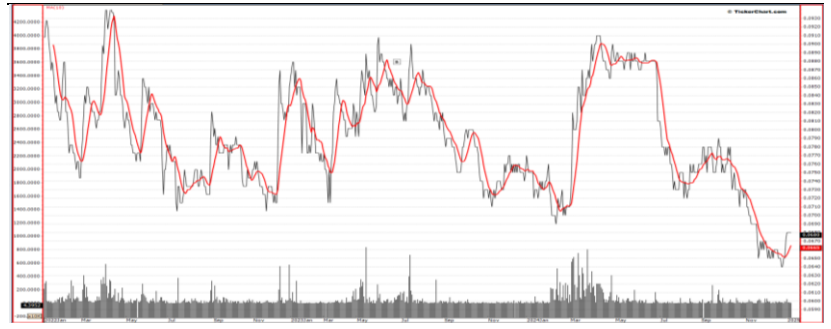
Result: We maintain our previous recommendation.



AL ANWAR INVESTMENT

In line with FSC technical analysis, the RSI is below the level of (70 point) it's at 58.97 point, and the MACD is positive. The triangle shape is completed. Therefore, we expect the next target level should be at OMR 0.077 as a Mid-Term. Last week the hammer shape is completed and the MACD is positive. Current price is OMR 0.072.

Result: We maintain our previous recommendation.



SEMBCORP SALALAH

In line with FSC technical analysis, the stock now in upward trend and the rectangle indicator will be complete after crossing a resistance level of OMR 0.100. The level of RSI below 30 points. The stock already crosses the MA50, but if the stock comes out this channel, the target price will be at OMR 0.104.

Result: We maintain our previous recommendation.



Recommendation:

In line with our expectations over the past week, corporate earnings announcements have started to appear in succession, with the financial results of joint stock companies and their announced dividends dominating the market performance. We believe that dividend yields will continue to attract liquidity to the stock market.

In our view, the financial results of major companies in the services sector (Oman Telecommunications, Renaissance Services, Galfar Engineering and Contracting) and the financial sector (most banks) will lead the market performance over the coming week. We also continue to view the industrial sector positively compared to other sectors.

Useful Definitions

Balance sheet

The financial statement that describes the financial position of a business at a specific point in time, showing its assets, liabilities, and owners' equity, is known as the balance sheet or statement of financial position. It provides a snapshot of what the company owns (assets), what it owes (liabilities), and the residual interest of the owners (equity).

Consolidated financial statement

The financial statement that consolidates the assets, liabilities, and operating accounts of the parent company and its subsidiaries, representing their financial position as if they were a single entity, is known as the consolidated financial statement. This statement is prepared by aggregating similar accounts from the parent and subsidiary companies while eliminating intercompany transactions and balances to avoid double counting. The purpose of the consolidated financial statement is to provide a comprehensive view of the financial health and performance of the entire group of companies under the control of the parent organization.

Controlling interest

Controlling interest in accounting refers to the ownership stake that grants an entity the authority to direct a company's financial and operational decisions. It allows the parent company to consolidate the subsidiary's financial statements, reflecting the group as a single economic entity.

Operating profit (EBIT) and its margin

Operating profit is the profit earned from a company's core business operations, excluding any income from investments or profits from partially owned companies, and it is calculated before deducting applicable taxes. To determine the operating profit margin, the operating profit is divided by net sales or revenue, providing a ratio that measures the efficiency of the company's operational performance relative to its revenue.

Price-to-book value ratio

The price-to-book (P/B) ratio is a financial metric used to compare a stock's market value to its book value. It is calculated by dividing the stock's closing price by its book value per share from the most recent quarter.

Price to earnings ratio (P/E ratio)

The price-to-earnings (P/E) ratio is a key metric investors use to evaluate a company by comparing its market share price to its current earnings. It indicates how much investors are willing to pay per unit of earnings, reflecting the stock's relative attractiveness compared to other market-traded shares. A higher P/E ratio typically suggests higher growth expectations, while a lower ratio may indicate undervaluation or lower growth prospects.

Disclaimer

This report prepared by Financial Services Co. SAOG (FSC), and provided for information purposes only. Under no circumstances is to be used or considered as an offer to sell or solicitation of any offer to buy. While all reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such, and the FSC accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. All opinions and estimates included in this document constitute FSC judgment as of the date of production of this report, and are subject to change without notice. This report may not be reproduced, distributed or published by any recipient for any purpose.