

Strong Index Performance, Better Activity and Significant Institutional presence

MSX summary	Current Wk	Previous Wk	Change points	W/W %
MSX 30	4,597.89	4,573.30	24.59	0.54
Volume (In 000)	127,335.35			
Value traded (In RO 000)	23,397.76			
Industry Index	5,282.18	5,263.87	18.31	0.35
Services Index	1,748.12	1,736.16	11.96	0.69
FINANCIAL INDEX	7,863.62	7,789.44	74.19	0.95
MSX Shariah Index	425.20	422.59	2.61	0.62
FIXED INCOME INDEX	1,166.89	1,067.21	99.67	9.34
MSX TR INDEX	6,439.34	6,404.90	34.44	0.54
No. of Transactions	6,098			

MSX Performance:

During the last week, the Muscat Stock Exchange witnessed the transition into a new year, where the MSX30 index recorded a 0.54% week-on-week increase of 24.59 points. The MSX30's growth/decline was supported by increases in the Financial, Services, Industry sector indexes by 0.95%, 0.69%, and 0.35% respectively in an order of a declining of growth.

According to our company's weekly "Monday Report MSX, GCC & US markets Virtual TA Portfolio", the accumulated weekly gains of 2024 in our technical portfolio was found to be 40% whereas the comparative figure of MSX30 and MSCI Oman in 2024 were found to be 20% and 5%, respectively. In addition, the accumulated annual gains of our weekly report in relation to the US (5 trading months only) and GCC market were found to be 38% and 61%, respectively. The figures mentioned in the previous sentence could be compared to the 4% and 11% figures of the MSCI GCC and S&P500 indexes found in our report.

In local corporate news, Oman International Development and Investment Company (Ominvest) has secured a five-year financing facility of USD 500mn arranged by Gulf International Bank along with their partners Ahli Bank of Kuwait and Gulf Bank, as executed on November 19, 2024. As per the announcement this financing will support growth plans as part of treasury management operations.

In reference to the 2024 annual performance of global and GCC stock indices:

In local economic news, the total quantity of oil exports from the Sultanate of Oman until the end of last November amounted to about 282.2mn barrels, calculating the average price per barrel at \$81.8; so that exports constitute 84.8% of the total oil production of 332.7mn barrels. Preliminary statistics issued by the National Center for Statistics and Information indicated that total oil exports recorded a 0.4% decrease at the end of last November compared to the end of November 2023, when total exports amounted to 283.4 mn barrels, in parallel with a 5.1% decrease in production, as production at the end of November 2023 amounted to about 350.1mn barrels. Total crude oil production decreased by 6.5% to reach about 254.6mn barrels by the end of last November, while the average daily oil production amounted to 993 thousand barrels until the end of last November. China topped the list of oil importers from the Sultanate of Oman, with total exports amounting to 264.5mn barrels, an increase of 1.5% from the end of November 2023, followed by Korea with 5.7mn barrels, an increase of 51.7%, then Japan with 4.4mn barrels, a decrease of 49.8%, while exports to India amounted to 3mn barrels, an increase of 10.6%.

Top Gainers	Price	Chg	Chg
Companies	RO	RO	%
OMAN FISHERIES	0.038	0.004	11.76
FINANCIAL CORPORATION	0.036	0.003	9.09
AL SUWADI POWER	0.073	0.006	8.96
PHOENIX POWER	0.065	0.005	8.33
ALBATINAH POWER	0.073	0.005	7.35

Top Losers	Price	Chg	Chg
Companies	RO	RO	%
ALOMANIYA.F.B20	0.070	(0.010)	(12.50)
OMAN UNITED INSURANCE	0.230	(0.029)	(11.20)
MUSCAT GASES	0.098	(0.010)	(9.26)
AL MADINA INVESTMENT HOLDING	0.046	(0.004)	(8.00)
GALFAR ENGINEERING & CONTRACTING	0.072	(0.006)	(7.69)

Top Co. - Value	Price	Value	Mkt.Share
Companies	RO	in RO 000	
OQ BASE INDUSTRIES (SFZ)	0.115	5,248.48	22.43%
OQ EXPLORATION AND PRODUCTION	0.340	4,179.25	17.86%
BANK MUSCAT	0.257	3,411.26	14.58%
OQ GAS NETWORKS	0.135	1,804.18	7.71%
TAAGEER FINANCE BONDS 24	1.008	1,500.00	6.41%

Top Co. - Volume	Price	Volume	Mkt.Share
Companies	RO	in 000	
OQ BASE INDUSTRIES (SFZ)	0.115	45,935.55	36.07%
OQ GAS NETWORKS	0.135	13,421.76	10.54%
BANK MUSCAT	0.257	13,325.45	10.46%
OQ EXPLORATION AND PRODUCTION	0.340	12,175.53	9.56%
SOHAR INTERNATIONAL BANK	0.140	10,097.61	7.93%

Market Capitalization		No. of Companies		
(In Billion)		Increased	Decreased	unchanged
OMR	USD	↑ 35	↓ 28	≡ 15
27.96	72.15			

In the GCC, Kuwait's Warba Bank announced the signing of an agreement to purchase the entire stake of Alghanim Commercial Company in Gulf Bank, amounting to 32.75%, for 498 million Kuwaiti dinars, equivalent to approximately 1.6 billion dollars. The bank indicated that the transfer of shares will take place immediately after obtaining the necessary official approvals, and that the financial impact of the deal will be reflected in the fiscal quarter following its completion.

In the International News, Chinese stocks declined at the end of the week's trading, amid the pressures the yuan has been under recently despite attempts by the central bank to support it. This was due to the decline in the value of the Chinese currency in the international spot market to its lowest level in 16 years at 7.34 to the dollar earlier, before the dollar stabilized at 7.3316 yuan. This was despite the Chinese central bank setting the reference fixed rate for the dollar in the local market at 7.1887 yuan, continuing to support the local currency at higher than expected levels. During the week, the losses in Chinese stocks were limited by the National Development and Reform Commission's issuance of an update to the consumption support policy program through 2025, which included intensifying subsidies provided to the durable goods and home appliances replacement program, and encouraging the purchase of new energy vehicles, with the aim of stimulating domestic demand.

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.



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 cross the MA50, but if the stock comes out this channel, the target price will be at OMR 0.104.



Recommendation:

We expect a sustained improvement in market activity, in line with the recent increase in traded volumes and value. Also, going forward the spotlight on certain stocks that were overlooked by investors recently. Investors should monitor market performance and specific share movements closely, considering any announcements or disclosures made by companies which could impact the price of those shares. Furthermore, investors should study company results / disclosures and refer to analysts for further clarification. We expect preliminary results to be disclosed, specifically those in the financial sector by the end of the current week or the beginning of the following week.

Useful Definitions

Moving Averages

It is a type of technical analysis indicator, simply representing an average of previous prices. It smooths out price trends by removing daily fluctuations, making it easier to identify the overall direction without distractions. This indicator is lagging and never leads the price; it follows the prevailing trend. The smaller the moving average, the faster it reacts and stays closer to the price. Conversely, a larger moving average is slower and remains further from the price. Moving averages are used when there is a trend and are not suitable for use in a horizontal (sideways) direction.

Technical Analysis

They are mathematical indicators calculated from prices that reveal potential strength or weakness in price movement that may not be immediately apparent. These indicators can either move in trends or oscillate around a midpoint. Some indicators are leading, providing signals before a trend begins, while others are lagging, following or confirming the trend.

Volumes

It refers to the number of shares or contracts traded during a session. It is considered a supporting tool for price movements, as the most important aspect of technical analysis is price action. Trading volumes serve as one of the indicators that confirm price movements.

Long-term Investments

It refers to the purchase of securities and holding them for relatively long periods with the primary goal of receiving annual dividend distributions as a secure and consistent source of income, without considering short-term fluctuations in the prices of the securities.

Market Efficiency

It is the market's ability to reflect the impact of all significant events, economic information, and financial data that influence company activities, and consequently, the prices of securities.

Monetary aggregates (Money Supply)

It refers to the amount of money available in the economy, which includes currency in circulation plus demand deposits and term deposits held by the banking sector and other financial institutions.

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