

# 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	3,698.41	0.6	16.7	22.8	20.9	3.6	2.9	1.77%
MSCI Emerging Markets Index	1,179.34	0.5	15.2	16.3	15.2	1.9	1.7	2.44%
MSCI FM FRONTIER MARKETS	534.27	(0.1)	5.4	12.0	12.8	1.0	1.7	4.34%

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	531.71	(0.4)	0.1	10.0	14.1	1.6	1.7	4.40%
Muscat Stock Exchange MSX 30 Index	4,673.72	(0.1)	3.5		12.2	0.9	0.8	5.39%
Tadawul All Share Index	11,957.54	(0.7)	(0.1)	19.8	22.3	2.4	2.3	3.70%
Dubai Financial Market General Index	4,405.85	0.2	8.5	8.5	11.3	1.3	1.1	5.49%
FTSE ADX GENERAL INDEX	9,179.77	(0.4)	(4.2)	16.7	21.3	2.6	2.3	2.12%
Qatar Exchange Index	10,465.25	(1.0)	(3.4)	11.6	14.4	1.3	1.5	4.09%
Bahrain Bourse All Share Index	2,006.31	(0.1)	1.8	7.9	11.2	0.7	0.9	3.63%
Boursa Kuwait All Share Price Return Index	7,036.08	(0.5)	3.2	18.6	20.4	1.7	1.5	3.37%

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	624.49	0.2	18.1	18.2	17.0	2.0	1.7	2.38%
Nikkei 225	38,635.62	0.2	15.5	23.2	25.5	2.0	1.9	1.74%
S&P/ASX 200	8,150.00	(0.7)	7.4	20.9	19.2	2.4	2.2	3.59%
Hang Seng Index	22,736.87	2.8	33.4	12.2	11.0	1.3	1.1	3.52%
NSE Nifty 50 Index	25,014.60	(0.9)	15.1	24.5	24.8	4.0	3.4	1.21%

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	173.72	0.4	8.1	15.5	16.4	2.1	1.9	3.25%
MSCI Emerging Markets Europe Index	121.46	0.8	3.5	7.0	7.1	1.1	1.0	4.44%
FTSE 100 Index	8,280.63	(0.0)	7.1	14.6	14.3	1.9	1.7	3.82%
Deutsche Boerse AG German Stock Index DAX	19,120.93	0.6	14.1	15.9	15.6	1.7	1.6	2.88%
CAC 40	7,541.36	0.9	(0.0)	13.9	16.5	1.9	1.8	3.27%

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	5,689.40	0.9	19.9	26.1	23.3	4.8	4.1	1.35%
S&P 500 INDEX	5,751.07	0.9	20.6	26.2	23.2	5.1	4.2	1.29%
Dow Jones Industrial Average	42,352.75	0.8	12.4	23.0	20.6	5.3	4.6	1.76%
NASDAQ Composite Index	18,137.85	1.2	20.8	40.2	38.4	6.9	5.8	0.75%

Commodities	Last price	% Chg, 1 Day	% chg, YTD	% chg from 10 year high		% chg from 10 year Low	
S&P GSCI Index Spot	557.4	0.3	4.1	-32%		144%	
Gold Spot \$/Oz	2,653.6	-0.1	28.6	-1%		152%	
BRENT CRUDE FUTR Dec24	78.1	0.6	4.1	-11%		70%	
Generic 1st'OQA' Future	77.5	0.1	1.6	-38%		320%	
LME COPPER 3MO (\$)	9,943.5	0.8	16.2	-9%		130%	
SILVER SPOT \$/OZ	32.2	0.6	35.3	0%		169%	

SPOT Currencies Indices	Last price	% Chg, 1 Day	% chg, YTD	% chg from 10 year high		% chg from 10 year Low	
DOLLAR INDEX SPOT	102.5	0.52	1.17	-10%		21%	
Euro Spot	1.0974	-0.52	-0.59	-15%		14%	
British Pound Spot	1.3122	-0.02	3.07	-19%		23%	
Swiss Franc Spot	0.8584	-0.64	-1.98	-17%		2%	
China Renminbi Spot	7.0187	-0.11	1.16	-4%		15%	
Japanese Yen Spot	148.7	-1.19	-5.15	-8%		49%	
Australian Dollar Spot	0.6795	-0.66	-0.25	-23%		18%	
USD-OMR X-RATE	0.3850	-0.01	-0.06	0%		0%	
AED-USD X-RATE	0.2723	0.00	0.01	0%		0%	
USD-EGP X-RATE	48.3408	0.07	-36.09	-3%		576%	
USD-TRY X-RATE	34.2575	-0.39	-13.81	0%		1459%	

GCC Government Bond Yields		
	Maturity date	YTM, %
Oman	01/08/2029	5.01
Abu Dhabi	16/04/2030	4.21
Qatar	16/04/2030	4.16
Saudi Arabia	22/10/2030	4.58
Kuwait	20/03/2027	4.11
Bahrain	14/05/2030	5.78

Bond Indices	Close	D/D	YTD
	Index	%	%
S&P MENA Sukuk TR Index	144.34	-0.5%	4.7%
S&P MENA Bond TR Index	143.43	-0.7%	3.5%
S&P MENA Bond & Sukuk TR Index	143.32	-0.7%	3.8%

3m Interbank Rates		
	Current Rate %	As on 31 Dec 2021
GLOBAL		
US	4.58	0.09
UK	-	-
EURO	3.25	(0.57)
GCC		
Oman	5.23	2.13
Saudi Arabia	5.60	0.91
Kuwait	3.94	1.50
UAE	4.46	0.36
Qatar	5.20	1.13
Bahrain	6.05	1.52

## Oman Economic and Corporate News

### Experts, analysts recommend subscribing to IPO of OQEP

OQ Exploration and Production (OQEP), an affiliate of Oman Investment Authority (OIA), is offering two billion shares, accounting for 25 percent of the company's capital, through public subscription. Given the size and market value of the company, the step constitutes the largest offering in the history of the Omani capital market. The company's Initial Public Offering (IPO) will be floated on the Muscat Securities Market (MSX), with the prospectus also being approved by the Financial Services Authority (FSA) of Oman. OQEP plans to offer 25 per cent total share capital, retaining 75 per cent post-offering. Shares are expected to be listed and traded on the MSX on 28 October 2024, pending market conditions and regulatory approvals. The subscription for the two billion shares offered by OQEP commenced on September 30, 2024. The subscription period for individual investors will continue until October 9, with 800 million shares reserved for this category. Omani individuals will benefit from a maximum share price of 351 baisas.

[Source: Times of Oman](#)

### OIA commits US\$150mn to develop local economy

Sovereign wealth fund Oman Investment Authority (OIA) has committed US\$150mn to ewpartners – an investment firm based in Saudi Arabia and China – for enhancement and stimulation of the sultanate's economy and the region. OIA is joining other marquee sovereign wealth funds and international investors in backing ewpartners' Technology Innovation Fund II, a US\$1bn private equity fund focused on expansion stage technology and technology-enabled investments in the GCC. The partnership includes establishment of a local fund with OIA's Future Fund Oman, through which ewpartners will support Oman Vision 2040 by leveraging products, technologies and capabilities of industry champions from matured markets, especially China, to build successful companies. ewpartners will invest across sectors of relevance for Oman's economy, with a focus on advanced manufacturing, ICT, renewable energy, logistics, tourism and agriculture, as part of the country's ambitious economic mandate.

[Source: Muscat Daily](#)

### Oman's import price index declines by 1.5%

The import price index (IPI) in the Sultanate of Oman went down by 1.5 percent at the end of the second quarter of 2024, compared to the corresponding period in 2023. The drop stands at 3.3 percent when compared to the first quarter of 2024, according to the Ministry of Economy. The drop in the IPI is attributed mainly to the decline in the prices of the group of non-food raw materials excluding fuel (19.9 percent) by the end of the second quarter of 2024 compared to the corresponding period. The following groups witnessed drops when compared to the corresponding period in 2023 as follows: mineral fuels and mineral lubricants (17.4%), machinery and transport equipment (8.1%), vegetable and animal oils, fats and waxes (10.3%). Prices of vegetable and animal oils, fats and waxes increased by 3.7% when compared to the first quarter of 2024. Meanwhile, the following groups registered increases when compared to the corresponding period in 2023: various products (17.1%).

[Source: Times of Oman](#)

### GCC economy remains 'a bright spot' despite shocks: IMF chief

Despite numerous regional and global challenges in the past few years, the GCC region's economy remains 'a bright spot' and the outlook is positive, according to the chief of International Monetary Fund (IMF). Kristalina Georgieva, Managing Director of IMF, made the remarks as she participated in the joint annual meeting of the Financial and Economic Cooperation Committee and the Committee of Central Bank Governors of the GCC with the IMF. "The GCC region remains a bright spot despite the numerous shocks over the past few years. Unemployment is low, inflation has been contained, exports from major ports have recovered quickly, and international flight arrivals have held steady. The outlook is positive." Kristalina noted that IMF now expects overall growth in the GCC to rebound in 2024, strengthening to close to 4% in 2025 as oil production cuts are gradually unwound.

[Source: Muscat Daily](#)

## Middle east Economic and Corporate News

### ADQ appoints Modon Holding as master developer for Ras El Hekma megaproject in Egypt

In the presence of President His Highness Sheikh Mohamed bin Zayed Al Nahyan, and His Excellency Abdel Fattah El-Sisi, President of the Arab Republic of Egypt, ADQ, an Abu Dhabi-based investment and holding company, appointed Modon Holding PSC as the master developer for the Ras El Hekma megaproject. In addition to being master developer for the entire development spanning 170 million square metres, Modon Holding will undertake the responsibility of the developer role for the first phase of the envisaged city consisting of 50 million square metres. The remaining 120 million square metres, which are part of the master plan presented by Modon Holding, will be developed in partnership with prominent developers from Egypt, the UAE, and the international community under the oversight of the recently established ADQ subsidiary Ras El Hekma Urban Development Project Company and Modon Holding.

[Source: Zawya](#)

### Qatar Central Bank issues treasury bills worth \$1.23bln

Qatar Central Bank (QCB) has issued treasury bills for maturities of 7 days, 28 days, 91 days, 182 days, 301 days, and 364 days worth QR 4.5 billion. In a post on X platform on Thursday, the QCB said that the treasury bills issued were distributed as follows: QR 300 million for a period of 7 days (new issuance) at an interest rate of 5.3669 percent, QR 1 billion for a period of 28 days (tap issuance) at an interest rate of 5.3350 percent, QR 1 billion for a period of 91 days (tap issuance) at an interest rate of 5.0787 percent, QR 1 billion for a period of 182 days (new issuance) at an interest rate of 4.7045 percent, QR 1 billion for a period of 301 days (tap issuance) at an interest rate of 4.4154 percent, and QR 200 million for a period of 364 days (new issuance) at an interest rate of 4.3300 percent. The total private bids for treasury bills amounted to QR 13 billion.

[Source: Zawya](#)

## International Economic and Corporate News

### China-focused hedge funds post explosive September returns

Some China-focused hedge funds are reporting explosive returns in September, thanks to a sharp rebound in Chinese stocks driven by Beijing's aggressive stimulus package. The surge in stocks, which fuelled a 25% record jump over five days last week in China's blue-chip CSI 300 Index, catapulted Asian equity hedge funds to top performers globally for the year so far. Hong Kong's Triata Capital posted a return of as much as 44% last month, taking its Jan-Sept performance to 56%. The \$770 million China-focused fund held long-term investments in data centres, internet giants, e-commerce and travel firms, and those investments bore fruit. "Great companies were trading at very discounted valuation," Sean Ho, chief investment officer of Triata Capital said in a September investor letter. Yunqi Capital's China Fund gained 26% before fees in September.

[Source: Zawya](#)

### BCA says investors should fade the real estate rally

BCA Research told investors in a recent note to take a cautious approach toward the recent rally in the real estate sector, which has been the best-performing sector in the S&P 500, with distressed sectors like Office REITs leading the charge. However, BCA analysts warn that this momentum may not be sustainable. While real estate's dividend yield appears attractive amid falling interest rates, BCA says several challenges that could impact the sector. "REITs will struggle if economic growth falters despite rate cuts," the note explains. BCA explains that historically, REITs tend to outperform just before the first rate cut but consolidate gains shortly afterward, a pattern that investors should consider. Fundamentally, BCA says the outlook for real estate is mixed. Although balance sheets remain healthy, the firm points out that "net operating income is decelerating" and margins have only returned to pre-pandemic levels.

[Source: Investing](#)

## Oil and Metal News

### **Exxon Mobil expects 3rd-quarter earnings were hit by lower oil prices**

A slump in oil prices probably reduced Exxon Mobil's third-quarter upstream earnings by \$600 million to \$1 billion, the oil major signaled in a regulatory filing published on Thursday. Oil prices fell by 17% in the third quarter, the largest quarterly decline in a year, on worries about the global oil demand outlook. Brent futures settled at \$71.77 a barrel on the last trading day of the quarter. The company, in its earnings snapshot, indicated weaker refining margins during the quarter would also hurt profits by up to \$1 billion. Global fuel markets have been hit by softer consumer and industrial demand, especially in China where economic growth is slowing and electric vehicle use is on the rise. Shares of Exxon closed at \$122.58 each on Thursday. They were up just a 1 cent in after hours trading. Exxon posted \$7.07 billion in upstream earnings for the second quarter and a net profit of \$9.1 billion in the year-ago third quarter, or \$2.25 per share.

[Source: Zawya](#)

### **Gold: High Selloff Risk Lurks Amid Overbought Conditions**

After surging dramatically in the last couple of months, gold's selloff risk is high. Massive recent buying not only catapulted gold deep into extremely-overbought territory, it exhausted gold-futures speculators' likely capital firepower for buying. Couple that with October's normal seasonal pullback, an oversold US dollar, and excessively-dovish Fed rate-cut expectations, and gold is staring down a large pullback if not a correction. Market trends are rarely linear for long, they naturally flow and ebb. Prices surge in bull-market uplegs, generating increasing popular greed. That soon sucks in all available near-term buyers, stalling upside progress. Then selling flares, forcing prices back down and rebalancing sentiment. Even the strongest uplegs are punctuated affairs, advancing two steps forward before stumbling one step back. Gold is no exception. Over this past year, gold has blasted higher in a monster upleg, soaring 46.8% at best over 11.7 months into late September! This remarkable rally has proven one of gold's biggest and longest uplegs in decades. Bull uplegs are born after corrections or bear markets, 10%+ and 20%+ declines respectively. Uplegs remain alive as long as their periodic selloffs are sub-10% pullbacks, since larger corrections reset uplegs.

[Source: Investing](#)

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