

# 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	3,737.50	0.9	0.8	22.0	21.1	3.5	3.0	1.71%
MSCI Emerging Markets Index	1,073.21	0.2	(0.2)	13.7	15.2	1.7	1.7	2.71%
MSCI FM FRONTIER MARKETS	538.96	0.5	1.2	-	12.2	0.2	1.6	4.23%

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	564.76	(0.2)	(0.8)	10.6	14.0	1.6	1.7	4.12%
Muscat Stock Exchange MSX 30 Index	4,573.30	(0.1)	(0.1)		12.4	0.9	0.8	6.00%
Tadawul All Share Index	12,102.55	0.2	0.5	19.5	22.2	2.3	2.3	3.65%
Dubai Financial Market General Index	5,126.74	(0.5)	(0.6)	9.9	11.3	1.5	1.1	4.72%
FTSE ADX GENERAL INDEX	9,322.75	0.0	(1.0)	16.7	21.5	2.5	2.3	2.17%
Qatar Exchange Index	10,571.09	0.8	-	11.5	14.2	1.3	1.5	4.05%
Bahrain Bourse All Share Index	1,979.28	(0.3)	(0.3)	16.0	11.0	1.4	0.9	3.68%
Boursa Kuwait All Share Price Return Index	7,362.54	(0.2)	-	18.9	20.7	1.7	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	568.63	0.3	(0.1)	15.2	17.1	1.7	1.7	2.63%
Nikkei 225	39,894.54	(1.0)	0.0	18.5	25.5	2.2	1.9	1.76%
S&P/ASX 200	8,250.49	0.6	1.1	20.8	19.2	2.4	2.2	3.52%
Hang Seng Index	19,760.27	0.7	(1.5)	9.8	11.0	1.1	1.1	4.16%
NSE Nifty 50 Index	24,004.75	(0.8)	1.5	22.4	24.0	3.6	3.3	1.28%

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	170.09	(0.5)	0.1	14.9	16.3	2.1	1.9	3.37%
MSCI Emerging Markets Europe Index	120.44	1.0	1.7	6.9	7.1	1.1	1.0	4.20%
FTSE 100 Index	8,223.98	(0.4)	0.6	13.6	14.0	1.9	1.7	3.81%
Deutsche Boerse AG German Stock Index DAX	19,906.08	(0.6)	(0.0)	16.6	15.5	1.8	1.6	2.81%
CAC 40	7,282.22	(1.5)	(1.3)	13.9	16.1	1.8	1.8	3.39%

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	5,891.49	1.3	1.1	26.4	23.6	4.9	4.1	1.30%
S&P 500 INDEX	5,942.47	1.3	1.0	26.7	23.5	5.2	4.3	1.26%
Dow Jones Industrial Average	42,732.13	0.8	0.4	23.3	20.8	5.2	4.6	1.65%
NASDAQ Composite Index	19,621.68	1.8	1.6	40.8	38.6	7.2	5.9	0.69%

Commodities	Last price	% Chg, 1 Day	% chg, YTD	% chg from 10 year high		% chg from 10 year Low	
S&P GSCI Index Spot	553.6	-0.4	0.7	-33%		143%	
Gold Spot \$/Oz	2,640.2	-0.7	0.6	-5%		151%	
BRENT CRUDE FUTR Mar25	76.5	0.8	2.5	-11%		66%	
Generic 1st'OQA' Future	76.9	2.4	1.2	-39%		317%	
LME COPPER 3MO (\$)	8,876.5	0.8	1.2	-18%		105%	
SILVER SPOT \$/OZ	29.6	0.2	2.5	-15%		147%	

SPOT Currencies Indices	Last price	% Chg, 1 Day	% chg, YTD	% chg from 10 year high		% chg from 10 year Low	
DOLLAR INDEX SPOT	109.0	-0.40	0.43	-5%		23%	
Euro Spot	1.0308	0.42	-0.44	-18%		7%	
British Pound Spot	1.2423	0.35	-0.74	-22%		16%	
Swiss Franc Spot	0.9085	0.42	-0.12	-12%		8%	
China Renminbi Spot	7.3215	-0.30	-0.30	0%		18%	
Japanese Yen Spot	157.3	0.15	-0.04	-3%		57%	
Australian Dollar Spot	0.6216	0.21	0.45	-24%		8%	
USD-OMR X-RATE	0.3850	0.00	0.00	0%		0%	
AED-USD X-RATE	0.2723	0.00	0.00	0%		0%	
USD-EGP X-RATE	50.7800	-0.01	0.12	-1%		611%	
USD-TRY X-RATE	35.3663	-0.05	-0.03	0%		1450%	

GCC Government Bond Yields		
	Maturity date	YTM, %
Oman	01/08/2029	5.69
Abu Dhabi	16/04/2030	4.88
Qatar	16/04/2030	4.84
Saudi Arabia	22/10/2030	5.29
Kuwait	20/03/2027	4.88
Bahrain	14/05/2030	6.52

Bond Indices	Close	D/D	YTD
S&P MENA Sukuk TR Index	142.86	-0.1%	-0.1%
S&P MENA Bond TR Index	139.21	-0.1%	-0.1%
S&P MENA Bond & Sukuk TR Index	139.85	-0.1%	-0.1%

3m Interbank Rates		
	Current Rate %	As on 31 Dec 2021
GLOBAL		
US	4.29	0.09
UK	-	-
EURO	2.73	(0.57)
GCC		
Oman	4.92	2.13
Saudi Arabia	5.42	0.91
Kuwait	3.94	1.50
UAE	4.48	0.36
Qatar	4.68	1.13
Bahrain	5.69	1.52

## Oman Economic and Corporate News

### **Oman's 2025 budget forecasts revenue increase, driven by oil and gas**

Oman's 2025 state budget projects total revenue of approximately OMR 11.18 billion, based on an average oil price of USD 60 per barrel and average production of 1.001 million barrels per day. This represents a 1.5% increase compared to the estimated revenue for 2024. The budget also allocates OMR 1.834 billion for public debt repayment. Preliminary results for 2024 indicate a financial surplus of approximately OMR 540 million, a substantial improvement from the initially projected deficit of OMR 640 million. This positive outcome is attributed to a 15.1% increase in total revenue, reaching OMR 12.674 billion. This increase was driven by higher oil and gas revenues, with net oil revenues rising by 24.3% to OMR 7.353 billion and net gas revenues increasing by 14.3% to approximately OMR 1.8 billion. Public expenditure for 2024 totaled OMR 12.134 billion. Furthermore, the government successfully reduced public debt from OMR 15.2 billion to OMR 14.4 billion, resulting in OMR 110 million in savings on debt servicing costs.

[Source: Times of Oman](#)

### **Fitch revises outlook on 5 Omani banks to positive; long-term ratings affirmed**

Fitch Ratings has revised its outlook on five Omani banks – Bank Muscat, National Bank of Oman (NBO), Bank Dhofar, Sohar International Bank, and Ahlibank – to positive. The rating agency has also affirmed the Long-Term Issuer Default Ratings (IDR) of all five banks. The revision follows Fitch's similar action on Oman's sovereign rating on December 18 and reflects the agency's view of Oman's improving operating environment, which is expected to benefit the banks' intrinsic credit profiles. The revision also underscores the government's enhanced ability to support Omani banks. In rating action reports, Fitch noted that business conditions for Omani banks are favorable, supported by high oil prices, which are forecast to average \$70 per barrel in 2025 – around Oman's fiscal break-even price. Additionally, the government's commitment to economic diversification under Vision 2040 is expected to further bolster economic activity and provide growth opportunities for the banking sector.

[Source: Muscat Daily](#)

### **Experts, analysts hail Oman's 2025 budget**

Oman's state budget for 2025 is balanced and maintains support for social aspects, with a positive step towards reducing public debt costs, economic analysts and experts said. The key positive aspects of the 2025 state budget include maintaining social support for petroleum products, electricity, water, sewage, and waste sectors, as well as the social protection system, said Dr. Dhafir bin Awad Al Shanfari, Chairman of the Economic and Financial Committee in the State Council. "Additionally, there is good progress in reducing the cost of public debt annually through the restructuring of some lower-cost loans," he added. In a statement to Oman News Agency Dr Al Shanfari said that there is significant scope for increasing investment spending with high local content if a financial surplus is achieved during the year. "There is also a need to reinvest the surplus in promising activities to enhance their contribution to GDP and future revenues, targeting sectors such as industry, tourism, fisheries, and logistics," he added.

[Source: Times of Oman](#)

### **MSX issues regulations for securities lending and borrowing, covered short selling**

The Muscat Stock Exchange (MSX) and Muscat Clearing and Depository (MCD) have announced the issuance of new regulations governing dual securities lending and borrowing (SLB) activities, as well as covered short selling (CSS). These regulations are designed to enhance market efficiency and improve liquidity, providing market makers, liquidity providers, and liquidity funds with new tools to bolster trading stability and create new investment opportunities. The issuance of these regulations forms part of ongoing efforts to develop and update capital market systems and legislation, keeping pace with global advancements while addressing local market needs, MSX said in a statement. Haitham al Salmi, CEO of MSX, explained that the introduction of these regulations will reshape investment strategies by providing innovative methods for market makers and liquidity funds to diversify their portfolios and effectively manage risks.

[Source: Muscat Daily](#)

## Middle east Economic and Corporate News

### AD Ports Group closes 2024 with strong growth

Captain Mohamed Juma Al Shamisi, Managing Director and Group CEO of AD Ports Group, said that the group has solidified its position as a leading facilitator of global trade and logistics through unprecedented global expansion and strategic investments in 2024. The group ended its eventful year with the inauguration of CMA Terminals Khalifa Port, the latest infrastructure addition to Khalifa port, which will significantly boost Abu Dhabi's connectivity. Furthermore, it integrated Noatum, the biggest-ever acquisition, broadening the economic horizons of the group. The group also climbed for the first time into the global top 20 ranks of world container port operators in a survey by Drewry International. It also expanded into global markets, which was enabled by ventures in Angola, Egypt, Tanzania, Pakistan, and Georgia.

[Source: Zawya](#)

### Dubai welcomes 16.79m international tourists in 11 months

Dubai welcomed 16.79 million international tourists during the first 11 months 2024 between January and November, an increase of 9% compared to the same period last year when the number of international tourists reached 15.37 million. According to Dubai Tourism Sector 2024 Performance Report from January to November which was released by the Dubai Department of Economy and Tourism, the emirate received 1.83 million international tourists in November, 1.77 million in January, 1.9 million in February, 1.51 million in March, 1.5 million in April, 1.44 million in May, 1.19 million in June, 1.31 million in July, 1.31 million in August, 1.36 million in September, and 1.67 million in October. During the first 11 months of this year, Western Europe was the top source region for tourists to Dubai, accounting for 20 % of the total number of visitors, with 3.298 million tourists, followed by South Asia with 2.858 million tourists, accounting for 17% of the total number of visitors.

[Source: Zawya](#)

## International Economic and Corporate News

### US manufacturing PMI rises to nine-month high in December

U.S. manufacturing moved closer to recovery in December, with production rebounding and new orders rising further, though factories faced higher prices for inputs as the year ended. The Institute for Supply Management (ISM) said on Friday that its manufacturing PMI increased to 49.3 last month, the highest reading since March, from 48.4 in November. A PMI reading below 50 indicates contraction in the manufacturing sector, which accounts for 10.3% of the economy. December was the ninth consecutive month that the PMI remained below the 50 threshold. Economists polled by Reuters had forecast the PMI unchanged at 48.4. Manufacturing was battered by the Federal Reserve's aggressive monetary policy tightening in 2022 and 2023 to tame inflation. But sentiment surveys, including the PMI, have exaggerated the magnitude of the decline in factory production.

[Source: Zawya](#)

### Fed's Kugler, Daly say job not done on inflation

Two Federal Reserve policymakers on Saturday said they feel the U.S. central bank's job on taming inflation is not yet done, but also signaled they do not want to risk damaging the labor market as they try to finish that job. The remarks, from Governor Adriana Kugler and San Francisco Fed President Mary Daly, highlight the delicate balancing act facing U.S. central bankers this year as they look to slow their pace of rate-cutting. The Fed lowered short-term rates by a full percentage point last year, to a current range of 4.25%-4.50%. Inflation by the Fed's preferred measure is well down from its mid-2022 peak of around 7%, registering 2.4% in November. Still that's above the Fed's 2% goal, and in December policymakers projected slower progress toward that goal than they had earlier anticipated.

[Source: Investing](#)

## Oil and Metal News

### Oil set for weekly gains on colder weather, Chinese policy support

Oil prices held steady on Friday, remaining poised for weekly gains after closing the previous session at their highest in more than two months, underpinned by colder European and U.S. weather and additional economic stimulus flagged by China. Brent crude futures were down 9 cents at \$75.84 a barrel by 1212 GMT after settling on Thursday at the highest level since Oct. 25. U.S. West Texas Intermediate crude dipped by 6 cents to \$73.07, with Thursday's close its highest since Oct. 14. Brent was on track for a 2.2% weekly gain while WTI was set for a 3.5% increase. Signs of Chinese economic fragility heightened expectations of policy measures to boost growth in the world's top oil importer. "As China's economic trajectory is poised to play a pivotal role in 2025, hopes are pinned on government stimulus measures to drive increased consumption and bolster oil demand growth in the months ahead," said StoneX analyst Alex Hodes.

[Source: Zawya](#)

### Gold Stocks Poised for Major Revaluation in 2025

The gold miners' stocks are limping into 2025 seriously oversold, deeply undervalued, and really out of favor. While that doesn't sound very bullish, this is a fantastic contrarian setup for a big revaluation year. This sector's stock-price levels are far too low to reflect gold miners' massive record earnings with these high prevailing gold prices. Gold-stock prices need to normalize with underlying profits, which is likely in 2025. Sometimes price levels experience major paradigm shifts in condensed periods of time. Unfortunately we're all experiencing this on the inflation front. General prices for pretty much everything are stabilizing at much-higher levels than they were before 2020's pandemic-lockdown chaos. This is a revaluation, as prices almost certainly won't return to 2019 levels. The Fed's extreme pandemic easing is the main reason.

[Source: Investing](#)

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