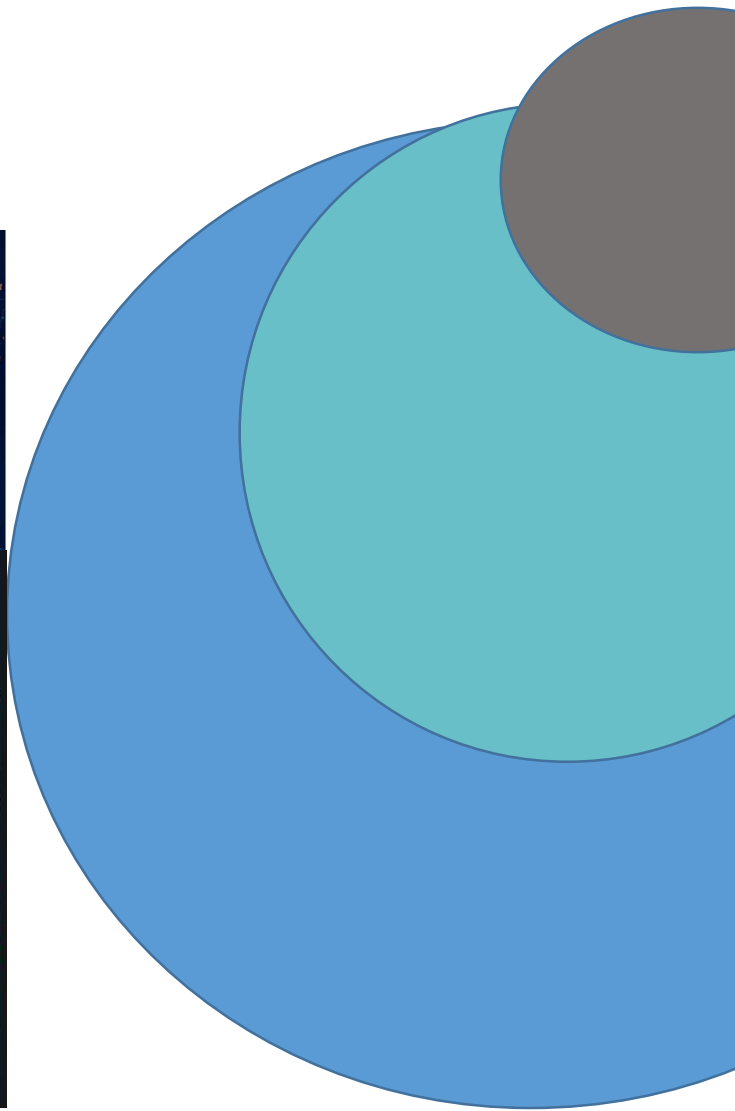


# Financial Services Morning Report

*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	3,843.08	(1.3)	3.6	22.9	21.2	3.6	3.0	1.70%
MSCI Emerging Markets Index	1,147.30	1.3	6.7	14.7	15.1	1.8	1.7	2.64%
MSCI FM FRONTIER MARKETS	559.47	(0.4)	5.0	-	12.1	0.2	1.6	4.06%

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	602.03	(0.1)	5.7	11.3	13.9	1.7	1.7	3.88%
Muscat Stock Exchange MSX 30 Index	4,454.81	0.2	(2.7)		12.4	0.6	0.8	6.16%
Tadawul All Share Index	12,388.15	0.6	2.9	20.0	22.2	2.4	2.3	3.59%
Dubai Financial Market General Index	5,359.25	(0.4)	3.9	9.4	11.3	1.5	1.1	4.52%
FTSE ADX GENERAL INDEX	9,618.34	(0.0)	2.1	17.2	21.5	2.6	2.3	2.10%
Qatar Exchange Index	10,641.09	(0.1)	0.7	11.7	14.1	1.3	1.5	4.08%
Bahrain Bourse All Share Index	1,943.43	0.2	(2.1)	15.7	11.1	1.3	0.9	3.75%
Boursa Kuwait All Share Price Return Index	8,091.92	(0.6)	9.9	21.0	20.8	1.9	1.5	26.52%

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	601.99	1.4	5.7	16.2	17.0	1.8	1.7	2.58%
Nikkei 225	38,776.94	0.3	(2.8)	19.9	25.5	2.1	1.9	1.79%
S&P/ASX 200	8,308.20	0.1	1.8	21.3	19.2	2.4	2.2	3.67%
Hang Seng Index	23,347.62	(0.6)	16.4	11.7	11.0	1.3	1.1	3.59%
NSE Nifty 50 Index	22,566.45	(1.0)	(4.6)	21.3	23.9	3.4	3.3	1.42%

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	185.79	0.5	9.4	16.3	16.2	2.2	1.9	3.10%
MSCI Emerging Markets Europe Index	133.18	(0.7)	12.5	7.7	7.1	1.2	1.0	3.74%
FTSE 100 Index	8,659.37	(0.0)	6.0	14.3	13.9	2.0	1.7	3.61%
Deutsche Boerse AG German Stock Index DAX	22,287.56	(0.1)	11.9	18.6	15.4	2.0	1.6	2.54%
CAC 40	8,154.51	0.4	10.5	17.0	16.1	2.0	1.8	3.02%

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	5,961.57	(1.8)	2.3	27.1	23.8	5.0	4.2	1.30%
S&P 500 INDEX	6,013.13	(1.7)	2.2	27.1	23.7	5.2	4.3	1.26%
Dow Jones Industrial Average	43,428.02	(1.7)	2.1	23.9	21.3	5.7	4.7	1.63%
NASDAQ Composite Index	19,524.01	(2.2)	1.1	41.0	38.9	7.2	6.0	0.67%

Commodities	Last price	% Chg, 1 Day	% chg, YTD	% chg from 10 year high		% chg from 10 year Low	
S&P GSCI Index Spot	569.4	-1.6	3.6	-31%		149%	
Gold Spot \$/Oz	2,941.5	0.2	12.1	0%		180%	
BRENT CRUDE FUTR Apr25	74.3	-0.2	0.1	-13%		61%	
Generic 1st'OQA' Future	76.9	-3.0	1.1	-39%		317%	
LME COPPER 3MO (\$)	9,559.0	0.0	9.0	-12%		121%	
SILVER SPOT \$/OZ	32.7	0.7	13.0	-6%		173%	

SPOT Currencies Indices	Last price	% Chg, 1 Day	% chg, YTD	% chg from 10 year high		% chg from 10 year Low	
DOLLAR INDEX SPOT	106.3	-0.33	-2.05	-7%		20%	
Euro Spot	1.0514	0.54	1.55	-16%		10%	
British Pound Spot	1.2675	0.34	1.27	-20%		19%	
Swiss Franc Spot	0.8961	0.25	1.26	-13%		7%	
China Renminbi Spot	7.2374	0.21	0.86	-1%		17%	
Japanese Yen Spot	149.3	0.00	5.31	-8%		49%	
Australian Dollar Spot	0.6381	0.38	3.12	-21%		11%	
USD-OMR X-RATE	0.3850	0.00	0.01	0%		0%	
AED-USD X-RATE	0.2723	0.00	0.00	0%		0%	
USD-EGP X-RATE	50.5675	-0.01	0.54	13004%		572%	
USD-TRY X-RATE	36.4301	-0.01	-2.95	0%		1379%	

GCC Government Bond Yields		
	Maturity date	YTM, %
Oman	01/08/2029	5.48
Abu Dhabi	16/04/2030	4.68
Qatar	16/04/2030	4.71
Saudi Arabia	22/10/2030	5.08
Kuwait	20/03/2027	4.64
Bahrain	14/05/2030	6.27

Bond Indices			
	Close	D/D	YTD
	Index	%	%
S&P MENA Sukuk TR Index	144.00	0.2%	0.7%
S&P MENA Bond TR Index	141.20	0.3%	1.4%
S&P MENA Bond & Sukuk TR Index	141.61	0.3%	1.2%

3m Interbank Rates		
	Current Rate %	As on 31 Dec 2021
GLOBAL		
US	4.32	0.09
UK	-	-
EURO	2.52	(0.57)
GCC		
Oman	4.74	2.13
Saudi Arabia	5.55	0.91
Kuwait	3.94	1.50
UAE	4.29	0.36
Qatar	4.65	1.13
Bahrain	5.66	1.52

Source: FSC

## Oman Economic and Corporate News

### **Sohar Port and Freezone begins dredging for \$1.6bn Marsa LNG project**

Sohar Port and Freezone (SOHAR) has announced the commencement of dredging operations for the Marsa LNG project, a key milestone in positioning SOHAR as the Middle East's first LNG bunkering hub. With a \$1.6bn investment, the Marsa LNG project is a cornerstone of Oman's energy transition, reinforcing SOHAR's position as a key enabler of sustainable maritime growth. Located within Sohar Port and Freezone, Marsa LNG will produce 1mn metric tonnes of liquefied natural gas annually, powered by a 300MW solar plant to ensure operations are driven by renewable energy. By integrating electric-driven technology and modern design to reduce emissions, the project aligns with Oman's goal of achieving carbon neutrality by 2050 and the broader objectives of Vision 2040.

[Source: Muscat Daily](#)

### **Cultivation of wheat in Masirah starts new chapter in food security**

Ministry of Agriculture, Fisheries and Water Resources has made strides towards its goal of achieving self-sufficiency in agricultural crops with the successful cultivation of wheat in Masirah Island, South Sharqiyah. Oman's wheat production increased to 7,119 tonnes in the 2022-23 season, marking a substantial growth of 229% from the previous season's yield of 2,169 tonnes, as per ministry data. The area under wheat cultivation expanded to 6,359.35 acres, up 160% from the last farming season. The number of farmers engaged in wheat cultivation rose 22% in 2022-23, signifying a growing trend in the sector.

[Source: Muscat Daily](#)

### **FSA launches electronic system for issuing securities**

The Financial Services Authority (FSA) announced the launching of the first phase of the electronic system for issuing securities (E-IPO). The move comes within the endeavors of digitalization of the services and procedures regulating the Omani capital market to ensure easing and accelerating the transactions between the FSA and the executive entities. The E-IPO is the stage of submitting applications and approving issues as the system is an integrated digital platform designed to regulate issuance and listing procedures in the Omani capital market. The system will provide an electronic environment that contributes to accelerating operations and enhancing market efficiency. The system was designed in cooperation between the National Program for Financial Sustainability and Financial Sector Development "Estidama" and Muscat Clearing and Depository Company (MCD). The electronic system for issuing securities would contribute to reducing the time and effort required to complete issuance procedures and ensures a smooth flow of information between all parties concerned, which enhances transparency in financial transactions. The first phase of the electronic issuance system includes three basic procedures, starting with the procedures for submitting issuance applications, which include collecting and analyzing financial and legal data related to the security and ensuring their compliance with the applicable regulations. This stage also includes issuing initial approvals and providing the necessary directions to complete the issuance procedures.

[Source: Times of Oman](#)

## Middle east Economic and Corporate News

### JPMorgan's reclassification of Kuwait signals strong economic prospects

Kuwait is set to make a significant transition in the global financial landscape, with JPMorgan announcing its reclassification from an emerging market to a developed market. This change is part of a broader shift that also affects Qatar, with both nations scheduled to be gradually removed from JPMorgan's Emerging Markets Bond Index (EMBI). The removal process, which begins on March 31, is expected to unfold over a six-month period. Although the reclassification primarily impacts government bonds, the move is anticipated to open new avenues for foreign investment, further stabilizing and growing Kuwait's financial environment. The country's Finance Minister, Noura Al-Fassam, recently stated that Kuwait's debt law is now in its final stages. The passage of this law is expected to enable Kuwait to issue debt for the first time since 2017, potentially raising up to \$65 billion over the next 50 years. This move, which is part of a larger effort to diversify Kuwait's revenue base away from oil dependence, signals a long-term commitment to improving the country's financial infrastructure. The reclassification is also expected to draw more foreign investors into the local market, particularly in the Kuwait Stock Exchange (KSE). The KSE has been preparing for this shift by introducing new investment tools such as corporate bonds, sukuk, and index funds, all of which are likely to attract greater capital flows. Additionally, a new central counterparty (CCP) system is being developed to further enhance market liquidity and facilitate investment, particularly from foreign institutions. These reforms are poised to strengthen investor confidence in Kuwait's economic prospects and boost long-term market stability. Despite the positive outlook, Kuwait faces fiscal challenges. The government has projected a budget deficit of 6.31 billion dinars (\$20.4 billion) for the fiscal year 2025-2026, a significant increase from the current year's estimated deficit of 5.6 billion dinars (\$18.2 billion). This rise is partly due to lower-than-expected oil revenues, underscoring Kuwait's ongoing vulnerability to fluctuations in global oil prices.

[Source: Zawya](#)

### Official foreign reserves of GCC countries amounted to \$804.1bln

The data released by the Statistical Centre for the Cooperation Council for the Arab Countries of the Gulf (GCC-Stat) indicate that the total reserve assets of the Gulf Cooperation Council (GCC) countries amounted to US\$804.1 billion by the end of the first half of 2024, with a growth rate of 7.5% compared to the figures recorded at the end of the previous year. These reserve assets accounted for 4.9% of the total global reserve assets. The statistics also revealed that the GCC countries ranked fifth in terms of the size of international reserve assets after China, the European Union, Japan and Switzerland. The average price of Brent crude during the first half of 2024 reached about \$84 per barrel, which in turn constitutes the largest portion of financial resources of the GCC countries. The GCC-Stat revealed that the total assets of commercial banks operating in the GCC Countries at the end of the first half of 2024 amounted to about US\$4.3 trillion, with an increase of 8.4% compared to the total assets recorded at the end of 2023. The data released by the Centre also indicate that bank deposits with commercial banks operating in the GCC Countries rose to about US\$2 trillion by the end of the first half of 2024, which is the highest level of bank deposits in the history of the Gulf banking sector, with an increase of 6.2% compared to its size at the end of 2023, and about 9.9% compared to the first half of 2023. The total loans provided by commercial banks operating in the GCC countries at the end of the first half of 2024 amounted to about US\$1.966 billion, with an increase of 8.3% compared to their size at the end of the first half of 2023, and about 5.1% compared to their size at the end of 2023. The percentage of loans allocated to the private sector across the GCC countries reached 81.1%. The size of the money supply in its narrow sense, which consists of demand deposits that an individual can withdraw from a bank without prior notice and cash in circulation outside banks, i.e. cash held by the public, reached about US\$781 billion by the end of the first half of 2024, with an increase of 2.7% compared to the end of 2023. The size of the broad money supply, which includes the narrow money supply plus quasi-cash deposits such as time deposits and savings deposits in local and foreign currency, amounted to about US\$1.705 billion, up by 5.8%. The increase in money supply came as a result of the growth of all its components. Cash in circulation outside banks and demand deposits increased by the end of the first half of 2024 by 7.4% and 7.2% respectively compared to the end of 2023. Quasi-cash deposits (time savings) also increased by 4.6% during the same period.

Quasi-cash deposits accounted for about 54.1% of the money supply, while demand deposits constituted about 39.4% and cash in circulation outside banks contributed the remaining percentage.

[Source: Zawya](#)

## International Economic and Corporate News

### Alibaba to invest more than \$52 billion in AI over next 3 years

Alibaba (9988.HK), opens new tab said on Monday it plans to invest at least 380 billion yuan (\$52.44 billion) in its cloud computing and artificial intelligence infrastructure over the next three years. The Chinese e-commerce giant had said it had plans to invest in the sector while announcing its results on Friday, but did not provide an exact figure at the time. The company had reported revenue of 280.15 billion yuan for the three months ended December 31, marginally ahead of analysts' estimates. The company has kicked off 2025 as a winner in China's AI race, drawing in investors with strategic business deals. Its stock has risen more than 68% this year, as of last close. Other Chinese firms have also been investing into the sector, with ByteDance, the Chinese owner of TikTok, earmarking over 150 billion yuan in capital expenditure for this year, much of which will be centred on AI according to sources familiar with the matter, Reuters reported in late January.

[Source: Reuters](#)

### Nvidia secures 70% of TSMC advanced packaging capacity for 2025- Taiwan media

NVIDIA Corporation (NASDAQ:NVDA) has secured more than 70% of contract chipmaker TSMC's (NYSE:TSM) advanced chip packaging capacity for 2025, Taiwanese media reported on Monday, amid increased artificial intelligence demand for chips. A report from Taiwanese newspaper Economic Daily- citing unnamed industry sources- said that increased demand for Nvidia's next-generation Blackwell AI chips was strong, and that the firm had already contracted over 70% of TSMC's Chip on Wafer on Substrate with silicon interposer capacity for 2025. TSMC's Taiwan shares trimmed some intraday losses after the report. TSMC is currently the only mass market provider of advanced chip packaging processes- which involve combining multiple semiconductors into a single electronic device, and occurs at the fabrication stage. The company is also the world's biggest contract chipmaker. Reports in late-2024 showed Nvidia had already contracted at least 60% of TSMC's advanced packaging capacity for 2025, as the company benefited from increased demand for AI data center chips.

[Source: Investing](#)

## Oil and Metal News

### Gold prices retreat as traders lock in profits; US data in focus

Gold prices retreated on Monday as traders locked in profits after recent record highs, with attention shifting to a key U.S. inflation report set for release later this week. Spot gold was down 0.4% at \$2,925.63 an ounce, as of 0204 GMT. Bullion scaled an all-time high of \$2,954.69 on Thursday. U.S. gold futures dipped 0.5% to \$2,939.30. U.S. President Donald Trump said last week that he would announce fresh tariffs over the next month or sooner, adding lumber and forest products to previously announced plans to impose duties on imported cars, semiconductors, and pharmaceuticals. This follows the already-imposed additional 10% levy on Chinese imports and a 25% tariff on steel and aluminium. Traders are closely monitoring the U.S. Federal Reserve's interest rate trajectory for clues, as Trump's policies are seen as inflationary. If inflationary pressures lead the Fed to keep interest rates high, gold's appeal as a non-yielding asset could diminish. Markets will shift focus towards the Personal Consumption Expenditures (PCE) index, the Fed's preferred inflation measure, due on Friday for more confirmation of the central bank's rate path. Spot silver was down 0.4% at \$32.42 an ounce, platinum dropped 0.2% to \$967.71, and palladium shed 0.3% to \$965.97.

[Source: Zawya](#)



### **Oil prices slip as Kurdistan export resumption looms**

Oil prices slipped in Asia on Monday, extending losses from last week, on the prospect of a resumption of exports from Kurdistan's oilfields, while investors awaited clarity on talks to resolve Russia's war on Ukraine. Brent futures were down 14 cents, or 0.2%, at \$74.29 barrel, as of 0441 GMT, while U.S. West Texas Intermediate crude futures lost 22 cents, or 0.3%, to \$70.18 a barrel. Both Brent and WTI dropped by more than \$2 on Friday, posting weekly declines of 0.4% and 0.5%, respectively. "The downward spiral in crude oil prices is driven by pressure from the U.S. president on Iraq to resume oil exports from Kurdistan oilfields, which could improve supply flows in global oil markets after nearly two years of disruption," said Sugandha Sachdeva, founder of New Delhi-based research firm SS WealthStreet. Iraq will export 185,000 barrels per day from Kurdistan's oilfields through the Iraq-Turkey pipeline once oil shipments resume, an Iraqi oil ministry official said on Sunday. Iraq's oil ministry said all procedures had been completed to allow the resumption of exports through the Iraq-Turkey pipeline, potentially resolving a dispute that has disrupted crude flows.

[Source: Investing](#)

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