

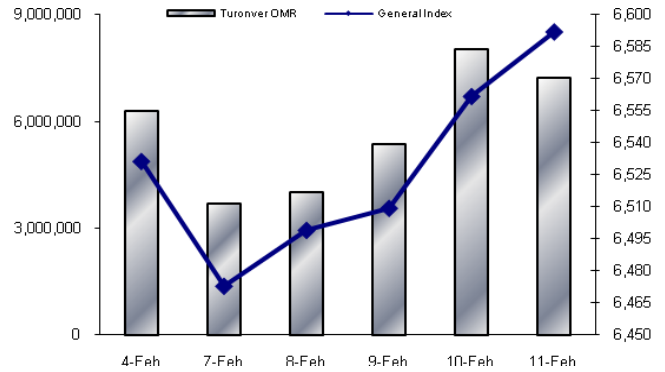


MARKET OVERVIEW

Despite mixed sentiment in the regional markets, The MSM General Index witnessed volatility during the week as we witnessed improvement in liquidity as the index gained 0.93% to close at the end of this week at 6591.83 points as compared to the previous week. Increased investor interest was witnessed on blue chip stocks as well as the MSM 30 Index stocks. At the end of this week, all sub-sectors were up as compared to the previous week, the service & Insurance sub-sector outperformed the MSM Index as it gained 3.19% from the closing of previous week, followed by the Industry index, and Banking & Investment Sector Index which were up by 1.38% and 0.65% respectively. On YTD basis the Banking & Investment Sector is the only subsector to have a positive YTD return.

Return of buying interest was visible towards the end of the week. MSM stocks witnessed buying interest mainly from local buyers as the net buyers was RO 1.432mn followed by GCC and Arabs for around Ro 144K and RO 11K, while foreign investors continued not to show any signs of a slowdown during the week as they were net sellers for around RO 1.587mn worth of shares in MSM.

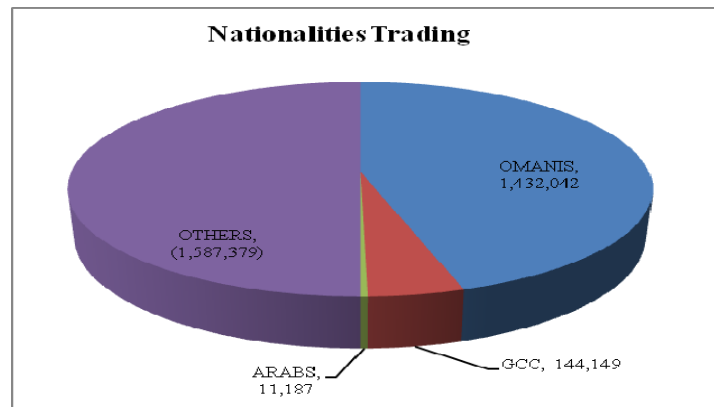
Following result announcements, investor sentiment seems to be shifting towards cashing in on the dividend announcements. The dividend proposals from companies show more inclination towards bonus shares as compared to cash dividend as companies are targeting growth in the coming fiscal. Lower company valuations result in comparatively good yield during the current year, which in turn attracts investor interest. Companies such as Omantel, Al Hassan Engineering, and Al Anwar Holding announced their results during the week. While Al Hassan reported numbers that exceeded everyone's expectations, Omantel and Al Anwar Holding profitability were almost in line with that of previous year performance. This has helped the market in regaining ground and march ahead with gains during the week. Total market turnover during the week came up to RO 28.324mn, up by 4.35 % as compared the previous week, volume traded inclined by 10.53% to reach 63.336mn as compared to the previous week. A total of 14,000 trades were executed by the end of the week. Market Capitalization was up by 0.49% to reach RO 9.347bn as compared to the previous week. A total of 67 companies traded during the week, of which 36 closed in positive territory, 18 declined and 13 remained unchanged at the close of this week's session.



Market Summary

Index	Value	Change %	PE	P/BV	Div.%
MSM30 Index	6,591.830	▲ 0.93%	10.98	2.12	4.08%
Banks & Investment Index	9,486.730	▲ 0.65%	14.30	1.83	2.77%
Services & Insurance Index	2,665.200	▲ 3.19%	8.71	2.63	5.85%
Industry Index	7,393.040	▲ 1.38%	12.32	2.69	3.76%

	Current Week	Previous Week	Change %
Market Turnover RO:	28,323,708	27,141,989	▲ 4.35%
Volume:	63,336,301	57,304,555	▲ 10.53%
Trades	14,000	12,641	▲ 10.75%
Market Cap. RO bn	9.347	9.302	▲ 0.49%
	Up 36	Down 18	Unchanged 13



Regional Market		Close of the Week	W-T-W %	Y-T-D %
Bahrain Stock Exchange	BSE	1,513.72	-76.75%	3.80%
Muscat Securities Market	MSM	6,591.83	0.93 %	3.50%
Kuwait Stock Exchange	KSE	7,177.00	14.78%	2.45%
Saudi Stock Exchange (Tadawul)	TASI	6,225.48	289.23%	1.69%
Abu Dhabi Securities Exchange	ADX	2,744.00	4.41%	0.01%
Qatar Exchange	DSM	6,931.50	370.90%	-0.40%
Dubai Financial Markets	DFM	1,676.20	-76.17%	-7.06%



MSM 30 Index Stocks						
	CMP (RO)	PE	PBV	Dividend Yield (%)	Mkt Cap (RO.'000)	Market Index Weightage (%)
Ahli Bank	0.235	19.59	1.77	2.13%	159,439	3.04%
Al Anwar Holding	0.226	4.04	1.24	2.21%	24,860	0.45%
Bank Dhofar	0.764	20.11	2.73	2.03%	565,047	10.48%
Bank Muscat	0.965	9.66	1.47	2.07%	1,039,431	11.22%
Bank Sohar	0.230	25.56	2.17	0.00%	230,000	5.98%
Oman & Emirates Investment	0.223	33.54	1.20	0.00%	27,180	0.47%
National Bank of Oman	0.334	13.36	1.41	5.24%	361,054	7.15%
Oman International Bank	0.314	13.09	1.73	8.60%	286,761	7.99%
Oman Inv & Finance Co	0.301	6.55	2.04	3.69%	30,100	0.67%
OMINVEST	0.480	6.55	1.17	2.08%	96,000	2.41%
ONIC Holding	0.578	7.82	2.12	0.00%	90,920	1.43%
Trans-Gulf Industrial Investment	0.111	11.10	0.95	0.00%	6,938	0.27%
United Finance	0.130	26.00	1.01	7.69%	30,401	0.66%
Banking and Investment Sector		14.30	1.83	2.77%	2,751,353	52.23%
Al Jaziera Services	0.245	3.68	1.44	0.00%	27,372	0.84%
Al Maha Petroleum Products	10.250	11.33	2.46	4.88%	70,725	1.68%
Galfar Engineering & Contracting	0.519	11.80	1.76	3.85%	155,700	3.69%
Oman Fisheries	0.139	11.59	1.14	0.00%	17,375	0.52%
Oman Telecommunications	1.281	6.68	2.39	7.81%	960,750	9.45%
Port Services Corporation	0.611	9.36	1.74	8.18%	58,070	1.31%
Renaissance Services	0.815	11.35	1.66	1.23%	229,904	6.39%
Shell Oman	2.000	14.71	7.85	5.75%	200,000	4.37%
Services and Insurance Sector		8.71	2.63	5.85%	1,823,022	28.26%
Al Anwar Ceramics	0.421	9.36	2.70	0.00%	47,106	0.96%
Al Hassan Engineering	0.425	15.22	2.58	2.82%	31,965	0.48%
Al Jazeera Steel Products	0.303	43.29	1.29	2.31%	37,845	0.57%
Construction Materials Industry	0.101	12.63	0.78	0.00%	8,585	0.07%
Oman Cables	1.511	20.42	3.36	1.99%	135,537	2.18%
Oman Flour Mills	0.680	8.10	2.52	2.94%	107,100	2.07%
Oman Cement	0.712	10.30	1.80	3.09%	235,580	4.61%
Raysut Cement	1.648	10.25	3.22	6.07%	329,600	8.03%
Voltamp Energy	0.531	11.80	1.86	6.59%	26,550	0.53%
Industry Sector		12.32	2.69	3.76%	980,600	19.51%
INDEX TOTAL (Weight Adjusted)		10.98	2.12	4.08%	10,175,720	100.00%

NA – Not Applicable

Top Gainers

Company	Week's Close (OMR)	Previous Close (OMR)	Change %
OMAN PACKAGING	0.260	0.221	17.65%
GALFAR ENGINEERING AND CON.	0.520	0.464	12.07%
AL JAZEERA SERVICES	0.245	0.226	8.41%
AL SHARQIA INV. HOLDING	0.119	0.111	7.21%
AL JAZEERA STEEL PRODUCTS	0.303	0.283	7.07%

Top Decliners

Company	Week's Close (OMR)	Previous Close (OMR)	Change %
NATIONAL SECURITIES	0.120	0.133	-9.77%
OMAN CHLORINE	0.370	0.387	-4.39%
NAT. HOSPITALITY INSTITUTE	2.050	2.100	-2.38%
MUSCAT NATIONAL HOLDING	2.230	2.273	-1.89%
MAJAN COLLEGE	0.222	0.226	-1.77%

Most Active in Volume

Company	Week's Close (OMR)	Traded Volume	% of Total Volume
GALFAR ENGINEERING AND CON.	0.520	6,887,223	10.87%
GLOBAL FINANCIAL INVESTMENT	0.106	5,387,820	8.51%
BANK MUSCAT	0.965	4,965,182	7.84%
AL ANWAR HOLDING	0.226	4,194,781	6.62%
ONIC. HOLDING	0.578	3,845,464	6.07%

Most Active in Turnover

Company	Week's Close (OMR)	Traded Turnover (OMR)	% of Total Turnover
BANK MUSCAT	0.965	4,729,975	16.70%
GALFAR ENGINEERING AND CON.	0.520	3,323,076	11.73%
RENAISSANCE SERVICES	0.815	2,709,476	9.57%
ONIC. HOLDING	0.578	2,196,755	7.76%
OMAN TELECOMMUNICATION	1.281	1,716,755	6.06%
RAYSUT CEMENT	1.648	1,047,067	3.70%

Third Market

Security Name	Volume	Turnover	Trades	High	Low	Close Pr.	Prev. Close	Diff %	Diff (OR)	Last Pr.	Last Offer	Last Bid	Market Cap	Par Value
ABRASIVES MANUFACTURING	0	0	0	0.100	0.100	0.100	0.100	0.000	0.000	0.000	0.000	0.000	100,000.000	1.000
AI AHLIA CONVERTING IND(50)	0	0	0	0.200	0.200	0.200	0.200	0.000	0.000	0.000	0.000	0.000	240,000.000	1.000
AL AHLIA DETERGENT	0	0	0	0.300	0.300	0.300	0.300	0.000	0.000	0.000	0.000	0.000	351,600.000	1.000
AL BATINAH INTERNATIONAL	0	0	0	0.200	0.200	0.200	0.200	0.000	0.000	0.000	0.000	0.000	105,589.000	1.000
AL-OULA COMPANY	0	0	0	0.499	0.499	0.499	0.499	0.000	0.000	0.000	0.000	0.000	2,544,900.000	1.000
CEMENT AND GYPSUM PRO.	0	0	0	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	1,500,000.000	1.000
DHOFAR FISHERIES IND.	0	0	0	1.279	1.279	1.279	1.279	0.000	0.000	0.000	0.000	0.000	3,248,660.000	1.000
DHOFAR POULTRY	0	0	0	0.273	0.273	0.273	0.273	0.000	0.000	0.000	0.000	0.000	819,000.000	1.000
MUSANDAM MARKETING AND INV.	0	0	0	0.200	0.200	0.200	0.200	0.000	0.000	0.000	0.200	0.150	150,000.000	1.000
OMAN CERAMIC COMPANY	0	0	0	0.749	0.749	0.749	0.749	0.000	0.000	0.000	0.000	0.000	1,417,254.804	1.000
OMAN CHEMICAL INDUSTRIES	21,841	2,393	6	0.110	0.100	0.110	0.110	0.000	0.000	0.110	0.130	0.110	275,000.000	1.000
OMAN FOODS INTERNATIONAL	5,020	653	2	0.131	0.130	0.130	0.130	0.000	0.000	0.131	0.215	0.130	806,093.730	1.000
OMANI EURO FOODS INDUSTRIES	0	0	0	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.900	0.000	5,100,000.000	1.000
OMAN NAT. DAIRY PRODUCTS	0	0	0	1.250	1.250	1.250	1.250	0.000	0.000	0.000	0.000	0.000	3,071,381.250	1.000
SOHAR POULTRY	0	0	0	0.080	0.080	0.080	0.080	0.000	0.000	0.000	0.000	0.000	411,060.800	1.000
SWEETS OF OMAN	114	490	2	4.300	4.300	4.000	4.000	0.000	0.000	4.300	4.300	3.000	2,800,000.000	1.000
Sum:	26,975	3,535	10											

Bonds Market

Security Name	Volume	Turnover	Trades	High	Low	Close Pr.	Prev. Close	Diff %	Diff (OR)	Last Pr.	Last Offer	Last Bid	Market Cap	Par Value
BANK MUSCAT CONVERTABLE BONDS7	179,869	165,696	43	0.925	0.912	0.923	0.917	0.654	0.006	0.925	0.940	0.925	29,825,832.153	1.000
AHLI BANK. BOND NON GUARANT	0	0	0	1.022	1.022	1.022	1.022	0.000	0.000	0.000	0.000	0.000	6,132,000.000	1.000
BANK MUSCAT BONDS 6.25	50,000	51,500	1	1.030	1.030	1.030	1.030	0.000	0.000	1.030	0.000	1.030	30,696,945.800	1.000
BANK MUSCAT BONDS-NONGUARANT 7	0	0	0	1.045	1.045	1.045	1.045	0.000	0.000	0.000	0.000	0.000	26,125,000.000	1.000
BANK MUSCAT SUBORDINATED BONDS	0	0	0	1.060	1.060	1.060	1.060	0.000	0.000	0.000	1.089	1.050	79,500,000.000	1.000
GOVT. BONDS ISSUE 31TH	0	0	0	103.450	103.450	103.450	103.450	0.000	0.000	0.000	0.000	0.000	72,415,000.000	100.000
GOVT. BONDS ISSUE 34TH	0	0	0	100.000	100.000	100.000	100.000	0.000	0.000	0.000	0.000	0.000	52,000,000.000	100.000
GOVT. BONDS ISSUE 35TH	0	0	0	102.568	102.568	102.568	102.568	0.000	0.000	0.000	0.000	0.000	82,054,400.000	100.000
GOVT. BONDS ISSUE 36TH	0	0	0	100.000	100.000	100.000	100.000	0.000	0.000	0.000	0.000	0.000	50,000,000.000	100.000
TAAGEER FINANCE BONDS	0	0	0	0.101	0.101	0.101	0.101	0.000	0.000	0.000	0.000	0.000	4,359,190.199	0.100
Sum:	229,869	217,196	44											

Weekly Summary

Traded Volume	Total Turnover	Market Cap	Trades	up	Down	Equal	Sec. Traded
63,336,301	28,323,708	9,347,353,346.984	14,000	36	18	13	67

Indecies

Index	Highest	Lowest	Index Value	Prev Val	Diff	Diff %
MSM30 Index	6,591.83	6,463.92	6,591.83	6,531.31	60.52	0.93
Banks and Investment Index	9,488.62	9,294.53	9,486.73	9,425.92	60.81	0.65
Services and Insurance Index	2,665.21	2,553.81	2,665.20	2,582.73	82.47	3.19
Industry Index	7,410.93	7,256.59	7,393.04	7,292.16	#####	1.38

Nationalities Trading

Group	Buy Vol %	Buy Val %	Sell Vol %	Sell Val %
OMANIS	81.77 %	76.93 %	80.97 %	71.88 %
GCC	8.49 %	11.43 %	7.61 %	10.92 %
ARABS	2.15 %	1.61 %	2.08 %	1.57 %
OTHERS	7.60 %	10.03 %	9.34 %	15.64 %