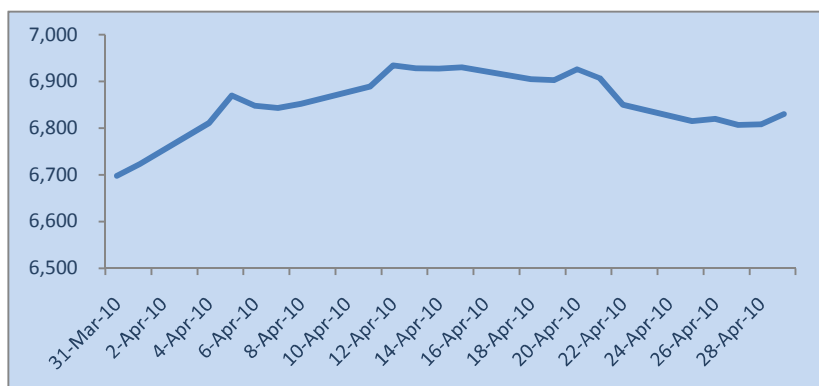


May 9, 2010

Index– April 2010	Closing as on			
	29 Apr 10	31 Mar 10	MTD (%)	YTD (%)
MSM30	6,830.4	6,697.5	1.98%	7.25%
Banks and Inv	10,112.0	9,608.0	5.25%	7.86%
Services and Ins	2,640.7	2,653.8	-0.49%	-2.27%
Industry	7,523.7	7,462.3	0.82%	1.03%

Source: MSM, GBCM Research

MSM 30 Index – April 2010



Source: MSM, GBCM Research

MSM Trading Activity - Total Turnover RO 131.383 million			
Fig. In RO	Buy	Sell	Net Buy / (Sell)
Omanis	102,286,469	107,585,165	(5,298,696)
GCC	11,241,465	11,099,469	141,997
Arabs	3,600,012	3,374,898	225,114
Others	14,255,283	9,323,697	4,931,586

Source: MSM, GBCM Research

Q1FY10 results dominated, Markets managed to close positively...

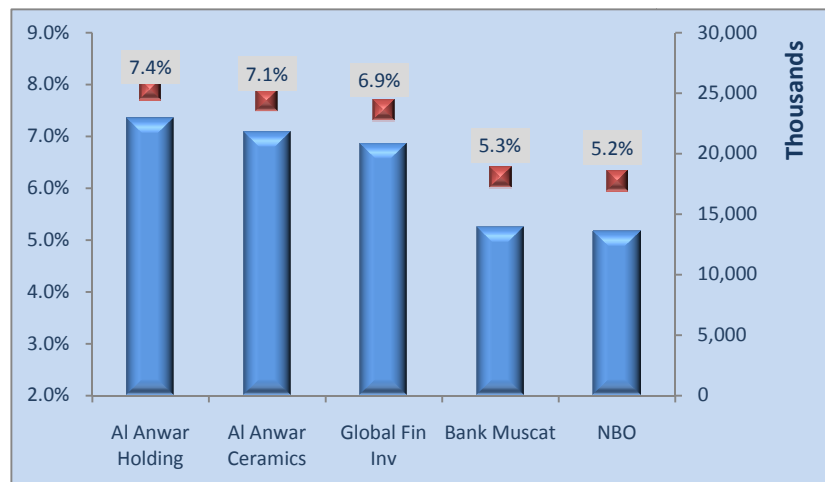
The equity markets continued its strong run during the early part of April 2010 with the benchmark (MSM30) Index trading above the 6,900 levels. Banking and Investment Sector had a strong run for the month on the back of enhanced investor participation in the key banking sector counters. Q1FY10 results of banking sector came in line with the market expectations along with the marginal credit addition. However, the deposit addition of the banks showed a stronger growth during the quarter which in turn shows the stronger appetite for growth in credit markets in the coming quarters. Industry sector also closed on a positive note for the month with a gain of 0.82%, while the Services and Insurance sector had a negative closing of about 0.49%.

During the last trading week, the market momentum dragged owing to increased concerns emerging in the Euro Zone. Meanwhile, the markets managed to close on a positive note for the month with a gain of about 1.98% during April 2010. During Mar 2010, the total credit addition of Oman Banking sector stood at RO 27.1 million as compared to addition of RO 26.2 million during Feb 2010, reporting a marginal growth of 0.3%. While Deposit addition for Mar 10 stood at RO 431.2 million as compared to addition of RO 102.7 million during Feb 2010, which is commendable.

Market activity - April 2010: Overall investor participation improved during April 2010 with the total traded volume of 343.47 million, an increase of 22% on a MoM basis. The total market turnover stood at RO 131.383 million as against RO 114.024 million in Mar 2010. With regards to market participation, Omanis emerged as net sellers for the month to an extent of RO 5.299 million. GCC and foreign Investors emerged as net buyers to an extent of RO 142K and 4.932 million respectively. Foreign investors continued to be net significant buyers for the second month, which reveal the fresh allocation towards the Omani markets.

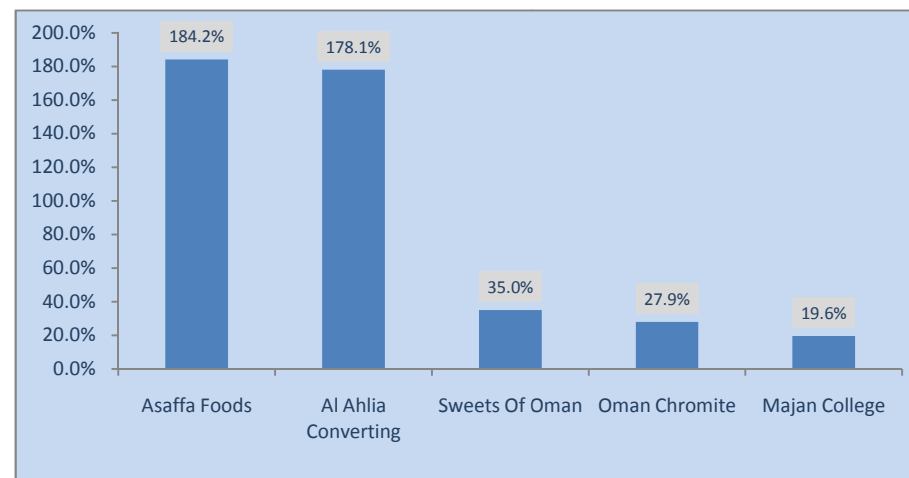
Equity Markets- May 2010 Outlook: GBCM Research expects the equity markets in the region to see increased precariousness on the back of debt uncertainties emerging in the Euro area. However, we recommend investors to look for good buying opportunities emerging in the Banking Sector on expectations of improved credit addition aided by project financing activities and Government projects. Overall, Q1FY2010 corporate earnings showed a mixed bag of numbers, while we continue to remain positive on banking sector and also advise to look for bottom-up approach in the Industry and Services counters.

Volume Gainers for the Month



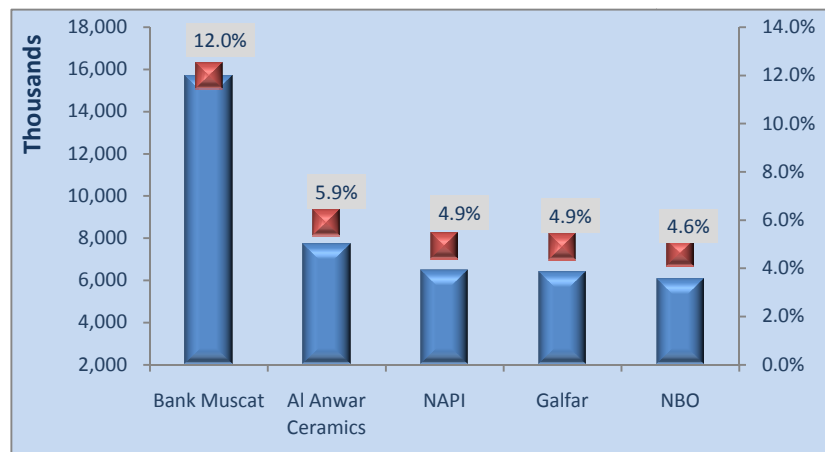
Source: MSM, GBCM Research

Gainers for the Month



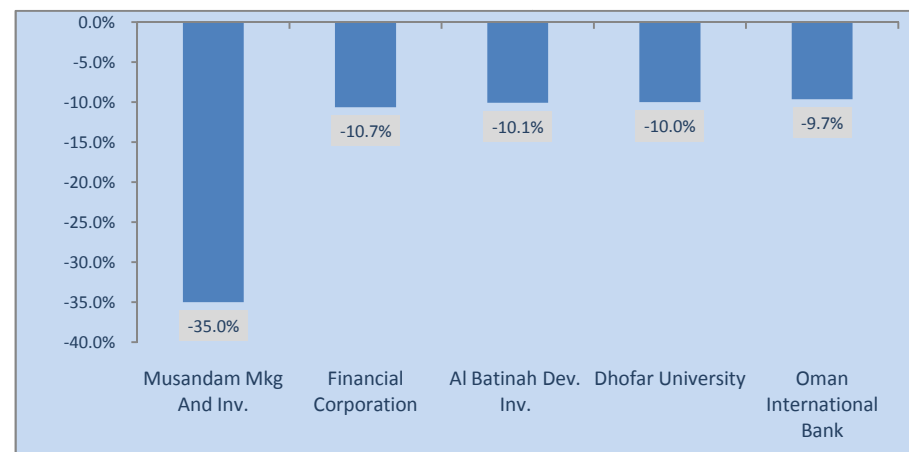
Source: MSM, GBCM Research

Value Gainers for the Month

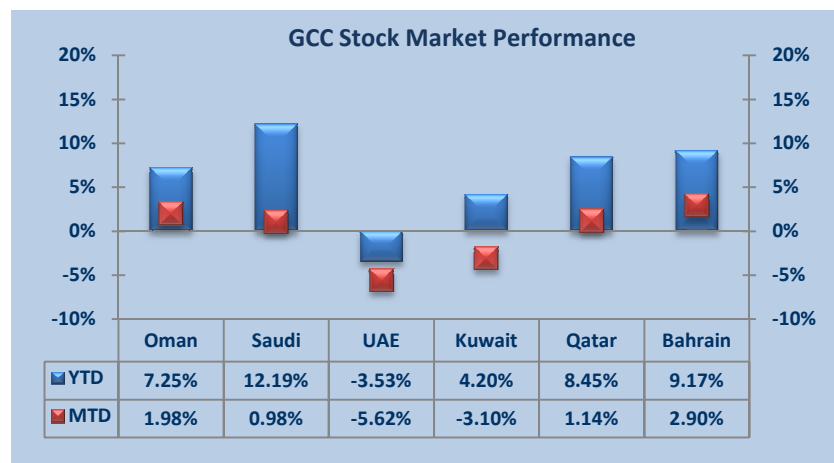


Source: MSM, GBCM Research

Losers for the Month



Source: MSM, GBCM Research



Source: Zawya, GBCM Research

Global Markets – April 2010

	End of Apr 10	End of Mar 10	MTD (%)
Americas			
S&P 500	1,186.7	1,169.4	1.5%
Dow Jones	11,008.6	10,856.6	1.4%
Nasdaq	2,461.2	2,398.0	2.6%
Europe			
FTSE 100	5,553.3	5,679.6	-2.2%
CAC 40	3,817.0	3,974.0	-4.0%
DAX	6,135.7	6,153.6	-0.3%
Asia Pacific			
Nikkei	11,057.4	11,089.9	-0.3%
Hang Seng	21,108.6	21,239.3	-0.6%
Sensex	17,558.7	17,527.8	0.2%
Shanghai	2,870.6	3,109.1	-7.7%

Source: Bloomberg, GBCM Research

GCC Markets – Mixed bag

For April 2010, the GCC markets had a mixed set of closing owing to uncertainties prevailing over Dubai World restructuring and increasing debt concerns in Euro region. UAE's DFM Index closed down significantly by 5.62%, while the Kuwait markets were down by 3.1%. On the other hand, all other markets in the region closed on a positive note. Bahrain and Oman were the outperforming markets for the month with a gain of about 2.9% and 1.98% respectively. The markets saw good rally in the banking sector counters. Similarly, the Qatar and Saudi markets closed positively with a gain of about 1.14% and 0.98% respectively.

US markets closed positive, while Euro Zone Struggles

US markets continued its strong run since the start of the New Year with improved economic data came in during the month. Key US Indices closed on a positive note. S&P 500, Dow Jones and NASDAQ increased by 1.5%, 1.4% and 2.6% respectively. As per official statistics, the US economy expanded at a 3.2% annual rate in Q1 as consumers increased spending at the fastest pace in three years, the strongest sign yet a sustainable recovery.

Euro Zone continues to struggle owing to increasing concerns on degradation of country ratings. The key markets which include FTSE, CAC and DAX were down by 2.2%, 4.0% and 0.3% respectively. Stocks fell as Standard & Poor's downgraded the credit ratings of Greece, Portugal and Spain and investors speculated Greece's credit troubles would spread further.

Asian Markets – Euro Debt concerns dragged the markets

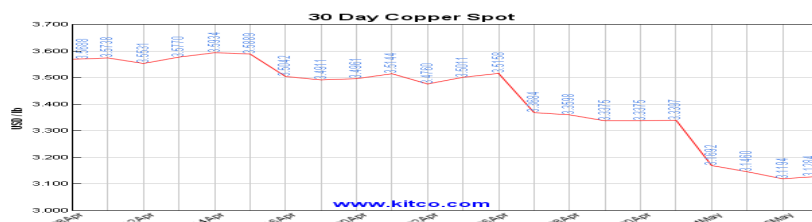
Emerging markets in Asia Pacific region also had the pressure of global weakness reflecting the market performance. Indian benchmark index, Sensex managed to close on a positive note, while the rating downgrades of Greece and Portugal renewed concerns about the health of the global economy and also drained investor appetite for riskier assets globally. Nikkei markets had closed marginally down by 0.3%. In the same time, the Shanghai Composite Index was down by 7.7% for the month owing to slowdown in manufacturing data and the policy tightening measures taken during the month.

Commodities Performance

	End of Apr 10	End of Mar 10	MTD (% Chg)
Crude			
NYMEX Crude	86.2	84.2	2.3%
ICE Brent Crude	87.4	83.3	5.0%
Crude Oil, Oman	85.6	80.7	6.1%
Metals			
Gold Spot	1,179.2	1,113.3	5.9%
Silver Spot	18.6	17.5	6.7%
LME Aluminium-Spot	2,225.0	2,293.5	-3.0%
LME Copper-Spot	7,396.5	7,759.3	-4.7%

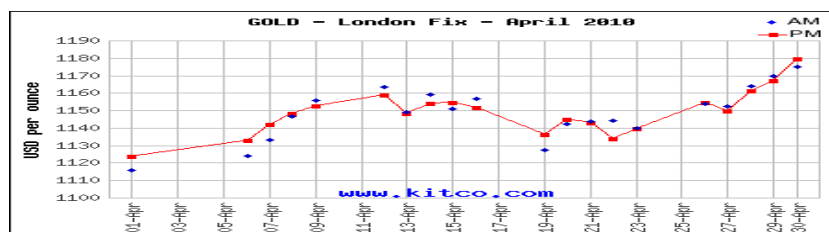
Source: Bloomberg, GBCM Research

Chart: Copper Spot prices (1 Month)



Source: KITCO, GBCM Research

Chart: Gold Spot prices (1 Month)



Source: KITCO, GBCM Research

Commodities Performance – April 2010

Crude Oil

Crude-oil futures settled on a positive note for the month on the back of improved US economy data along with the signs of economic recovery which could improve petroleum demand. NYMEX crude settled at about \$86.2 per barrel, reporting an increase of 2.3% for the month. The crude oil market was supported by a statement from the Federal Reserve citing improving economic conditions, and keeping rates near zero for an extended period.

Copper

Weakness seen in the US dollar which in turn leads to increase demand for commodities sent copper prices higher during the beginning of April 2010. However, the concerns of Euro Zone increasing debt lead to decline in commodities prices. Copper prices had been supported since the beginning of FY10 on back of enhanced buying from the world's top copper consumer China.

During April, China raised mortgage rates and down payment requirements to cool growth in the property sector which also lead to fall in copper prices for the month. However on a positive side, the LME copper stocks continue to fall, indicating demand for the metal is improving. Latest data showed copper stocks fell 1,475 tonnes to 502,550 tonnes. LME Copper-spot prices declined by 4.7% for the month to close at USD 7396.5 / MT.

Gold

Gold prices continue to increase and hit a 2010 high of above \$1,180 an ounce during the month fuelled by investors continuing to embrace the safe-haven properties over euro zone sovereign debt levels. Gold Spot prices increased by 5.9% for the month. While the Silver prices also continued to strengthen with a gain of about 6.7% during the month.



Maximising Your Assets

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