

Muscat securities market (msm)

[Finance](#), [Market](#)



As emerging markets fund managers have scanned the world looking for new investment opportunities in recent years, the Gulf States have largely been unnoticed. Oman, however, has begun to open its door to overseas buyers. The Muscat Securities Market (MSM) was officially established in June 1988, with trading beginning in May of the following year. Since then, it has rapidly expanded with turnover increasing from \$24. 7 in 1989 to around \$200 million per annum.

It is anticipated that, as the size of the market grows and as foreign buyers commence to arrive, the liquidity of shares in the market should augment further. From a starting point of 75 listed companies in the exchange's first year of operations, the number of quoted companies has now amplified to 95. These have a combined total value of over \$1. 7bn. The 10 largest companies, which are profiled below, account for two-fifths of the market, which has now managed to attract over 60, 000 shareholders, a not inconsiderable number in a country of two million people.

The Omani bourse consists of 3 main sections: The Regular Market - for the main corporations in Oman, who satisfy the strict listing criteria, the Parallel Market - for recently established companies and those which have ceased to satisfy the criteria for a full listing on the regular market, such as those which have incurred a loss in the last trading year, the Third Market - off-floor trading for business entities which are not joint stock companies or have a subscribed capital of less than RO 500, 000.

There are 9 brokerage firms operating in the MSM 2 of which act solely as underwriters, with the remaining seven trading on the floor on behalf of investors as well as on their own account.