



Morning Report

05 January 2021

Market Stats

Indices	Close	Change	1M Change	3M Change	1Y Change
ADX	5,115	0.7%	3.0%	13.9%	0.3%
DFM	2,579	2.9%	6.6%	14.9%	-6.9%
TASI	8,668	0.6%	-0.1%	6.0%	3.2%
BHSEASI	1,483	-0.4%	-0.9%	3.3%	-8.0%
EGX	10,814	-0.3%	-1.8%	-2.3%	-22.2%
Dow Jones	30,224	-1.3%	0.0%	9.2%	5.5%
S&P 500	3,701	-1.5%	0.0%	10.5%	14.4%
Nasdaq	12,698	-1.5%	1.9%	14.7%	40.8%
FTSE 100	6,572	1.7%	0.3%	11.3%	-13.8%
DAX	13,727	0.1%	3.2%	8.2%	3.8%
CAC40	5,589	0.7%	-0.4%	15.8%	-7.5%
Nikkei225	27,258	-0.7%	1.9%	18.4%	15.2%
HIS	27,389	0.9%	2.4%	17.1%	-3.4%
US Futures	3,689	-0.1%	-0.2%	10.0%	13.7%
Europe Futures	3,535	-0.5%	0.5%	10.1%	-5.0%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	450	450	-
Local	55%	69%	-14%
Foreign	45%	31%	14%
Institutional	80%	75%	5%
Retail	20%	25%	-5%
DFM	437	437	-
Local	45%	61%	-16%
Foreign	55%	39%	16%
Institutional	48%	25%	23%
Retail	52%	75%	-23%
Total	887	887	-
Local	50%	65%	-15%
Foreign	50%	35%	15%

Last trading day's short sell positions

Company	Short Volume (shrs.)	Short Volume (%)	Volume (m)	Turnover (AEDm)
Aldar Properties	(83,000)	0.3%	32.3	103.4
Adnoc Dis.	(200,729)	1.5%	13.3	51.3
FAB	(77,262)	1.0%	7.4	97.3
RAK Prop.	(800,000)	9.8%	8.1	4.0

Upcoming Corporate Actions & Events

Date	Company	Event
5-Jan	Gulf Invest	BoD/SC Increase
6-Jan	ARTC	BoD
9-Feb	MSCI IQ2I Index	Announcement Date
11-Feb	Ithmaar	BoD/Results
14-Feb	GFH	BoD/Results
1-Mar	MSCI IQ2I Index	Effective Date

Key Stories

UAE seasonally adjusted IHS Markit PMI rose to 51.2 in December from 49.5 in November, going above the 50.0 mark for the first time since September

Emirates NBD hires banks for dollar bonds

Shuaa Capital disclosed that its Deputy CEO and Group Head of Asset Management Mustafa Ghazi Kheriba has resigned from its position at company, effective today

ENOC Group has announced it opened a new service station in Umm Al Qaiwain, taking the total number of service stations by ENOC in the UAE to 150

A senior United Arab Emirates official said on Monday that a Gulf Arab summit in Saudi Arabia on Tuesday would restore Gulf unity

Dubai free zone attracts more than 2,000 new firms despite coronavirus crisis. Dubai Multi Commodities Centre says 2,025 new companies joined its ranks in 2020, the highest number for five years

UAE on January 04 announced 1,501 new COVID-19 cases and 1,746 recoveries. The tally takes total cases in UAE to 214,732 with 191,455 recoveries and 682 deaths

Saudi Arabia reopened its airspace and land and sea borders with Qatar on Monday, in a breakthrough agreement aimed at ending the three-year diplomatic dispute with Doha

Saudi Arabia IHS Markit December composite PMI at 57.0 vs 54.7 in November

Saudi Advanced Industries announces that one of its fellow companies (Obeikan Glass Company) has appointed a financial advisor to launch in the parallel market.

Qatar said on Monday that its Emir would attend the GCC summit of regional leaders, marking a breakthrough in the Gulf crisis since 2017

Kuwait November M2 money supply +4.84% YoY and bank lending to private sector +4.85% YoY - C. bank

Kuwait has discovered two new oilfields. One in Houma Oilfield with production capacity of 1,452 bpd of light oil. The second in the Al-Qashaniya field with a commercial quantity of 1,819 bpd and 2.78mln cubic feet of associated gas per day

Egypt's IHS Markit's Purchasing Managers' Index came in at 48.2, down from 50.9 in November and below the 50.0 threshold that separates growth from contraction

Egypt sold USD 861.1mln in dollar-denominated T-bills with an average yield of 3.41%

Egypt's CI Capital unit Corplease concludes its 10th securitization bond offering, with a record transaction value of EGP 2.7bn

Key Global Trends/ Market Clues

Asian shares fell on Tuesday amid uncertainty about Senate runoffs in Georgia, which could have a big impact on incoming U.S. President Joe Biden's economic policies. MSCI's broadest index of Asia-Pacific shares outside Japan fell 0.34%, pulling back from a record high hit in the previous session. Australian stocks fell 0.44%. Chinese shares erased early losses and rose 0.26%. Japanese shares lost 0.25% after a media report that the government will curb business hours in Tokyo and surrounding cities from Thursday.

Oil prices were little changed on Tuesday after OPEC and allied producers, including Russia, continued deadlocked talks on February output while fuel demand concerns lingered on amid new COVID-19 lockdowns. Brent crude futures for March rose 8 cents, or 0.2%, to USD 51.17 a barrel by 0206 GMT, while U.S. West Texas Intermediate crude for February was at USD 47.74 a barrel, up

12 cents, or 0.3%. Both contracts fell more than 1% on Monday after the Organization of the Petroleum Exporting Countries and its allies, a group known as OPEC+, failed to agree on February's oil output levels.

Most OPEC+ members, including Saudi Arabia were opposed to increasing oil output again next month, but Russia proposed the maximum 500,000 barrel-a-day supply hike, delegates said. Saudi's energy minister highlighted the risks of oversupplying a fragile market, calling the more contagious virus strain "a worrying and unpredictable development." Algeria, Nigeria, Oman and the UAE also were in favor of holding supply steady, delegates said. The meeting resumes Tuesday.

UAE Stories

UAE seasonally adjusted IHS Markit Purchasing Managers' Index rose to 51.2 in December from 49.5 in November, going above the 50.0 mark that separates growth from contraction for the first time since September. Output returned to expansion and new business also rose. New export orders grew at the strongest rate in 15 months, according to the survey. Despite this, firms continued to shed jobs, in a sign that the coronavirus crisis - which has hit important sectors of the UAE economy such as tourism and transportation - continued to weigh on overall economic activity. The PMI employment sub-component fell to 47.7 in December from 48.8 in November.

Emirates NBD has mandated banks to arrange an investor call ahead of a planned issuance of U.S. dollar-denominated bonds, a document showed on Tuesday. The bank hired Emirates NBD Capital, ICBC, ING, Mizuho Securities and Standard Chartered for the potential benchmark deal, which would have a five-year maturity, according to the document. Benchmark bonds are generally meant to be at least USD 500mln in size.

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ENOC Group has announced it opened a new service station in Umm Al Qaiwain to meet the fuelling needs of motorists crossing Sheikh Mohamed bin Zayed Road from the Northern Emirates to Dubai and Abu Dhabi. This brings the total number of service stations by ENOC in the UAE to 150.

A senior United Arab Emirates official said on Monday that a Gulf Arab summit in Saudi Arabia on Tuesday would restore Gulf unity. UAE Minister of State for Foreign Affairs Anwar Gargash said in a Twitter post that "more work lies ahead and we are moving in the right direction". His comments came after a senior Trump administration official said a deal aimed at ending a long-running dispute with Qatar would be signed on Tuesday.

Dubai free zone attracts more than 2,000 new firms despite coronavirus crisis. Dubai Multi Commodities Centre says 2,025 new companies joined its ranks in 2020, the highest number for five years.

The United Arab Emirates on January 04 announced 1,501 new COVID-19 cases, bringing the total confirmed cases in the country to 214,732. At the same time, 1,746 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 191,455. UAE's Ministry of Health and Prevention said. It has reported 3 deaths from COVID-19 during the past 24 hours. The nationwide death toll stands at 682.

GCC/MENA

Saudi Arabia reopened its airspace and land and sea borders with Qatar on Monday, in a breakthrough agreement aimed at ending the three-year diplomatic dispute with Doha. The full deal is expected to be signed on Tuesday at the annual summit of Gulf Cooperation Council (GCC) leaders in the north western Saudi city of Al Ula.

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Kuwait November M2 money supply +4.84% YoY and bank lending to private sector +4.85% YoY - C. bank.

Kuwait has discovered two new oilfields. One of the discoveries is in Houma oilfield in north western Kuwait, with production capacity of 1,452 barrels per day (bpd) of light oil. The second is in the Al-Qashaniya field in the north of the country, where light oil was discovered with a commercial quantity of 1,819 bpd and 2.78mIn cubic feet of associated gas per day, KUNA reported. Conventional oil was also discovered in the north of the big Burgan oilfield, with a daily production rate that exceeded 2,000 barrels, after drilling several wells in 2020 to determine the extent of the field, KUNA said.

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Egypt sold USD 861.1mIn in dollar-denominated T-bills with an average yield of 3.41%, the central bank said on Monday.

Egypt's CI Capital unit Corplease concludes its 10th securitization bond offering, with a record transaction value of EGP 2.7bn. Securitization bond is divided over four tranches that have tenors of 13, 37, 61, and 84 months. Proceeds from issuance will be used to reduce leverage and enhance equity base.

(Source: ADX, DFM, Bloomberg, Reuters, Gulf News, The National, Arabian Business)

UAE Focus list

Company	MCAP (AEDm)	PRICE (AED)	HIGH - LOW		VALUATION		DIV YLD (%)^	HISTORICAL RETURN			
			52WH	52WL	TTM P/E	TTM P/B		1M%	3M%	6M%	12M%
ADCB	42,370	6.09	8.15	3.82	11.70	0.77	6.2%	0.2	9.3	20.6	(15.1)
ADIB	17,143	4.72	5.85	3.19	10.89	0.90	5.8%	0.4	12.6	25.5	(3.6)
ADNIC	2,907	5.10	5.17	2.70	7.80	1.22	5.9%	(1.4)	39.7	61.9	70.0
ADNOC Dist	49,125	3.93	3.95	2.40	23.65	17.68	4.9%	13.6	15.4	36.3	43.4
Agthia	2,556	4.26	4.60	2.50	86.18	1.37	3.5%	(0.7)	13.6	49.5	33.5
Air Arabia	6,067	1.30	1.61	0.87	NA	1.49	6.9%	4.8	16.1	8.3	(8.1)
Ajman Bank	1,636	0.78	0.90	0.50	59.28	0.65	0.0%	8.8	12.1	34.1	(11.5)
Al Waha Capital	2,158	1.11	1.20	0.62	NA	0.71	NA	5.7	12.5	65.7	22.0
Aldar Properties	25,239	3.21	3.26	1.35	14.12	1.01	4.5%	5.6	58.9	77.3	68.1
Amanat Holdings	2,060	0.82	0.92	0.56	140.14	0.83	2.7%	(0.6)	3.0	(7.2)	10.1
Amlak Finance	383	0.26	0.50	0.20	NA	0.78	0.0%	(2.3)	(15.6)	(9.3)	(45.2)
Aramex	6,515	4.45	4.49	2.00	18.07	2.55	3.7%	11.0	3.5	35.7	32.4
Bank of Sharjah	1,334	0.64	0.83	0.50	NA	0.41	0.0%	(6.6)	19.8	3.3	(21.6)
DAMAC Properties	8,289	1.37	1.75	0.36	NA	0.63	NA	16.1	48.1	90.8	100.0
Dana Gas	4,946	0.71	0.94	0.53	NA	0.63	7.8%	3.5	(2.8)	11.2	(14.6)
Deyaar Development	1,618	0.28	0.38	0.18	44.16	0.36	0.0%	2.9	(1.4)	1.1	(19.8)
Dubai Financial Market	7,600	0.95	0.98	0.50	52.34	0.98	2.6%	8.8	14.5	18.5	10.1
Dubai Investment	6,506	1.53	1.54	0.98	10.55	0.55	NA	22.4	35.4	33.0	31.1
Dubai Islamic Bank	33,742	4.66	5.86	3.04	8.90	0.90	7.5%	4.0	10.2	20.1	(6.3)
DXB Entertainments	680	0.09	0.20	0.08	NA	0.59	0.0%	(26.1)	(30.9)	(30.9)	(50.0)
Emaar Dev	11,320	2.83	3.97	1.79	5.69	1.03	0.0%	4.0	19.4	36.7	(24.5)
Emaar Malls	24,597	1.89	1.94	0.98	21.57	1.30	0.0%	3.3	31.3	35.0	3.8
Emaar Properties	26,992	3.77	4.28	1.90	6.44	0.48	0.0%	18.6	36.1	40.7	(3.6)
Emirates Integrated Tele	26,155	5.77	6.35	4.33	14.28	3.08	5.9%	2.1	9.9	16.0	11.8
Emirates NBD	69,167	10.95	13.90	6.33	9.32	0.84	3.7%	(0.0)	4.3	23.0	(8.7)
Eshraq Investments	746	0.32	0.46	0.16	NA	0.53	NA	1.6	1.9	47.9	1.3
Etisalat	149,062	17.14	17.46	11.02	16.67	3.18	4.7%	(1.0)	3.0	3.1	10.9
First Abu Dhabi Bank	144,581	13.24	15.92	7.78	14.57	1.43	5.6%	4.9	18.9	18.2	(6.8)
GFH	2,218	0.62	0.93	0.45	17.60	0.63	5.5%	7.5	4.9	10.0	(19.0)
Gulf Navigation Holding	437	0.43	0.55	0.28	NA	0.83	0.0%	5.9	2.6	(14.7)	(13.0)
IHC	76,573	42.04	42.04	6.37	34.77	13.49	NA	4.8	10.2	42.9	560.0
Julphar	1,617	1.40	1.54	0.54	NA	1.47	0.0%	(3.4)	6.9	22.8	60.5
Mashreqbank	12,054	67.90	80.00	62.00	18.27	0.57	5.9%	NA	8.2	1.5	(3.4)
National Bank of Fujairah	9,536	4.98	4.98	4.98	NA	NA	1.9%	NA	NA	NA	3.3
Tabreed	7,305	2.69	2.75	1.67	14.21	1.47	3.9%	3.5	22.3	37.2	47.0
RAK Bank	6,536	3.90	5.00	3.33	9.45	0.85	7.7%	8.3	9.9	4.8	(11.4)
RAK Properties	980	0.49	0.49	0.33	9.01	0.26	8.2%	12.9	27.9	40.0	25.3
RAK Ceramics	1,491	1.50	1.81	1.24	18.12	0.65	9.5%	8.7	11.9	14.5	10.3
SALAMA	1,021	0.84	0.92	0.30	6.55	1.18	NA	1.7	2.8	72.5	69.1
Sharjah Islamic Bank	4,068	1.32	1.35	0.95	8.41	0.53	3.6%	10.0	11.9	20.0	18.2
SHUAA Capital	1,745	0.69	0.89	0.40	16.38	1.23	NA	10.1	9.2	36.5	(13.9)
Takaful Emarat Insurance	237	1.58	1.60	1.07	NA	1.90	5.2%	0.6	10.5	17.9	31.7
TAQA	160,781	1.43	1.78	0.40	53.16	2.59	0.0%	(3.0)	(0.4)	87.9	261.2
Union Properties	1,205	0.28	0.39	0.15	4.18	0.40	0.0%	1.8	(2.4)	(6.0)	6.4
United Arab Bank	1,751	0.85	1.02	0.81	NA	1.05	0.0%	(5.0)	(5.0)	(5.0)	(24.9)

(Source: Bloomberg)

^ current dividend yield based on last year dividend declaration

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