



Morning Report

18 January 2021

Market Stats

Indices	Close	Change	1M Change	3M Change	1Y Change
ADX	5,280	0.3%	2.8%	15.9%	1.9%
DFM	2,695	-0.3%	5.7%	22.8%	-4.7%
TASI	8,875	-0.3%	1.9%	3.8%	4.9%
BHSEASI	1,453	-0.4%	-2.7%	-1.7%	-11.4%
EGX	11,447	-0.1%	5.6%	1.1%	-17.2%
Dow Jones	30,814	-0.6%	2.0%	8.1%	6.1%
S&P 500	3,768	-0.7%	2.0%	8.2%	14.6%
Nasdaq	12,999	-0.9%	3.2%	11.0%	40.4%
FTSE 100	6,736	-1.0%	3.4%	15.5%	-11.9%
DAX	13,788	-1.4%	3.2%	8.5%	2.6%
CAC40	5,612	-1.2%	1.5%	16.0%	-7.0%
Nikkei225	28,519	-0.6%	6.9%	21.3%	19.2%
HIS	28,713	0.3%	9.0%	18.3%	-0.7%
US Futures	3,755	-0.2%	0.8%	9.4%	12.9%
Europe Futures	3,576	-0.3%	0.3%	10.8%	-5.5%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	197	197	-
Local	55%	78%	-23%
Foreign	45%	22%	23%
Institutional	85%	71%	14%
Retail	15%	29%	-14%
DFM	192	192	-
Local	65%	61%	4%
Foreign	35%	39%	-4%
Institutional	15%	23%	-8%
Retail	85%	77%	8%
Total	390	390	-
Local	60%	70%	-9%
Foreign	40%	30%	9%

Last trading day's short sell positions

Company	Short Volume (shrs.)	Short Volume (%)	Volume (m)	Turnover (AEDm)
Aldar	(284,227)	1.2%	24.4	79.0
Etisalat	(49,462)	2.9%	1.7	29.7

Upcoming Corporate Actions & Events

Date	Company	Event
19-Jan	Agthia	BoD/General
20-Jan	SIB	BoD/Results
9-Feb	MSCI IQ2I Index	Announcement Date
11-Feb	Ithmaar	BoD/Results
19-Feb	FTSE IQ2I Index	Announcement Date
14-Feb	GFH	BoD/Results
1-Mar	MSCI IQ2I Index	Effective Date
22-Mar	FTSE IQ2I Index	Effective Date

Key Stories

UAE November bank lending +4.3% YoY and bank deposits down 1.8% MoM - C.Bank GFH Financial Group announced that it has acquired 80% alongside the stake of a strategic partner of Hidd Mall

Orascom Construction consortium signs MoU to build Egypt's first high-speed rail system, together Siemens Mobility and Arab Contractors. The line has an order value of USD 3bln

Al Salam Bank Sudan posted FY net profit SDG 389.5mln vs SDG 78.3mln year ago. FY revenue SDG 848.9mln vs SDG 323.1mln year ago

The Abu Dhabi Department of Finance announced an AED 6bln supply chain financing initiative to support a variety of sectors, as a key initiative to support SMEs

Mubadala, ADNOC and ADQ announced the signing of a MoU to establish the Abu Dhabi Hydrogen Alliance, to establish Abu Dhabi as a leader of low-carbon green and blue hydrogen in emerging international markets

UAE on January 17 announced 3,453 new COVID-19 cases and 3,268 recoveries. The tally takes total cases in UAE to 253,261 with 225,374 recoveries and 745 deaths

Saudi's National Commercial Bank has hired a group of banks to arrange investor calls ahead of a Tier 1 U.S. dollar-denominated sukuk offering

Saudi's Emaar The Economic City signs a framework cooperation agreement to support the development of the Rixos Emerald Shores Resort Project

Saudi's Emaar The Economic City announces resignation of a CEO Ahmed Ibrahim Linjawy

Qatar Islamic Bank posts net profit of QAR 3,065mln for 2020 compared to QAR 3,055mln for 2019. Board proposes FY cash dividends of QAR 0.40 per share

Bahrain's Investcorp announced that it has entered into an agreement to acquire Unilog, a Software as a Service based e-commerce solutions provider

Bahrain's National Bank had reached an agreement with Israel's two largest banks that will allow their customers to carry out financial transactions and banking operations in both countries

Oman is to close its land borders for one week starting Monday to curb the spread of the coronavirus

Egypt's Faisal Islamic Bank posted FY standalone net profit after tax EGP 2.07bln vs EGP 2.71bln year ago. FY standalone revenue EGP 9.64bln vs EGP 9.31bln year ago

Egyptian Gulf Bank posted FY standalone net profit after tax EGP 625.2mln vs EGP 675.3mln year ago. FY standalone interest income EGP 7.37bln vs EGP 7.51bln year ago

Key Global Trends/ Market Clues

Asian shares pared early losses on Monday as data confirmed China's economy had bounced back last quarter as factory output jumped, helping partially offset recent disappointing news on U.S. consumer spending. Chinese blue chips gained 0.8% after the economy was reported to have grown 6.5% in the fourth quarter, on a year earlier, topping forecasts of 6.1%. MSCI's broadest index of Asia-Pacific shares outside Japan trimmed losses and were off 0.3%, having hit a string of record peaks in recent weeks. Japan's Nikkei slipped 0.8% and away from a 30-year high. E-Mini futures for

the S&P 500 dipped 0.2%, though Wall Street will be closed on Monday for a holiday. EUROSTOXX 50 futures eased 0.2% and FTSE futures 0.1%.

Oil prices fell on Monday, extending losses that last week ended a rally driven by production cuts and strong Chinese demand, with the market's recovery outlook being called into question as coronavirus infections rise. Brent crude fell 45 cents, or nearly 1%, to USD 54.65 a barrel by 0207 GMT, after dropping 2.3% on Friday. U.S. oil was down by 43 cents, also nearly 1%, at USD 51.93 a barrel, having declined 2.3% in the previous trading session. The benchmarks had rallied in recent weeks, buoyed by the start of COVID-19 vaccine rollouts and a surprise cut of crude output by the world's biggest oil exporter, Saudi Arabia. Surging new infections throughout the world, however, have raised doubts about how long demand would hold up.

China's economy recovered to pre-pandemic growth rates in the fourth quarter, propelling it to full-year expansion of 2.3pct and making it the only major one to avoid contraction. Gross domestic product climbed 6.5pct in the final quarter from a year earlier, fueled by stronger-than-expected industrial output, the statistics bureau said Monday.

UAE Stories

UAE November bank lending +4.3% YoY and bank deposits down 1.8% MoM - C.Bank

GFH Financial Group announced that it has acquired 80% alongside the stake of a strategic partner of Hidd Mall. The 46,000 m2 mall, located in the fast-growing area of Hidd in Muharraq, is fully leased to Lulu Hypermarkets. The mall currently boasts 100% occupancy.

Orascom Construction consortium signs MoU to build Egypt's first high-speed rail system, together Siemens Mobility and Arab Contractors. The first high-speed line will stretch across 460km and has an order value of around USD 3bln. Agreement encompasses a rail system with a network of 1000km.

Al Salam Bank Sudan posted FY net profit SDG 389.5mln vs SDG 78.3mln year ago. FY revenue SDG 848.9mln vs SDG 323.1mln year ago.

The Abu Dhabi Department of Finance (DoF) today announced an AED 6bln supply chain financing initiative to support a variety of sectors, as a key initiative in its commitment to support small and medium enterprises (SMEs). The first phase of this initiative is in partnership with the National Health Insurance Company (Daman) and First Abu Dhabi Bank (FAB), aiming to provide liquidity to SMEs in the healthcare sector.

Mubadala, ADNOC and ADQ announced the signing of a Memorandum of Understanding (MoU) to establish the Abu Dhabi Hydrogen Alliance (the Alliance). The Alliance partners will collaborate to establish Abu Dhabi as a trusted leader of low-carbon green and blue hydrogen in emerging international markets. They will also work together to build a substantial green hydrogen economy in the UAE.

The United Arab Emirates on January 17 announced 3,453 new COVID-19 cases, bringing the total confirmed cases in the country to 253,261. At the same time, 3,268 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 225,374. UAE's Ministry of Health and Prevention said. It has reported 5 deaths from COVID-19 during the past 24 hours. The nationwide death toll stands at 745.

GCC/MENA

Saudi's National Commercial Bank has hired a group of banks to arrange investor calls ahead of a Tier 1 U.S. dollar-denominated sukuk offering, the bank said in a stock exchange filing on Sunday.

Saudi's Emaar The Economic City signs a framework cooperation agreement to support the development of the Rixos Emerald Shores Resort Project, to start the procedures for establishing a SAR 1.8bln riyals closed and private investment fund.

Saudi's Emaar The Economic City announces resignation of a CEO Ahmed Ibrahim Linjawy.

Qatar Islamic Bank posts net profit attributable to shareholders of QAR 3,065mln for fiscal year 2020 compared to QAR 3,055mln for the year 2019. Total income for year ended 31 December 2020

reached QAR 8bln registering 2.8% growth compared to QAR 7.7bln in 2019. Board proposes FY cash dividends of QAR 0.40 per share i.e. 40% of the nominal share value.

Bahrain's Investcorp announced that it has entered into an agreement to acquire Unilog, a Software as a Service (SaaS) based e-commerce solutions provider to small and medium businesses based in the United States.

Bahrain's National Bank had reached an agreement with Israel's two largest banks that will allow their customers to carry out financial transactions and banking operations in both countries. The memorandums of understanding signed by Bank Hapoalim and Bank Leumi with NBB represent a key bilateral economic step after Israel and Bahrain in September agreed to normalise relations.

Oman is to close its land borders for one week starting Monday to curb the spread of the coronavirus, state news agency ONA said on Sunday. The measure will come into effect from 6 p.m. (1400 GMT) on Monday and can be extended for longer than the initial one week closure, ONA said, citing a decision by the Gulf state's coronavirus emergency committee.

Egypt's Faisal Islamic Bank posted FY standalone net profit after tax EGP 2.07bln vs EGP 2.71bln year ago. FY standalone revenue EGP 9.64bln vs EGP 9.31bln year ago.

Egyptian Gulf Bank posted FY standalone net profit after tax EGP 625.2mln vs EGP 675.3mln year ago. FY standalone interest income EGP 7.37bln vs EGP 7.51bln year ago.

(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	TTMP/E	TTMP/B		1M%	3M%	6M%	12M%
ADCB	42,788	6.15	8.15	3.82	11.82	0.78	6.2%	(2.1)	4.1	22.5	(18.5)
ADIB	18,015	4.96	5.85	3.19	11.44	0.95	5.5%	2.3	15.9	33.7	(4.7)
ADNIC	2,736	4.80	5.17	2.95	7.34	1.15	6.3%	(5.9)	28.0	52.4	60.0
ADNOC Dist	48,375	3.87	3.95	2.40	23.29	17.41	4.9%	2.7	15.5	30.3	32.2
Agthia	3,888	5.40	5.59	2.50	109.25	1.73	2.8%	25.3	20.0	80.6	72.2
Air Arabia	6,393	1.37	1.61	0.87	NA	1.57	6.6%	8.7	23.4	18.1	(5.6)
Ajman Bank	1,682	0.80	0.90	0.50	60.96	0.67	0.0%	3.9	16.1	37.4	(6.0)
Al Waha Capital	2,120	1.09	1.20	0.62	NA	0.70	NA	(3.5)	6.9	46.3	16.1
Aldar Properties	25,475	3.24	3.32	1.35	14.26	1.02	4.5%	1.6	57.3	89.5	56.9
Amanat Holdings	2,050	0.82	0.92	0.56	139.46	0.82	2.7%	(3.3)	1.5	(8.1)	5.3
Amlak Finance	395	0.26	0.49	0.20	NA	0.80	0.0%	(1.1)	(9.9)	(18.3)	(44.0)
Aramex	6,354	4.34	4.49	2.00	17.63	2.48	3.8%	(1.4)	(0.2)	28.8	28.4
Bank of Sharjah	1,325	0.63	0.83	0.50	NA	0.41	0.0%	(5.8)	19.1	13.3	(23.0)
DAMAC Properties	8,410	1.39	1.75	0.36	NA	0.64	NA	(9.2)	52.7	69.1	89.9
Dana Gas	4,862	0.70	0.94	0.53	NA	0.62	7.9%	(5.3)	(2.0)	1.6	(18.8)
Deyaar Development	1,676	0.29	0.38	0.18	45.74	0.37	0.0%	(0.7)	2.1	4.3	(21.4)
Dubai Financial Market	9,120	1.14	1.24	0.50	62.81	1.18	2.2%	21.3	40.7	44.5	24.0
Dubai Investment	7,143	1.68	1.72	0.98	11.58	0.60	NA	14.3	50.0	44.8	32.4
Dubai Islamic Bank	35,914	4.96	5.86	3.04	9.47	0.96	7.1%	6.4	19.5	28.8	(6.3)
DXB Entertainments	656	0.08	0.20	0.08	NA	0.57	0.0%	(31.7)	(30.5)	(33.3)	(56.8)
Emaar Dev	12,000	3.00	3.97	1.79	6.03	1.10	0.0%	8.7	33.9	42.9	(24.1)
Emaar Malls	24,727	1.90	1.96	0.98	21.69	1.31	0.0%	0.5	31.9	34.8	1.1
Emaar Properties	28,639	4.00	4.28	1.90	6.83	0.51	0.0%	13.6	52.1	51.5	(5.4)
Emirates Integrated Tele	26,291	5.80	6.35	4.33	14.36	3.09	5.9%	0.7	7.4	15.5	7.6
Emirates NBD	72,325	11.45	13.90	6.33	9.74	0.87	3.5%	5.5	13.9	33.9	(13.2)
Eshraq Investments	746	0.32	0.46	0.16	NA	0.53	NA	(5.9)	5.2	28.4	2.6
Etisalat	154,454	17.76	17.82	11.02	17.27	3.30	4.5%	2.7	5.1	7.0	13.4
First Abu Dhabi Bank	152,880	14.00	15.92	7.78	15.41	1.51	5.3%	5.3	24.8	28.7	(5.2)
GFH	2,393	0.66	0.93	0.45	18.99	0.68	5.1%	8.5	16.5	19.9	(12.0)
Gulf Navigation Holding	438	0.43	0.55	0.28	NA	0.83	0.0%	2.1	6.2	(11.0)	(5.5)
IHC	76,864	42.20	42.20	7.10	34.90	13.54	NA	3.7	7.8	37.0	493.5
Julphar	1,617	1.40	1.54	0.54	NA	1.47	0.0%	(3.4)	(6.0)	17.6	60.5
Mashreqbank	12,392	69.80	75.10	62.00	18.78	0.59	5.7%	2.8	11.2	4.3	(9.4)
National Bank of Fujairah	9,536	4.98	4.98	4.98	NA	NA	1.9%	NA	NA	NA	3.3
Tabreed	7,250	2.67	2.75	1.67	14.10	1.46	3.9%	1.5	18.7	37.6	33.5
RAK Bank	6,637	3.96	5.00	3.33	9.59	0.87	7.6%	3.9	11.5	10.0	(12.8)
RAK Properties	1,108	0.55	0.59	0.33	10.19	0.29	7.2%	16.6	45.8	56.9	33.3
RAK Ceramics	1,699	1.71	1.81	1.24	20.65	0.74	8.4%	11.8	26.7	27.6	20.4
SALAMA	1,022	0.85	0.92	0.30	6.55	1.18	NA	(4.4)	8.1	61.3	62.2
Sharjah Islamic Bank	4,099	1.33	1.36	0.95	8.48	0.54	3.6%	2.3	12.7	18.8	14.4
SHUAA Capital	1,899	0.75	0.89	0.40	17.83	1.33	NA	7.8	21.0	40.5	(11.9)
Takaful Emarat Insurance	239	1.59	1.60	1.15	NA	1.91	5.2%	1.3	11.2	18.7	27.2
TAQA	160,781	1.43	1.78	0.42	53.16	2.59	0.0%	1.0	1.0	44.5	230.6
Union Properties	1,235	0.29	0.39	0.15	4.28	0.41	0.0%	(3.0)	0.3	2.5	29.1
United Arab Bank	1,751	0.85	0.90	0.81	NA	1.05	0.0%	NA	(5.0)	(5.0)	(7.7)

(Source: Bloomberg)

^ current dividend yield based on last year dividend declaration

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