



Morning Report

05 August 2022

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	9,818	-0.3%	6%	-3%	16%	33%
DFM	3,321	-0.5%	5%	-11%	4%	18%
TASI	12,292	0.0%	8%	-11%	9%	10%
QSI	13,377	-0.1%	9%	-2%	15%	23%
BKM	5,872	0.1%	4%	-8%	0%	9%
MSX	4,667	0.1%	13%	12%	13%	17%
BHSEASI	1,900	0.2%	1%	-8%	6%	18%
EGX	10,043	5.3%	16%	-9%	-16%	-6%
DJI	32,727	-0.3%	5%	-4%	-10%	-6%
S&P 500	4,152	-0.1%	9%	-3%	-13%	-6%
Nasdaq	12,721	0.4%	14%	-2%	-19%	-14%
FTSE	7,448	0.0%	3%	-1%	1%	5%
DAX	13,663	0.6%	7%	-2%	-14%	-13%
CAC40	6,513	0.6%	9%	2%	-9%	-3%
Nikkei225	27,932	0.7%	7%	4%	-3%	1%
HSI	20,146	2.1%	-8%	-3%	-14%	-24%
MSCI EM	995	0.9%	0%	-7%	-19%	-24%
MSCI Asia	160	0.9%	2%	-4%	-17%	-20%
US Fut.	4,164	0.3%	8%	1%	-12%	-6%
EU Fut.	3,755	0.2%	10%	4%	-13%	-10%

Notes: TASI (KSA), QSI (Qatar), BKM (Kuwait), MSX(Oman), BHSEASI (Bahrain), EGX (Egypt), HIS (Hong Kong).

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	1,354	1,354	-
Local	77%	86%	-9%
Foreign	23%	14%	9%
Institutional	74%	76%	-1%
Retail	26%	24%	1%
DFM	287	287	-
Local	30%	42%	-12%
Foreign	70%	58%	12%
Institutional	75%	67%	9%
Retail	25%	33%	-9%
Total	1,641	1,640	-
Local	69%	79%	-9%
Foreign	31%	21%	9%

Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	52WH	High - Low 52WL
RAK Properties	0.065%	0.67	(0.2)	0.97	0.56
Eshraq	0.051%	0.33	0.3	0.55	0.29
Rak Ceramics	0.031%	2.97	1.4	3.38	2.66

Upcoming Corporates Actions & Events

Date	Company	Event
05-Aug	ADNOC Dist.	BoD/Result
05-Aug	ADC	BoD/Result
08-Aug	IHC	BoD/Result
08-Aug	Ithmaar	BoD/Result
09-Aug	ADNIC	BoD/Result
10-Aug	GFH	BoD/Result
11-Aug	MSCI EM Index Review Announcement Date	

KEY STORIES

Agthia's 1H22 net profit surges 74% to AED 118mln despite the challenging global inflationary environment

ADNOC Drilling awarded over USD 3.4bln in contracts to drive offshore production capacity growth

AD Ports Group and Adani Ports sign MoU for joint infra investments in Tanzania

Amanat Holdings 1H22 adjusted net profit grew 7% to AED 67.4mln vs. 63.1mln a year ago

Amlak Finance reported net earnings of AED 266mln in 1H22, up 35% YoY from AED 197mln a year ago

Eshraq's Goldilocks acquisition nears completion with SCA certificate

Union Properties has reported a net profit in 2Q22 as turnaround strategy was able to achieve significant cost savings

United Foods reported 2Q22 total revenue of AED 189.7mln vs AED 129.5mln, and attributable profits of AED 10.9mln vs. loss of AED 4.5mln a year ago

Umm Al Qaiwain General Investment 1H22 profit rises to AED 48.5mln vs. AED 26.1mln a year ago

Dubai's DAE posts 1H22 net loss of USD 397mln on write-off of assets leased to Russian carriers

RAK Ceramics invests USD 1.0mln in sustainable manufacturing technologies and initiatives

UAE on Aug 04 announced 1,084 new Covid-19 cases and 890 recoveries. The tally takes total cases in UAE to 995,777 with 974,601 recoveries and 2,335 deaths

Saudi Aramco and SABIC Agri-Nutrients receive world's first TÜV certificate of accreditation for "blue" hydrogen and ammonia products

Saudi Bupa Arabia reported 2Q22 net profit before zakat of SAR 291mln on gross written premiums of SAR 3.0bln

Saudi Sabic Agri Nutrients reported 2Q22 net profits after zakat and taxes of SAR 3.0bln on revenues of SAR 5.7bln

Saudi Riyad Bank reported 2Q22 net profit of SAR 1.6bln on total income from special commissions / financing & investments of SAR 2.8bln

Bahrain's Ahli United Bank reported 2Q22 net attributable profit of USD 170mln

Bahrain Family Leisure Co. reported 2Q22 net loss of BHD 335,870 vs. loss of BHD 692,842 dinars a year ago

Egypt reported a current account deficit of USD 13.6bln for March-July

Key Global Trends/ Market Clues

Oil languished near its lowest since the start of the war in Ukraine on Friday on fears of a global recession, though stocks ignored such worries, gaining ahead of U.S. jobs data that will give another clue to the health of the world's largest economy. MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.74%, helped by gains from index heavyweight TSMC, which rose 1.8%, regaining ground it had lost earlier in the week due to U.S. House of Representatives Speaker Nancy Pelosi's visit to Taiwan. Japan's Nikkei gained 0.43%. U.S. employment data, due later in the day, is expected to show nonfarm payrolls increased by 250,000 jobs last month, after rising by 372,000 jobs in June.

Oil prices extended losses on Friday, after hitting their lowest since before Russia's February invasion of Ukraine in the previous session, as the market fretted over the impact of inflation on global economic growth and demand. Brent crude dropped 10 cents, or 0.1%, to USD 94.02 a barrel by 0047 GMT, while U.S. WTI

was at USD 88.48 a barrel, down 6 cents. Losses were partly due to data on Wednesday showing surge in U.S. inventories last week.

(OPEC+) decided on Wednesday to raise oil output by a mere 100,000 barrels per day. Whilst OPEC leaders Saudi Arabia and the United Arab Emirates stand ready to deliver a "significant increase" in oil output should the world face a severe supply crisis this winter, sources familiar with the thinking of the top Gulf exporters said.

UAE Stories

Agthia's 1H22 net profit surges 74% to AED 118m despite the challenging global inflationary environment. This performance reflects the impact of the Group's recent acquisitions as well as its cost optimisation efforts as part of its five-year growth strategy. Khalifa Sultan Al Suwaidi, Chairman of Agthia Group, said, "Agthia's first half results demonstrate the increasing benefits of our growth strategy to strengthen our F&B leadership in the Middle East and beyond. The acquisitions we have completed over the past year have not only delivered strong top-line growth but also contributed to enhanced profitability as we integrate the businesses into the Group and leverage synergies effectively.

ADNOC announced two contracts totalling more than USD 3.4bn have been awarded to ADNOC Drilling to hire 8 jack-up offshore rigs. The contracts, valued at USD 1.5bn and USD 1.9bn respectively, awarded by ADNOC Offshore, will support the expansion of ADNOC's crude oil production capacity to five million barrels per day (mmbpd) by 2030 and enable gas self-sufficiency for the UAE. Over the life of the 15-year contract, ADNOC Drilling's state-of-the-art rig fleet will enable ADNOC and its strategic international partners to further unlock Abu Dhabi's offshore oil and gas resources, creating significant value for ADNOC, its partners and the UAE.

AD Ports Group and Adani Ports sign MoU for joint infra investments in Tanzania for strategic joint investments in end-to-end logistics infrastructure and solutions, which include rail, maritime services, port operations, digital services, an industrial zone and the establishment of maritime academies. The two companies signed the agreement setting in motion a series of potential country-level investments to grow, improve, and promote an end-to-end maritime and logistics ecosystem which will make Tanzania a hub for the African region.

Amanat Holdings 1H22 adjusted net profit grew 7% to AED 67.4m vs. 63.1m a year ago. On an adjusted basis, excluding the prior year's gain on sale and trading results from divested entities, the company recorded a total income of AED 96.7m, an increase of 14% on the AED 85.1m recorded in 1H21.

Union Properties has reported a net profit in 2Q22 as turnaround strategy was able to achieve significant cost savings. Revenue from contracts with customers remained stable at AED 99m in 2Q22 compared to the same period last year, as the group's subsidiaries delivered healthy performance improvements, supported by strong market dynamics in the UAE's real estate sector. Gross profit for the same period rose 7% to AED 14m, the company said. Union Properties continued to make strong progress in the execution of its turnaround strategy, delivering significant cost efficiencies during the second quarter of the year. Administrative and general expenses declined by 42% year-on-year to AED 17m in 2Q22, and by 32% to AED 37m in 1H22, compared to the same period last year.

Eshraq's Goldilocks acquisition nears completion with SCA certificate. The company said it had received the certificate from the UAE markets regulator regarding the amendment of the clause of the capital in the memorandum of association in execution of the acquisition.

Amlak Finance reported net earnings of AED 266m in 1H22, up 35% YoY from AED 197m a year ago. However, revenues from the financing business were reported at AED 69m for 1H22 vs. AED 85m a year ago, down 19% YoY.

Total income during the January-June period in 2022 dropped 9% year-on-year (YoY) to AED 319 million, compared with AED 351 million, according to a bourse statement on Wednesday.

United Foods reported 2Q22 total revenue of AED 189.7m vs AED 129.5m and attributable profits of AED 10.9m vs. loss of AED 4.5m a year ago

Umm Al Qaiwain General Investment 1H22 profit rises to AED 48.5m vs. AED 26.1m a year ago

Dubai's DAE posts 1H22 net loss of USD 397m on write-off of assets leased to Russian carriers. Before exceptional items, the company made a net profit of USD 140m, whilst the exceptional items included a net write-off of USD 576.5m worth of aircraft leased to airlines in Russia.

RAK Ceramics invests USD 1.0m in sustainable manufacturing technologies and initiatives. In its roadmap to sustainable manufacturing, RAK Ceramics has invested in several new technologies, including efficient

online mosaic production, environmentally friendly processes for recovering and recycling rejected tiles, installing an advanced scanning solution, and the next generation of digital glazing.

UAE on Aug 04 announced 1,084 new Covid-19 cases, bringing the total confirmed cases in the country to 995,777. At the same time, 890 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 974,601, UAE's Ministry of Health and Prevention said. It has reported no deaths from Covid-19 during the past 24 hours. The nationwide death toll stands at 2,335.

GCC/MENA

Saudi Aramco and SABIC Agri-Nutrients receive world's first TÜV certificate of accreditation for "blue" hydrogen and ammonia products. The certifications were granted by TÜV Rheinland, a leading independent testing, inspection and certification agency based in Germany, to SABIC AN, in Jubail, for 37,800 tons of "blue" ammonia and to Aramco's wholly-owned refinery (SASREF), also in Jubail, for 8,075 tons of "blue" hydrogen. To certify ammonia and hydrogen as "blue", a significant part of the CO₂ associated with the manufacturing process needs to be captured and utilized in downstream applications.

Saudi Bupa Arabia reported 2Q22 net profit before zakat of SAR 291mln on gross written premiums of SAR 3.0bln. Provision for doubtful receivables were SAR 13.3mln and the operating expenses of rose to SAR 22.1mln.

Saudi Sabic Agri Nutrients reported 2Q22 net profits after zakat and taxes of SAR 3.0bln on revenues of SAR 5.7bln. Quarter saw increase in average selling prices of company products and also increase in selling and distribution expenses. Sales volume for the company also increased.

Saudi Riyad Bank reported 2Q22 net profit of SAR 1.6bln on total income from special commissions / financing & investments of SAR 2.8bln. Quarter saw increase in total operating income partially offset by increase in total operating expenses and increase in net special commission income. Impairment charge on investments and salaries were also higher.

Bahrain's Ahli United Bank reported 2Q22 net attributable profit of USD 170mln. Net interest income was USD 218.6mln whilst the total operating income reported was USD 292.9mln.

Bahrain Family Leisure Co. reported 2Q22 net loss of BHD 335,870 vs. loss of BHD 692,842 dinars a year ago. Total operating income reported was BHD 193,478 vs. BHD 78,367 a year ago.

Egypt reported a current account deficit of USD 13.6bln for March-July. Net foreign direct investment inflows were at AED 7.3bln and with foreign remittances at USD 23.6bln. Revenue from foreign tourists were at USD 8.2bln for the same period – Central Bank.

**Source: ADX, DFM, Bloomberg, Reuters, Gulf News, The National, Arabian business*

UAE Focus List

Company	MCAP (AEDm)	PRICE (AED)	HIGH-LOW		VALUATION		Div. (%)^	TOTAL RETURN **			
			52WH	52WL	PE	PB		1M%	3M%	YTD%	12M%
ADCB	59,833	8.60	11.30	7.17	11.42	1.12	4.3%	(2.3)	(15.5)	4.4	23.0
ADIB	32,470	8.94	10.46	5.40	13.47	1.59	3.5%	20.3	1.8	34.6	66.6
ADNIC	3,500	6.14	7.63	5.10	9.92	1.29	6.5%	(1.8)	(12.7)	(3.2)	26.9
ADNOC Dist.	54,000	4.32	4.63	3.80	23.56	20.61	4.8%	4.6	4.6	3.7	3.6
ADNOC Drill.*	58,400	3.65	3.92	2.77	23.79	5.35	4.1%	9.0	1.7	9.6	-
AD Ports	27,130	5.33	5.85	3.22	32.10	1.53	-	(4.0)	1.5	-	-
Agthia	4,180	5.28	7.07	4.20	NM	1.48	3.1%	1.5	23.7	4.4	(12.0)
Air Arabia	10,827	2.32	2.36	1.31	11.08	1.73	3.7%	12.6	7.9	68.6	77.1
Ajman Bank	1,535	0.73	0.91	0.64	11.88	0.61	-	5.8	(8.9)	(11.3)	(2.5)
Aldar	37,898	4.82	5.79	3.92	13.91	1.30	3.1%	10.8	(14.7)	24.3	19.0
Alpha Dhabi	245,600	24.56	30.20	23.78	NA	NA	-	(5.5)	(9.3)	(10.0)	(14.4)
Amanat	2,313	0.93	1.27	0.89	8.22	0.87	6.5%	(3.6)	(11.9)	(15.2)	(10.5)
Aramex	5,461	3.73	4.80	3.50	29.50	2.04	3.5%	(0.8)	(8.6)	(6.1)	6.3
ASM	10,080	10.08	16.94	9.56	NM	1.48	-	(3.1)	(23.6)	(27.5)	(32.8)
Borouge*	88,670	2.95	3.27	2.78	15.8	4.86	5.4%	1.0	(1.7)	-	-
BOS	1,166	0.53	0.76	0.49	-	-	-	-	-	(14.5)	(0.9)
Dana Gas	6,946	0.99	1.27	0.88	5.48	0.81	8.1%	(1.7)	(15.8)	(2.7)	20.4
DEWA*	127,500	2.55	3.05	2.48	20.82	1.37	4.9%	(0.8)	(9.9)	-	-
Deyaar	2,157	0.49	0.73	0.37	20.71	0.49	-	6.7	(21.9)	(23.0)	28.7
DFM	13,520	1.69	3.05	0.98	NM	1.72	1.8%	3.7	(36.7)	(39.8)	59.9
DIC	9,865	2.32	2.64	1.63	14.13	0.80	5.2%	6.4	(7.6)	25.9	38.1
DIB	41,996	5.80	6.63	4.90	8.77	1.07	4.3%	4.5	(10.1)	12.2	19.1
DU	27,424	6.05	7.28	5.67	22.52	3.17	3.5%	6.2	(6.5)	(5.4)	(5.6)
Easy Lease	1,152	38.40	66.85	24.00	26.63	11.04	-	(4.0)	(29.7)	32.4	37.1
Emaar Dev.	17,560	4.39	5.32	3.69	5.00	1.13	-	5.3	(15.3)	0.5	15.8
Emaar Pro.	44,007	5.38	6.47	3.91	7.26	0.69	2.8%	7.0	(15.7)	12.6	35.0
ENBD	86,222	13.65	15.50	11.80	9.26	1.01	3.7%	9.2	(10.5)	4.1	5.2
ESG	1,450	5.80	11.80	3.65	NM	2.43	-	(17.1)	(32.5)	(27.5)	56.8
Etisalat	244,380	28.10	39.06	22.34	26.10	5.18	2.8%	9.8	(19.7)	(10.4)	18.4
FAB	215,207	19.48	24.06	16.33	14.48	1.93	2.5%	4.3	(13.2)	7.0	21.1
Fertiglobe*	43,582	5.25	5.95	2.92	9.20	5.16	7.6%	9.4	(5.7)	54.9	NA
GFH	4,209	1.05	1.34	0.69	11.42	1.02	4.2%	6.1	(13.9)	(7.1)	44.1
Ghitha	20,560	85.10	123.00	9.59	NA	10.63	-	14.0	(19.0)	209.5	751.0
IHC	571,794	314.00	324.90	131.10	75.19	19.93	-	8.3	43.8	106.6	137.9
Julphar	1,560	1.35	2.32	1.20	24.44	1.64	-	0.0	(2.2)	(26.6)	(24.6)
Mashreq	16,952	84.50	84.50	53.98	7.32	0.84	1.2%	5.6	12.7	6.3	59.1
Multiply	23,072	2.06	2.35	1.51	NA	2.19	-	14.4	9.0	12.0	NA
NMDC	23,348	28.30	34.96	10.30	19.88	4.05	-	10.6	(2.5)	117.0	168.5
Palms	1,530	10.20	21.48	9.36	14.62	4.07	-	(1.2)	(23.4)	(16.5)	(9.7)
RAK Bank	7,877	4.70	5.40	3.85	8.01	0.95	4.8%	4.4	(10.5)	4.4	21.1
RAK Pro.	1,340	0.67	0.97	0.56	12.50	0.32	-	4.2	(13.5)	(13.1)	(2.0)
RAK Cer.	2,951	2.97	3.38	2.66	NM	1.37	6.7%	6.8	6.5	7.9	11.7
RPM	1,554	7.77	20.00	7.05	21.25	5.88	-	(2.6)	(27.5)	(19.5)	NA
Salama	674	0.56	0.87	0.54	23.84	0.87	-	(5.9)	(18.1)	(24.6)	(30.3)
SIB	5,547	1.80	2.12	1.59	9.46	0.73	4.4%	7.8	(7.7)	(4.0)	12.1
Shuaa	1,268	0.50	0.83	0.47	-	0.88	-	2.0	(21.5)	(27.0)	(34.2)
Tabreed	7,768	2.73	2.92	2.27	14.49	1.29	2.2%	(2.2)	11.0	13.2	1.6
TAQA	142,791	1.27	1.53	1.13	21.98	2.20	3.7%	3.3	(8.2)	(0.9)	5.6
Waha	2,664	1.37	1.91	1.36	6.04	0.78	5.5%	(4.9)	(10.5)	(13.9)	(11.8)
Yahsat *	6,368	2.61	2.91	2.46	23.44	1.93	6.1%	1.6	(1.9)	(2.0)	(0.5)

(Source Bloomberg) ^ Current dividend yield based on latest dividend declaration. * Expected dividend. ** Including dividend

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