



Morning Report

05 December 2021

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	8,547	0.8%	9%	11%	69%	72%
DFM	3,073	0.4%	7%	6%	23%	27%
TASI	10,883	0.3%	-7%	-4%	25%	25%
BHSEASI	1,762	0.7%	0%	6%	18%	18%
EGX	11,318	-0.9%	-3%	0%	4%	3%
DJI	34,580	-0.2%	-4%	-2%	13%	15%
S&P 500	4,538	-0.8%	-3%	0%	21%	24%
Nasdaq	15,085	-1.9%	-5%	-2%	17%	22%
FTSE	7,122	-0.1%	-2%	0%	10%	10%
DAX	15,170	-0.6%	-5%	-4%	11%	14%
CAC40	6,766	-0.4%	-3%	1%	22%	21%
Nikkei225	28,030	1.0%	-5%	-4%	2%	5%
HSI	23,767	-0.1%	-5%	-8%	-13%	-11%
MSCI EM	1,225	-0.9%	-3%	-7%	-5%	-1%
MSCI Asia	192	-0.2%	-3%	-7%	-4%	-1%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	7,892	7,892	-
Local	19%	38%	-19%
Foreign	81%	62%	19%
Institutional	94%	76%	18%
Retail	6%	24%	-18%
DFM	994	994	-
Local	25%	26%	-1%
Foreign	75%	74%	1%
Institutional	77%	73%	4%
Retail	23%	27%	-4%
Total	8,886	8,886	-
Local	20%	37%	-17%
Foreign	80%	63%	17%

Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	High - Low	
				52WH	52WL
Aldar	0.067%	4.02	(1.7)	4.38	3.09
Yahsat	0.054%	2.77	0.7	3.10	2.46
Manazel	0.031%	0.54	(1.8)	0.64	0.33

Upcoming Corporates Actions & Events

Date	Company	Event
08-Dec	Etisalat	GM
09-Dec	Dana Gas	GM/Dividend
09-Dec	UPP	AGM
16-Dec	DFM	AGM
20-Dec	FTSE 4Q EM Index	Effective Date

KEY STORIES

ADX says shares of Multiply Group will list on ADX with effect from December 5th (today) in primary market

Taqa says Mohamed Bin Zayed launches Abu Dhabi Powerhouse to develop world-leading portfolio in clean energy. Consolidating their combined efforts in renewable energy and green hydrogen. Taqa, Mubadala and ADNOC will partner under Masdar brand

ADQ and TAQA sign USD 6bln agreement with Kazakhstan's sovereign fund

Ras Al Khaimah Cement Investment Company's general assembly is scheduled for 26th Dec to consider approval of the issuance of mandatory convertible bonds with an aggregate principal amount of AED 3.1bln to Chimera Investment LLC and IHC Capital Holding LLC in their capacity as all the shareholders of Apex Holding LLC as the acquisition price to be paid by the Company to acquire Apex Holding LLC

Dubai is considering an IPO of Emirates airline - President Tim Clark

DEWA has hired Citigroup and HSBC in top roles for its upcoming initial public offering (IPO) which could raise up to USD 2bln, sources said

DP World has pulled out of a joint bid with an Israeli company to privatise Israel's Haifa port, Israel's privatisation body said

Engie and Masdar form a USD 5bln strategic alliance to support the green hydrogen economy in the UAE

UAE's Borouge signed a AED 5.8bln partnership agreement with French company Technip Energies NV to expand the Borouge 4 polyolefin facility in Ruwais

ADQ signed an investment agreement worth EUR 4.6bln (USD 5.2bln) with the French ministry of economy and finance, the Abu Dhabi media office

ADNOC announced a USD 127bln capital spending plan for 2022-2026, as it reported an increase in the UAE oil and natural gas reserves

UAE on Dec 04 announced 51 new Covid-19 cases and 69 recoveries. The tally takes total cases in UAE to 742,278 with 737,255 recoveries and 2,148 deaths

GCC economies are likely to achieve an aggregate growth rate of 2.6pct in 2021 - World Bank

Saudi Fransi Capital and EFG Hermes lead sale of 21% stake in Theeb Rent a Car

Saudi's Alwasail Industrial Company intends to offer 2.5mln ordinary shares, representing 10% of the company's shares, for the listing on Parallel Market (NOMU)

Saudi's Maharah Human Resources has announced to acquire 40% stake in Salis

S&P Global Ratings has revised the outlook on Bahrain's Batelco to "stable" from "negative" in view of improved economic prospects in the Gulf state

Egypt's Palm Hills Developments has completed its seventh securitisation bond issuance backed by a receivables portfolio of around EGP 1.05bln

Key Global Trends/ Market Clues

Global equities and benchmark U.S. bond yields tumbled on Friday in volatile trade after data showed U.S. job growth slowed considerably in November and the Omicron variant of the coronavirus kept investors on edge. Despite weak jobs growth, solid details in the Labor Department report suggested Federal Reserve plans to accelerate tapering of its bond purchases and expectations for multiple rate hikes next year

remained intact. MSCI's all-country world index fell 0.81% and the broad STOXX Europe 600 index closed down 0.6%. Stocks on Wall Street pared heavy, earlier losses. The Dow Jones Industrial Average closed down 0.17%, the S&P 500 fell 0.84% and the Nasdaq Composite lost 1.92%.

Crude prices ended little changed on Friday after erasing earlier big gains on growing worries that rising coronavirus cases and a new variant could reduce global oil demand. Earlier in the day, oil prices climbed more than USD 2 a barrel after producer group OPEC+ said it could review its policy to hike output at short notice if a rising number of pandemic lockdowns chokes off demand. Brent futures rose 21 cents, or 0.3%, to settle at USD 69.88 a barrel, while U.S. West Texas Intermediate (WTI) crude ended 24 cents, or 0.4%, lower at USD 66.26. The Organization of the Petroleum Exporting Countries, Russia and allies, a grouping known as OPEC+, surprised the market on Thursday when it stuck to its plans to add 400,000 barrels per day (bpd) supply in January. But OPEC+ left the door open to changing policy swiftly if demand suffered from measures to contain the spread of the Omicron coronavirus variant. They said they could meet again before their next scheduled meeting on Jan. 4.

UAE Stories

ADX says shares of Multiply Group will list on ADX with effect from December 5th (today) in primary market.

Taqa says Mohamed Bin Zayed launches Abu Dhabi Powerhouse to develop world-leading portfolio in clean energy. Global clean energy powerhouse intended to spearhead the drive to net-zero carbon by 2050. Consolidating their combined efforts in renewable energy and green hydrogen, Taqa, Mubadala and ADNOC will partner under Masdar brand. Partnership between three Abu Dhabi champions will have a combined current, committed, and exclusive capacity of over 23 gigawatts (gw) of renewable energy. Expectation of reaching well over 50gw total capacity by 2030. New Masdar partnership builds on the creation in January 2021 of the Abu Dhabi Hydrogen alliance. It is planned that Taqa will take the leading role with a 43% shareholding in Masdar's renewable energy business, Mubadala retaining 33% and ADNOC holding 24%. ADNOC will take the leading role with a 43% shareholding in Masdar's green hydrogen business, with Mubadala holding 33% and Taqa 24%.

The UAE will invest up to USD 6bln in Kazakhstan's energy sector, it has been announced. ADQ and TAQA have entered into an agreement with the Central Asian country's sovereign wealth fund, Samruk-Kazyna, according to Al-Arabiya. ADQ Holdings, TAQA and Samruk-Kazyna will explore three new power generation projects in Kazakhstan, including a 2 gigawatt photovoltaic power plant, a 2 GW wind farm, and a 1 GW combined cycle gas power plant. Both ADQ Holdings and TAQA will own a 51pct stake in each project, while Samruk-Kazyna will retain the remaining stake. TAQA will participate in the operations and maintenance of all three projects once they come online, according to a statement issued on Wednesday.

Ras Al Khaimah Cement Investment Company's general assembly is scheduled for 26th Dec to consider approval of the issuance by the Company of mandatory convertible bonds with a nominal value of AED 1 each in an aggregate principal amount of AED 3.1bln to Chimera Investment LLC and IHC Capital Holding LLC in their capacity as all the shareholders of Apex Holding LLC as the acquisition price to be paid by the Company to acquire Apex Holding LLC (the "Acquisition"). Such mandatory convertible bond shall be converted into 3.1bln shares with a nominal value of AED 1 each new shares in the Company and the issued share capital of the Company shall be increased to AED 3.6bln on conversion of such mandatory convertible bond.

The Dubai government is considering an initial public offering of Emirates airline, the flagship carrier's President Tim Clark said, as authorities work to boost activity on the local stock market.

DEWA has hired Citigroup and HSBC in top roles for its upcoming initial public offering (IPO) which could raise up to USD 2bln, sources said. The two banks will join Emirates NBD, which was earlier chosen by the company to play a leading role, they said.

DP World has pulled out of a joint bid with an Israeli company to privatise Israel's Haifa port, Israel's privatisation body said. Israel is selling its state-owned ports and building new private docks in an effort to encourage competition and lower costs.

Engie and Masdar form a USD 5bln strategic alliance to support the green hydrogen economy in the UAE. This partnership aims to exploit the synergies and complementarities between Masdar, which will act as an investor and developer of renewable energy projects, and Engie.

UAE's Borouge signed a AED 5.8bln partnership agreement with French company Technip Energies NV to expand the Borouge 4 polyolefin facility in Ruwais, the Abu Dhabi media office said on Friday. The agreement awards one of five Engineering Procurement, Commissioning, and Construction (EPC) contracts to the French company, part of a consortium with Target Engineering, to expand Borouge, making it the world's largest single-site polyolefin complex, the office added.

ADQ signed an investment agreement worth EUR 4.6bln (USD 5.2bln) with the French ministry of economy and finance on Friday, the Abu Dhabi media office.

ADNOC announced a USD 127bln capital spending plan for 2022-2026, as it reported an increase in the United Arab Emirates' (UAE) oil and natural gas reserves. The state-owned company said national reserves had risen by 4bln stock tank barrels (stb) of oil and 16trn standard cubic feet (scf) of natural gas, taking the totals to 111bln stb and 289trn scf respectively. ADNOC said that reinforced the UAE's position as number six in the world for oil reserves and number seven for gas reserves. Abu Dhabi Crown Prince Sheikh Moahammed bin Zayed chaired the company's annual board meeting, which approved capital spending of USD 127bln for 2022-2026, up from USD 122bln for 2021-25.

UAE on Dec 04 announced 51 new Covid-19 cases, bringing the total confirmed cases in the country to 742,278. At the same time, 69 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 737,255, 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 2,148.

GCC/MENA

GCC economies are likely to achieve an aggregate growth rate of 2.6pct in 2021, according to the World Bank.

Saudi Fransi Capital and EFG Hermes have acted as joint bookrunners and brokers to Growth Opportunities Company for Trading, according to a press release. The two companies have been jointly successful in concluding the sale of Growth Opportunities' entire stake in Theeb Rent a Car, via an accelerated equity offering. Under the sale transaction, 9.03mln shares, accounting for 21% of Theeb Rent a Car's outstanding shares, were offered for sale to institutional investors. The transaction was carried out through 19 block trades at a total value of SAR 478.59mln, equivalent to a price of SAR 53 per share. Following the completion of the sale, Theeb's free-float shares as a percentage of outstanding shares rose to 63.45%, with the remaining 36.55% being held by other substantial shareholders.

Saudi's Alwasail Industrial Company intends to offer 2.5mln ordinary shares, representing 10% of the company's shares, for the listing on Parallel Market (NOMU). The offering period will begin on Sunday, 26 December, and will end on Thursday, 30 December, according to a bourse filing on Thursday.

Saudi's Maharah Human Resources has announced to acquire 40% stake in Salis, a provider of home services application specialised in the household, personal, automotive and other types of home services. Both the companies involved in this transaction are based in Saudi Arabia.

S&P Global Ratings has revised the outlook on Bahrain's Batelco to "stable" from "negative" in view of improved economic prospects in the Gulf state.

Egypt's Palm Hills Developments has completed its seventh securitisation bond issuance backed by a receivables portfolio of around EGP 1.05bln, in cooperation with Sarwa Capital, a subsidiary of Contact Financial Holding. Issued in four tranches with ratings of AA+, AA, A+, A-, the bonds are related to 331 handed over residential units, according to a bourse filing on Thursday.

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

UAE Focus list

Company	MCAP (AEDm)	PRICE (AED)	HIGH-LOW		VALUATION		Div. (%)^	HISTORICAL RETURN			
			52WH	52WL	PE	PB		1M%	3M%	YTD%	12M%
ADCB	59,138	8.50	8.63	5.97	12.08	1.04	3.2%	2.4	13.6	43.2	46.0
ADIB	23,535	6.48	6.48	4.59	12.96	1.18	3.2%	11.0	15.7	43.7	43.7
ADNIC	3,295	5.78	5.93	4.63	7.81	1.21	6.1%	3.2	8.0	21.5	19.9
ADNOC Dist.	51,750	4.14	5.01	3.48	19.35	15.30	5.0%	(3.3)	(5.7)	15.8	25.5
ADNOC Drill.*	51,520	3.22	3.51	2.77	25.61	4.95	4.6%	NA	NA	NA	NA
Agthia	4,449	5.62	7.32	4.03	NM	1.67	2.9%	(5.4)	(7.3)	37.6	36.3
Air Arabia	6,767	1.45	1.58	1.17	NM	1.22	0.0%	4.3	2.1	13.3	16.9
Ajman Bank	1,697	0.81	0.91	0.64	19.63	0.65	0.0%	15.3	11.4	3.6	12.8
Aldar	31,608	4.02	4.38	3.09	14.29	1.24	3.6%	(0.5)	(2.4)	32.6	37.4
Alpha Dhabi	286,000	28.60	30.20	15.00	NA	NA	NA	7.7	(3.1)	NA	NA
Amanat	2,850	1.14	1.27	0.78	9.63	1.02	1.9%	0.9	(6.6)	39.0	37.5
Aramex	5,725	3.91	4.80	3.50	33.82	2.07	3.3%	(10.5)	(3.5)	(7.8)	0.7
ASM	14,000	14.00	16.94	13.00	NM	3.79	NA	(12.5)	NA	NA	NA
BOS	1,250	0.57	0.76	0.50	NA	0.33	0.0%	(15.2)	(2.1)	(5.5)	(12.5)
Dana Gas	7,415	1.06	1.27	0.67	7.21	0.87	5.2%	2.9	(0.9)	59.0	66.2
Deyaar	2,433	0.42	0.55	0.25	NA	0.56	0.0%	41.8	35.8	49.8	54.8
DFM	19,200	2.40	3.05	0.87	NM	2.45	0.0%	135.3	114.3	158.1	174.9
DIC	7,994	1.88	2.08	1.26	20.76	0.67	NA	10.6	2.2	36.3	58.1
DIB	37,362	5.16	5.59	4.44	13.76	0.98	3.9%	1.0	1.4	16.8	20.2
DU	27,560	6.08	7.22	5.62	33.26	3.35	4.1%	(1.1)	(8.0)	9.6	11.5
Easy Lease	914	30.48	66.85	10.00	29.20	14.91	NA	(32.0)	(39.8)	73.2	-
Emaar Dev.	18,360	4.59	4.75	2.45	6.84	1.35	0.0%	17.7	17.7	66.9	68.7
Emaar Pro.	38,363	4.69	5.33	3.26	12.17	0.59	2.1%	17.0	12.5	36.3	51.4
ENBD	83,379	13.20	14.35	10.25	10.45	0.98	3.0%	(5.4)	(5.0)	32.8	24.9
ESG	2,000	8.00	11.80	3.01	NM	5.75	NA	(22.3)	13.8	NA	NA
Eshraq	888	0.38	0.48	0.29	NA	0.65	NA	18.3	13.0	20.1	20.9
Etisalat	277,776	31.94	31.94	16.88	30.16	5.89	3.8%	24.8	34.3	99.5	94.7
FAB	209,446	19.18	20.02	12.78	19.03	1.98	3.9%	7.6	12.8	56.4	59.9
Fertiglobe*	29,470	3.55	4.02	2.92	21.04	4.82	5.0%	19.9	-	-	-
GFH	4,299	1.02	1.33	0.56	12.48	1.20	1.7%	20.7	36.4	76.9	87.7
IHC	277,520	152.40	165.00	39.80	58.97	17.40	NA	4.0	3.7	262.9	280.0
Julphar	2,045	1.77	2.32	1.20	NA	2.05	NA	(11.9)	(15.3)	33.1	22.1
Mashreq	15,046	75.00	75.00	53.10	NA	0.78	0.0%	16.9	41.2	24.8	24.8
Palms Sports	1,728	11.52	21.48	4.30	21.42	6.40	NA	(15.2)	(33.2)	(12.7)	NA
RAK Bank	7,207	4.30	4.72	3.63	12.01	0.89	3.5%	7.5	11.7	10.3	19.4
RAK Pro.	1,484	0.74	0.81	0.43	5.49	0.36	5.4%	1.5	2.3	54.6	71.0
RAK Cer.	2,753	2.77	3.08	1.38	NM	1.23	2.7%	1.1	(1.1)	100.0	117.3
RPM	2,036	10.18	20.00	9.43	50.72	9.08	NA	NA	NA	NA	NA
Salama	935	0.77	0.97	0.73	15.20	1.20	10.7%	3.1	(8.0)	0.6	2.5
SIB	5,670	1.84	1.89	1.21	11.11	0.74	4.3%	1.1	4.0	47.7	62.5
Shuaa	1,823	0.72	0.83	0.59	10.06	1.17	4.2%	7.5	1.8	10.8	20.5
Tabreed	6,935	2.50	3.15	2.39	14.55	1.27	2.3%	(11.0)	(12.9)	(1.6)	0.3
TAQA	158,532	1.41	1.59	1.15	32.56	2.23	1.8%	14.2	8.9	(0.1)	(2.4)
Waha	3,228	1.66	1.96	1.06	6.51	0.95	3.6%	(4.0)	(11.2)	45.5	66.3
Yahsat *	6,758	2.77	3.10	2.46	30.44	2.26	5.7%	1.1	NA	NA	NA
Zee Store	2,660	26.60	53.00	7.95	NM	12.86	NA	(24.9)	1.7	153.3	NA

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

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