



## Morning Report

11 October 2021

### Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	7,730	0.3%	-2%	11%	53%	71%
DFM	2,774	0.0%	-5%	0%	11%	25%
TASI	11,566	-0.2%	1%	7%	33%	37%
BHSEASI	1,701	0.1%	2%	8%	14%	17%
EGX	10,663	1.2%	-4%	5%	-2%	-6%
DJI	34,746	0.0%	-1%	1%	14%	22%
S&P 500	4,391	-0.2%	-3%	2%	17%	27%
Nasdaq	14,580	-0.5%	-5%	0%	13%	28%
FTSE	7,096	0.2%	0%	1%	10%	19%
DAX	15,206	-0.3%	-3%	-1%	11%	17%
CAC40	6,560	-0.6%	-2%	3%	18%	34%
Nikkei225	28,049	1.3%	-7%	0%	2%	19%
HIS	25,350	0.6%	-6%	-9%	-9%	3%
MSCI EM	1,257	0.3%	-4%	-4%	-3%	12%
MSCI Asia	195	0.4%	-6%	-4%	-3%	11%
US Fut.	4,371	-0.1%	-2%	0%	17%	26%
EU Fut.	4,058	0.0%	-2%	-1%	15%	25%

### UAE Trading Summary

AEDm	Buy	Sell	Net
<b>ADX</b>	<b>1,427</b>	<b>1,427</b>	<b>-</b>
Local	78%	79%	-1%
Foreign	22%	21%	1%
Institutional	84%	83%	2%
Retail	16%	17%	-2%
<b>DFM</b>	<b>82</b>	<b>82</b>	<b>-</b>
Local	57%	67%	-10%
Foreign	43%	33%	10%
Institutional	30%	38%	-8%
Retail	70%	62%	8%
<b>Total</b>	<b>1,509</b>	<b>1,509</b>	<b>-</b>
Local	77%	79%	-2%
Foreign	23%	21%	2%

### Last Trading Day's Top Short Sell Positions

Company	Short Volume (Shrs.)	Short Volume (% of total volume)	Total Stock Volume (mShrs.)	Total Stock Turnover (AEDm)
Etisalat	(76,968)	4.3%	1.8	43.9
Alpha Dhabi	(2,000)	0.0%	4.0	110.3
Aldar	(485)	0.0%	65.9	269.4

### Upcoming Corporates Actions & Events

Date	Company	Event
13-Oct	ADNOC Dis.	BoD/General
14-Oct	ESG	BoD/Results
14-Oct	GFH	AGM
20-Oct	DAMAC	AGM/Delisting
27-Oct	FAB	BoD/Results
11-Nov	GFH	BoD/Results

## # KEY STORIES

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Dubai IHS Markit September PMI at 51.5 from 53.3 in August

Emaar Properties shareholders approve merger with Emaar Malls

SHUAA Capital invests in Swiss pharma supply chain disruptor Skycell

ADNIC assigned financial strength rating of A and long-term issuer credit rating of 'a' by AM Best

Sharjah Group appoints Ali Mohamed Zaid Ali Musmar as CEO

Maryam Buti Al Suwaidi appointed as CEO Of Securities And Commodities Authority

ADNOC has dropped plans to build a 400,000 barrels per day refinery in Ruwais citing changing economic outlook for the project

The government of Dubai announced a diversified portfolio of public-private partnership projects worth more than AED 25bln (USD 6.81bln)

UAE on Oct 10 announced 111 new Covid-19 cases and 191 recoveries. The tally takes total cases in UAE to 737,666 with 731,113 recoveries and 2,113 deaths

Saudi's Almarai Company posted quarterly net profit after zakat and tax SAR 409.1mln versus SAR 621.5mln year ago. Quarterly sales SAR 3,941.7mln versus SAR 3,863.1mln year ago

Saudi's Advanced Petrochemical posted quarterly net profit after zakat and tax SAR 218mln versus SAR 156mln year ago. Quarterly sales SAR 805mln versus SAR 545mln year ago

Saudi's Methanol Chemicals posted quarterly net profit SAR 74.11mln versus loss of SAR 202.45mln year ago. Quarterly sales SAR 249.55mln versus SAR 132.28mln year ago

Saudi's Arabian Contracting Services IPO price range set at SAR 90-100 – Adviser

Qatar National Bank posted nine-month net profit reached QAR 10.3bln, up 8% YoY. Nine-month operating income grew by 8% YoY to reach QAR 20.7bln

Kuwait may allow foreigners 100% ownership of businesses, official

Egypt's core inflation increased to 4.8% YoY in September from 4.5% in August, data from the central bank showed

Qatar National Bank Alahly (Egypt) posted Q3 net profit EGP 1.91bln versus EGP 1.80bln year ago. Q3 consolidated net interest income, commission and fees EGP 4.35bln versus EGP 4.06bln year ago

Egypt begins IPO of state payments firm e-finance

## # Key Global Trends/ Market Clues

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Asian shares rallied on Monday courtesy of gains in China which also helped U.S. stock futures pare early losses, while rising Treasury yields lifted the dollar to a near-three-year peak against the Japanese yen. Nasdaq futures and S&P 500 futures were both down around 0.1%, but well above early lows. EUROSTOXX 50 futures STXEc1 dipped 0.1% and FTSE futures held steady. Oil prices extended their bull run, with gains across the energy complex stoking inflation concerns. Yet a 1% rise in the Chinese blue chip index helped stabilise the mood and MSCI's broadest index of Asia-Pacific shares outside Japan added 0.7%. The drop in the yen provided a welcome boost to Japan's Nikkei which reversed early losses to rise 1.3%, though Australia was still off 0.4%.

Oil prices rose on Monday, extending multi-week gains, amid supply restraint from major producers and growing demand for fuels as economies try to recover from the coronavirus pandemic. Brent crude was up 81 cents, or 1%, at USD 83.20 a barrel by 0212 GMT, after gaining almost 4% last week. U.S. oil was up USD 1.15, or 1.5%, at USD 80.50 a barrel, the highest since late 2014. U.S. crude rose 4.6% through Friday. Prices have risen as more vaccinated populations are brought out of lockdowns and fuel economic activity, with Brent advancing for five weeks and U.S. crude for seven. Coal and gas prices have also been surging as economies recover, making oil more attractive as a fuel for power generation, and pushing crude markets higher.

## # UAE Stories

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Dubai IHS Markit September Purchasing Managers' Index (PMI) at 51.5 from 53.3 in August.

Emaar Properties shareholders approve merger with Emaar Malls.

Shuaa Capital invests in swiss pharma supply chain disruptor Skycell. Investment is part of Skycell's latest funding round, which was completed in order to support Skycell's continued growth. Its managed funds invested in recently concluded USD 34.8m series c funding round by Skycell. Investment is part of building a strong partner network including in the Middle East.

ADNIC has been assigned a financial strength rating of A (Excellent) and a long-term issuer credit rating of "a" (Excellent) with a stable outlook by ratings agency AM Best. The rating reflects ADNIC's balance sheet strength, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management which AM Best assesses as very strong.

Sharjah Group appoints Ali Mohamed Zaid Ali Musmar as CEO.

Maryam Buti Al Suwaidi appointed as CEO Of Securities And Commodities Authority.

ADNOC has dropped plans to build a 400,000 barrels per day refinery in Ruwais citing changing economic outlook for the project. In a statement, the Emirati national oil company said: "We regularly assess market conditions and global supply and demand considerations. This ensures ADNOC's economic resilience and the future-proofing of our business operations. As a result of our early feasibility and pre-feed (front-end engineering and design) studies, we have concluded that at this time a new refinery is not economically attractive."

The government of Dubai announced a diversified portfolio of public-private partnership (PPP) projects worth more than AED 25bn (USD 6.81bn). The investments, announced at a PPP conference held in the regional tourism and business hub, include seven urban development projects worth AED 22.58bn, 14 road and transport projects worth AED 2.39bn and eight projects in health and safety at AED 526m.

UAE on Oct 10 announced 111 new Covid-19 cases, bringing the total confirmed cases in the country to 737,666. At the same time, 191 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 731,113, 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 2,113.

## # GCC/MENA

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Saudi's Almarai Company posted quarterly net profit after zakat and tax SAR 409.1m versus SAR 621.5m year ago. Quarterly sales SAR 3,941.7m versus SAR 3,863.1m year ago. Faced a challenging quarter due to the base year effect of covid-19 and rising commodity costs. Despite continued commercial normalization post Covid-19 restrictions, core product revenues dropped by 3% within GCC countries.

Saudi's Advanced Petrochemical posted quarterly net profit after zakat and tax SAR 218m versus SAR 156m year ago. Quarterly sales SAR 805m versus SAR 545m year ago.

Saudi's Methanol Chemicals posted quarterly net profit after zakat and tax SAR 74.11m versus loss of SAR 202.45m year ago. Quarterly sales SAR 249.55m versus SAR 132.28m year ago.

Saudi's GIB Capital acting as bookrunner for IPO of Arabian Contracting Services announces price range, as well as commencement of book-building period. Price range for offering has been set at SAR 90 - 100

per share. Bidding and book-building period for participating parties: starts on October 10 and until October 19.

Qatar National Bank posted nine-month net profit reached QAR 10.3bln, an increase of 8% compared to same period last year. Nine-month operating income grew by 8% to reach QAR 20.7bln. Continued to set aside QAR 4.5bln (USD 1.2bln) in respect of loan loss provisions which resulted in increased coverage ratio of 112%, reflecting the prudent approach adopted by the group towards non-performing loans.

Kuwait may allow foreigners full ownership of companies in a push to attract more investments and boost the economy. Abdullah Al-Sabah, deputy director general for investment operations at Kuwait's Direct Investment Promotion Authority, highlighted the possibility of such a move in an interview with Al-Arabiya on Sunday. He said the authority is also working on the creation of four border economic zones to encourage foreign direct investments.

Egypt's core inflation increased to 4.8% YoY in September from 4.5% in August, data from the central bank showed on Sunday.

Qatar National Bank Alahly (Egypt) posted nine-month consolidated net profit EGP 6.01bln versus EGP 5.64bln year ago. Q3 consolidated attributable net profit EGP 1.91bln versus EGP 1.80bln year ago. Q3 consolidated net interest income, commission and fees EGP 4.35bln versus EGP 4.06bln year ago.

Egyptian state-controlled payments firm e-finance for Digital and Financial Investments began an initial public offering (IPO) for retail investors on Sunday, an official from one of the banks acting as managers of the offering said. A separate tranche for institutional investors that began on Wednesday will close on Monday, with the size of the subscription and the final price expected to be announced two days later, added the official, who asked not to be named. It is offering to sell 257.8mln shares, or 16.1% of the total, to the public, including 177.8mln new shares and 80mln shares owned by current shareholders, at a maximum price of EGP 13.8. Of these, 90% of the shares will go to institutional investors and 10% to retail investors.

*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	52,667	7.57	7.77	5.55	10.76	0.92	3.6%	(2.6)	12.5	27.5	41.2
ADIB	20,448	5.63	5.82	4.15	11.01	1.05	3.6%	(0.4)	1.4	24.8	40.7
ADNIC	2,975	5.22	5.93	3.75	6.92	1.14	6.7%	(1.9)	4.6	9.7	55.0
ADNOC Dist.	53,375	4.27	5.01	3.28	19.96	15.78	4.8%	(1.7)	(0.1)	19.4	31.7
ADNOC Drill.*	48,160	3.01	3.06	2.77	23.94	4.63	5.0%	NA	NA	NA	NA
Agthia	4,441	5.61	7.32	3.99	NM	1.65	2.9%	(7.9)	(7.0)	37.3	33.8
Air Arabia	6,253	1.34	1.45	1.07	NM	1.19	0.0%	(2.9)	(0.7)	4.7	18.6
Ajman Bank	1,430	0.68	0.83	0.64	20.12	0.56	0.0%	(4.8)	(12.1)	(12.7)	(0.0)
Aldar	32,158	4.09	4.26	2.00	14.54	1.26	3.5%	(2.4)	7.6	34.9	111.4
Alpha Dhabi	277,000	27.70	30.20	15.00	NA	NA	NA	(1.8)	34.1	NA	NA
Amanat	2,850	1.14	1.25	0.75	11.64	1.04	1.9%	(0.9)	16.9	39.0	43.4
Aramex	5,256	3.59	4.49	3.50	28.55	2.00	3.6%	(7.2)	(6.8)	(15.3)	(13.7)
ASM	15,000	15.00	16.94	13.00	NM	4.06	NA	(10.8)	NA	NA	NA
BOS	1,192	0.54	0.73	0.48	NA	0.35	0.0%	(3.2)	(8.3)	(9.9)	7.1
Dana Gas	7,345	1.05	1.15	0.64	13.06	0.92	5.2%	(2.8)	28.5	57.5	59.1
Deyaar	1,705	0.30	0.34	0.25	NA	0.39	0.0%	(11.1)	1.4	5.0	5.7
DFM	8,160	1.02	1.29	0.81	NM	1.04	0.0%	(8.1)	(8.1)	9.7	24.2
DIC	7,228	1.70	1.90	1.11	16.26	0.61	NA	(7.1)	0.6	23.3	58.2
DIB	35,842	4.95	5.19	4.00	15.00	0.97	4.0%	(2.6)	2.9	12.1	22.1
DU	29,917	6.60	7.22	5.31	21.85	3.57	4.2%	0.0	0.3	19.0	27.4
Easy Lease	1,334	44.46	66.85	10.00	42.59	21.74	NA	(17.7)	77.7	152.6	-
Emaar Dev.	15,400	3.85	4.08	2.19	7.22	1.21	0.0%	(4.7)	4.3	40.0	68.1
Emaar Malls	25,898	1.99	2.14	1.40	26.43	1.32	0.0%	(4.8)	1.0	8.7	38.2
Emaar Pro.	28,567	3.99	4.29	2.55	13.16	0.51	2.5%	(4.8)	(1.0)	16.0	53.4
ENBD	82,116	13.00	14.35	9.30	11.78	0.98	3.1%	(7.1)	(3.0)	30.8	30.1
ESG	1,970	7.88	9.29	3.01	NM	5.67	NA	4.5	109.6	NA	NA
Eshraq	732	0.32	0.37	0.29	NA	0.54	NA	(5.4)	(8.7)	(0.9)	4.0
Etisalat	214,636	24.68	25.80	16.64	23.30	4.55	4.9%	-	12.8	54.2	54.5
FAB	191,318	17.52	18.70	11.06	17.38	1.81	4.2%	(4.3)	7.1	42.9	66.7
GFH	2,857	0.74	0.81	0.53	10.13	0.76	2.3%	(0.1)	(1.1)	28.7	37.0
IHC	267,505	146.90	152.80	38.00	56.84	16.78	NA	0.5	16.3	249.8	283.6
Julphar	2,091	1.81	2.32	1.20	NA	2.20	NA	(5.2)	4.0	36.1	21.5
Mashreq	12,427	70.00	71.00	60.00	NA	0.64	0.0%	1.4	12.9	3.1	11.6
Palms Sports	2,067	13.78	21.48	4.30	25.62	7.66	NA	(10.5)	15.6	4.4	NA
RAK Bank	6,521	3.89	4.24	3.41	12.96	0.83	3.9%	(2.8)	1.6	(0.3)	14.1
RAK Pro.	1,380	0.69	0.76	0.38	6.68	0.34	5.8%	(4.4)	9.5	43.7	81.1
RAK Cer.	2,842	2.86	3.08	1.33	NM	1.27	2.6%	(0.7)	30.6	99.3	123.1
RPM	2,680	13.40	20.00	10.10	NA	NA	NA	NA	NA	NA	NA
Salama	899	0.74	0.97	0.70	6.05	1.15	11.1%	(9.8)	(8.3)	(3.3)	3.1
SIB	5,239	1.70	1.82	1.15	11.80	0.69	4.7%	(1.7)	14.9	36.5	52.7
Shuaa	1,701	0.67	0.80	0.59	8.44	1.11	4.5%	(4.4)	10.2	3.4	15.8
Tabreed	6,990	2.52	3.15	2.17	13.22	1.32	2.3%	(10.0)	(7.7)	(0.8)	16.8
TAQA	140,543	1.25	1.78	1.22	28.86	1.98	2.0%	(4.6)	(8.4)	(11.8)	(10.3)
Union Pro.	1,171	0.27	0.32	0.23	2.97	0.40	0.0%	(9.0)	7.1	(2.5)	0.7
Waha	3,403	1.75	1.96	0.98	6.16	1.01	3.4%	(5.9)	21.5	53.4	80.4
Yahsat *	6,514	2.67	3.10	2.46	25.91	1.96	5.9%	2.3	NA	NA	NA
Zee Store	3,220	32.20	53.00	7.95	NM	15.57	NA	(30.0)	235.4	206.7	NA

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

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