



## Morning Report

13 June 2024

### Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	8,978	-0.2%	-2%	-3%	-7%	-5%
DFM	3,979	-0.7%	-5%	-6%	-2%	7%
TASI	11,652	-1.1%	-5%	-8%	-3%	2%
QSI	9,646	0.1%	0%	-5%	-11%	-5%
BKM	5,998	0.1%	0%	-2%	8%	12%
MSX	4,701	0.1%	-2%	-2%	4%	0%
BHSEASI	2,038	-0.1%	1%	0%	3%	4%
EGX	26,133	0.0%	4%	-20%	5%	48%
DJI	38,712	-0.1%	-2%	-1%	3%	14%
S&P 500	5,421	0.9%	4%	5%	14%	25%
Nasdaq	17,608	1.5%	8%	8%	17%	31%
FTSE	8,215	0.8%	-3%	6%	6%	9%
DAX	18,631	1.4%	-1%	4%	11%	16%
CAC40	7,865	1.0%	-4%	-3%	4%	8%
Nikkei225	38,877	-0.7%	2%	0%	16%	20%
HIS	18,008	0.4%	-5%	5%	5%	-8%
MSCI EM	1,069	0.3%	0%	2%	4%	7%
MSCI	180	0.4%	1%	2%	6%	9%
US Fut.	5,440	0.2%	3%	6%	13%	24%
EU Fut.	5,034	-0.1%	-1%	1%	11%	15%

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

### UAE Trading Summary

AEDmn	Buy	Sell	Net
<b>ADX</b>	<b>1,442</b>	<b>1,442</b>	<b>-</b>
Local	872	927	(55)
Foreign	570	515	55
Company	1,152	1,189	(37)
Individual	290	253	37
<b>DFM</b>	<b>349</b>	<b>349</b>	<b>-</b>
Local	191	181	9
Foreign	158	167	(9)
Company	157	162	(5)
Individual	192	187	5
<b>Total</b>	<b>1,791</b>	<b>1,791</b>	<b>-</b>
Local	1,063	1,109	(46)
Foreign	728	683	46

## # KEY STORIES

Central Bank of the UAE decided to keep interest rates unchanged, following the US Federal Reserve's decision on Wednesday to keep benchmark lending rate at its current level for the seventh time in a row

Central Bank of the UAE's balance sheet hit a record AED771.23bn by the end of March 2024, a YoY growth of 30% from approximately AED594.12bn in March 2023

NMDC announced that, in collaboration with international partners, NMDC Energy, a wholly-owned subsidiary of NMDC Group, has been awarded a USD5.5bn EPC contract by ADNOC

AD Ports Group signed a definitive concession agreement with the Red Sea Ports Authority (RSPA) to develop, operate and manage three cruise terminals at Safaga, Hurghada, and Sharm El Sheikh ports

Multiply's Omorfia Group has acquired 100% ownership of The Grooming Company Holding (TGCH) from the Luxembourg-headquartered CedarBridge Capital Partners

Du announced it would deploy Oracle Alloy to offer hyperscale cloud and sovereign AI services for the country's public sector

Emirates NBD has partnered with Citi to introduce a new USD cross-border clearing service in the Middle East

Agility is considering plans to dual list shares of its Abu Dhabi-listed subsidiary Agility Global on Saudi Arabia's Tadawul stock exchange

GulfNav board approved the resignation of Mr. Mohamed Abdulrahman Amiri from the position of Vice Chairman and elected Dr. Abdulrahman Mahmoud Alafifi as his replacement

Naeem Holding for Investment's board approved the purchase of 7mn (approximately 2% of capital) treasury shares provided that the implementation takes place by 12<sup>th</sup> July 2024

NMC Healthcare will be looking at multiple options regarding its next steps, including a possible IPO or sale of its private healthcare network, which is one of the largest in the UAE

Saudi's Dallah Healthcare announced 1Q dividend of SAR0.5/sh.

Saudi's Bupa Arabia announces contract award with SABIC to provide health insurance for SABIC's employees with contract revenues expected to be greater than 10% of the 2023 gross written premium

Saudi's Zahrat Al Waha completes installation of printing line and two packaging lines as part of its capital expenditure plan with commercial sale expected to begin during 3Q24

Saudi's Rawasi Al Bina Investment announces contract with Telecommunications Towers Company for replacement of electro-mechanic equipment for mobile sites at a total contract value of SAR11.9mn

Oman's Majan College posted 9M total income of OMR3.4mn versus OMR3.2mn a year ago

Qatar's Mazaya Real Estate Development sells land in Dubai with total estimated value of AED24.5mn

Qatar's Alijarah Holding Company is expanding into Saudi Arabia with establishment of subsidiary, Alijarah Al Mubtakrah Al Aqariya

Kuwait's Al Ahli Bank gets central bank approval to increase direct ownership in Kuwait Industrial Bank to approx. 7.17% from approx 4.48%

Egypt's Maridive & Oil Services posted 1Q net profit of USD608,658 versus loss of USD480,912 a year ago

## # Key Global Trends/ Market Clues

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Asian equities rallied on Thursday, while bond yields slid, as investors weighed cooling U.S. inflation against a more hawkish posture by the Federal Reserve. Japanese shares underperformed and the yen inched down against the dollar, as the Bank of Japan began its two-day policy meeting. MSCI's broadest index of Asia-Pacific shares outside Japan climbed 0.9%, with Taiwan stocks jumping 1.7% and Hong Kong's Hang Seng up nearly 1%, buoyed by the U.S. S&P 500 and tech-heavy Nasdaq closing at record highs overnight. U.S. futures pointed to further gains, with S&P futures up 0.2% and Nasdaq futures adding 0.6%. Japan's Nikkei edged up 0.1% after an initial tech-led advance fizzled.

Wall Street had rallied strongly, while the dollar and Treasury yields tumbled early in the U.S. session, after the closely watched CPI report showed core prices growing at their slowest annual pace in over three years last month. However, investors were whipsawed later as Fed officials trimmed projections for interest rate reductions this year to a single quarter-point cut. In his post-meeting press conference, Fed Chair Jerome Powell acknowledged that inflation has eased substantially but still remains too high. At the same time, he said the rate-path decision was a "close call" for many policymakers, and to some degree the Fed had merely traded an earlier start to rate reductions this year by tacking an additional anticipated cut onto 2025. The U.S. 10-year Treasury yield was little changed at 4.31% on Thursday. Japan's government bond yields fell as much as 3bps to 0.955% for the first time since May 17.

Oil prices fell in early trade on Thursday on news that the U.S. Federal Reserve has opted against cutting interest rates in the near future, while ample U.S. crude and fuel stocks further weighed on the market.

Brent crude futures lost USD0.14 or 0.17% to USD82.46 a barrel, and U.S. West Texas Intermediate crude futures fell USD0.16 or 0.2% to hit USD78.34. Both benchmarks had gained about 0.8% in the previous session. The Federal Reserve held interest rates steady on Wednesday and pushed out the start of rate cuts to perhaps as late as December.

Traders are also watching ongoing talks for a ceasefire in Gaza, which, if resolved, would reduce fears of potential supply disruptions from the oil producing region. On the supply side, U.S. crude stockpiles rose more than expected last week, driven largely by a jump in imports, while fuel inventories also increased more than anticipated, data from the Energy Information Administration (EIA) showed on Wednesday.

## # UAE Stories

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Central Bank of the UAE decided to keep interest rates unchanged, following the US Federal Reserve's decision on Wednesday to keep benchmark lending rate at its current level for the seventh time in a row. The US Federal Reserve voted unanimously to maintain the target range for the fed funds rate at 5.25% - 5.50%.

Central Bank of the UAE's balance sheet hit a record AED771.23bn by the end of March 2024, a YoY growth of 30% from approximately AED594.12bn in March 2023. On a monthly basis, the bank's balance sheet increased by 3.2% or AED23.6bn compared to February 2024.

NMDC announced that, in collaboration with international partners, NMDC Energy, a wholly-owned subsidiary of NMDC Group, has been awarded a contract by ADNOC for the engineering, procurement and construction (EPC) of the lower-carbon Ruwais LNG project located in Al Ruwais Industrial City. The total value of the project is USD 5.5bn, and NMDC Energy's share is 20%. The project is scheduled to be completed in 57 months.

AD Ports Group signed a definitive concession agreement with the Red Sea Ports Authority (RSPA) to develop, operate and manage three cruise terminals at Safaga, Hurghada, and Sharm El Sheikh ports. AD Ports Group's total investment of USD4.7mn over the next 15 years will cover management and operations of the three cruise terminals - expected to be operational in 2025 - to provide new services, improve access for cruise operators and add new itineraries through the Group's cruise terminal network in the red sea.

Multiply's Omorfia Group has acquired 100% ownership of The Grooming Company Holding (TGCH) from the Luxembourg-headquartered CedarBridge Capital Partners. The financial details of the transaction have not been disclosed.

Du announced it would deploy Oracle Alloy to offer hyperscale cloud and sovereign AI services for the country's public sector. The services will be provided to government and public sector entities in the UAE, focusing on Dubai and the Northern Emirates. Oracle Alloy is a complete cloud infrastructure platform that enables Oracle partners to become cloud providers.

Emirates NBD has partnered with Citi to introduce a new USD cross-border clearing service in the Middle East. Emirates NBD will be the first bank to utilise Citi's 24/7 USD Clearing service, offering round-the-clock cross-border payments across their branch network.

Agility is considering plans to dual list shares of its Abu Dhabi-listed subsidiary Agility Global on Saudi Arabia's Tadawul stock exchange.

GulfNav board approved the resignation of Mr. Mohamed Abdulrahman Amiri from the position of Vice Chairman and elected Dr. Abdulrahman Mahmoud Alafifi as his replacement. The board also discussed the update regarding the acquisition of companies and assets owned by Brooge Energy Limited.

Naeem Holding for Investment's board approved the purchase of 7mn (approximately 2% of capital) treasury shares provided that the implementation takes place by 12<sup>th</sup> July 2024.

NMC Healthcare will be looking at multiple options regarding its next steps, including a possible IPO or sale of its private healthcare network, which is one of the largest in the UAE. As part of the hospital operator's efforts to chart a new course of action, it appointed Rothschild & Co as the first of two 'joint financial advisors' to review 'strategic alternatives' for its shareholders. A second financial advisor will be appointed in due course.

## # GCC/MENA

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

### Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	High - Low	
				52WH	52WL
Manazel	0.093%	0.36	(3.8)	0.57	0.28
ICAP	0.086%	2.05	(0.5)	2.40	1.91
Eshraq	0.039%	0.31	(1.9)	0.60	0.27

### Upcoming Corporate Actions & Events

Date	Company	Event
13-June	RAKBANK	General Assembly
13-June	Al Salam Bank	BoD/General
14-June	Takaful Emarat	General Assembly
14-June	Shuaa	BoD/General
20-June	IHC	General Assembly
24-June	ADNOCDrill	General Assembly
26-June	ADSB	General Assembly
26-June	NBF	General Assembly
28-June	Shuaa	General Assembly
04-July	Bildco	General Assembly
08-July	Al Seer Marine	General Assembly
08-July	ASM	General Assembly
09-July	RAKWCT	General Assembly
15-July	Salama	General Assembly
12-Aug	GFH	BoD/Result

## # UAE Focus List

Company	MCAP (AEDm)	PRICE (AED)	HIGH-LOW		VALUATION		Div. (%)^	PRICE RETURNS			
			52WH	52WL	PE	PB		1M%	3M%	YTD%	12M%
IHC	897,182	409.00	416.50	375.00	30.24	7.26	-	2.4	2.4	2.4	3.5
TAQA	313,700	2.79	3.66	2.51	43.87	3.30	1.4%	(5.7)	(12.0)	(20.3)	(11.7)
ADNOCGAS	227,958	2.97	3.71	2.93	13.38	2.84	5.2%	(2.0)	(6.9)	(3.9)	(3.6)
EAND	139,153	16.00	22.64	14.90	13.32	3.19	5.0%	(4.6)	(10.6)	(18.5)	(27.6)
FAB	129,261	11.70	15.74	11.52	8.13	1.08	6.1%	(5.6)	(12.3)	(16.2)	(9.0)
DEWA	112,503	2.25	2.74	2.25	14.79	1.29	5.5%	(4.7)	(7.0)	(8.5)	(13.5)
Alpha Dhabi	112,203	11.22	21.90	10.44	10.61	2.56	-	(20.4)	(29.1)	(40.3)	(38.7)
ENBD	101,700	16.10	19.50	14.35	4.69	0.94	7.5%	(3.9)	(5.0)	(6.9)	12.2
Borouge	71,539	2.38	2.92	2.33	18.31	4.68	6.7%	(3.6)	(3.3)	(3.6)	(9.2)
Emaar Pro.	67,530	7.64	8.64	6.09	5.95	0.85	6.5%	(4.9)	(6.9)	(3.5)	25.7
ADNOC Drill.	64,962	4.06	4.60	3.45	16.24	5.56	4.1%	3.3	3.0	7.4	8.6
ADCB	57,756	7.89	9.31	7.61	7.21	0.84	7.1%	(6.5)	(8.8)	(14.1)	(1.5)
Qholding	47,408	2.90	3.90	2.28	43.48	1.44	-	(2.7)	(3.7)	(7.3)	20.3
Pure Health	46,446	4.18	6.05	3.26	40.95	2.57	-	6.9	4.5	(26.7)	NULL
Aldar	45,840	5.83	6.15	4.76	10.52	1.41	2.9%	2.3	2.3	9.0	14.3
ADNOC Dist.	41,376	3.31	4.08	3.24	15.83	15.33	6.2%	(2.4)	(7.5)	(10.5)	(17.9)
DIB	39,970	5.52	6.55	5.20	6.15	0.93	8.2%	(2.3)	(4.5)	(3.5)	2.6
ADIB	39,154	10.78	12.18	9.80	7.89	1.69	6.6%	(10.3)	2.7	6.5	6.7
ADNOCLS	31,592	4.27	4.48	2.99	12.86	1.50	3.0%	8.9	9.5	11.5	39.1
Emaar Dev.	30,281	7.57	8.69	5.31	4.41	1.25	6.9%	(9.3)	(7.7)	5.9	41.5
AD Ports	26,469	5.20	6.85	4.80	25.08	1.27	-	(5.5)	(5.6)	(18.5)	(18.1)
DU	26,156	5.77	6.05	4.98	13.76	2.94	5.9%	(0.9)	(2.2)	11.2	11.8
Americana	25,609	3.04	4.53	2.85	30.39	15.06	2.6%	(2.3)	(13.5)	(2.7)	(21.9)
Salik	25,351	3.38	3.83	2.83	23.05	26.97	4.3%	(2.9)	(3.4)	8.7	11.9
Multiply	22,065	1.97	4.13	1.82	NULL	0.90	-	(14.0)	(10.9)	(38.1)	(39.2)
Fertiglobe	20,754	2.50	3.76	2.39	17.15	3.63	8.4%	(8.4)	(6.0)	(15.8)	(25.1)
NMDC	19,355	23.46	34.30	17.92	7.77	2.28	3.2%	(11.2)	(13.1)	(21.3)	28.9
Empower	15,300	1.53	2.02	1.44	16.12	5.30	5.6%	(3.2)	(6.7)	(7.8)	(18.2)
Burjeel	14,679	2.82	3.55	2.18	30.73	9.11	1.1%	(4.1)	(7.5)	(9.3)	23.7
Presight	13,069	2.33	3.46	1.65	20.18	4.26	-	(9.7)	38.7	7.4	(28.3)
Phoenix	10,949	1.81	2.56	1.62	11.97	3.85	-	(13.8)	(13.8)	(19.2)	NULL
Air Arabia	10,360	2.22	3.03	2.22	7.16	1.51	9.0%	(17.2)	(25.3)	(21.3)	(10.1)
DFM	10,320	1.29	1.71	1.26	26.91	1.29	2.7%	(4.4)	(4.4)	(7.2)	(10.4)
Tabreed	8,707	3.06	3.93	2.82	28.34	1.45	5.1%	(9.7)	(10.0)	(14.5)	8.5
Ghiitha	7,857	32.52	48.72	32.34	259.04	2.87	-	(12.1)	(9.0)	(23.3)	(16.4)
Al Ansari	7,650	1.02	1.29	1.00	16.60	4.78	7.8%	(1.9)	(8.1)	(3.8)	(15.0)
Bayanat	6,326	2.46	4.60	2.35	31.3	5.85	-	(11.5)	(3.1)	(26.1)	(39.1)
Yahsat	5,294	2.17	2.85	2.09	10.58	1.61	7.6%	(5.7)	(6.5)	(16.9)	(14.6)
Agthia	4,738	5.70	5.93	4.10	16.33	1.64	3.1%	9.0	8.6	22.6	18.7
Dana Gas	4,456	0.64	1.00	0.60	8.20	0.50	-	(7.3)	(2.5)	(19.6)	(23.3)
GFH	4,153	1.04	1.20	0.82	9.73	1.16	1.8%	3.0	4.0	14.8	5.5
ASM	4,120	4.12	9.09	4.12	NA	0.70	-	(13.1)	(26.4)	(45.1)	(46.8)
Aramex	3,851	2.63	3.05	1.93	25.13	1.55	-	6.0	4.4	14.8	(7.4)
ADNIC	3,226	5.66	6.61	5.30	8.02	1.16	8.0%	(3.6)	(5.7)	(5.2)	(1.4)
E7	2,477	1.18	1.62	1.05	NULL	1.43	-	(4.8)	5.7	5.9	(0.2)
Invictus	2,475	2.21	3.28	2.01	11.58	2.32	1.8%	(0.9)	(13.7)	(14.7)	(22.5)
RAK Cer.	2,455	2.47	2.97	2.37	8.92	1.12	4.0%	(7.1)	(9.2)	(7.5)	(6.1)
ESG	2,405	9.62	15.84	4.46	3.37	1.17	-	(9.2)	(14.1)	8.1	114.3
Palms Sports	1,503	10.02	15.48	9.06	13.37	3.12	6.7%	(4.0)	(19.2)	(22.9)	3.3
Easy Lease	820	27.32	39.60	26.48	23.32	4.91	-	(10.1)	(11.6)	(12.7)	(18.4)
RPM	794	3.97	5.40	3.12	16.08	3.45	2.5%	(1.0)	(7.0)	(13.3)	2.1

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

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