



Morning Report

14 January 2022

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	8,426	0.7%	-7%	9%	-1%	62%
DFM	3,215	0.2%	-1%	15%	1%	18%
TASI	12,079	1.0%	10%	4%	7%	36%
BHSEASI	1,804	0.7%	1%	6%	0%	24%
EGX	12,012	-0.4%	3%	10%	1%	5%
DJI	36,114	-0.5%	1%	5%	-1%	16%
S&P 500	4,659	-1.4%	0%	7%	-2%	22%
Nasdaq	14,807	-2.5%	-4%	2%	-5%	13%
FTSE	7,564	0.2%	5%	6%	2%	12%
DAX	16,032	0.1%	3%	5%	1%	15%
CAC40	7,201	-0.5%	4%	9%	1%	27%
Nikkei225	28,489	-1.9%	-1%	1%	-1%	0%
HSI	24,227	-0.6%	2%	-2%	4%	-13%
MSCI EM	1,263	-0.3%	3%	0%	3%	-7%
MSCI Asia	197	-0.8%	2%	1%	2%	-6%
US Fut.	4,649	-0.1%	-1%	4%	-2%	23%
EU Fut.	4,256	-1.1%	3%	3%	0%	19%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	1,354	1,354	-
Local	80%	87%	-6%
Foreign	20%	13%	6%
Institutional	92%	90%	2%
Retail	8%	10%	-2%
DFM	227	227	-
Local	54%	66%	-12%
Foreign	46%	34%	12%
Institutional	42%	49%	-6%
Retail	58%	51%	6%
Total	1,581	1,581	-
Local	77%	84%	-7%
Foreign	23%	16%	7%

Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	52WH	High - Low 52WL
Yahsat	0.041%	2.67	(0.4)	3.10	2.46
Aldar	0.034%	4.15	(0.7)	4.38	3.20
Manazel	0.029%	0.53	(0.4)	0.64	0.33

Upcoming Corporates Actions & Events

Date	Company	Event
17-Jan	Fertiglobe	BoD/General
20-Jan	CBI	BoD/Results
31-Jan	Gulf Nav	GA
09-Feb	GFH	BoD/Results
09-Feb	MSCI 1Q21 Index Review	Announcement

KEY STORIES

IHC's Apex Holding agrees to Ras Al Khaimah Cement Investment sale and purchase deal

IHC's subsidiary IHC Food Holding acquired 75% shareholding of Abu Dhabi Vegetables Oil Company. Acquisition as part of a settlement agreement with DIB against a consideration of AED 91mln

National Marine Dredging Company disclosed that it was awarded dredging works project at Safaga Port in Egypt, of approximately AED 79mln

Multiply Group plans to invest and expand its global portfolio. CEO said that the company has a "strong and promising" pipeline of potential acquisitions, and it is evaluating several deals

Wizz Air plans to double the size of its carrier in Abu Dhabi

UAE on Jan 13 announced 2,683 new Covid-19 cases and 1,135 recoveries. The tally takes total cases in UAE to 795,997 with 756,805 recoveries and 2,182 deaths

Saudi December CPI +1.2% YoY and -0.1% MoM

Saudi's ACWA Power has announced the start of operation of the new water desalination facility in the kingdom

Saudi's Almarai Company has completed the acquisition of Bakemart UAE and Bakemart Bahrain in exchange for AED 93.5mln

Saudi Advanced Industries shareholder requests to disband board and re-elect new board members

Saudi Lime plans IPO on Nomu as it doubles limestone output in 2 years

National Bank of Oman posted FY net profit after tax OMR 30.3mln versus OMR 18.2mln year ago. FY total operating income OMR 123.4mln versus OMR 117mln year ago

Oman's Omran Group says signed agreement with Diamond Developers for 1st phase of the Yiti Integrated Tourism Development

Fitch revises Oman's Bank Muscat and National Bank of Oman's outlook to Stable; affirms at 'BB-'

Fitch says Egyptian banks' viability ratings could come under pressure if banks' foreign assets continue to drop

Egypt's Golden Pyramids Plaza posted nine-month standalone net profit USD 27.5mln vs USD 10.4mln year ago

Egypt's Taaleem Management Services posted Q1 net profit EGP 71.9mln versus EGP 58.1mln year ago. Q1 operating revenue EGP 171.7mln versus EGP 134.8mln year ago

Key Global Trends/ Market Clues

Asian shares took a beating on Friday after a fresh salvo of hawkish remarks from Federal Reserve officials solidified expectations that U.S. interest rates could rise as soon as March, leaving markets braced for tighter monetary conditions. Fed Governor Lael Brainard became the latest and most senior U.S. central banker on Thursday to signal that rates will rise in March to combat inflation. Equity markets turned deeply red with investors seeking shelter in safer assets such as government debt. MSCI's broadest index of Asia-Pacific shares outside Japan shed 0.8% in mid-morning trade, while Australia lost 1.2% and Japan's Nikkei shed 1.9% by the midday break. South Korean shares dropped 1.5% after its central bank raised its benchmark rate 25 basis points to 1.25% on Friday, taking it back to where it was before the pandemic as it seeks to restrain consumer price rises. China's blue-chip index was down 0.3% and Hong Kong's Hang

Seng index was off 0.6%. U.S. inflation as measured by the consumer price index surged 7.0% in December, posting its biggest year-on-year increase in nearly four decades, data on Wednesday showed. Overnight, the S&P 500 lost 1.4%, the Nasdaq Composite dropped 2.5%, and the Dow Jones Industrial Average lost 0.5%.

Oil prices eased for a second session on Friday on growing concerns that Washington may soon act to cool prices, while movement controls in China to rein in a COVID-19 outbreak weighed on fuel demand. Brent crude futures fell 30 cents, or 0.4%, to USD 84.17 a barrel at 0150 GMT. U.S. West Texas Intermediate crude was down 45 cents, or 0.6%, at USD 81.67 a barrel. China, the No. 2 oil consumer globally, has suspended some international flights and stepped-up efforts to rein in a virus outbreak at Tianjin while the highly transmissible Omicron variant has spread to the north-eastern city of Dalian. Many cities, including Beijing, have also urged people to stay put during the Lunar New Year holiday, which could cool demand for transport fuel during a peak travel season. Nevertheless, Brent and WTI prices are set to climb for a fourth week in a row, supported by supply concerns in Libya and Kazakhstan and a drop in U.S. crude inventories to 2018 lows.

UAE Stories

IHC's Apex Holding agrees to Ras Al Khaimah Cement Investment sale and purchase deal. Transaction will be done through the issuance of a bonds mandatorily convertible into shares in the company.

IHC's subsidiary IHC Food Holding acquired 75% shareholding of Abu Dhabi Vegetables Oil Company. Acquisition as part of a settlement agreement with Dubai Islamic Bank against a total consideration of AED 91mln. Transaction was processed post court proceedings and approval.

National Marine Dredging Company disclosed that it was awarded dredging works project at entrance to navigation channel and trench of quay wall in Safaga Port in Egypt, of approximately AED 79mln. Project is expected to be executed over 8 months.

Multiply Group plans to invest AED 3.1bn it raised through its listing on the Abu Dhabi Securities Exchange to expand its global portfolio. The company, a subsidiary of ADX-listed International Holding Company, has a "strong and promising" pipeline of potential acquisitions and it is evaluating several deals, Samia Bouazza, chief executive of Multiply Group, told The National.

Wizz Air plans to double the size of its carrier in Abu Dhabi, after the Gulf operation got off to a slower-than-expected start because of the coronavirus pandemic.

Abu Dhabi solar energy firm Sweihan PV Power Company sold USD 700.8mln in amortising green bonds at 3.625% on Thursday, slightly less than it was targeting on a turbulent day for global debt markets, a bank document showed. The company was seeking to raise around USD 728mln, several bank documents showed. Sweihan is 60% owned by Abu Dhabi's TAQA, while Japan's Marubeni Corp and China's JinkoSolar own 20% each. TAQA is 98.6% owned by the Abu Dhabi government.

UAE on Jan 13 announced 2,683 new Covid-19 cases, bringing the total confirmed cases in the country to 795,997. At the same time, 1,135 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 756,805, UAE's Ministry of Health and Prevention said. It has reported 1 death from Covid-19 during the past 24 hours. The nationwide death toll stands at 2,182.

GCC/MENA

Saudi December CPI +1.2% YoY and -0.1% MoM - Govt Data

Saudi's ACWA Power has announced the start of operation of the new water desalination facility in the kingdom. The financial impact of operating the plant, called Rabigh Three IWP, will be reflected in the Q1 2022 income statement of the company. ACWA Power had won the bid to develop the desalination plant alongside the Saudi Brothers Commercial Company (SBCC) after submitting the lowest tariff at USD 0.53/m3. The consortium of ACWA Power and SBCC owns 70pct of the facility's holding company.

Saudi's Almarai Company has completed the acquisition of Bakemart UAE and Bakemart Bahrain in exchange for AED 93.5mln. The company has concluded the sale and purchase agreement to acquire all

shares in Bakemart UAE and Bakemart Bahrain, according to a bourse filing on Thursday. Bakemart's businesses focus on the manufacturing and production of frozen bakery items.

Saudi Advanced Industries shareholder requests to disband board and re-elect new board members.

Saudi Lime plans IPO on Nomu as it doubles limestone output in 2 years.

National Bank of Oman posted FY net profit after tax OMR 30.3mln versus OMR 18.2mln year ago. FY total operating income OMR 123.4mln versus OMR 117mln year ago.

Oman's Omran Group says signed agreement with Diamond Developers for 1st phase of the Yiti Integrated Tourism Development. Yiti Tourism masterplan represents an investment value of approximately USD 1bln.

Fitch revises Oman's Bank Muscat and National Bank of Oman's outlook to Stable; affirms at 'BB-'.

Fitch says Egyptian banks' viability ratings could come under pressure if banks' foreign assets continue to drop. Egypt's ongoing current account deficit may have added to pressure on banks' foreign assets. Egyptian banks' funding and liquidity scores, and ultimately their VRS, could come under pressure if FC liquidity tightens further.

Egypt's Golden Pyramids Plaza posted nine-month standalone net profit USD 27.5mln vs USD 10.4mln year ago. Nine-month standalone revenue USD 71.5mln vs USD 62.2mln year ago.

Egypt's Taaleem Management Services posted Q1 consolidated net profit EGP 71.9mln versus EGP 58.1mln year ago. Q1 consolidated operating revenue EGP 171.7mln versus EGP 134.8mln 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. (%)^	HISTORICAL RETURN			
			52WH	52WL	PE	PB		1M%	3M%	YTD%	12M%
ADCB	61,851	8.89	9.00	5.97	13.26	1.06	3.0%	2.9	13.2	4.2	50.7
ADIB	25,351	6.98	7.13	4.60	13.96	1.27	2.9%	0.6	24.0	1.6	45.5
ADNIC	3,967	6.96	7.00	4.63	9.41	1.46	5.0%	7.1	31.3	3.9	55.5
ADNOC Dist.	53,000	4.24	5.01	3.84	20.93	20.02	4.9%	1.0	(0.5)	(0.7)	14.9
ADNOC Drill.*	53,920	3.37	3.60	2.77	24.19	5.54	4.4%	(3.4)	13.9	(0.9)	NA
Agthia	3,800	4.80	7.32	4.65	NM	1.43	3.4%	(8.7)	(13.7)	(6.8)	(3.4)
Air Arabia	6,673	1.43	1.58	1.20	NM	1.20	-	(2.7)	6.7	(1.4)	5.1
Ajman Bank	1,722	0.82	0.91	0.64	19.92	0.66	-	(2.6)	20.6	(0.5)	3.7
Aldar	32,630	4.15	4.38	3.20	14.45	1.25	3.5%	1.0	2.0	4.0	34.3
Alpha Dhabi	250,200	25.02	30.20	15.00	NA	NA	-	(10.6)	(9.7)	(8.4)	NA
Amanat	2,875	1.15	1.27	0.78	9.72	1.03	1.9%	-	3.6	-	38.9
Aramex	5,871	4.01	4.80	3.50	34.68	2.12	3.2%	(3.6)	9.6	(2.2)	(4.5)
ASM	12,200	12.20	16.94	11.80	NM	3.30	-	(11.6)	(17.7)	(12.2)	NA
BOS	1,280	0.58	0.76	0.50	NA	0.34	-	(5.4)	9.8	(6.1)	(3.7)
Dana Gas	7,205	1.03	1.27	0.67	7.01	0.84	5.3%	(0.5)	1.4	(2.8)	62.0
Deyaar	2,918	0.51	0.55	0.25	NA	0.67	-	4.3	75.3	4.1	69.5
DFM	20,880	2.61	3.05	0.98	NM	2.67	-	(1.9)	158.4	(8.1)	127.0
DIC	8,589	2.02	2.08	1.42	22.30	0.72	-	6.3	21.7	4.7	27.9
DIB	39,752	5.49	5.62	4.44	14.64	1.04	3.6%	0.2	11.1	2.0	15.3
DU	29,600	6.53	7.28	5.72	35.72	3.60	3.8%	(5.4)	(1.1)	(1.4)	16.7
Easy Lease	892	29.72	66.85	19.00	28.47	12.74	-	4.5	(36.6)	2.5	41.7
Emaar Dev.	17,440	4.36	4.75	2.45	6.50	1.28	-	(3.1)	13.0	(0.2)	42.5
Emaar Pro.	40,899	5.00	5.33	3.40	12.98	0.63	2.0%	0.2	25.0	2.2	27.6
ENBD	84,011	13.30	14.35	10.75	10.53	0.98	3.0%	(4.3)	(1.1)	(1.8)	20.3
ESG	1,998	7.99	11.80	3.01	NM	5.49	-	0.0	(26.7)	(0.1)	NA
Eshraq	800	0.34	0.48	0.29	NA	0.58	-	(13.8)	5.8	(3.4)	4.9
Etisalat	260,208	29.92	37.00	17.46	28.19	5.65	4.0%	(16.9)	19.9	(5.6)	79.9
FAB	211,193	19.34	21.00	13.84	17.38	1.93	3.8%	(3.4)	8.5	2.7	45.3
Fertiglobe*	31,296	3.77	4.02	2.92	22.35	5.12	4.7%	9.6	25.7	7.1	NA
GFH	4,784	1.27	1.36	0.60	13.89	1.33	1.4%	0.8	70.5	6.7	104.2
IHC	278,431	152.90	165.00	41.90	47.35	13.58	-	0.3	4.5	0.6	262.3
Julphar	2,079	1.80	2.32	1.20	NA	2.09	-	(4.3)	(0.6)	(2.2)	28.6
Mashreq	15,246	76.00	79.50	53.10	NA	0.79	-	(4.4)	22.7	(4.4)	23.0
Multiply	18,816	1.68	2.35	1.60	NA	1.89	-	(18.0)	NA	(8.7)	NA
Palms Sports	1,767	11.78	21.48	10.50	19.24	5.37	-	1.2	(24.4)	(3.6)	(15.9)
RAK Bank	7,877	4.70	4.72	3.63	13.13	0.97	3.2%	4.4	19.0	4.4	18.7
RAK Pro.	1,620	0.81	0.82	0.50	5.99	0.40	-	2.7	17.6	5.1	45.2
RAK Cer.	2,892	2.91	3.08	1.56	NM	1.27	2.6%	1.7	3.9	2.1	87.6
RPM	1,696	8.48	20.00	8.10	42.25	7.57	-	(14.3)	(42.9)	(12.1)	NA
Salama	932	0.77	0.97	0.73	15.14	1.19	10.7%	(3.5)	3.9	1.2	0.9
SIB	6,225	2.02	2.05	1.30	12.19	0.81	4.0%	6.9	11.6	3.6	59.7
Shuaa	1,737	0.69	0.83	0.59	9.59	1.12	4.4%	(5.0)	3.6	-	(5.6)
Tabreed	7,101	2.56	3.15	2.39	14.90	1.30	2.2%	(3.8)	0.8	1.2	(0.4)
TAQA	140,543	1.25	1.59	1.15	24.10	2.17	2.0%	(12.6)	2.1	(5.3)	(10.8)
Waha	3,092	1.59	1.96	1.08	6.23	0.91	3.8%	(11.7)	(8.6)	(7.0)	52.0
Yahsat *	6,514	2.67	3.10	2.46	29.34	2.18	5.9%	(4.3)	(0.0)	(2.6)	NA
Zee Store	2,790	27.90	53.00	7.95	NM	13.49	-	(2.0)	(28.6)	1.5	165.7

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

Disclaimer

This report has been issued by International Securities for informational purposes only. This report is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment or subscribe to any investment management or advisory service. Recipients should not base their investment decisions on this report and should make their own investigations, and obtain independent advice, as appropriate. International Securities has based this document on information obtained from publicly available information, and sources it believes to be reliable without being independently verified for their accuracy or completeness. It makes no guarantee, representation or warranty as to its accuracy or completeness and accepts no responsibility or liability in respect thereof or for any reliance placed by any person on such information. All opinions expressed herein are subject to change without notice. This report may not be reproduced or circulated without the prior written consent of International Securities. International Securities owns the intellectual property rights and any other material contained in this report. International Securities is regulated by the United Arab Emirates Securities and Commodities Authority under license number 2020000017. International Securities is a member of the Abu Dhabi Securities Exchange, Dubai Financial Market and NASDAQ Dubai.