

Morning Report

14 March 2023

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	9,758	-0.7%	-3%	-3%	-4%	1%
DFM	3,354	-0.9%	-3%	2%	1%	-1%
TASI	10,305	-0.8%	-2%	1%	-2%	-18%
QSI	10,408	-1.5%	0%	-7%	-3%	-23%
BKM	5,469	-0.5%	-1%	-3%	-2%	-14%
MSX	4,894	0.7%	3%	0%	1%	13%
BHSEASI	1,909	-0.1%	-1%	3%	1%	-6%
EGX	15,439	-3.1%	-10%	2%	6%	47%
DJI	31,819	-0.3%	-7%	-7%	-4%	-3%
S&P 500	3,856	-0.2%	-7%	-4%	0%	-8%
Nasdaq	11,189	0.5%	-6%	-1%	7%	-13%
FTSE	7,549	-2.6%	-5%	1%	1%	5%
DAX	14,959	-3.0%	-3%	3%	7%	10%
CAC40	7,012	-2.9%	-3%	4%	8%	12%
Nikkei225	27,833	-1.1%	1%	0%	7%	11%
HIS	19,331	-1.9%	-7%	1%	0%	-4%
MSCI EM	962	0.7%	-5%	0%	1%	-11%
MSCI	159	0.6%	-4%	0%	2%	-7%
US Fut.	3,879	0.6%	-5%	-4%	0%	-7%
EU Fut.	4,113	0.2%	-2%	3%	8%	10%

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

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	1,926	1,926	-
Local	57%	62%	-5%
Foreign	43%	38%	5%
Institutional	79%	63%	16%
Retail	21%	37%	-16%
DFM	304	304	-
Local	46%	40%	6%
Foreign	54%	60%	-6%
Institutional	48%	63%	-14%
Retail	52%	37%	14%
Total	2,231	2,231	-
Local	55%	59%	-4%
Foreign	45%	41%	4%

Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	High – Low 52WH 52WL
RAKCEC	0.090%	2.90	0.3	3.05 2.67
ADNOCGAS	0.029%	2.81	-	2.97 2.77
RAKPROP	0.029%	0.57	(2.4)	0.83 0.55

Upcoming Corporates Actions & Events

Date	Company	Event
14-Mar	Air Arabia	General Assembly
14-Mar	Tecom	General Assembly
14-Mar	Hayah	BoD/General
15-Mar	Armx	BoD/General
15-Mar	Amanat	BoD/General
15-Mar	Yahsat	BoD/General
15-Mar	ADNOCDIST	General Assembly
15-Mar	United Fidelity	BoD/General
15-Mar	DIB	General Assembly
16-Mar	ADPORTS	BoD/General
16-Mar	DSI	BoD/General
16-Mar	Emaar	BoD/ Result
19-Mar	GFH	General Assembly
20-Mar	FTSE Rebalancing	Effective Date
22-Mar	Deyaar	General Assembly

KEY STORIES

Borouge shareholders voted to approve a final dividend of USD 650mln for the fiscal year 2022, approximately AED 7.9 fils/sh.

Dubai Insurance shareholders approved board of directors' proposal to distribute cash dividends of 50% of capital equal to AED 50 fils/sh.

Al Seer Marine's JV, ABGC DMCC, has signed new build contracts for two VLGC with Hyundai Heavy Industries with delivery in Oct 2025 and Jan2026 at an approximate cost of AED 724mln

Ajman Bank board of directors are set to meet on 16th March 2023 to consider the issuance of convertible sukuk and increasing the share capital. The BoD will also discuss issuance of bonus shares

GFH Financial Group has sold 96.7mln share of its treasury shares (2.52% of its total issued shares) to Dubai Investments PJSC at a price of USD 0.259/sh.

Agility announced that it has entered into a joint venture "Yanmu" with Hassan Allam Utilities, investment and development arm of Hassan Allam Holding in Egypt

Dana Gas' portion of interest accrued on an international arbitration tribunal award of USD 607.5mln in a gas supply dispute with National Iranian Oil Co. (NIOC) was USD 31.84mln as of February 2023

Union Properties returned to profitability in 2022 with a net profit of AED 30mln compared to a net loss of AED 966.8mln the previous year

Waha Capital board of directors resolved to cancel the 61mln Treasury Shares, subject to obtaining all necessary regulatory approvals

Saudi Takween Advanced Industries' board proposes to reduce capital and a subsequent capital increase through rights issue

Saudi Naba Alsaha Medical Services signs 10-month long contract with Al Kayan Technical Arab Contracting for implementation of Naba Alsaha Hospital Project

Saudi Filing and Packing Materials Manufacturing Co. net profit after zakat and tax SAR 9.8mln in FY22 versus loss of SAR 9.1mln, a year ago

Oman Cement says agrees to sell entire shareholding in Co To Huaxin International Holdings, comprising 59.58% of issued capital

Kuwait National Industries Group 4Q22 net profit attributable falls to KWD 8.4mln against KWD 9mln, a year ago. Board recommends bonus shares of 5% and FY 5% cash dividend

Egypt Mansoura Poultry posts FY22 loss of EGP 33.8mln versus profit of EGP 0.56mln a year ago

Egypt Amer Group Holding Co. announced consolidated net loss after tax of EGP 195.2mln in FY22 against profit of EGP 83.2mln, a year ago

Key Global Trends/ Market Clues

Asia's share markets slid on Tuesday, with Japan's financial stocks leading losses as fear of a U.S. banking crisis gripped investors ahead of crucial inflation data due later in the day. Fallout from the collapse of U.S. lenders Silicon Valley Bank and Signature Bank widened overnight, despite government efforts to shore up confidence. Heavy selling hit U.S. regional bank stocks and traders raced headlong from bets on U.S. rate hikes, reckoning the Fed would now be thinking twice. Two-year Treasuries had their biggest rally since 1987, and U.S. interest rate futures soared - with markets pricing out any chance of a 50 basis point rate hike next week and baking in nearly 70 bps of cuts by year end. On Tuesday MSCI's broadest index of Asia-Pacific shares outside Japan was down 0.5% in early trade, with financials in Australia dragging the most. Japan's Nikkei dropped 2%.

Oil prices fell more than USD 1 on Tuesday, extending the previous day's slide, as the collapse of Silicon Valley Bank rattled equities markets and sparked fear about a fresh financial crisis. Brent crude futures were down 1.1%, at USD 79.90 a barrel. U.S. West Texas Intermediate crude futures dropped 1.1%, to USD \$73.93 a barrel. On Monday, Brent fell to its lowest since early January, while WTI dropped to its lowest since December. Beyond the Silicon Valley Bank shockwaves, oil prices were also under pressure due to signs of a weaker-than-expected economic recovery in China, despite the lifting of its strict COVID-19 restrictions. China's statistics bureau released data last week showing consumer inflation in the world's second largest economy slowed to the lowest rate in a year in February as shoppers remained cautious even after pandemic curbs were lifted in late 2022. In U.S. supply news, the American Petroleum Institute is expected to release industry data on U.S. oil inventories on Tuesday.

UAE Stories

Borouge shareholders voted to approve a final dividend of USD 650mln for the fiscal year 2022, approximately AED 7.9 fils/sh., bringing the total post-IPO dividend paid (June – December 2022) for the year to USD 975mln. The final dividend will be paid to shareholders in April 2023. The company is committed to paying USD 1.3bln in dividends for 2023.

Dubai Insurance shareholders approved board of directors' proposal to distribute cash dividends of 50% of capital equal to AED 50 fils/sh.

Al Seer Marine's JV, ABGC DMCC, has signed new build contracts for two Very Large Gas Carriers (VLGC) with Hyundai Heavy Industries with delivery in October 2025 and January 2026 at an approximate total cost of AED 724mln

Ajman Bank board of directors are set to meet on 16th March 2023 to consider the issuance of convertible sukuk and increasing the share capital. The BoD will also discuss issuance of bonus shares

GFH Financial Group has sold 96.7mln share of its treasury shares (2.52% of its total issued shares) to Dubai Investments PJSC at a price of USD 0.259/sh.

Agility announced that it has entered into a joint venture "Yanmu" with Hassan Allam Utilities, investment and development arm of Hassan Allam Holding in Egypt. The JV is intended to develop, build and operate modern logistics parks and Grade A warehousing facilities in Egypt. The first park of this JV is Yanmu East Park, a 270,000 SQM site, located on the new Cairo Suez road with opening in August 2023. A second park is expected to launch in 2024. Initial investment for the first park is expected to be around USD 100mln and will be financed part in equity, jointly by the JV partners, and part in debt in the form of project finance.

Dana Gas said on Monday its portion of interest accrued on an international arbitration tribunal award of USD 607.5mln in a gas supply dispute with National Iranian Oil Co. (NIOC) was USD 31.84mln as of February 2023. Company said all of NIOC's challenges to the award have now been dismissed by the English High Court in London, and the award has been confirmed by courts in the UAE, the United

Kingdom and in the Netherlands. There are various enforcement procedures underway, including the attachment of NIOC's assets. Confirmation proceedings are also underway in other jurisdictions including the United States and Greece.

Union Properties returned to profitability in 2022 with a net profit of AED 30mIn compared to a net loss of AED 966.8mIn the previous year, while its revenue surged by 5% thanks to its turnaround strategy. Announcing its consolidated financial results for the year ended December 31, 2022, Union Properties said its revenue from contracts with customers increased by 5% year-on-year to hit AED 419.2mIn in 2022 as the group's subsidiaries continued to deliver significant performance improvements supported by strong positive momentum in the UAE's real estate sector. The company is also conducting negotiations to restructure the remaining legacy related debt with Emirates NBD

Waha Capital board of directors resolved to cancel the 61mIn Treasury Shares, subject to obtaining all necessary regulatory approvals

GCC/MENA

Saudi Takween Advanced Industries' board proposes to reduce capital and a subsequent capital increase through rights issue. The restructuring is to write off accumulated losses by decreasing capital to SAR 490.4mIn which will then be increased to SAR 790.4mIn

Saudi Naba Alsaha Medical Services signs 10-month long contract with Al Kayan Technical Arab Contracting for implementation of Naba Alsaha Hospital Project. Total contract value of SAR 49.4mIn with VAT

Saudi Filing and Packing Materials Manufacturing Co. net profit after zakat and tax SAR 9.8mIn in FY22 versus loss of SAR 9.1mIn, a year ago

Oman Cement says agrees to sell entire shareholding in Co To Huaxin International Holdings, comprising 59.58% of issued capital. Longstop date for completion of transaction is 1 June 2023 while initial consideration payable at completion shall be USD 193.1mIn. 85% of consideration shall be paid in cash at completion of the acquisition as cash down payment, 15% of initial consideration deposited into an escrow account.

Kuwait National Industries Group 4Q22 net profit attributable falls to KWD 8.4mIn against KWD 9mIn, a year ago. Board recommends bonus shares of 5% and FY 5% cash dividend.

Egypt Mansoura Poultry posts FY22 loss of EGP 33.8mIn versus profit of EGP 0.56mIn a year ago

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**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	57,881	8.32	11.00	8.15	11.04	1.08	4.4%	(6.4)	(5.9)	(7.6)	(18.1)
ADIB	37,624	10.36	10.86	7.03	11.33	1.67	3.0%	6.1	15.9	13.7	16.0
ADNIC	3,488	6.12	7.50	5.73	9.23	1.30	6.5%	2.5	2.9	(1.3)	(9.3)
ADNOC Dist.	53,996	4.32	4.88	3.80	19.65	15.68	4.8%	(3.1)	(5.1)	(2.0)	10.8
ADNOC Drill.*	57,595	3.60	3.83	2.90	19.56	5.35	4.1%	4.0	22.0	20.8	-
AD Ports	30,792	6.05	6.87	3.28	36.44	1.61	-	3.6	10.2	5.4	-
Agthia	3,245	4.10	5.48	3.87	NM	1.15	4.0%	0.5	1.5	3.0	(6.0)
Air Arabia	10,406	2.23	2.41	1.53	8.52	1.49	3.8%	(6.7)	1.4	3.7	42.4
Ajman Bank	2,394	1.14	1.24	0.66	14.77	0.95	-	(1.7)	8.6	(3.4)	40.1
Aldar	36,873	4.69	5.79	4.12	12.52	1.22	3.2%	(1.5)	8.6	5.9	8.0
Alpha Dhabi	214,582	21.46	30.50	21.02	NA	NA	-	(6.4)	(19.0)	(20.8)	(20.6)
Amanat	2,287	0.92	1.18	0.81	19.94	0.83	NA	1.7	9.1	7.6	(14.7)
Americana	31,081	3.69	3.94	2.66	32.64	29.74	-	(3.9)	25.5	24.2	30.9
Aramex	5,270	3.60	4.45	3.38	30.13	2.07	3.6%	1.4	2.3	2.3	(3.5)
ASM	7,499	7.50	13.96	7.34	NM	1.08	-	(6.3)	(16.9)	(20.4)	(37.1)
Bayanat	8,999	3.50	6.24	3.17	47.33	22.37	-	(11.6)	(27.1)	(28.6)	(14.6)
Borouge*	78,144	2.60	3.27	2.45	13.9	4.29	6.1%	(3.7)	2.0	2.8	-
Burjeel	10,461	2.01	2.68	2.00	35.09	18.17	-	(2.9)	(11.1)	(11.5)	(13.0)
Dana Gas	5,456	0.78	1.26	0.75	8.16	0.65	10.3%	(6.0)	(12.0)	(15.2)	(25.6)
DEWA*	118,990	2.38	3.00	2.27	15.41	1.33	6.9%	(2.9)	3.1	2.6	-
DFM	10,719	1.34	2.95	1.34	NM	1.35	2.2%	(7.6)	(11.8)	(11.3)	(40.9)
DIC	9,226	2.17	2.64	2.04	5.58	0.73	5.5%	(6.9)	0.9	-	(0.3)
DIB	40,617	5.61	6.57	5.35	8.03	0.98	4.5%	(1.9)	2.6	(1.6)	(4.6)
DU	23,343	5.15	6.79	4.95	19.14	2.66	4.1%	(2.5)	(8.7)	(11.2)	(20.0)
Easy Lease	945	31.50	61.90	30.18	21.43	7.42	-	(4.8)	(3.4)	(9.5)	(31.2)
Emaar Dev.	21,598	5.40	5.78	4.02	5.84	1.25	-	10.2	27.1	22.4	21.1
Emaar Pro.	47,107	5.33	6.60	4.87	6.38	0.67	2.8%	(7.3)	(13.6)	(9.0)	4.5
Empower	15,599	1.56	1.61	1.31	15.59	5.14	5.4%	1.3	14.7	9.9	14.7
ENBD	81,477	12.90	15.30	11.80	6.52	0.87	3.9%	(0.8)	5.8	(0.8)	(5.7)
ESG	1,382	5.53	8.90	5.30	NM	2.02	-	(21.1)	(26.5)	(28.7)	(23.5)
Etisalat	214,098	24.62	39.06	22.66	21.72	5.07	3.2%	(9.5)	6.0	7.7	(27.1)
FAB	154,654	14.00	24.06	13.34	11.86	1.34	5.0%	0.9	(8.1)	(18.1)	(33.4)
Fertiglobe*	32,372	3.90	6.11	3.66	6.10	4.73	12.3%	(5.3)	(2.3)	(7.8)	-
GFH	3,645	0.89	1.25	0.88	9.77	0.91	4.9%	(6.4)	(4.7)	0.2	(20.5)
Ghitha	19,447	80.50	123.00	56.90	NA	7.70	-	13.9	15.8	10.3	20.7
IHC	866,377	395.00	410.10	182.30	53.53	17.16	-	0.0	(3.7)	(3.7)	112.0
Invictus	3,752	3.35	6.50	3.01	-	-	-	4.0	-	(12.3)	-
Mashreq	23,068	115.00	135.00	63.95	6.22	0.98	0.9%	(1.4)	26.4	17.9	73.6
Multiply	40,093	3.58	5.08	1.58	NA	1.41	-	(7.3)	(24.8)	(22.8)	NA
NMDC	32,585	39.50	41.90	13.48	25.00	4.98	-	14.5	62.6	61.4	187.9
Palms Sports	1,560	10.40	14.94	8.47	11.71	3.35	-	2.4	5.1	6.1	(17.3)
RAK Bank	8,381	5.00	5.40	4.19	7.16	0.93	4.5%	6.4	5.9	6.4	(2.0)
RAK Pro.	1,136	0.57	0.83	0.55	36.88	0.28	-	(3.6)	(17.7)	(16.5)	(27.9)
RAK Cer.	2,882	2.90	3.05	2.67	NM	1.33	6.9%	1.8	6.6	2.5	5.2
RPM	960	4.80	12.68	4.61	13.13	3.63	-	(5.9)	(12.8)	(22.5)	NA
SIB	6,147	1.90	2.15	1.57	9.44	0.81	4.2%	(1.7)	7.4	2.3	1.6
Salik	21,148	2.82	2.97	2.19	13.71	66.73	5.0%	7.2	15.1	13.7	27.0
Tabreed	8,421	2.96	3.52	2.27	14.02	1.30	2.0%	0.3	7.6	-	19.0
TAQA	377,748	3.36	4.17	1.19	48.51	5.37	1.4%	6.0	(1.8)	(2.0)	178.7
Waha	2,567	1.32	1.65	1.16	8.34	0.71	5.7%	(0.8)	(4.3)	(2.9)	(12.4)
Yahsat *	6,221	2.55	2.92	2.47	25.83	1.99	6.3%	(3.8)	(4.1)	2.0	(4.4)

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

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