



**International  
Securities**  
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## Morning Report

15 July 2021

### Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	7,080	0.5%	5%	17%	40%	65%
DFM	2,755	-0.2%	-4%	7%	11%	34%
TASI	10,778	0.4%	-1%	9%	24%	46%
BHSEASI	1,576	0.3%	1%	7%	6%	21%
EGX	10,602	1.6%	7%	5%	-2%	-2%
DJI	34,933	0.1%	2%	4%	14%	31%
S&P 500	4,374	0.1%	3%	6%	16%	37%
Nasdaq	14,645	-0.2%	3%	6%	14%	40%
FTSE	7,091	-0.5%	-1%	2%	10%	15%
DAX	15,789	0.0%	1%	4%	15%	24%
CAC40	6,558	0.0%	-1%	6%	18%	31%
Nikkei225	28,608	-0.4%	-2%	-3%	4%	27%
HIS	28,108	-0.6%	-4%	-4%	2%	9%
MSCI EM	1,338	-0.1%	-3%	0%	4%	26%
MSCI Asia	206	-0.2%	-2%	-1%	3%	25%
US Fut.	4,363	-0.1%	3%	5%	16%	36%
EU Fut.	4,079	-0.3%	-1%	4%	15%	21%

### UAE Trading Summary

AEDm	Buy	Sell	Net
<b>ADX</b>	<b>1,513</b>	<b>1,513</b>	<b>-</b>
Local	73%	70%	3%
Foreign	27%	30%	-3%
Institutional	77%	83%	-6%
Retail	23%	17%	6%
<b>DFM</b>	<b>198</b>	<b>198</b>	<b>-</b>
Local	63%	62%	1%
Foreign	37%	38%	-1%
Institutional	68%	65%	3%
Retail	32%	35%	-3%
<b>Total</b>	<b>1,712</b>	<b>1,712</b>	<b>-</b>
Local	72%	69%	3%
Foreign	28%	31%	-3%

### # 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)
ADCB	(126,208)	6.0%	2.1	14.2
FAB	(10,000)	0.1%	14.5	236.6
Etisalat	(5,000)	0.3%	1.8	40.4

### Upcoming Corporates Actions & Events

Date	Company	Event
15-Jul	NMDC	BoD/Results
18-Jul	ADCB	BoD/Results
18-Jul	NBF	BoD/Results
26-Jul	DU	BoD/Results
11-Aug	-	MSCI 3Q Index Review Announcement
12-Aug	GFH	BoD/Results

## # KEY STORIES

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Mashreqbank posted quarterly net profit attributable AED 42.4mln versus AED 84.8mln year ago. Quarterly total operating income AED 1.46bln versus AED 1.31bln year ago

Emirates Stallion Group posted H1 net profit AED 21.8mln dirhams versus AED 8.8mln year ago. H1 total revenue AED 86.3mln versus AED 47.7mln year ago

Dana Gas collections in Kurdistan, Egypt doubles to USD 185mln in 1H - highest level in more than five years

Yahsat announces the listing of its share on ADX. Through the Yahsat IPO, Mubadala raised AED 2.68bln by selling 40% stake at AED 2.75 per share, resulting in the Group's market capitalisation of approximately AED 6.7bln

Yahsat plans to launch a new satellite in two years, aimed at introducing advanced data services to its clients by 2024 - CEO

An Abu Dhabi judge referred to arbitration a dispute between NMC and DIB, in a case that impacts creditor recoveries in NMC's multi-billion restructuring

DIC acquired an additional 15.19% share of NGI from Emirates NBD Bank. The aggregate ownership has now reached 45.18%

Air Arabia and The Armenian National Interests Fund announced the signing of an agreement to launch Armenia's new national airline

GFH announced the appointment of Mr. Ghazi Al Hajeri as Vice Chairman effective from 7th July 2021

Aramex and DB Schenker sign a strategic MoU to accelerate their expansion ambitions in Abu Dhabi and MEA region

NBQ has announced today the appointment of Adnan Al Awadhi as its new CEO

ADNOC invests over USD 750mln in drilling-related services to support production capacity growth. ADNOC Drilling's share is valued at USD 228.71mln

Flydubai announced start of its three-times weekly service to Sohag (Egypt) from 25 July

UAE on Jul 14 announced 1,529 new Covid-19 cases and 1,481 recoveries. The tally takes total cases in UAE to 654,813 with 632,775 recoveries and 1,880 deaths

Saudi Arabia's telecom regulator has awarded licenses to two new mobile virtual network operators

Saudi's Aldrees posted quarterly net profit after zakat and tax SAR 36mln versus SAR 14.4mln year ago. Quarterly sales SAR 2,173.2mln versus SAR 719.3mln year ago

Saudi Research and Media Group unit signed an interest purchase agreement to acquire 51% of ownership interests of Thmanyah Company for transaction value SAR 33.3mln

Bond sales and indirect taxation are part of Kuwait's strategy to address its budget deficit - Finance Minister

Egypt's Fawry participates in 'pre-series C' fundraise in Elmenus, acquiring minority stake

Egypt's Beltone Financial Holding board approves to increase issued capital to EGP 927mln from EGP 891.3mln

## # Key Global Trends/ Market Clues

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Asian shares advanced on Thursday as economic data from China was largely more resilient than expected, and as U.S. Federal Reserve Chair Jerome Powell said tapering of its massive stimulus was still a way off. MSCI's broadest index of Asia-Pacific shares outside Japan gained 0.4%, with Hong Kong's Hang Seng rising 1.0%. Mainland Chinese shares were little changed with CSI300 index almost flat. China's second-quarter economic growth fell just short of forecasts on an annual basis, with GDP growth slowing to 7.9% from a year earlier from a record 18.3% expansion in the January-March period. But seasonally adjusted growth of 1.3% on the quarter in April-June was slightly better than expected. Wall Street shares were mixed, with S&P ending 0.12% higher and Nasdaq down 0.22%. In testimony to the U.S. House of Representatives Financial Services Committee, Powell said the U.S. economy was "still a ways off" from levels the central bank wanted to see before tapering its monetary support.

Oil prices fell more than 1% on Thursday, extending losses as investors braced for more supplies following a compromise between top OPEC producers and as U.S. fuel stocks rose, raising concerns about demand in the world's largest consumer. Brent crude futures for September dropped 91 cents, or 1.2%, to USD 73.85 a barrel by 0158 GMT while U.S. West Texas Intermediate (WTI) crude for August was at USD 72.21 a barrel, down 92 cents, or 1.3%. Both benchmarks slid more than 2% on Wednesday after Reuters reported that Saudi Arabia and the UAE reached a compromise that should pave the way for a deal to supply more crude to a tight oil market and cool soaring prices.

The United Arab Emirates' energy minister said in a statement on Wednesday that an agreement had not been reached yet with OPEC+ regarding its position on an extension of an oil supply deal.

## # UAE Stories

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Mashreqbank posted quarterly net profit attributable AED 42.4mln versus AED 84.8mln year ago. Quarterly total operating income AED 1.46bln versus AED 1.31bln year ago.

Emirates Stallion Group posted H1 net profit AED 21.8mln dirhams versus AED 8.8mln year ago. H1 total revenue AED 86.3mln versus AED 47.7mln year ago.

Dana Gas collections in Kurdistan, Egypt doubles to USD 185mln in 1H. Company's collections in the first-half from Kurdistan Region of Iraq and Egypt at the highest level in more than five years. Dana Gas, which owns 35% stake in Pearl Petroleum, saw its share of collections from sales of condensate, LPG and gas in Kurdistan jump to USD 87mln from USD 47mln. Received cash dividend of USD 48.3mln from Pearl Petroleum over the period. In Egypt, Dana Gas collected USD 98mln vs USD 43mln. Says continues to maintain production in Egypt and prepares for drilling exploration well in offshore Block 6 Concession Area.

Yahsat announces the listing of its share on ADX. Through the Yahsat IPO, Mubadala was able to raise AED 2.68bln by selling 40% of share capital at AED 2.75 per share, resulting in the Group's market capitalisation of approximately AED 6.7bln. Tranches were oversubscribed by multiple times. Mubadala retains a c.60% shareholding in the Company.

Yahsat plans to launch a new satellite in two years, aimed at introducing advanced data services to its clients by 2024, its chief executive said.

An Abu Dhabi judge referred to arbitration a dispute between NMC and Dubai Islamic Bank and ordered the firm to pay most of the legal costs incurred by the lender, in a case that impacts creditor recoveries in NMC's multi-billion restructuring. The judge ordered that NMC's dispute of the validity and nature of DIB's securities received from the company be referred to arbitration in London, effectively staying NMC's main claim in the Abu Dhabi proceedings.

Dubai Investments (DIC) acquired an additional 15.19% share of National General Insurance Company (NGI) from Emirates NBD Bank. The aggregate ownership has now reached 45.18%, following the acquisition of 21.53% acquired through DFM's direct deal mechanism during the beginning of Q2 2021, and the existing shares held by Dubai Investments of 8.46%. The acquisition of the additional stake further strengthens the Company's presence within the insurance sector.

Air Arabia and The Armenian National Interests Fund (ANIF) announced the signing of an agreement to launch Armenia's new national airline. The agreement will see the establishment of an independent joint

venture company that will operate as a low-cost passenger airline with Yerevan's Zvartnots International Airport (EVN) as its base.

GFH announced the appointment of Mr. Ghazi Al Hajeri as Vice Chairman effective from 7th July 2021.

Aramex and DB Schenker sign a strategic MoU to accelerate their expansion ambitions in Abu Dhabi and MEA region.

National Bank of Umm Al Quwain (NBQ) has announced today the appointment of Adnan Al Awadhi as its new Chief Executive Officer (CEO).

ADNOC invests over USD 750mln in drilling-related services to support production capacity growth. Investment of USD 763.7mln in integrated rigless services across six of its artificial islands in Upper Zakum and Satrah Al Razboot fields to support its production capacity expansion to 5mln barrels per day by 2030. Investment is in the form of three contracts awarded by ADNOC offshore to Schlumberger, Adnoc Drilling, and Halliburton after a competitive tender process. Schlumberger's share of the award is valued at USD 381.18mln. ADNOC Drilling's share is valued at USD 228.71mln and Halliburton's share is valued at USD 153.87mln.

Flydubai announced start of its three-time weekly service to Sohag (Egypt) from 25 July.

The United Arab Emirates on Jul 14 announced 1,529 new Covid-19 cases, bringing the total confirmed cases in the country to 654,813. At the same time, 1,481 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 632,775. UAE's Ministry of Health and Prevention said. It has reported 4 deaths from Covid-19 during the past 24 hours. The nationwide death toll stands at 1,880.

## # GCC/MENA

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Saudi Arabia's telecom regulator has awarded licenses to two new mobile virtual network operators (MVNOs), bringing the total number of mobile telecom companies inside the kingdom to seven.

Saudi's Aldrees Petroleum and Transport posted quarterly net profit after zakat and tax SAR 36mln versus SAR 14.4mln year ago. Quarterly sales SAR 2,173.2mln versus SAR 719.3mln year ago.

Saudi's Al Moammar Information Systems announces contract sign off with Ministry of Health (King Saud Medical City) of SAR 186mln. Contract duration five years from date of receiving site and financial impact starting from Q3 of year 2021.

Saudi Research and Media Group unit signed an interest purchase agreement to acquire 51% of ownership interests of Thmanyah Company for transaction value SAR 33.3mln.

Bond sales and indirect taxation are part of Kuwait's strategy to address its budget deficit, Al-Jarida paper reported, citing the country's finance minister Minister Khalifa Hamada made the remarks in response to a parliamentary question about the government's strategy. Taxes are selective, "imposed at high varying rates on the selling price of goods harmful to public health and the environment, in addition to luxury goods specified by law," in addition to value-added tax, Hamada explained.

Egypt's Fawry participates in 'pre-series C' fundraise in Elmenus, acquiring minority stake.

Egypt's Beltone Financial Holding board approves to increase issued capital to EGP 927mln from EGP 891.3mln.

*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	47,449	6.82	7.57	4.95	10.05	0.85	4.0%	(8.8)	9.8	14.9	43.0
ADIB	19,794	5.45	5.68	3.58	11.93	1.00	3.8%	(0.9)	10.5	20.8	54.3
ADNIC	2,839	4.98	5.93	3.19	7.43	1.15	7.0%	(15.0)	5.5	4.7	69.5
ADNOC Dist.	54,125	4.33	5.01	3.00	22.26	15.57	4.8%	(1.6)	(2.5)	18.2	50.8
Agthia	4,971	6.28	7.32	2.70	76.66	1.88	2.6%	(6.7)	(1.4)	51.5	115.4
Air Arabia	6,300	1.35	1.42	1.07	NA	1.29	0.0%	(2.2)	8.0	5.5	14.4
Ajman Bank	1,546	0.74	0.83	0.58	19.59	0.62	0.0%	(1.2)	5.0	(5.6)	25.8
Waha	2,800	1.44	1.53	0.69	4.16	0.87	4.2%	0.7	23.1	26.2	107.5
Aldar	30,192	3.84	3.90	1.68	15.62	1.18	3.8%	-	6.7	26.7	133.3
Alpha Dhabi	236,000	23.60	23.68	15.00	NA	NA	NA	NA	NA	NA	NA
Amanat	2,435	0.97	1.01	0.75	67.78	0.96	2.3%	3.2	14.2	18.8	8.7
Aramex	5,564	3.80	4.49	3.23	25.51	2.04	3.4%	(6.9)	(0.8)	(10.4)	15.5
BOS	1,188	0.54	0.73	0.48	NA	0.34	0.0%	1.6	(2.5)	(10.2)	1.6
Damac	7,563	1.25	1.75	0.80	NA	0.58	NA	(3.1)	4.2	(3.8)	53.9
Dana Gas	5,708	0.82	0.85	0.64	39.60	0.71	6.7%	1.5	8.4	22.4	29.5
Deyaar	1,681	0.29	0.33	0.25	NA	0.39	0.0%	(3.3)	9.8	3.6	3.6
DFM	8,640	1.08	1.29	0.75	68.22	1.11	0.0%	(10.7)	3.8	16.1	35.7
DIC	7,186	1.69	1.76	1.11	15.03	0.60	NA	(2.9)	9.0	22.5	54.5
DIB	34,394	4.75	5.15	3.75	13.89	0.95	4.2%	(5.2)	5.6	7.5	27.8
DU	30,370	6.70	7.22	5.00	22.58	3.73	4.2%	(1.6)	-	19.0	36.5
Easy Lease	751	25.02	27.00	10.00	30.54	15.80	NA	0.1	6.6	42.2	-
Emaar Dev.	14,680	3.67	3.94	2.05	8.20	1.22	0.0%	(2.7)	44.5	33.5	76.4
Emaar Malls	25,638	1.97	2.14	1.28	39.85	1.32	0.0%	(1.5)	11.3	7.7	39.7
Emaar Pro.	28,567	3.99	4.29	2.54	11.59	0.51	2.5%	(3.4)	11.9	16.0	58.1
ENBD	83,695	13.25	14.00	8.39	12.79	1.01	3.0%	(4.0)	13.2	33.3	61.5
ESG	928	3.71	8.00	3.01	46.87	2.81	NA	0.3	NA	NA	NA
Eshraq	809	0.35	0.46	0.23	NA	0.60	NA	1.2	13.7	9.4	45.6
Etisalat	195,678	22.50	22.58	16.40	21.47	4.38	5.3%	1.4	3.3	38.3	41.7
FAB	179,088	16.40	17.14	10.36	16.86	1.66	4.5%	(2.8)	15.0	33.8	62.8
GFH	2,912	0.76	0.81	0.53	12.81	0.79	2.2%	11.6	22.6	31.8	43.9
Gulf Nav.	300	0.29	0.55	0.28	NA	0.76	0.0%	(7.3)	(4.5)	(29.2)	(39.3)
IHC	234,782	128.90	133.00	29.80	47.10	24.39	NA	32.9	49.0	206.9	317.2
Julphar	2,045	1.77	1.92	1.07	NA	2.33	0.0%	21.2	26.4	33.1	42.7
Mashreq	10,687	60.20	71.00	60.00	NA	0.57	6.6%	(10.1)	(7.4)	(11.3)	(10.0)
NBF	9,536	4.98	NA	NA	NA	NA	1.9%	NA	NA	NA	NA
Palms Sports	1,860	12.40	20.00	4.30	22.40	7.91	NA	(4.6)	(11.6)	(6.1)	NA
RAK Bank	6,620	3.95	4.24	3.36	14.27	0.84	3.8%	(1.3)	1.3	1.3	9.7
RAK Pro.	1,248	0.62	0.66	0.35	7.54	0.31	6.4%	0.3	22.8	30.0	76.8
RAK Cer.	2,266	2.28	2.45	1.24	NA	1.06	3.3%	(2.6)	34.1	58.9	77.9
Salama	980	0.81	0.97	0.51	6.12	1.12	10.2%	(5.3)	(1.7)	5.4	71.4
SIB	4,561	1.48	1.50	1.11	10.95	0.61	5.4%	-	12.1	18.8	40.0
Shuaa	1,727	0.68	0.77	0.50	4.07	1.14	4.4%	9.8	11.8	4.9	36.4
Tabreed	7,689	2.77	3.15	1.83	14.17	1.49	2.1%	(3.1)	(7.7)	9.0	54.5
TAQA	152,911	1.36	1.78	0.99	33.69	2.43	1.8%	(4.2)	(0.3)	(4.5)	39.0
Union Pro.	995	0.23	0.36	0.23	3.03	0.34	0.0%	(14.7)	(11.8)	(17.1)	(18.3)
UAB	1,541	0.75	0.89	0.59	NA	1.07	0.0%	NA	(10.0)	(12.0)	(16.4)
Zee Store	952	9.52	15.00	7.95	NM	5.90	NA	4.6	(5.9)	(9.3)	NA

(Source Bloomberg) ^ current dividend yield based on latest dividend declaration

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