

Morning Report

15 March 2023

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	9,587	-1.8%	-4%	-5%	-6%	0%
DFM	3,304	-1.5%	-4%	0%	-1%	-1%
TASI	10,207	-1.0%	-3%	0%	-3%	-18%
QSI	10,216	-1.8%	-2%	-8%	-4%	-24%
BKM	5,366	-1.9%	-3%	-5%	-4%	-14%
MSX	4,929	0.7%	7%	1%	1%	14%
BHSEASI	1,906	-0.1%	-2%	3%	1%	-5%
EGX	15,362	-0.5%	-12%	0%	5%	47%
DJI	32,155	1.1%	-6%	-5%	-3%	-2%
S&P 500	3,919	1.7%	-5%	-2%	2%	-6%
Nasdaq	11,428	2.1%	-4%	2%	9%	-9%
FTSE	7,637	1.2%	-4%	2%	2%	6%
DAX	15,233	1.8%	-1%	5%	9%	9%
CAC40	7,142	1.9%	-1%	6%	10%	12%
Nikkei225	27,222	-2.2%	-1%	-3%	4%	8%
HIS	19,581	1.7%	-9%	-2%	-3%	-1%
MSCI EM	945	-1.7%	-7%	-3%	-1%	-10%
MSCI	155	-2.3%	-6%	-3%	0%	-8%
US Fut.	3,927	0.2%	-5%	-2%	2%	-8%
EU Fut.	4,178	0.1%	-2%	5%	10%	12%

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

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	1,487	1,487	-
Local	65%	62%	4%
Foreign	35%	38%	-4%
Institutional	85%	73%	12%
Retail	15%	27%	-12%
DFM	308	308	-
Local	47%	41%	6%
Foreign	53%	59%	-6%
Institutional	54%	59%	-5%
Retail	46%	41%	5%
Total	1,795	1,795	-
Local	62%	58%	4%
Foreign	38%	42%	-4%

Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	High – Low 52WH	52WL
Eshraq	0.090%	0.44	(1.8)	0.88	0.43
Manazel	0.029%	0.34	(2.6)	0.52	0.34
Aldar	0.024%	4.51	(3.8)	5.79	4.12

Upcoming Corporates Actions & Events

Date	Company	Event
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	ADNH	General Assembly
15-Mar	DIB	General Assembly
16-Mar	Ajman Bank	BoD/General
16-Mar	ADPORTS	BoD/General
16-Mar	DSI	BoD/General
16-Mar	Emaar	BoD/ Result
20-Mar	Tabreed	General Assembly
20-Mar	EDC	General Assembly
20-Mar	ADCB	General Assembly
19-Mar	GFH	General Assembly
20-Mar	FTSE Rebalancing	Effective Date
22-Mar	Deyaar	General Assembly

KEY STORIES

UAE has completed its second conventional dirham-denominated treasury bond issuance raising AED 1.1bln (USD 300mln) from the sale of the T-bonds in a deal that was five times oversubscribed

IHC board of directors approved the initiation of the Chimera Investment transaction, which will be under IHC's group subsidiaries through the common control method, subject to regulatory approvals

GFH announced that they have received CBB's approval to extend the share repurchase period, and will commence the share repurchase from 15th March 2023

Amlak announced FY22 results with net group profit coming in at AED 476mln, compared to AED 1.1bln in FY21

Dubai National Insurance and Reinsurance board proposes FY22 cash dividend of 10% (AED 10 fils/sh.), translating into a dividend yield of 1.9%

Air Arabia shareholders approved the distribution of 15% cash dividend (AED 15 fils/sh.) for the financial year ending December 31, 2022 at the company's Annual General Meeting (AGM)

DU's shareholders approved dividend recommendation amounting to AED 13 fils/sh. for 2H22, taking FY22 dividend to AED 24 fils/sh.

Aldar Properties has announced the launch of Reeman Living, a new residential development in the Al Shamkha neighbourhood of Abu Dhabi

Emirates REIT agrees to a AED 184mln Islamic facility with Ajman Bank where the net proceeds will be used to repay existing financial indebtedness and secured certificates issued in Dec 2022

Saudi Arabia's energy minister told Energy Intelligence that the OPEC+ alliance will stick to its production cuts agreed in October until the end of the year

Saudi National Shipping Company net profit after zakat and tax increased to SAR 1bln in FY22 versus SAR 192.4mln a year ago

Saudi Yanbu Cement profit after zakat and tax clocked in at SAR 215.4mln in FY22 versus SAR 159.6mln a year ago

Saudi Herfy Food Services announces opening of first two branches of Herfy Restaurants in Nigeria with plans to open 50 restaurants in 10 years. Financial impact to reflect starting from 2Q23

Oman's Abraj Energy Services shares traded at OMR 290 baizas in market debut vs IPO price of OMR 249 baizas

Qatar Electricity and Water Company extends contract with Kahrama to operate Ras Abu Fontas B1 power station

Kuwait Real Estate Company quarterly net profit attributable increased to KWD 1.6mln in 4Q22 versus KWD 662k, a year ago. Board proposes 3% cash dividend and 3% bonus shares

Egypt's economy is expected to grow 4.2% in the current fiscal year 2022/23, a cabinet statement said on Tuesday. The economy grew by 3.9% in the second quarter of FY 2022/23

Egypt's Ferchem Egypt Fertilizers and Chemicals declares FY22 dividend of EGP 1.50/sh.

Egypt's Minapharm Pharmaceuticals board approves 5.11 bonus shares for every one share

Key Global Trends/ Market Clues

Asian equities rose sharply on Wednesday, tracking a relief rally on Wall Street and as U.S. inflation data delivered no nasty surprises, reinforcing hopes the Federal Reserve will likely go for a smaller rate hike when it meets next week. Investors piled back into stocks in U.S. markets overnight as fears about contagion in the banking sector following the collapse of Silicon Valley Bank (SVB) last week eased. MSCI's broadest index of Asia-Pacific shares outside Japan was 1.44% higher, having slid 1.7% on Tuesday after SVB's collapse triggered heavy selling by investors in the last few trading sessions. Australia's S&P/ASX 200 index rose 0.33% in early trading, while Japan's Nikkei was mostly flat. Chinese shares were 0.46% higher, while Hong Kong's Hang Seng index rose 1.4%. Data on Wednesday showed China's industrial output in the first two months of 2023 rose 2.4% from the year earlier, accelerating from a 1.3% annual rise seen in December. Investors were also relieved after February's U.S. inflation report on Tuesday showed consumer prices rising by 0.4%, with a year-on-year gain of 6% - in line with analyst expectations, as there were worries that stronger than expected data might lead the Fed to go for jumbo-sized hikes to battle inflation. U.S. Treasury yields extended gains into Asian hours after sharp declines at the start of the week. The yield on 10-year Treasury notes was up 3.8 basis points to 3.674%.

Oil prices rebounded more than 1% on Wednesday, recovering from the previous day's plunge, as a stronger OPEC outlook on China's demand helped offset bearish global investor sentiment in the wake of the recent U.S. bank failures. Brent crude futures climbed 1.2%, to \$78.38 a barrel. U.S. West Texas Intermediate crude futures gained 1.4%, to \$72.29 a barrel. On Tuesday, the benchmarks fell more than 4% to a three-month low. The Organization of the Petroleum Exporting Countries (OPEC) on Tuesday further raised its forecast for Chinese oil demand growth in 2023 due to the relaxation of the country's COVID-19 curbs, although it left the global demand total steady, citing potential downside risks for world growth. Chinese refineries processed 3.3% more crude in the first two months of 2023 compared with the same period a year earlier, data showed on Wednesday, spurred by fuel export policy and independent refiners processing more in response to improving margins for transportation fuels after Beijing lifted COVID restrictions. On the supply side, Saudi Arabia's energy minister Prince Abdulaziz bin Salman told Energy Intelligence in an interview on Tuesday the OPEC+ alliance - OPEC and allied oil producers including Russia - will stick to production cuts agreed in October until the end of the year.

UAE Stories

UAE has completed its second conventional dirham-denominated treasury bond issuance this year as the Arab world's second-largest economy continues to diversify its funding base. The Emirates raised AED 1.1bn (USD 300mln) from the sale of the T-bonds in a deal that was five times oversubscribed. The dual-tranche deal received strong investor demand through six primary dealers. The two and three-year tranches of AED 550mln each received bids worth AED 5.51bn. The bonds were priced at a spread over US treasury of 10bps for the two-year tranche, and a spread of 15bps for the 5-year tranche.

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Air Arabia shareholders approved the distribution of 15% cash dividend for the financial year ending December 31, 2022 at the company's Annual General Meeting (AGM). The dividend, which is equivalent to AED 15 fils/sh., reflects another year of record financial performance for the award-winning low-cost

carrier. The Board of Directors' recommendation follows the airline's robust financial performance in the year ending December 31, 2022, where Air Arabia reported a record net profit of AED 1.2bn, an increase of 70% compared to 2021.

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Aldar Properties has announced the launch of Reeman Living, a new residential development that brings design-led urban living to Aldar's Alreeman project in the Al Shamkha neighbourhood of Abu Dhabi. The project provides a selection of vibrant and inclusive communities within prime areas of Abu Dhabi. The development also offers bespoke design elements and colour palettes, efficient storage spaces, and an adaptable environment. Available to buyers of all nationalities, 630 of the development's 1,050 units will be available for purchase during the first phase of the launch. Spread across five low-rise buildings, studios, one-bed, two-bed, and three-bed apartments will be available, with public sales commencing on 18th March and prices starting from AED365,000.

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GCC/MENA

Saudi Arabia's energy minister told Energy Intelligence in an interview on Tuesday the OPEC+ alliance will stick to its production cuts agreed in October until the end of the year. The minister also said that the kingdom will not sell oil to any country that puts price ceiling on Saudi supplies.

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Egypt's economy is expected to grow 4.2% in the current fiscal year 2022/23, a cabinet statement said on Tuesday. The economy grew by 3.9% in the second quarter of FY 2022/23, while the unemployment rate went down to 7.2% in the same quarter

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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	56,709	8.15	10.96	8.03	10.82	1.06	4.5%	(8.8)	(10.3)	(9.4)	(16.8)
ADIB	36,251	9.98	10.86	7.03	10.91	1.61	3.1%	2.9	10.5	9.5	14.7
ADNIC	3,472	6.09	7.50	5.73	9.19	1.29	6.6%	(1.3)	2.0	(1.8)	(9.8)
ADNOC Dist.	52,631	4.21	4.88	3.80	19.15	15.28	4.9%	(5.6)	(7.5)	(4.5)	8.5
ADNOC Drill.*	57,446	3.59	3.83	2.90	19.51	5.34	4.2%	4.4	23.8	20.5	-
AD Ports	30,289	5.95	6.87	3.28	35.84	1.59	-	1.7	8.4	3.7	-
Agthia	3,238	4.09	5.48	3.87	NM	1.15	4.0%	1.7	2.8	2.8	(1.7)
Air Arabia	10,221	2.19	2.41	1.53	8.36	1.46	3.9%	(5.2)	(4.8)	1.9	38.1
Ajman Bank	2,310	1.10	1.24	0.66	14.25	0.92	-	(5.2)	10.0	(6.8)	35.8
Aldar	35,464	4.51	5.79	4.12	12.04	1.18	3.3%	(5.5)	3.2	1.8	3.6
Alpha Dhabi	213,823	21.38	30.50	19.80	NA	NA	-	(6.7)	(17.2)	(21.0)	(21.5)
Amanat	2,175	0.87	1.18	0.81	18.96	0.79	NA	(3.3)	4.8	2.4	(18.9)
Americana	31,171	3.70	3.94	2.66	32.73	29.83	-	(3.4)	17.5	24.6	31.2
Aramex	5,198	3.55	4.45	3.38	29.71	2.04	3.7%	(0.8)	(1.4)	0.9	(1.5)
ASM	7,621	7.62	13.96	7.34	NM	1.10	-	(5.1)	(16.4)	(19.1)	(36.2)
Bayanat	8,718	3.39	6.24	3.17	45.84	21.66	-	(13.5)	(27.9)	(30.8)	(17.3)
Borouge*	78,159	2.60	3.27	2.45	13.9	4.29	6.1%	(3.7)	3.2	2.8	-
Burjeel	10,516	2.02	2.68	2.00	35.27	18.26	-	(2.4)	(10.6)	(11.0)	(12.6)
Dana Gas	5,317	0.76	1.26	0.75	7.95	0.63	10.5%	(9.0)	(16.7)	(17.4)	(27.5)
DEWA*	119,513	2.39	3.00	2.27	15.47	1.34	6.9%	(2.4)	2.2	3.0	-
DFM	10,001	1.25	2.95	1.24	NM	1.26	2.4%	(13.2)	(16.7)	(17.2)	(43.6)
DIC	9,143	2.15	2.64	2.04	5.53	0.72	5.6%	(6.9)	(0.9)	(0.9)	0.0
DIB	39,177	5.41	6.57	5.35	7.74	0.95	4.6%	(5.6)	(1.5)	(5.1)	(6.1)
DU	22,667	5.00	6.79	4.95	18.58	2.58	4.2%	(4.4)	(11.5)	(13.8)	(22.7)
Easy Lease	936	31.20	61.90	30.18	21.23	7.35	-	(0.0)	(8.0)	(10.3)	(25.7)
Emaar Dev.	21,002	5.25	5.78	4.02	5.68	1.21	-	7.4	25.0	19.0	20.1
Emaar Pro.	45,613	5.16	6.60	4.87	6.18	0.65	2.9%	(10.6)	(14.0)	(11.9)	2.5
Empower	15,802	1.58	1.61	1.31	15.79	5.21	5.4%	4.6	16.2	11.3	16.2
ENBD	78,966	12.50	15.30	11.80	6.31	0.85	4.0%	(3.8)	0.6	(3.8)	(7.0)
ESG	1,268	5.07	8.90	5.06	NM	1.85	-	(24.3)	(29.6)	(34.7)	(30.1)
Etisalat	206,485	23.74	39.06	22.66	20.94	4.89	3.4%	(12.7)	3.4	3.8	(29.2)
FAB	150,485	13.62	24.06	13.34	11.54	1.31	5.1%	(1.8)	(11.7)	(20.4)	(34.9)
Fertiglobe*	32,379	3.90	6.11	3.66	6.10	4.73	12.3%	(5.8)	(3.5)	(7.8)	-
GFH	3,406	0.87	1.25	0.87	9.13	0.85	5.0%	(7.8)	(6.9)	(1.9)	(20.8)
Ghitha	18,919	78.30	123.00	56.90	NA	7.49	-	11.7	12.8	7.3	18.9
IHC	866,543	395.00	410.10	182.30	57.50	12.44	-	(0.3)	(3.7)	(3.7)	113.4
Invictus	3,730	3.33	6.50	3.01	-	-	-	0.9	-	(12.8)	-
Mashreq	23,073	115.00	135.00	63.95	6.22	0.98	0.9%	(1.4)	26.4	17.9	73.6
Multiply	37,524	3.35	5.08	1.58	NA	1.32	-	(14.3)	(29.5)	(27.8)	NA
NMDC	31,650	38.36	41.90	13.58	24.28	4.84	-	12.8	56.7	56.7	173.6
Palms Sports	1,497	9.98	14.94	8.47	11.23	3.22	-	0.4	0.0	1.8	(16.1)
RAK Bank	8,382	5.00	5.40	4.19	7.16	0.93	4.5%	5.3	5.9	6.4	(4.8)
RAK Pro.	1,110	0.56	0.83	0.55	36.04	0.27	-	(3.3)	(18.4)	(18.4)	(28.8)
RAK Cer.	2,812	2.83	3.05	2.67	NM	1.30	7.1%	(3.1)	2.9	-	2.7
RPM	950	4.75	12.68	4.57	12.99	3.60	-	(6.9)	(13.2)	(23.3)	NA
SIB	6,051	1.87	2.15	1.57	9.30	0.79	4.3%	(3.7)	5.1	0.7	1.0
Salik	20,927	2.79	2.97	2.19	13.56	66.02	5.0%	5.7	14.3	12.5	25.7
Tabreed	7,996	2.81	3.52	2.27	13.31	1.23	2.1%	(4.7)	3.7	(5.1)	13.9
TAQA	358,704	3.19	4.17	1.19	46.05	5.10	1.5%	(0.3)	(4.2)	(7.0)	168.9
Waha	2,606	1.34	1.65	1.16	8.47	0.72	5.6%	1.5	(2.9)	(1.5)	(10.0)
Yahsat *	6,271	2.57	2.92	2.47	26.04	2.01	6.3%	(1.9)	(3.7)	2.8	(3.0)

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

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