



Morning Report

19 January 2022

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	8,431	0.2%	-7%	9%	-1%	62%
DFM	3,178	0.0%	-3%	13%	-1%	17%
TASI	12,194	0.2%	8%	4%	8%	37%
BHSEASI	1,811	-0.3%	2%	6%	1%	25%
EGX	11,876	0.1%	2%	5%	-1%	4%
DJI	35,368	-1.5%	0%	0%	-3%	15%
S&P 500	4,577	-1.8%	-1%	2%	-4%	21%
Nasdaq	14,507	-2.6%	-4%	-3%	-7%	12%
FTSE	7,564	-0.6%	4%	5%	2%	13%
DAX	15,773	-1.0%	2%	2%	-1%	14%
CAC40	7,134	-0.9%	3%	7%	0%	27%
Nikkei225	28,257	-1.8%	-1%	-3%	-2%	0%
HSI	24,159	0.0%	4%	-5%	3%	-16%
MSCI EM	1,242	-1.0%	2%	-3%	1%	-9%
MSCI Asia	194	-0.1%	1%	-2%	0%	-7%
US Fut.	4,557	-0.3%	0%	1%	-4%	20%
EU Fut.	4,233	-0.5%	4%	2%	-1%	19%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	1,409	1,409	-
Local	83%	84%	-1%
Foreign	17%	16%	1%
Institutional	87%	86%	1%
Retail	13%	14%	-1%
DFM	292	292	-
Local	64%	63%	1%
Foreign	36%	37%	-1%
Institutional	27%	48%	-21%
Retail	73%	52%	21%
Total	1,702	1,702	-
Local	80%	80%	0%
Foreign	20%	20%	0%

Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	High - Low 52WH 52WL
Waha	0.081%	1.59	0.6	1.96 1.08
Manazel	0.055%	0.51	0.2	0.64 0.33
Methaq	0.049%	0.76	(0.5)	1.20 0.71

Upcoming Corporates Actions & Events

Date	Company	Event
20-Jan	CBI	BoD/Results
21-Jan	Easy Lease	BoD/Results
24-Jan	ESG	BoD/Results
26-Jan	FAB	BoD/Results
09-Feb	GFH	BoD/Results
09-Feb	MSCI 1Q21 Index Review Announcement	

KEY STORIES

Aldar Properties announced an agreement with Diamond Developers to form a JV to build a sustainable city project worth AED 1.8bln in Yas Island

Aldar Properties has launched a portfolio-wide energy management project to reduce its energy consumption by 20% across 80 assets. The project will enable Aldar to save approximately AED 40mln per year in energy consumption costs

IHC launches rebound plastic exchange to facilitate global trade of recycled plastic, scheduled to open for trading in mid-2022

Oman Insurance disposed all shares in Itaco Bahrain

S&P Global said its AA score of Abu Dhabi already factored in geopolitical risks

The world needs to invest at least USD 3trn in renewable energy in the next 10 years – UAE Minister

Dubai issued 72,152 new business licences in 2021, a growth of 69 % compared to 2020

UAE on Jan 18 announced 2,792 new Covid-19 cases and 1,166 recoveries. The tally takes total cases in UAE to 811,029 with 762,379 recoveries and 2,198 deaths

Saudi Arabia issued SAR 2.833bln domestic sukuk for the month of January

Saudi's SABIC plans to build a petrochemicals plant in the city of Jubail on the gulf coast in the Eastern Province - CEO

Saudi's Aldrees Petroleum posted quarterly net profit after zakat and tax SAR 54.1mln versus SAR 39.5mln year ago. Board proposes SAR 1.5 per share FY dividend

Saudi's Amana Cooperative Insurance board recommends for capital increase by offering rights issue, with target amount SAR 300mln

Saudi's Batic Investments and Logistics unit signed an investment contract for smart parking project in Buraydah, Qassim region for 25 years for value of SAR 422mln

Oman November M2 money supply +5.26% YoY while conventional bank lending +3.98% YoY - C. Bank

Egypt's EIPICO board approves initial feasibility study to establish company to manufacture pharmaceutical material

Egypt's El-Saeed Contracting awarded contract to construct building in Sohag City for estimated value EGP 700mln

Egypt's first SPAC to list on EGX by next month

Key Global Trends/ Market Clues

Asia's share markets struggled on Wednesday as U.S. Treasury yields hit fresh two-year highs and a global technology stock sell-off unsettled investors worrying about inflation and bracing for tighter U.S. monetary policy. MSCI's broadest index of Asia-Pacific shares outside Japan reflected the sombre tone, trading down 0.1% in mid-morning trade after closing lower for four days straight. Australia lost half a percent, while Japan's Nikkei slid 1.8% as technology stocks fell and worries over new curbs on businesses to halt a record surge in coronavirus cases curbed risk appetite. Elsewhere, South Korea's Kospi lost 0.3%, while China's blue-chip index was flat and Hong Kong's Hang Seng index bucked the downtrend to rise 0.1%. On Wall Street, the Dow Jones Industrial Average slid 1.51%, the S&P 500 fell 1.84% and the Nasdaq

Composite slipped 2.60% to close almost 10% below its record closing high on Nov. 19, which would confirm a correction.

Oil prices rose for a fourth day to a seven-year high as an outage on a pipeline from Iraq to Turkey increased concerns about an already tight supply outlook amid worrisome geopolitical troubles in Russia and the United Arab Emirates. Brent crude futures rose USD 1.44, or 1.7%, to USD 88.95 a barrel at 0230 GMT, adding to a 1.2% jump in the previous session. The benchmark contract climbed to as much as USD 89.05, its highest since Oct. 13, 2014. U.S. West Texas Intermediate (WTI) crude futures climbed USD 1.51, or 1.8%, to USD 86.94 a barrel, adding to a 1.9% gain on Tuesday. WTI earlier jumped to a high of USD 87.08, its highest since Oct. 9, 2014. Turkey's state pipeline operator Botas said on Tuesday that it cut oil flows on the Kirkuk-Ceyhan pipeline after an explosion on the system. The cause of the explosion is not known.

OPEC on Tuesday stuck to its forecast for robust growth in world oil demand in 2022 despite the Omicron coronavirus variant and expected interest rate hikes, predicting the oil market would remain well supported through the year. OPEC said it expects world oil demand in 2022 to rise by 4.15mln barrels per day (bpd), unchanged from last month. Oil use will surpass the 100mln bpd mark in the third quarter, also in line with last month's forecast.

UAE Stories

Aldar Properties announced an agreement with Diamond Developers to form a joint venture (JV) to build a sustainable city project worth AED 1.8bln, as part of its strategy to achieve sustainable development goals. The project in Yas Island will feature 864 units, with construction set to commence in the fourth quarter of 2022 and complete in two years and six months.

Aldar Properties has launched a portfolio-wide energy management project to reduce its energy consumption by approximately 20% across 80 assets including hotels, schools, commercial, leisure, retail, and residential buildings. As well as reducing energy emissions, the project will enable Aldar to save approximately AED 40 million per year in energy consumption costs. The project aims to reduce Aldar's carbon emissions by 80,000 tons, electricity consumption by 110 GWh, water consumption by 886,000 m3, chilled water consumption by 23,000,000 TRH, and gas consumption by 726,000 m3 on a yearly basis.

International Holding Company (IHC) launches rebound plastic exchange to facilitate global trade of recycled plastic. Announces establishment of Rebound Ltd to create an innovative solution to reduce world's plastic pollution. Scheduled to open for trading in mid-2022, exchange will introduce globally recognized standards, certification, insurance, and quality assurance into supply chain.

Oman Insurance disposed all shares in Itaco Bahrain. Company paid AED 793k as part of restructuring of Itaco Bahrain to exit its investment which is 0.17% of OIC's issued capital.

S&P Global said its AA score of Abu Dhabi already factored in geopolitical risks after Yemen's Houthi group launched drone and missile strikes in the emirate which set off explosions in fuel trucks and killed three people. "Abu Dhabi ratings already capture the risks from unpredictable Gulf geopolitics," S&P said in a report published on Tuesday, also citing the "exceptional strength" of Abu Dhabi's finances.

The world needs to invest at least USD 3trn in renewable energy in the next 10 years, state news agency WAM quoted United Arab Emirates (UAE) Industry Minister Sultan al-Jaber as saying on Tuesday in Dubai. The minister, who is also the Abu Dhabi National Oil Company (ADNOC) chief executive, added that the UAE remains committed to providing reliable supplies of oil and gas with less carbon emissions.

Dubai issued 72,152 new business licences in 2021, a growth of 69 % compared to 2020.

UAE on Jan 18 announced 2,792 new Covid-19 cases, bringing the total confirmed cases in the country to 811,029. At the same time, 1,166 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 762,379, UAE's Ministry of Health and Prevention said. It has reported 3 deaths from Covid-19 during the past 24 hours. The nationwide death toll stands at 2,198.

GCC/MENA

Saudi Arabia issued SAR 2.833bln domestic sukuk, or Islamic bonds, for the month of January, the kingdom's National Debt Management Center said on Tuesday. The issuance was split into two tranches;

the first, amounting to SAR 1.248bln, matures in 2030. The second amounted to SAR 1.585bln riyal and matures in 2034.

Saudi's SABIC plans to build a petrochemicals plant in the city of Jubail on the gulf coast in the Eastern Province, after a similar plant in South Korea starts production by year-end, CEO Yousef Abdullah al-Benyan told Asharq TV on Tuesday.

Saudi's Aldrees Petroleum and Transport Services posted quarterly net profit after zakat and tax SAR 54.1mln versus SAR 39.5mln year ago. Quarterly sales SAR 2,620.4mln versus SAR 1,496.7mln year ago. Board proposes SAR 1.5 per share FY dividend.

Saudi's Amana Cooperative Insurance board recommends for capital increase by offering rights issue, with target amount SAR 300mln. Capital increase for supporting future plans and enhancing solvency margin position.

Saudi's Batic Investments and Logistics unit signed an investment contract for smart parking project in Buraydah, Qassim region for 25 years for value of SAR 422mln.

Oman November M2 money supply +5.26% YoY while conventional bank lending +3.98% YoY - C. Bank

Egyptian International Pharmaceutical Industries Company's (EIPICO) board approves initial feasibility study to establish company to manufacture pharmaceutical material. The company to hold 25% stake in new company. New company with an issued capital of EGP 1bln and paid-up capital of EGP 400mln.

Egypt's El-Saeed Contracting & Real Estate Investment awarded contract to construct building in Sohag City for estimated value EGP 700mln.

Egypt's first-ever special purpose acquisition company, known as a SPAC, will merge with or acquire another company to list on the stock exchange, the head of the country's financial regulatory authority said. Mohamed Omran explained that the SPAC will be established no later than next month, February. Last November, the FRA announced the rules and regulations for listing and writing off securities on the Egyptian bourse. It also introduced an article that allows the registration of SPAC shares.

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	61,225	8.80	9.00	5.97	13.13	1.05	3.1%	2.7	7.1	3.2	38.0
ADIB	25,242	6.95	7.13	4.60	13.90	1.27	2.9%	1.0	21.7	1.2	42.6
ADNIC	3,916	6.87	7.00	4.63	9.28	1.44	5.1%	2.5	29.4	2.5	50.0
ADNOC Dist.	52,375	4.19	5.01	3.85	20.68	19.79	4.9%	(1.6)	(0.5)	(1.9)	12.4
ADNOC Drill.*	53,920	3.37	3.60	2.77	24.19	5.54	4.4%	2.1	15.8	(0.9)	NA
Agthia	3,958	5.00	7.32	4.65	NM	1.49	3.3%	(5.1)	(10.2)	(2.9)	(1.9)
Air Arabia	6,720	1.44	1.58	1.20	NM	1.21	-	(4.0)	7.5	(0.7)	3.6
Ajman Bank	1,674	0.80	0.91	0.64	19.36	0.64	-	(4.4)	17.2	(3.3)	(0.4)
Aldar	32,315	4.11	4.38	3.33	14.31	1.24	3.5%	(0.2)	2.5	3.0	28.2
Alpha Dhabi	250,400	25.04	30.20	15.00	NA	NA	-	(2.5)	(11.3)	(8.3)	NA
Amanat	2,850	1.14	1.27	0.78	9.63	1.02	1.9%	(2.6)	3.6	(0.9)	40.2
Aramex	5,856	4.00	4.80	3.50	34.60	2.11	3.3%	(2.9)	6.7	(2.4)	(6.1)
ASM	12,540	12.54	16.94	11.30	NM	3.40	-	(6.0)	(14.0)	(9.8)	NA
BOS	1,269	0.58	0.76	0.50	NA	0.34	-	(5.4)	6.9	(6.9)	(7.3)
Dana Gas	7,135	1.02	1.27	0.67	6.94	0.84	5.4%	(1.9)	1.4	(3.8)	60.4
Deyaar	2,831	0.49	0.55	0.25	NA	0.65	-	0.8	68.4	1.0	66.1
DFM	20,320	2.54	3.05	0.98	NM	2.60	-	(1.6)	154.0	(10.6)	113.4
DIC	9,227	2.17	2.25	1.42	23.96	0.77	-	11.9	26.2	12.4	35.8
DIB	39,462	5.45	5.62	4.44	14.54	1.03	3.7%	(2.2)	8.6	1.3	12.0
DU	29,011	6.40	7.28	5.90	35.01	3.53	3.9%	(7.8)	(2.4)	(3.3)	(0.8)
Easy Lease	900	30.00	66.85	19.00	28.74	12.86	-	10.7	(34.4)	3.4	44.2
Emaar Dev.	17,320	4.33	4.75	2.45	6.46	1.27	-	(6.1)	11.3	(0.9)	42.4
Emaar Pro.	39,754	4.86	5.33	3.40	12.61	0.61	2.1%	(2.8)	22.7	(0.6)	20.8
ENBD	81,800	12.95	14.35	10.75	10.25	0.96	3.1%	(8.5)	(6.2)	(4.4)	17.2
ESG	1,930	7.72	11.80	3.01	NM	5.30	-	(1.0)	(20.4)	(3.5)	NA
Eshraq	781	0.34	0.48	0.29	NA	0.57	-	(13.2)	7.7	(5.6)	2.1
Etisalat	259,339	29.82	37.00	19.18	28.10	5.63	4.0%	(19.2)	18.7	(5.9)	51.4
FAB	217,308	19.90	21.00	14.10	17.88	1.99	3.7%	2.6	9.1	5.6	39.8
Fertiglobe*	31,877	3.84	4.02	2.92	22.76	5.21	4.6%	12.0	28.0	9.1	NA
GFH	4,909	1.27	1.36	0.60	14.25	1.37	1.4%	4.1	67.5	6.7	100.2
IHC	278,795	153.10	165.00	41.90	47.41	13.59	-	(1.0)	4.1	0.7	261.9
Julphar	2,022	1.75	2.32	1.20	NA	2.03	-	(4.9)	(6.4)	(4.9)	25.0
Mashreq	15,246	76.00	79.50	53.10	NA	0.79	-	(4.4)	18.5	(4.4)	21.0
Multiply	19,488	1.74	2.35	1.60	NA	1.96	-	(13.0)	NA	(5.4)	NA
Palms Sports	1,833	12.22	21.48	10.50	19.96	5.57	-	2.7	(15.1)	-	(12.7)
RAK Bank	7,877	4.70	4.72	3.63	13.13	0.97	3.2%	4.2	20.5	4.4	15.8
RAK Pro.	1,606	0.80	0.83	0.50	5.94	0.39	-	3.1	13.1	4.2	30.8
RAK Cer.	2,872	2.89	3.08	1.56	NM	1.26	2.6%	0.7	4.7	1.4	83.0
RPM	1,522	7.61	20.00	7.20	37.92	6.79	-	(22.3)	(45.8)	(21.1)	NA
Salama	929	0.77	0.97	0.73	15.10	1.19	10.7%	(3.3)	2.4	0.9	0.2
SIB	6,286	2.04	2.05	1.30	12.32	0.82	3.9%	7.9	10.3	4.6	60.1
Shuaa	1,717	0.68	0.83	0.59	9.48	1.10	4.4%	(5.2)	0.3	(1.2)	(6.9)
Tabreed	7,073	2.55	3.15	2.39	14.84	1.29	2.3%	(4.5)	(1.5)	0.8	(1.1)
TAQA	141,667	1.26	1.59	1.15	24.29	2.19	2.0%	(8.7)	1.2	(4.5)	(11.3)
Waha	3,092	1.59	1.96	1.08	6.23	0.91	3.8%	(11.7)	(9.7)	(7.0)	52.0
Yahsat *	6,587	2.70	3.10	2.46	29.67	2.21	5.9%	(0.7)	(0.0)	(1.5)	NA
Zee Store	2,606	26.06	53.00	7.95	NM	12.60	-	(15.7)	(35.6)	(5.2)	154.0

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

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