



Morning Report

19 September 2021

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	7,883	0.8%	3%	18%	56%	75%
DFM	2,901	0.5%	3%	2%	16%	26%
TASI	11,422	0.1%	1%	5%	31%	37%
BHSEASI	1,679	0.4%	3%	7%	13%	18%
EGX	10,997	-1.4%	0%	11%	1%	-1%
DJI	34,585	-0.5%	-2%	2%	13%	24%
S&P 500	4,433	-0.9%	0%	5%	18%	32%
Nasdaq	15,044	-0.9%	3%	6%	17%	38%
FTSE	6,964	-0.9%	-3%	-3%	8%	15%
DAX	15,490	-1.0%	-3%	-2%	13%	17%
CAC40	6,570	-0.8%	-4%	-1%	18%	30%
Nikkei225	30,500	0.6%	11%	5%	11%	31%
HIS	24,921	1.0%	-3%	-13%	-8%	2%
MSCI EM	1,279	0.2%	2%	-6%	-1%	16%
MSCI Asia	203	0.3%	4%	-2%	2%	17%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	2,297	2,297	-
Local	50%	61%	-11%
Foreign	50%	39%	11%
Institutional	92%	85%	6%
Retail	8%	15%	-6%
DFM	467	467	-
Local	17%	25%	-8%
Foreign	83%	75%	8%
Institutional	83%	80%	2%
Retail	17%	20%	-2%
Total	2,764	2,764	-
Local	44%	55%	-10%
Foreign	56%	45%	10%

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)
Manazel	(1,592,727)	8.7%	18.3	8.5
ADIB	(270,000)	4.0%	6.7	38.1
FAB	(115,000)	0.4%	29.0	532.0

Upcoming Corporates Actions & Events

Date	Company	Event
19-Sep	Deyaar	BoD/Settlement
20-Sep	-	FTSE 3Q Index Review Effective
21-Sep	Arkan	BoD/Merger
22-Sep	Dana Gas	BoD
27-Sep	Agthia	AGM
3-Oct	ADNOC Drilling	IPO
4-Oct	RAK Ceramics	AGM

KEY STORIES

Alpha Dhabi Holding completes process of acquiring an additional 31.5% of Pure Health Medical Supplies LLC from IHC Capital Holding (fully owned subsidiary of IHC), taking total ownership in Pure Health to 63%

Union Properties in cooperation with Airolink launch preliminary construction works for Project Motor City Views

Arkan board to meet on 21st September to adopt necessary resolutions for acquisitions of Emirates Steel.

ADQ will acquire Acino, a pharmaceutical company based in Switzerland

Emirates Airline seeks 3,000 cabin crew and 500 airport services employees to support operations ramp-up

ADNOC, BP and Masdar to form strategic partnership to provide clean energy solutions for UK and UAE

UAE will give favourable treatment to a locally-owned conglomerate after it pledged to hire thousands of citizens

UAE to invest GBP 10bln in priority UK industries

UAE Central Bank is studying ways to replace the local interbank rate, three sources said, as it tries to catch up with global regulators who have called time on such benchmarks

Abu Dhabi will cancel COVID-19 testing requirements to enter the emirate for travellers from the UAE starting on Sunday (today)

UAE on Sep 18 announced 471 new Covid-19 cases and 604 recoveries. The tally takes total cases in UAE to 732,299 with 723,941 recoveries and 2,073 deaths

Saudi Tadawul gave the green light to listing government debt instruments worth SAR 6.67bln for a class already issued earlier this year

Institutional part of Saudi's ACWA Power IPO oversubscribed within minutes

Saudi's ACWA Power wins tender for 100-MW wind park in Uzbekistan

Saudi Telecom's Arabian Internet and Communications Services is set to raise SAR 3.6bln in its IPO after pricing the deal at the top of an indicative range

Saudi's Al Hammadi Company approved to construct a new hospital to replace the current Al Hammadi Hospital Olaya for SAR 450mln

Qatar's Ooredoo and Hong Kong's CK Hutchison have agreed to merge their Indonesian telecom units in a USD 6bln deal, the two companies said

Egypt's central bank kept its key interest rates on hold for a seventh consecutive time

Egypt's revenues from the Suez Canal in August stood at about USD 563mln, up 20% from USD 468ml a year before, the Suez Canal Authority

Egypt Kuwait Holding announced that trading on the company's shares in the EGP for shareholders who converted the trading currency will come into effect on 19 September

Key Global Trends/ Market Clues

World shares fell on Friday after a week of mixed economic data and fears over the stability of growth and Asian markets put the focus on the U.S. Federal Reserve's timeline for tapering asset purchases. U.S. stocks ended sharply lower in a broad sell-off on Friday. All three major U.S. stock indexes lost ground, with the Nasdaq Composite Index weighed down as rising U.S. Treasury yields pressured market-leading growth stocks. MSCI's gauge of stocks across the globe shed 0.71%, while the pan-European STOXX 600 index closed down 0.9% for a third-straight week of losses. So far this month, the STOXX is down about 2%. MSCI's broadest index of Asia-Pacific shares outside Japan .MIAPJ0000PUS rose 0.29%. Investors hope the Fed's meeting next week will yield more clarity on its plan to slow down asset purchases, and when it might raise interest rates. The Dow Jones Industrial Average fell 166.44 points, or 0.48%, to 34,584.88; the S&P 500 lost 40.76 points, or 0.91%, at 4,432.99; and the Nasdaq Composite dropped 137.96 points, or 0.91%, to 15,043.97.

Oil prices fell on Friday as energy companies in the U.S. Gulf of Mexico restarted production after back-to-back hurricanes in the region shut output. Brent crude futures fell 33 cents to settle at USD 75.34 a barrel. U.S. West Texas Intermediate (WTI) crude futures fell 64 cents to settle at USD 71.97 a barrel. For the week, Brent was up 3.3% and U.S. crude was up 3.2%, supported by tight supplies due to the hurricane outages.

Saudi Arabia's crude oil exports in July rose to their highest since January, the Joint Organisation Data Initiative (JODI) said on Thursday. The kingdom's crude oil exports rose to 6.327mln barrels per day (bpd) in July, up from 5.965mln bpd in June. Total exports including oil products stood at 6.65mln bpd.

UAE Stories

Alpha Dhabi Holding completes process of acquiring an additional 31.5% of Pure Health Medical Supplies LLC from IHC Capital Holding (fully owned subsidiary of IHC), taking total ownership in Pure Health to 63%.

Union Properties in cooperation with Airolink launch preliminary construction works for Project Motor City Views.

Arkan board to meet on 21st September to adopt necessary resolutions for acquisitions of Emirates Steel.

ADQ will acquire Acino, a pharmaceutical company based in Switzerland. ADQ said it had entered into a definitive agreement with the company to acquire 100pct of its shares from current shareholders, which include Nordic Capital and Avista Capital Partners. It didn't disclose the terms of the transaction.

Emirates Airline seeks 3,000 cabin crew and 500 airport services employees to support operations ramp-up. Emirates has begun a worldwide campaign to recruit 3,000 cabin crew and 500 airport services employees to join its Dubai hub over the next six months.

ADNOC, BP and Masdar to form strategic partnership to provide clean energy solutions for UK and UAE. BP and ADNOC intend to continue decarbonizing existing oil and gas operations. BP to initially develop 2gw of low carbon hydrogen across hubs in UK and UAE.

The United Arab Emirates will give favourable treatment to a locally-owned conglomerate after it pledged on Saturday to hire thousands of citizens, days after the government unveiled a USD 6.5bln plan to get more Emiratis in private sector jobs. Prime Minister Sheikh Mohammed bin Rashid Al Maktoum on Twitter thanked shopping mall giant Majid Al Futtaim for its commitment and said it would be given priority in government contracts.

UAE to invest GBP 10bln in priority UK industries. Agreement between Mubadala and UK's Office for Investment sees UAE commit GBP 10bln as part of sovereign investment partnership. Over the next five years, the UAE-UK SIPs will drive a significant increase in investment across a further three sectors: technology, infrastructure, and energy transition, as well as build on the existing programme of life sciences investment.

The United Arab Emirates central bank is studying ways to replace the local interbank rate, three sources said, as it tries to catch up with global regulators who have called time on such benchmarks after banks' attempts to rig them.

Abu Dhabi will cancel COVID-19 testing requirements to enter the emirate for travellers from the UAE starting on Sunday, the United Arab Emirates' state news agency WAM said on Saturday. The UAE's capital had restricted entry into the emirate to those with a negative PCR test. Earlier this month, Abu Dhabi removed the need to quarantine for all vaccinated travellers arriving from international destinations.

UAE on Sep 18 announced 471 new Covid-19 cases, bringing the total confirmed cases in the country to 732,299. At the same time, 604 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 723,941, UAE's Ministry of Health and Prevention said. It has reported 2 deaths from Covid-19 during the past 24 hours. The nationwide death toll stands at 2,073.

GCC/MENA

Saudi Tadawul gave the green light to listing government debt instruments worth SAR 6.67bln for a class already issued earlier this year. Listing of the debt instruments' reissue will begin on Sunday, 19 September, according to a bourse statement on Thursday.

The public offering of Saudi Arabia's ACWA Power drew strong demand from local and international institutional investor's just minutes after the bidding started, CNBC reported, citing banking sources. Less than 10 minutes into the offering, which will end on Sept. 27, requests from private institutions exceeded some 81.2 million shares, the source added. The Saudi utility company earlier announced the price range for the offering, as it aims to raise USD 1.2bln. The listing will value ACWA at up to USD 11bln – making it the biggest offering in Riyadh since Saudi Aramco's listing.

The government of Uzbekistan announced Saudi Arabia's ACWA Power as the winning bidder for the development of a 100-MW wind park in Karakalpakstan region. The Saudi company emerged as the lowest bidder among the shortlisted candidates in the competition, with a bid of USD 0.025695 (EUR 0.026) per kWh, the government said on Thursday. Once up and running, the wind farm will generate about 350 million kWh per year, enough to avoid 160,000 tonnes of carbon dioxide (CO₂) equivalent emissions annually. The local government expects the wind plant will be feeding Uzbekistan's grid in less than two years.

Saudi Telecom's Arabian Internet and Communications Services is set to raise SAR 3.6bln in its initial public offering (IPO) after pricing the deal at the top of an indicative range, the company said on Thursday. Pricing shares in the company, known as Solutions by STC, at SAR 151 each, implies a market capitalisation of USD 4.8bln for the entire business, it said. STC is selling a 20% stake in the IPO. The IPO order book was 130 times oversubscribed during the book-building process, the statement said.

Saudi's Al Hammadi Company approved to construct a new hospital to replace the current Al Hammadi Hospital Olaya for SAR 450mln. Project start date first quarter 2022 and financing method for the project 80% loans 20% internal cash flow. Expected date for the commercial production of the project first quarter 2026.

Qatar's Ooredoo and Hong Kong's CK Hutchison have agreed to merge their Indonesian telecom units in a USD 6bln deal, the two companies said on Thursday. The merged entity will be the second largest mobile telecoms company in the country with an annual revenue of about USD 3bln. The deal will help the combined company to better compete against state-backed Telkomsel, which controls around half of the cellular market in the world's fourth most populous country. The two companies said the deal will realise annual run rate pre-tax synergies of approximately USD 300- USD400mln over three to five years. CK Hutchison will acquire a 50% shareholding in Ooredoo Asia by exchanging its 21.8% stake in Indosat Ooredoo Hutchison for a 33.3% stake in Ooredoo Asia. It will also acquire an additional 16.7% stake from Ooredoo Group for a cash consideration of USD 387mln. The parties will each own 50% of Ooredoo Asia, to be renamed Ooredoo Hutchison Asia, which will retain a controlling 65.6% ownership stake in the merged company. It will remain listed on the Indonesian Stock Exchange, with the government of Indonesia retaining a 9.6% stake, PT Tiga Telekomunikasi Indonesia holding a 10.8% stake and other public shareholders holding approximately 14%.

Egypt's central bank kept its key interest rates on hold for a seventh consecutive time during its monetary policy committee (MPC) meeting on Thursday, the bank said in a statement. The committee has kept the overnight lending rate at 9.25% and the overnight deposit rate at 8.25% since cutting rates by a total of 400 basis points in 2020 as the COVID-19 pandemic hit.

Egypt's revenues from the Suez Canal in August stood at about USD 563mln, up 20% from USD 468ml a year before, the Suez Canal Authority (SCA) said on Friday.

Egypt Kuwait Holding (EKH) announced that trading on the company's shares in the Egyptian pound for shareholders who converted the trading currency will come into effect on Sunday, 19 September. The number of shares traded in EGP reaches 461.277mln, representing 68.4% of total shares, while the number of shares traded in the US dollar amounts to 213.341mln shares, representing 31.6% of total shares, the company said in a statement to the Egyptian Exchange (EGX) on Thursday.

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	53,711	7.72	7.77	5.42	10.97	0.94	3.5%	3.6	8.9	30.0	44.5
ADIB	20,884	5.75	5.75	4.04	11.24	1.07	3.6%	4.9	4.0	27.5	46.1
ADNIC	2,993	5.25	5.93	3.60	6.96	1.14	6.7%	(7.4)	(7.6)	10.4	46.2
ADNOC Dist	55,250	4.42	5.01	3.28	20.66	16.33	4.7%	0.9	1.6	20.7	34.4
Agthia	4,821	6.09	7.32	3.16	NM	1.79	2.7%	0.5	(6.3)	46.9	97.6
Air Arabia	6,487	1.39	1.45	1.07	NM	1.24	0.0%	(0.7)	1.5	8.6	20.9
Ajman Bank	1,502	0.72	0.83	0.66	21.12	0.58	0.0%	(4.5)	(5.9)	(8.3)	2.1
Aldar	33,023	4.20	4.26	1.99	14.93	1.29	3.5%	2.4	10.2	38.5	110.8
Alpha Dhabi	269,000	26.90	30.20	15.00	NA	NA	NA	(9.7)	NA	NA	NA
Amanat	2,850	1.14	1.25	0.75	11.64	1.04	1.9%	(0.9)	19.9	39.0	34.8
Aramex	5,490	3.75	4.49	3.51	29.82	2.09	3.5%	(0.3)	(6.0)	(11.5)	0.1
ASM	15,440	15.44	16.94	13.00	NM	4.18	NA	NA	NA	NA	NA
BOS	1,217	0.55	0.73	0.48	NA	0.35	0.0%	4.3	4.0	(8.0)	9.3
Damac	7,442	1.23	1.75	0.88	NA	0.58	NA	0.8	(3.9)	(5.4)	27.3
Dana Gas	7,345	1.05	1.11	0.64	13.06	0.92	5.2%	15.3	30.8	57.5	54.9
Deyaar	1,901	0.33	0.34	0.25	NA	0.44	0.0%	13.4	10.8	17.1	11.1
DFM	8,560	1.07	1.29	0.80	NM	1.09	0.0%	1.9	(8.5)	15.1	22.6
DIC	7,611	1.79	1.90	1.11	17.12	0.65	NA	0.6	4.7	29.8	54.2
DIB	36,349	5.02	5.19	4.00	15.21	0.98	4.0%	0.4	2.4	13.7	20.5
DU	29,872	6.59	7.22	5.22	21.81	3.56	4.2%	(0.6)	(1.3)	18.8	28.9
Easy Lease	1,407	46.90	66.85	10.00	44.93	22.94	NA	33.8	87.6	166.5	-
Emaar Dev.	16,040	4.01	4.08	2.19	7.52	1.26	0.0%	4.4	7.2	45.8	65.7
Emaar Malls	27,330	2.10	2.14	1.40	27.89	1.39	0.0%	7.1	5.0	14.8	37.3
Emaar Pro.	30,071	4.20	4.29	2.55	13.85	0.54	2.4%	5.3	2.4	22.1	44.2
ENBD	90,012	14.25	14.25	9.30	12.91	1.08	2.8%	4.0	3.6	43.3	34.2
ESG	1,733	6.93	9.29	3.01	NM	4.99	NA	82.8	87.3	NA	NA
Eshraq	739	0.32	0.40	0.29	NA	0.55	NA	1.0	(6.2)	(0.0)	(19.3)
Etisalat	216,550	24.90	25.80	16.50	23.51	4.59	4.8%	0.4	14.3	55.6	56.5
FAB	204,204	18.70	18.70	11.06	18.55	1.93	4.0%	10.7	10.7	52.5	76.3
GFH	2,815	0.73	0.81	0.53	9.99	0.75	2.3%	(4.8)	8.1	27.1	23.3
Gulf Nav.	300	0.29	0.49	0.28	NA	0.76	0.0%	4.6	(5.2)	(29.2)	(38.4)
IHC	266,230	146.20	152.80	37.00	56.57	16.70	NA	0.8	51.3	248.1	287.0
Julphar	2,172	1.88	2.32	1.20	NA	2.28	0.0%	2.2	17.5	41.4	39.3
Mashreq	12,250	69.00	71.00	60.00	NA	0.63	0.0%	15.0	3.0	1.6	9.5
Palms Sports	2,010	13.40	21.48	4.30	24.92	7.45	NA	11.7	12.6	1.5	NA
RAK Bank	6,705	4.00	4.24	3.36	13.33	0.85	3.8%	2.6	6.1	2.6	14.0
RAK Pro.	1,400	0.70	0.76	0.38	6.78	0.35	5.7%	4.5	9.4	45.8	76.3
RAK Cer.	2,852	2.87	3.08	1.32	NM	1.28	2.6%	(5.0)	23.2	100.0	123.9
Salama	973	0.80	0.97	0.70	6.54	1.24	10.3%	(1.3)	(5.4)	4.6	14.5
SIB	5,393	1.75	1.82	1.12	12.14	0.71	4.6%	3.6	20.7	40.5	55.8
Shuaa	1,772	0.70	0.80	0.58	8.79	1.16	4.3%	(7.3)	13.7	7.7	6.3
Tabreed	7,767	2.80	3.15	2.08	14.69	1.47	2.1%	(4.8)	(1.4)	10.2	33.3
TAQA	143,916	1.28	1.78	1.23	29.56	2.02	2.0%	1.2	(8.2)	(9.7)	(9.4)
Union Pro.	1,278	0.30	0.32	0.23	3.25	0.44	0.0%	12.9	10.4	6.4	(1.0)
Waha	3,500	1.80	1.96	0.90	6.33	1.04	3.3%	2.9	27.7	57.8	108.0
Yahsat *	6,075	2.49	3.10	2.46	24.16	1.83	6.3%	(6.0)	NA	NA	NA
Zee Store	3,860	38.60	53.00	7.95	NM	18.67	NA	199.2	328.9	267.6	NA

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

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