



Morning Report

20 June 2021

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	6,647	-0.8%	3%	16%	32%	52%
DFM	2,863	0.8%	7%	10%	15%	38%
TASI	10,853	0.0%	4%	13%	25%	48%
BHSEASI	1,562	0.0%	2%	7%	5%	23%
EGX	9,866	-0.2%	-8%	-11%	-9%	-10%
DJI	33,290	-1.6%	-2%	1%	9%	28%
S&P 500	4,166	-1.3%	1%	6%	11%	34%
Nasdaq	14,030	-0.9%	5%	7%	9%	41%
FTSE	7,017	-1.9%	0%	4%	9%	13%
DAX	15,448	-1.8%	0%	5%	13%	26%
CAC40	6,569	-1.5%	3%	8%	18%	32%
Nikkei225	28,964	-0.2%	2%	-4%	6%	30%
HIS	28,801	0.8%	1%	-2%	6%	18%
MSCI EM	1,361	-0.5%	4%	1%	6%	37%
MSCI Asia	207	-0.3%	1%	-1%	4%	31%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	2,973	2,973	-
Local	57%	78%	-
Foreign	43%	22%	21%
Institutional	84%	83%	1%
Retail	16%	17%	-1%
DFM	260	259	-
Local	25%	25%	0%
Foreign	75%	75%	0%
Institutional	68%	68%	0%
Retail	32%	32%	0%
Total	3,233	3,232	-
Local	55%	74%	-
Foreign	45%	26%	19%

Last Trading Day's Top Short Sell Positions

Company	Short Volume (shrs.)	Short Volume (%)	Volume (m)	Turnover (AEDm)
Waha	(125,893)	6.1%	2.1	2.9
SIB	(40,000)	4.4%	0.9	1.3
ADIB	(16,343)	0.4%	4.5	25.0

Upcoming Corporates Actions & Events

Date	Company	Event
21-Jun	FTSE Index 2Q21	Index Effective Date
21-Jun	Aman	AGM
21-Jun	Etisalat	BoD/General
23-Jun	Arkan	BoD/Merger
30-Jun	InvestBank	AGM

KEY STORIES

An undisclosed investor has sold AED 1.1bn worth of shares in ADCB. The investor sold 164mln shares at AED 6.70 a share

Moody's affirms Etisalat's AA3 rating; stable outlook

GFH Financial Group's unit GFH Capital Limited signed agreements to exit from its us industrial portfolio which was acquired in 2016

Bank of Sharjah posted Q1 net loss attributable AED 121.9mln versus loss of AED 162.8mln year ago. Q1 operating income AED 180.3mln versus AED 92mln year ago

UAE Central Bank said the country's GDP will grow 2.4% this year and 3.8% in 2022

UAE Central Bank raised its key overnight interest rate by 5 basis points, in step with a similar move by the U.S. FED

Nasdaq Dubai has welcomed the listing of a USD 600mln Sukuk by Kuwait's Ahli United Bank

Dubai announced updated travel protocols with certain relaxations for inbound passengers from India, South Africa and Nigeria

UAE suspends flights from Liberia, Sierra Leon, Namibia effective 23:59 on Monday, June 21st

Abu Dhabi schoolchildren are set to resume in-class learning from the start of the 2021-2022 academic year this September

UAE on Jun 19 announced 2,109 new Covid-19 cases and 2,075 recoveries. The tally takes total cases in UAE to 610,179 with 589,235 recoveries and 1,752 deaths

Saudi Aramco closes USD 12.4bn infrastructure deal with global investor consortium

Saudi Aramco has successfully raised USD 6bn for general corporate purposes

Saudi Arabia's oil products exports rose 0.107mln bpd to 1.216mln bpd in April

Saudi's Yansab board proposes SAR 1.5 per share H1 dividend

Saudi's National Building and Marketing submitted an application to move to the main market

Fitch affirms Qatar rating at 'AA-'; outlook stable

Kuwait will allow non-citizens to enter the country from Aug. 1 if they have been fully vaccinated with COVID-19 vaccines that have been approved by the Gulf state

Oman will reimpose a curfew and suspend all commercial activities from 8 p.m. until 4 a.m. following a spike in COVID-19 cases

Egypt's central bank keeps key interest rates unchanged

Egypt's Sinai Cement posted Q1 net loss EGP 148mln versus loss of EGP 105.8mln year ago. Q1 consolidated net sales EGP 282.6mln versus EGP 211.7mln year ago.

Key Global Trends/ Market Clues

All three main indices on Wall Street dropped Friday with investors wary of a more hawkish stance from the U.S. Federal Reserve, while the dollar posted the strongest gains in over a year and oil prices continued a steady climb. After starting the week near record highs, U.S. stocks have steadily dropped since Fed officials projected Wednesday that interest rates may rise sooner than previously expected. The Dow Jones Industrial Average fell 533.37 points, or 1.58%, marking the worst week for the blue-chip index since January. The S&P 500 lost 55.41 points, or 1.31%, and the Nasdaq Composite dropped 130.97 points, or

0.92%. The MSCI world equity index, which tracks shares in 45 nations, fell 8.87 points or 1.24%. Stocks were trending downward after the Wednesday policy update from the Fed, but that decline became sharper after Friday morning comments from St. Louis Fed President James Bullard, who said he thought the Fed could raise rates as soon as next year. Those comments were offset somewhat later in the day by Minneapolis Federal Reserve President Neel Kashkari, who said he didn't see interest rate hikes until 2024.

Oil futures rose on Friday, reversing early losses and set for a fourth week of gains after OPEC sources said the producer group expected limited U.S. oil output growth this year despite rising prices. Officials at the Organization of the Petroleum Exporting Countries got the U.S. production outlook from industry experts, OPEC sources said. This would give the producer group more power to manage the market before a potential surge in shale output in 2022. Brent crude futures rose 43 cents, or 0.6% to settle at USD 73.51 a barrel. U.S. West Texas Intermediate (WTI) crude rose 60 cents, or 0.8% to USD 71.64 a barrel.

OPEC officials heard from industry experts that U.S. oil output growth will likely remain limited in 2021 despite rising prices, OPEC sources said, giving it more power to manage the market in the short term before a potentially strong rise in shale output in 2022. While there was general agreement on limited U.S. supply growth this year, an industry source said for 2022 forecasts ranged from growth of 500,000 bpd to 1.3mln bpd. "The general sentiment regarding shale was it will come back as prices go up but not super fast," said a source at one of the companies that provided forecasts to OPEC.

UAE Stories

An undisclosed investor has sold AED 1.1bln worth of shares in Abu Dhabi Commercial Bank., a term sheet seen by Reuters showed. The investor sold 164mln shares at AED 6.70 a share.

Moody's affirms Etisalat's AA3 rating; stable outlook.

GFH Financial Group's unit GFH Capital Limited signed agreements to exit from its us industrial portfolio which was acquired in 2016.

Bank of Sharjah posted Q1 net loss attributable AED 121.9mln versus loss of AED 162.8mln year ago. Q1 operating income AED 180.3mln versus AED 92mln year ago.

The central bank of the United Arab Emirates said the country's gross domestic product will grow 2.4% this year and 3.8% in 2022 as the economy recovers from restrictions imposed during the COVID pandemic. Non-oil GDP will expand by around 4% in both years, it said in a statement.

UAE Central Bank raised its key overnight interest rate by 5 basis points on Thursday, in step with a similar move by the U.S. Federal Reserve a day earlier. The UAE's base rate for overnight deposits is anchored to the Fed's Interest on Excess Reserves (IOER), which the U.S. central bank raised by 5 basis points to 0.15% at the end of a two-day policy meeting on Wednesday. The UAE central bank said in a statement it had also raised its base rate to 0.15%.

Nasdaq Dubai has welcomed the listing of a USD 600mln Sukuk by Ahli United Bank (AUB), a Kuwaiti financial institution. The Tier 1 Capital Certificates has attracted over USD 1.7bln in orders, according to a press release on Thursday.

Dubai announced updated travel protocols with certain relaxations for inbound passengers from India, South Africa and Nigeria. Indian travellers with valid residence visa and have received two doses of any UAE-approved vaccine are allowed to travel to Dubai, as per the new protocols. There are four vaccines currently approved by the UAE government - Sinopharm, Pfizer-BioNTech, Sputnik V and Oxford-AstraZeneca. Furthermore, passengers travelling to Dubai from India are required to undergo a rapid PCR test four hours prior to departure. They must undergo another RT-PCR test on arrival in Dubai. The new rules will be effective from 23 June.

UAE suspends flights from Liberia, Sierra Leon, Namibia effective 23:59 on Monday, June 21st.

Abu Dhabi schoolchildren are set to resume in-class learning from the start of the 2021-2022 academic year this September, the Abu Dhabi Emergency, Crisis and Disasters Committee announced today.

The United Arab Emirates on Jun 19 announced 2,109 new Covid-19 cases, bringing the total confirmed cases in the country to 610,179. At the same time, 2,075 more patients have recovered from the virus,

taking the tally of recoveries in the UAE to 589,235. UAE's ministry of health and prevention said. It has reported 5 deaths from Covid-19 during the past 24 hours. The nationwide death toll stands at 1,752.

GCC/MENA

Saudi's Aramco and an international investor consortium, including EIG and Mubadala, announced the successful closing of the share sale and purchase agreement, in which the consortium has acquired a 49% stake in Aramco Oil Pipelines Company, a subsidiary of Aramco, for USD 12.4bln.

Saudi Aramco has successfully raised USD 6bln. Aramco has completed the private placement of 1.602% bonds, due 2026, for gross proceeds of USD 2bln. Concurrently, Saudi Aramco has completed the private placement of 0.946% bonds, due 2024, for gross proceeds of USD 1bln and 2.694% bonds, due 2031, for gross proceeds of USD 3bln.

Saudi Arabia's oil products exports rose 0.107mln bpd to 1.216mln bpd in April.

Saudi's Yansab board proposes SAR 1.5 per share H1 dividend.

Saudi's National Building and Marketing submitted an application to move to the main market.

Fitch affirms Qatar rating at 'AA-'; outlook stable.

Kuwait will allow non-citizens to enter the country from Aug. 1 if they have been fully vaccinated with COVID-19 vaccines that have been approved by the Gulf state, the government said on Thursday. A PCR test must be taken before flying and another during seven days of home quarantine on arrival.

Oman will reimpose a curfew and suspend all commercial activities from 8 p.m. until 4 a.m. following a spike in COVID-19 cases, the country's Supreme Committee for Combating Coronavirus said on Saturday. The curfew, which will start today, will restrict the movement of people and vehicles, with an exception for home delivery services, the committee statement said.

Egypt's central bank kept its key interest rates unchanged during its monetary policy committee meeting on Thursday, the bank said in a statement. The committee kept the overnight lending rate at 9.25% and the overnight deposit rate at 8.25% for a fifth consecutive time, after cutting rates in September and November.

Egypt's Sinai Cement posted Q1 consolidated net loss attributable EGP 148mln versus loss of EGP 105.8mln year ago. Q1 consolidated net sales EGP 282.6mln versus EGP 211.7mln year ago.

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	48,006	6.90	7.57	4.95	10.17	0.86	3.9%	8.5	16.0	16.2	39.6
ADIB	20,339	5.60	5.68	3.58	12.26	1.03	3.7%	4.3	19.1	24.2	54.4
ADNIC	3,129	5.49	5.93	3.03	8.19	1.27	6.4%	15.1	14.5	15.4	94.3
ADNOC Dist	54,875	4.39	5.01	2.93	22.56	15.78	4.7%	(9.1)	4.3	19.9	57.0
Agthia	4,745	6.59	7.32	2.70	80.44	1.98	2.5%	(0.2)	5.2	59.0	145.7
Air Arabia	6,487	1.39	1.42	1.07	NA	1.32	0.0%	6.9	8.6	8.6	23.0
Ajman Bank	1,609	0.77	0.83	0.57	20.39	0.64	0.0%	7.4	3.8	(1.8)	29.8
Al Waha	2,761	1.42	1.47	0.62	4.10	0.86	4.2%	10.9	25.5	24.5	129.8
Aldar	29,878	3.80	3.90	1.68	15.46	1.17	3.8%	7.0	5.6	25.3	120.6
Amanat	2,390	0.96	0.98	0.75	66.53	0.94	2.3%	6.0	9.6	16.6	9.8
Amlak	378	0.25	0.38	0.20	NA	1.54	0.0%	1.6	16.7	(0.4)	(23.2)
Aramex	5,739	3.92	4.49	3.20	26.32	2.10	3.3%	(3.2)	3.1	(7.5)	23.3
BOS	1,170	0.56	0.77	0.50	NA	0.37	0.0%	NA	(7.2)	(11.6)	(9.4)
DAMAC	7,744	1.28	1.75	0.67	NA	0.60	NA	3.2	12.3	(1.5)	91.6
Dana Gas	5,687	0.81	0.84	0.63	39.46	0.71	6.8%	0.4	11.6	21.9	34.2
Deyaar	1,705	0.30	0.33	0.25	NA	0.39	0.0%	6.5	12.2	5.0	1.0
DFM	9,520	1.19	1.29	0.75	75.17	1.22	0.0%	12.3	11.2	28.0	48.6
Dubai Inv.	7,356	1.73	1.76	1.11	15.38	0.62	NA	8.8	13.7	25.4	60.9
DIB	35,769	4.94	5.15	3.75	14.44	0.99	4.0%	8.3	7.9	11.8	29.9
Easy Lease	751	25.02	27.00	10.00	30.54	15.80	NA	(5.6)	4.9	42.2	-
Emaar Dev	15,480	3.87	3.87	2.04	8.65	1.29	0.0%	22.5	40.2	40.7	84.3
Emaar Malls	26,289	2.02	2.05	1.26	40.86	1.36	0.0%	7.4	13.5	10.4	57.8
Emaar Pro.	29,427	4.11	4.22	2.54	11.94	0.53	2.4%	5.9	15.6	19.5	55.1
DU	30,597	6.75	7.22	5.00	22.75	3.76	4.1%	2.9	(3.2)	19.9	41.1
ENBD	88,432	14.00	14.00	8.39	13.51	1.07	2.9%	11.1	20.7	40.8	57.7
Eshraq	786	0.34	0.46	0.22	NA	0.59	NA	0.9	(4.2)	6.3	47.0
Etisalat	192,895	22.18	22.24	16.40	21.17	4.32	5.4%	1.4	9.0	36.3	38.0
FAB	180,835	16.56	17.14	10.36	17.02	1.68	4.5%	1.8	12.8	35.1	52.8
GFH	2,607	0.69	0.69	0.53	11.47	0.71	2.5%	5.1	13.9	18.8	27.0
Gulf Nav.	316	0.31	0.55	0.30	NA	0.81	0.0%	(5.2)	(10.1)	(25.3)	(24.9)
IHC	175,362	96.30	100.00	28.50	35.18	18.22	NA	0.8	94.5	129.3	217.6
Julphar	1,791	1.55	1.77	1.02	NA	2.04	0.0%	0.6	23.0	16.5	19.2
Mashreq	11,895	67.00	71.00	60.00	NA	0.63	6.0%	3.1	3.1	(1.3)	0.1
NBF	9,536	4.98	NA	NA	NA	NA	1.9%	NA	NA	NA	NA
Tabreed	7,884	2.84	3.15	1.83	14.52	1.53	2.0%	(3.1)	8.1	11.8	51.9
RAK Bank	6,821	4.07	4.24	3.35	14.70	0.86	3.7%	6.5	11.5	4.4	19.4
RAK Pro.	1,298	0.65	0.66	0.35	7.84	0.33	6.2%	9.4	22.5	35.2	82.8
RAK Cer.	2,325	2.34	2.45	1.24	NA	1.09	3.2%	14.7	36.7	63.1	78.6
SALAMA	1,018	0.84	0.97	0.49	6.57	1.20	9.8%	0.7	7.8	9.4	88.8
SIB	4,530	1.47	1.48	1.08	10.88	0.60	5.4%	5.0	11.4	18.0	41.6
SHUAA	1,565	0.62	0.77	0.50	3.68	1.03	4.9%	2.0	(3.5)	(4.9)	16.1
Tak. E. Ins.	225	1.50	1.77	1.20	NA	2.06	5.5%	(6.3)	11.1	(6.3)	9.5
TAQA	158,532	1.41	1.78	0.61	34.93	2.52	1.8%	1.4	2.6	(1.0)	123.4
Union Pro.	1,154	0.27	0.36	0.25	3.51	0.40	0.0%	(2.2)	1.9	(3.9)	(17.5)
UAB	1,541	0.75	0.89	0.59	NA	1.07	0.0%	NA	(15.6)	(12.0)	(16.4)

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

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