



Morning Report

20 June 2022

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	9,391	-0.6%	-3%	-2%	11%	42%
DFM	3,262	-0.6%	-6%	-4%	2%	14%
TASI	11,299	-4.4%	-9%	-12%	0%	4%
BHSEASI	1,832	-1.1%	-5%	-7%	2%	17%
EGX	9,728	-1.4%	-8%	-9%	-19%	-1%
DJI	29,889	-0.1%	-8%	-13%	-18%	-12%
S&P 500	3,675	0.2%	-10%	-17%	-23%	-13%
Nasdaq	10,798	1.4%	-10%	-21%	-31%	-24%
FTSE	7,016	-0.4%	-7%	-5%	-5%	-2%
DAX	13,126	0.7%	-7%	-9%	-17%	-17%
CAC40	5,883	-0.1%	-9%	-11%	-18%	-12%
Nikkei225	25,963	-1.0%	-3%	-3%	-10%	-11%
HSI	21,122	0.2%	2%	-2%	-10%	-26%
MSCI EM	1,005	-0.3%	-3%	-10%	-18%	-26%
MSCI Asia	157	-0.8%	-4%	-12%	-19%	-25%
US Fut.	3,685	-0.2%	-6%	-18%	-23%	-13%
EU Fut.	3,415	-0.6%	-6%	-10%	-20%	-18%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	2,601	2,601	-
Local	36%	51%	-15%
Foreign	64%	49%	15%
Institutional	37%	36%	0%
Retail	63%	64%	0%
DFM	509	509	-
Local	47%	38%	9%
Foreign	53%	62%	-9%
Institutional	63%	70%	-6%
Retail	37%	30%	6%
Total	3,110	3,110	-
Local	38%	49%	-11%
Foreign	62%	51%	11%

Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	High - Low 52WH	High - Low 52WL
Aldar	0.044%	4.66	(2.5)	5.79	3.73
Fertiglobe	0.031%	5.51	5.0	5.95	2.92
Eshraq	0.028%	0.37	1.4	0.55	0.29

Upcoming Corporates Actions & Events

Date	Company	Event
21-Jun	NBF	BoD/General
21-Jun	DSI	BoD/General
23-Jun	Ekttitab	AGM
04-Jul	Salama	GM
21-Jul	Al Firdous	AGM

KEY STORIES

National Corp For Tourism And Hotel to allow non-nationals to own up to 49% of company's shares – State News Agency

ADX says there is no maximum limit for non - UAE nationals to own Abu Dhabi National Hotels' shares

Eshraq Investments update concerning acquisition of Goldilocks Investment, did not receive any creditor's objection during 30 days' notice period

Deyaar Development launches "TRIA", its first luxury tower in Dubai Silicon Oasis with over AED 650mIn in value

ADNOC Onshore dishes out USD 173mIn EPC contract for one of its largest oilfields - Asab oilfield

UAE has licensed the third unit of its Barakah Nuclear Energy Plant

DP World and Mawani announce a significant new partnership to establish Jeddah Logistics Park

UAE s' finance ministry said a second auction of federal treasury bonds would be held on Monday (today)

UAE on Jun 19 announced 1,489 new Covid-19 cases and 1,568 recoveries. The tally takes total cases in UAE to 927,387 with 908,145 recoveries and 2,309 deaths

Saudi Aramco and Cognite launch CNTXT, a joint venture based in the kingdom of Saudi Arabia with aims to support the kingdom's industrial digitalization

Saudi Electricity appoints Khalid Hamad Algnoon as CEO

Saudi's Sabic approved a dividend of SAR 6.75bIn for the first half of 2022

Arabian Centres announces partnership with National Housing Company to develop and operate new mall within Murcia Residential Project in Riyadh

Moody's has affirmed the A3 Insurance Financial Strength Rating and the A1.sa national scale IFSR of Saudi Reinsurance Company, with a stable outlook

Kuwait's Jazeera Airways board approves amendment to aircraft purchase with Airbus amending schedule delivery period of 2 aircraft to 2022 from 2026

Oman's fiscal reforms and higher oil prices are expected to boost economic growth and generate a budget surplus in the medium term – IMF

HSBC Bank Oman to hold preliminary talks with Sohar International Bank after the latter last week held out the possibility of a cash-and-shares deal to merge the two lenders

Upper Egypt Flour Mills sees FY 2022-2023 standalone net profit of EGP 65.9mIn and standalone total revenue of EGP 853.8mIn

Key Global Trends/ Market Clues

Asian shares were unable to sustain a rare rally on Monday as Wall Street futures shed early gains amid worries the U.S. Federal Reserve would this week underline its commitment to fighting inflation with whatever rate hikes were needed. The euro also softened slightly after French President Emmanuel Macron lost control of the National Assembly in legislative elections on Sunday, a major setback that could throw the country into political paralysis. Trade was thinned by a U.S. holiday and Nasdaq futures soon went flat, having been up more than 1% at one stage, while S&P 500 futures eased 0.2%. EUROSTOXX 50 futures fell 0.6% and FTSE futures 0.3%. The S&P 500 fell by almost 6% last week to trade 24% below its January high. MSCI's broadest index of Asia-Pacific shares outside Japan lost 0.8% and Tokyo's Nikkei 1.0%. Chinese blue chips held steady perhaps aided by news President Joe Biden was considering removing some tariffs on China. Looming over markets are concerns major central banks

will have to tighten so aggressively to contain runaway inflation that they will tip the world into recession.

Oil prices edged down on Monday, reversing earlier gains, as concerns about slowing global economic growth and fuel demand offset worries about tightening supplies. Brent crude futures slipped 8 cents, or 0.1%, to USD 113.04 a barrel by 0242 GMT, after rising as much as 1% earlier. Front-month prices tumbled 7.3% last week, its first weekly fall in five. U.S. West Texas Intermediate crude was at USD 109.49 a barrel, down 7 cents, after rising more than USD 1 earlier. Front-month prices dropped 9.2% last week, the first decline in eight weeks. Oil from Russia, the world's second-largest exporter, remains out of reach to most countries because of Western sanctions over the war in Ukraine.

UAE Stories

National Corp For Tourism And Hotel to allow non-nationals to own up to 49% of company's shares – State News Agency

ADX says there is no maximum limit for non - UAE nationals to own Abu Dhabi National Hotels' shares.

Eshraq Investments update concerning acquisition of Goldilocks Investment Co. Ltd. The company did not receive any creditor's objection during 30 days' notice period. Goldilocks says more than 90% of its shareholders executed sale and purchase agreement of their shares in Goldilocks to benefit of holding company. Eshraq and Goldilocks intend to complete all prerequisite and conditions precedents determined in implementation agreement in coming week.

Deyaar Development launches "TRIA", its first luxury tower in Dubai Silicon Oasis with over AED 650mln in value.

ADNOC Onshore dishes out USD 173mln EPC contract for one of its largest oilfields - Asab oilfield. Asab, one of the firm's largest fields, will see a 12% boost in capacity thanks to the work, awarded to Dutch-Greek firm Archirodon Construction.

The UAE has licensed the third unit of its Barakah Nuclear Energy Plant, the UAE's permanent representative to the International Atomic Energy Agency, Hamad Al Kaabi, told reporters on Friday. Construction of the unit in Abu Dhabi's Al Dhafra region was completed last year and it is on track to start up and deliver clean electricity in 2023, according to the UAE's Nuclear Energy Corporation (ENEC).

DP World and Mawani announce a significant new partnership to establish Jeddah Logistics Park. The two companies sign a 30-year agreement to build a state-of-the-art, port-centric logistics park at the Jeddah Islamic Port.

The UAEs' finance ministry said a second auction of federal treasury bonds would be held on Monday (today). The auction size will be AED 1.5bln distributed over two tranches: a two-year tranche valued at AED 750mln, and a three-year tranche valued at AED 750mln, the ministry said on Saturday.

UAE on Jun 19 announced 1,489 new Covid-19 cases, bringing the total confirmed cases in the country to 927,387. At the same time, 1,568 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 908,145, UAE's Ministry of Health and Prevention said. It has reported 1 death from Covid-19 during the past 24 hours. The nationwide death toll stands at 2,309.

GCC/MENA

Saudi Aramco and Cognite launch CNTXT, a joint venture based in the kingdom of Saudi Arabia. CNTXT aims to support the kingdom's industrial digitalization, and the wider MENA region. CNTXT will provide digital transformation services enabled by advanced cloud solutions and leading industrial software.

Saudi Electricity appoints Khalid Hamad Algnoon as CEO.

Saudi's Sabic approved a dividend of SAR 6.75bln for the first half of 2022, as the company continues to post profits amid a market recovery. The first-half cash dividend of SAR 2.25 a share represents 22.5pct of the nominal share value and will be distributed to eligible shareholders on October 2, Sabic said on Sunday.

Saudi's Arabian Centres announces partnership with National Housing Company to develop and operate new mall within Murcia Residential Project in Riyadh. Two parties agreed to establish company with a capital of SAR 130mln, to be paid up equally by both parties. Partnership for a term of 28 years starting from the agreement's effective date. Through project company, land will be leased from NHC for developing mall, with total lease amounting approx SAR 340mln, that will be paid in annual payments. Mall expected to open during the first half of 2025. Development cost of mall is estimated at SAR 260mln.

Expects that mall's revenues will exceed SAR 50mln annually at its stabilization.

Moody's Investors Service (Moody's) has affirmed the A3 Insurance Financial Strength Rating (IFSR) and the A1.sa national scale IFSR of Saudi Reinsurance Company (Saudi Re), with a stable outlook.

Kuwait's Jazeera Airways board approves amendment to aircraft purchase with Airbus amending schedule delivery period of 2 aircraft to 2022 from 2026. Board approves sale and leaseback of 2 aircraft with a specialized aircraft leasing company.

Oman's fiscal reforms and higher oil prices are expected to boost economic growth and generate a budget surplus in the medium term, the International Monetary Fund has said. The economy is projected to grow by about 4.5 per cent in 2022 while the government is expected to have a budget surplus of 5.5 per cent this year, the Washington-based lender said on Friday. Central government debt will shrink to 45 per cent of the gross domestic product in 2022, from about 63 per cent of output in 2021.

HSBC Bank Oman said it would hold preliminary talks with local rival Sohar International Bank after the latter last week held out the possibility of a cash-and-shares deal to merge the two lenders. In a statement the unit of UK-based HSBC Holdings said it had considered the letter of intent it received from Sohar and had agreed to engage in preliminary discussions to obtain more information on the possible offer.

Upper Egypt Flour Mills sees FY 2022-2023 standalone net profit of EGP 65.9mln and standalone total revenue of EGP 853.8mln.

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	64,490	9.27	11.30	6.65	12.30	1.21	4.0%	(3.8)	(11.8)	12.5	38.3
ADIB	29,163	8.03	10.46	5.36	13.37	1.47	3.9%	1.6	(10.9)	20.9	48.6
ADNIC	3,665	6.43	7.63	4.91	10.39	1.35	6.2%	0.9	(5.8)	1.4	27.4
ADNOC Dist.	51,246	4.10	4.63	3.80	22.36	19.56	5.0%	0.2	2.0	(1.6)	(1.3)
ADNOC Drill.*	54,076	3.38	3.92	2.77	22.03	4.96	4.4%	5.6	(8.7)	1.5	-
AD Ports	25,652	5.04	5.85	3.22	30.35	1.45	-	2.9	48.7	-	-
Agthia	3,799	4.80	7.07	4.20	NM	1.34	3.4%	(4.4)	11.6	(5.1)	(23.5)
Air Arabia	9,706	2.08	2.24	1.31	9.94	1.55	4.1%	5.6	30.8	51.1	58.8
Ajman Bank	1,527	0.73	0.91	0.64	12.86	0.59	-	(6.2)	(9.7)	(11.8)	(7.4)
Aldar	36,637	4.66	5.79	3.73	15.01	1.28	3.2%	(11.1)	2.7	20.2	26.2
Alpha Dhabi	249,980	25.00	30.20	15.00	NA	NA	-	(3.8)	(8.4)	(8.4)	NA
Amanat	2,325	0.93	1.27	0.91	8.26	0.87	6.5%	(7.0)	(13.2)	(14.7)	2.8
Aramex	5,636	3.85	4.80	3.50	30.44	2.11	3.4%	4.6	6.5	(3.1)	0.8
ASM	11,519	11.52	16.94	10.46	NM	1.96	-	(8.4)	(2.4)	(17.1)	NA
Borouge*	91,375	3.04	3.27	2.85	16.30	5.01	5.2%	-	-	-	-
BOS	1,166	0.53	0.76	0.49	NA	0.31	-	NA	(1.7)	(14.5)	(10.2)
Dana Gas	7,484	1.07	1.27	0.81	5.91	0.87	7.5%	(7.0)	(3.4)	4.8	40.4
DEWA*	129,989	2.60	3.05	2.48	21.23	1.40	4.8%	0.4	-	-	-
Deyaar	2,153	0.49	0.73	0.37	26.81	0.37	-	(12.3)	(14.1)	(23.2)	27.2
DFM	14,559	1.82	3.05	0.98	NM	1.86	1.6%	(19.5)	(20.2)	(35.1)	58.8
DIC	8,929	2.10	2.64	1.63	12.79	0.73	5.7%	(10.3)	(2.7)	14.0	27.9
DIB	40,979	5.66	6.63	4.72	9.25	1.07	4.4%	(4.1)	(5.8)	9.5	20.3
DU	26,742	5.90	7.28	5.80	23.16	3.21	3.6%	(3.3)	(10.6)	(9.4)	(10.3)
Easy Lease	1,155	38.50	66.85	23.74	31.56	12.77	-	(21.6)	6.8	32.8	53.9
Emaar Dev.	17,439	4.36	5.32	3.55	4.96	1.12	-	(10.5)	(1.1)	(0.2)	13.8
Emaar Pro.	43,431	5.31	6.47	3.89	7.16	0.69	2.8%	(9.8)	0.6	11.1	32.9
ENBD	85,267	13.50	15.50	12.50	9.30	1.05	3.7%	1.1	(2.2)	2.9	(0.0)
ESG	1,750	7.00	11.80	3.65	NM	3.41	-	(8.7)	(2.5)	(12.5)	89.2
Etisalat	237,229	27.28	39.06	21.98	25.24	4.85	2.9%	(14.2)	(22.2)	(13.0)	27.1
FAB	209,887	19.00	24.06	15.95	14.15	1.89	2.6%	(3.6)	(11.2)	4.3	18.3
Fertiglobe*	45,736	5.51	5.95	2.92	12.78	5.63	7.2%	2.6	2.8	62.6	NA
GFH	4,012	1.02	1.34	0.68	10.89	0.97	4.4%	(8.1)	(8.2)	(9.7)	47.9
Ghitha	19,326	80.00	123.00	9.00	NA	8.55	-	(13.0)	34.7	190.9	786.9
IHC	510,931	280.60	295.00	96.30	67.20	17.81	-	3.0	49.1	84.6	191.1
Julphar	1,525	1.32	2.32	1.20	23.90	1.60	-	8.2	(7.7)	(28.3)	(14.3)
Mashreq	16,047	80.00	81.00	53.10	10.25	0.79	1.3%	8.8	1.3	0.6	34.9
Multiply	21,278	1.90	2.35	1.51	NA	2.04	-	(1.0)	16.6	3.3	NA
NMDC	22,603	27.40	33.38	8.24	21.71	4.12	-	(9.1)	95.4	110.1	228.1
Palms Sports	1,842	12.28	21.48	10.50	19.00	5.27	-	9.8	9.4	0.5	2.0
RAK Bank	8,949	5.34	5.40	3.82	10.36	1.05	4.2%	11.3	1.7	18.7	31.2
RAK Pro.	1,260	0.63	0.97	0.62	7.51	0.30	-	(9.7)	(20.2)	(18.3)	(2.8)
RAK Cer.	2,862	2.88	3.38	2.17	NM	1.30	6.9%	5.5	2.4	4.6	33.1
RPM	1,716	8.58	20.00	7.05	21.36	6.65	-	(11.6)	3.7	(11.1)	NA
Salama	722	0.60	0.87	0.56	25.56	0.93	-	(1.6)	(7.0)	(19.2)	(26.7)
SIB	5,454	1.77	2.12	1.46	10.16	0.73	4.5%	(5.9)	(12.4)	(5.6)	25.2
Shuaa	1,275	0.50	0.83	0.50	NA	0.88	-	(9.4)	(14.7)	(26.6)	(16.9)
Tabreed	7,710	2.71	2.92	2.27	14.86	1.32	2.2%	14.3	10.7	12.4	0.5
TAQA	142,780	1.27	1.53	1.13	21.98	2.20	3.7%	(1.9)	4.7	(0.9)	(5.7)
Waha	2,800	1.44	1.91	1.33	6.40	0.82	5.2%	(2.0)	(4.5)	(9.5)	9.0
Yahsat *	6,343	2.60	3.10	2.46	23.35	1.92	6.1%	(0.8)	(6.8)	(2.4)	NA

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

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