



## Morning Report

23 November 2022

### Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	10,360	-0.1%	3%	4%	22%	25%
DFM	3,330	-0.3%	-2%	-2%	4%	5%
TASI	10,965	0.3%	-8%	-13%	-3%	-2%
QSI	11,828	-0.2%	-7%	-14%	2%	0%
BKM	5,656	-0.3%	5%	-4%	-4%	-6%
MSX	4,504	0.1%	1%	-2%	9%	11%
BHSEASI	1,863	0.0%	0%	-2%	4%	4%
EGX	12,622	1.4%	23%	23%	6%	11%
DJI	34,098	1.2%	10%	3%	-6%	-4%
S&P 500	4,004	1.4%	7%	-3%	-16%	-15%
Nasdaq	11,174	1.4%	3%	-10%	-29%	-30%
FTSE	7,453	1.0%	7%	-1%	1%	3%
DAX	14,422	0.3%	13%	9%	-9%	-11%
CAC40	6,658	0.3%	10%	4%	-7%	-6%
Nikkei225	28,116	0.6%	5%	-2%	-2%	-6%
HIS	17,388	-0.2%	7%	-11%	-26%	-30%
MSCI EM	927	-0.4%	7%	-7%	-25%	-26%
MSCI	151	1.2%	11%	-5%	-22%	-24%
US Fut.	4,008	-0.1%	5%	-3%	-16%	-15%
EU Fut.	3,943	0.3%	11%	7%	-8%	-8%

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

### UAE Trading Summary

AEDm	Buy	Sell	Net
<b>ADX</b>	<b>1,397</b>	<b>1,397</b>	<b>-</b>
Local	67%	76%	-9%
Foreign	33%	24%	9%
Institutional	66%	67%	-1%
Retail	34%	33%	1%
<b>DFM</b>	<b>407</b>	<b>407</b>	<b>-</b>
Local	48%	50%	-3%
Foreign	52%	50%	3%
Institutional	62%	57%	5%
Retail	38%	43%	-5%
<b>Total</b>	<b>1,804</b>	<b>1,804</b>	<b>-</b>
Local	63%	70%	-7%
Foreign	37%	30%	7%

### Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	High – Low 52WH 52WL
Manazel	0.087%	0.42	(0.9)	0.60 0.36
Eshraq	0.075%	0.50	(0.2)	0.88 0.43
Bayanat	0.064%	6.00	7.3	6.24 3.17

### Upcoming Corporates Actions & Events

Date	Company	Event
23-Nov	DANA	BoD/General
23-Nov	ASNIC	BoD/General
23-Nov	SAWAEED	BoD/General
23-Nov	NBF	BoD/General
24-Nov	DEWA	BoD/General
24-Nov	Drive	BoD/General
24-Nov	BOS	BoD/General
1-Dec	MSCI Rebalancing	Effective Date
06-Dec	Fidelity United	General Assembly
19-Dec	FTSE Rebalancing	Effective Date

## # KEY STORIES

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Aldar acquired a beachfront plot of over 40,000 square metres located on Al Marjan Island in Ras Al Khaimah to develop a mixed-use residential community overlooking the Arabian Sea

Deyaar shareholders approved amicable settlement with limitless, delegating board to sign settlement agreement of AED 500mln

Gulf Navigation signed non-binding MOU with potential strategic investor an unrelated entity with a potential cash injection of AED 120mln to support operations

Invictus Investment procures state-of-the-art refrigerated trucks for AED 2.8mln, to transport over 1500 metric tonnes annually

DIB sells USD 750mln in 5-yr debut sustainable sukuk with a spread of 155 bps over UST

GIH increased the ownership percentage in one of its associated companies (Inovest B.S.C) to 23.84% and realised a profit of approximately KWD 1.36mln

Mashreq Bank's USD 500mln 10.25-year subordinated Tier 2 notes were assigned a final 'BBB+' long-term rating by Fitch ratings

IMF expects UAE economy to grow by more than 6% in 2022, driven by rebound in tourism, construction, and higher oil prices, vs. 3.8% in 2021

UAE on Nov 22 announced 187 new Covid-19 cases and 211 recoveries. The tally takes total cases in UAE to 1,042,966 with 1,022,110 recoveries and 2,348 deaths

Saudi Aramco signs 59 new agreements under IKTVA program with local and global manufacturers, valued at USD 11bln to reinforce supply chain resilience

Saudi Alkhorayef Water and Power Technologies awarded a contract of operation and maintenance with Central Culvert National Water worth SAR 35.4mln

Saudi Alinma Tokio Marine signs contract for group credit insurance with Alinma Bank

Saudi Wafrah for Industry and Development sign off contract worth EUR 9mln with Pavan of Italy for purchasing long-cut Pasta line and nested Nidi line

Saudi Al - Ramz real estate company price range for offering set at SAR 61 – SAR 67 per share

Saudi Qassim Cement board proposes SAR 0.60 per share dividend for 3Q22

Egypt's Ghabbour Auto, and a non-bank financial services provider, has announced to sell 7.5% stake in MNT Investment BV for consideration of USD 60mln

Egypt's Beltone Financial Holding board proposes increasing authorized capital to EGP 11bln from EGP 1bln

Egypt's Arabian Cement reported 3Q22 consolidated profit attributable of EGP 142.8mln versus EGP 65,370 year ago

## # Key Global Trends/ Market Clues

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Global equities rose while U.S. Treasury yields fell as investors awaited the release of the Federal Reserve's meeting minutes for clues on U.S. interest rates and as China's COVID-19 restrictions weighed on sentiment. The Fed will release minutes of its November policy meeting on Wednesday, offering a glimpse of how officials view economic conditions. In China, authorities in Beijing shut parks and museums. In Shanghai rules were tightened for people entering the city as the country grapples with a spike in COVID cases, sparking worries about its impact on the economy. The MSCI All-World index of shares rose 1.18%, while European shares gained 0.73%. Benchmark 10-year Treasury yields were down to 3.7634% while the yield on the 30-year note fell to 3.8325%. On Wall Street, all three main indexes closed higher led by gains in technology, energy, healthcare, financials, and consumer discretionary. The Dow Jones Industrial Average rose 1.18%, the S&P 500 gained 1.36% and the Nasdaq Composite added 1.36%. The U.S. dollar

retreated across the board, ceding some of the ground gained in the previous session, as investors looked past worries about China's COVID flare-ups, boosting demand for more risky currencies.

Oil prices rose about 1% after top exporter Saudi Arabia said OPEC+ was sticking with output cuts and could take further steps to balance the market. However, prices pared gains late in the session after Bloomberg reported that the European Union watered down its latest sanctions proposal for a price cap on Russia's oil exports by delaying its full implementation and softening key shipping provisions. The bloc proposed adding a 45-day transition to the introduction of the cap, according to Bloomberg. On Dec. 5, a European Union ban on Russian crude imports is set to start, as is a G7 plan that will allow shipping services providers to help to export Russian oil, but only at enforced low prices. Brent crude rose 91 cents, or 1%, to settle at USD 88.36 U.S. West Texas Intermediate crude was up 91 cents, or 1.1%, at USD 80.95. Concerns over oil demand in the face of the U.S. Federal Reserve's interest rate hikes and China's strict COVID lockdown policies also tempered prices.

## **# UAE Stories**

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Aldar has acquired a prime beachfront plot of over 40,000 square metres located on Al Marjan Island in Ras Al Khaimah. The land was bought from Marjan, master developer of freehold properties in Ras Al Khaimah, and paves the way for a unique residential development on the island. Aldar intends to combine the plot acquired from Marjan with existing land purchased as part of the DoubleTree by Hilton Resort & Spa Marjan Island acquisition earlier this year to develop a mixed-use residential community overlooking the Arabian Sea. Set to launch in 2023, the development will become Aldar's first residential community in Ras Al Khaimah with a mix of over 2,000 branded and premium residences with access to retail spaces, a beach club, and two kilometres of private beach.

Deyaar shareholders approved amicable settlement with limitless, delegating board to sign settlement agreement of AED 500mIn and take all necessary steps to execute settlement.

Gulf Navigation signed non-binding MOU with potential strategic investor an unrelated entity. If the expected deal is completed within 3 to 4 months, cash will be injected to pay off company's debts. In addition, at least AED 120mIn in cash will be injected to support current and expansionary operations.

Invictus Investment procures state-of-the-art refrigerated trucks for AED 2.8mIn, to transport over 1500 metric tonnes annually. A fleet of over 8 refrigerated trucks is to enable movement of perishable goods between Sudan, UAE and Saudi Arabia. The purpose-built vehicles will transport key items such as chilled meat of lamb, beef, and goat along with fruits. This is the first key procurement to ramp Invictus Investment's offering and expand services in the climate-controlled transport and storage facilities with asset allocation a continued focus.

Dubai Islamic bank sells USD 750mIn in 5-yr debut sustainable sukuk. DIB sets spread at 155 bps over UST for USD debut sustainable sukuk of benchmark size.

GIH increased the ownership percentage in one of its associated companies (Inovest B.S.C) to 23.84%, through a special trade transaction, by purchasing 25.6mIn shares for KWD 2.3mIn. The company will realise a profit of approximately KWD 1.36mIn from the acquisition transaction. Impact of the transaction will be reflected in 4Q22 financial statements.

Mashreq Bank's USD 500mIn 10.25-year subordinated Tier 2 notes were assigned a final 'BBB+' long-term rating by Fitch ratings. The notes constitute direct, unsecured, conditional and subordinated obligations of Mashreq. They rank pari passu among themselves, subordinate and

junior to all senior obligations and in priority only to all junior obligations, subject to solvency conditions.

IMF expects UAE economy to grow by more than 6% in 2022, driven by rebound in tourism, construction, and higher oil prices, vs. 3.8% in 2021.

UAE on Nov 22 announced 187 new Covid-19 cases, bringing the total confirmed cases in the country to 1,042,966. At the same time, 211 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 1,022,110, UAE's Ministry of Health and Prevention said. It has reported 0 death from Covid-19 during the past 24 hours. The nationwide death toll stands at 2,348.

## # GCC/MENA

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Saudi Aramco signs 59 new agreements under IKTVA program. Purchase agreements with local and global manufacturers, valued at USD 11bln to reinforce supply chain resilience. The spending is expected to drive inward investment and creation of 5,000 jobs over next decade. Since its launch, IKTVA program has contributed more than \$130bln to kingdom's GDP. Among the companies signing agreements were Baker Hughes, Cameron al Rushaid, Halliburton, SLB, and Technipfmc. Under their CPA agreements, supplier partners agree to establish local facilities, transfer technology, perform local research and development, and develop the local workforce and supply chain.

Saudi Alkhorayef Water and Power Technologies awarded a contract of operation and maintenance of environmental service network with Central Culvert National Water. The contract value is SAR 35.4mln excluding VAT. Impact of the project is expected to take place during 1Q23.

Saudi Alinma Tokio Marine signs contract for group credit insurance with Alinma Bank. The contract is to provide insurance cover for borrower's portfolio. The contract duration is one year and expects positive impact on financial results for year 2022. The contract value may exceed 5% of total annual revenues for fiscal year 2022 amount SAR 27.9mln.

Saudi Wafrah for Industry and Development sign off contract with Pavan of Italy which is owned by German company GEA. The contract for purchasing long-cut Pasta line and nested Nidi line. The contract is valued at EUR 9mln. The duration of the is 15 months from signing of the contract. Financial impact expected from 1Q24.

Saudi AI - Ramz real estate company price range for offering set at SAR 61 – SAR 67 per share

Saudi Qassim Cement board proposes SAR 0.60 per share dividend for 3Q22.

Egypt's Ghabbour Auto, and a non-bank financial services provider, has announced to sell 7.5% stake in MNT Investment BV, provider of consumer microlending services, for a consideration of USD60mln

Egypt's Beltone Financial Holding board proposes increasing authorized capital to EGP 11bln from EGP 1bln. The board proposes increasing issued capital to EGP 10.93bln from EGP 927mln. The cash increase will be raised through inviting existing shareholders to subscribe to increase shares. The subscription right to capital increase shares shall be traded separately from original share

Egypt's Arabian Cement reported 3Q22 consolidated profit attributable of EGP 142.8mln versus EGP 65,370 year ago. 3Q22 consolidated sales recorded EGP 1.30bln versus EGP 677.9mln in the same period last year.

*\*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	65,469	9.41	11.30	8.10	12.49	1.23	3.9%	3.2	2.2	14.2	15.3
ADIB	33,959	9.35	10.46	5.92	11.60	1.60	3.3%	2.0	2.4	40.8	56.8
ADNIC	3,380	5.93	7.63	5.70	10.07	1.31	6.7%	(0.7)	(3.1)	(6.5)	8.0
ADNOC Dist.	54,375	4.35	4.88	3.80	18.75	17.98	4.7%	(1.1)	(2.6)	6.9	9.4
ADNOC Drill*	53,600	3.35	3.92	2.97	20.50	5.41	4.5%	(0.6)	(7.2)	2.8	-
AD Ports	29,471	5.79	6.87	3.22	34.87	1.55	-	2.8	14.4	-	-
Agthia	3,435	4.34	5.69	4.20	NM	1.24	3.8%	0.2	(10.9)	(11.9)	(19.5)
Air Arabia	9,567	2.05	2.36	1.36	7.17	1.40	4.1%	0.5	(8.5)	48.9	44.0
Ajman Bank	1,674	0.80	0.86	0.66	12.07	0.67	-	9.2	10.1	(2.1)	(1.0)
Aldar	35,067	4.46	5.79	3.92	12.49	1.19	3.4%	1.4	(7.3)	15.0	13.9
Alpha Dhabi	275,000	27.50	30.50	23.78	NA	NA	-	13.2	14.4	0.7	(1.1)
Amanat	2,050	0.82	1.21	0.81	32.39	0.76	7.3%	(9.8)	(14.6)	(24.9)	(25.5)
Aramex	5,315	3.63	4.45	3.52	30.38	2.09	3.6%	(1.6)	(7.6)	(9.1)	(8.7)
ASM	9,960	9.96	15.00	8.89	NM	1.46	-	6.3	4.0	(28.3)	(29.9)
Borouge*	80,855	2.69	3.27	2.63	14.4	4.43	-	(1.1)	(9.7)	-	-
BOS	1,098	0.50	0.64	0.45	-	-	-	-	-	(19.5)	(15.4)
Dana Gas	6,352	0.91	1.26	0.90	8.69	0.73	8.8%	(1.5)	(1.7)	(6.8)	(3.7)
DEWA*	118,500	2.37	3.05	2.34	19.35	1.30	5.2%	(4.4)	(6.2)	-	-
Deyaar	2,245	0.51	0.70	0.44	17.31	0.50	-	(0.4)	(9.6)	(20.4)	(18.7)
DFM	12,560	1.57	2.95	1.36	NM	1.59	1.9%	8.3	(12.8)	(44.7)	(36.6)
DIC	9,610	2.26	2.64	1.80	5.81	0.76	5.3%	0.9	(4.2)	26.4	26.4
DIB	41,634	5.75	6.63	5.02	8.39	1.03	4.3%	(5.6)	(2.2)	11.7	13.1
DU	25,838	5.70	7.28	5.63	20.61	3.06	3.7%	(1.6)	(7.8)	(11.5)	(3.3)
Easy Lease	1,140	38.00	61.90	24.00	25.77	10.00	-	-	(3.1)	31.0	23.8
Emaar Dev.	17,400	4.35	5.32	4.02	4.70	1.00	-	(4.8)	(4.8)	(0.5)	(3.3)
Emaar Pro.	50,060	6.12	6.60	4.45	7.05	0.77	2.5%	(1.9)	6.0	29.5	31.7
ENBD	83,379	13.20	15.50	11.80	7.88	0.94	3.8%	1.1	(3.3)	0.3	1.4
ESG	1,775	7.10	8.90	5.30	NM	2.83	-	21.8	14.0	(11.3)	(10.1)
Etisalat	217,419	25.00	39.06	22.66	23.29	5.31	3.2%	2.5	(6.1)	(19.1)	(14.5)
FAB	193,112	17.48	24.06	17.02	13.89	1.72	2.8%	(2.3)	(11.5)	(4.0)	(4.8)
Fertiglobe*	38,186	4.60	6.11	3.40	7.20	5.58	8.7%	(10.7)	(13.2)	43.9	-
GFH	3,730	0.98	1.34	0.88	10.06	0.97	4.4%	8.5	(10.5)	(12.9)	(6.7)
Ghitha	17,105	70.80	123.00	24.00	NA	8.27	-	1.1	(20.0)	157.5	175.5
IHC	727,479	399.40	410.00	150.00	54.13	17.35	-	3.2	16.6	162.8	159.4
Invictus	4,592	4.10	6.50	3.50	-	-	-	16.8	-	-	-
Julphar	1,329	1.15	1.91	1.14	-	1.38	-	(8.0)	(11.5)	(37.5)	(35.8)
Mashreq	20,061	100.00	119.00	62.10	6.05	0.91	1.0%	(3.4)	28.1	25.8	33.3
Multiply	54,096	4.83	4.94	1.51	NA	2.73	-	36.1	134.5	162.5	NA
NMDC	20,642	25.02	34.96	12.36	17.14	3.44	-	(4.6)	(13.6)	91.9	92.2
Palms Sports	1,602	10.68	14.94	8.64	13.06	3.92	-	(2.7)	(2.9)	(12.6)	(10.1)
RAK Bank	7,929	4.73	5.40	4.19	7.16	0.92	4.8%	(1.5)	(1.5)	5.1	4.0
RAK Pro.	1,480	0.74	0.97	0.56	47.59	0.36	-	0.3	(0.3)	(4.0)	(4.4)
RAK Cer.	2,733	2.75	3.38	2.68	NM	1.29	7.3%	(5.2)	(7.7)	3.3	2.2
RPM	1,136	5.68	12.68	5.68	15.54	4.30	-	(11.3)	(28.7)	(41.1)	NA
SIB	6,102	1.98	2.12	1.65	9.77	0.80	4.0%	0.5	1.5	5.6	13.8
Shuaa	1,078	0.43	0.83	0.35	-	0.88	-	5.5	(11.6)	(38.0)	(46.5)
Tabreed	8,450	2.97	3.52	2.27	14.05	1.34	2.0%	(11.3)	6.5	23.2	19.9
TAQA	420,504	3.74	4.17	1.13	53.38	6.09	1.3%	43.5	195.0	193.7	225.8
Waha	2,645	1.36	1.81	1.24	10.11	0.76	5.6%	(1.4)	3.8	(14.5)	(16.5)
Yahsat *	6,368	2.61	2.92	2.51	28.13	2.12	6.2%	(0.4)	0.7	1.0	(2.2)

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

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