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Morning Report

24 June 2024

## UAE news stories

**Central Bank of the United Arab Emirates** expected the country's strong foreign trade performance to continue in 2024 and 2025, sustaining its projected growth for the UAE's real GDP in 2024 at 3.9 per cent, with expectations for it to further accelerate to 6.2 per cent in 2025. In its June 2024 Economic Quarterly Review, the apex bank said that country's non-hydrocarbon GDP growth is expected to remain strong at 5.4 per cent in 2024 and 5.3 per cent in 2025, with the hydrocarbon sector set to grow by 0.3 per cent in 2024, followed by further expansion by 8.4 percent in 2025.

**Ooredoo Group** today announced it is becoming an NVIDIA Cloud Partner (NCP), aligned with its strategy of becoming the leading digital infrastructure provider in the MENA (Middle East and North Africa) region. Through this collaboration, Ooredoo is leveraging NVIDIA's advanced accelerated computing platform to help enable the AI revolution in the region. Capitalising on the significant market demand for accelerated computing and hyperconnectivity across its MENA footprint, Ooredoo is developing an AI-ready platform powered by NVIDIA's full-stack innovation across systems, software, and services. Ooredoo plans to deploy thousands of NVIDIA Tensor Core GPUs in its AI data centres to support the region.

**EAND** plans to bring Copilot for Microsoft M365, the transformative AI tool, to small and medium-sized businesses (SMBs) and enterprises, according to a press release. Copilot is an AI-powered assistant that integrates with Microsoft 365 applications to drive productivity and enhance workflow efficiency while extending the data privacy and security of the Microsoft cloud

**DEWA** has commissioned a new water reservoir in Enkhali and connected it to Dubai's water network. The reservoir, which has a storage capacity of 120mn imperial gallons (MIG), cost AED287.8mn. It is part of DEWA's efforts to provide state-of-the-art integrated infrastructure for electricity and water, and its endeavour to increase the water storage capacity in Dubai.

**Hayah Insurance** appointed Mr. Samer Abdul Rahman Katerji as the Non-Executive-Independent member. The membership starting date is 21<sup>st</sup> June 2024. An Independent Non-Executive Director and Senior Investment Banker with over 27 years of experience, Mr. Samer leads Trussbridge Advisory (DIFC) Limited, providing strategic and financial advisory services to Middle Eastern corporates and family owned conglomerates. His expertise spans M&A, capital structure optimization, and strategic financial advisory, with a transaction history exceeding USD30bn. Mr. Samer has previously led Citigroup's Financial Institution and Financial Sponsors Advisory Practice and was a founding member of SHUAA Capital PSC's investment banking team.

**Abu Dhabi Islamic Bank (ADIB)** has entered into a strategic collaboration with DIFC Innovation Hub to fast-track fintech adoption in the region. The UAE's DIFC Innovation Hub is home to more than 700 growth-stage tech firms while being the first and largest financial technology accelerator in the Middle East, Africa, and South Asia (MEASA) region, according to a press release.

**IFA** notified that they have no knowledge of the unusual trading activity in the stock on 23<sup>rd</sup> June 2024

**Central Bank of the UAE has revised** the inflation forecast for the country this year to 2.3%, down from its previous projection of 2.5%. The downward revision is due to lower-than-expected increases in commodity costs, incomes and rents, the banking authority said in its latest quarterly economic review.

Source: ADX, DFM, Bloomberg, Reuters, Gulf News, The National, Arabian business

## GCC news stories

**Saudi Al Moammar Information Systems announces** contract award with Edarat for communication and information technology. The Contract value is SAR125.8mn. The contract is to provide support and maintenance services

**Saudi Yanbu Cement signs** a non-binding mou with southern province cement. The Mou is to evaluate the feasibility of merging the two companies. The Mou shall terminate upon signing of merger agreement or upon expiration of 12 months

**Saudi Middle East Specialized Cables** Company signs final contract for its subsidiary in UAE with joint venture co that comprising NPCC and SAIPEM S.P.A. in UAE. The contract is to supply range of products of middle east specialized cables. The contract value may reach USD60mn

**Egypt South valley Cement** reported 1Q net loss of EGP46.3mn versus loss of EGP 37.1mn year ago. 1Q sales came in at EGP328.4mn versus EGP338.3mn year ago

**Egypt ASEC co for Mining** announced 1Q consol net loss attributable of EGP27.9mn versus profit EGP39.1mn year ago. 1Q consol revenue came in at EGP760mn versus EGP498.3mn year ago.

Source: ADX, DFM, Bloomberg, Reuters, Gulf News, The National, Arabian business

## Regional markets trading performance

Indices	Close	Change			
		1D	1M	YTD	1Y
ADX	9,013	0.7%	0%	-6%	-5%
DFM	4,012	0.6%	-2%	-1%	6%
TASI (Saudi)	11,730	2.0%	-2%	-2%	2%
QSI (Qatar)	9,717	0.2%	2%	-10%	-4%
BKM (Kuwait)	5,950	-0.8%	-1%	7%	9%
MSX (Oman)	4,657	-0.5%	-3%	3%	-2%
BHSEASI (Bahrain)	2,040	-0.1%	1%	3%	4%
EGX (Egypt)	27,062	0.0%	-1%	9%	53%

Source: Reuters, IS Research.

## UAE trading summary (AED mn)

	Buy	Sell	Net
<b>ADX</b>	<b>1,498</b>	<b>1,498</b>	<b>0</b>
Local	617	687	-71
Foreign	882	811	71
Company	1,339	1,261	78
Individual	160	237	-78
<b>DFM</b>	<b>383</b>	<b>383</b>	<b>0</b>
Local	120	123	-3
Foreign	263	260	3
Company	249	243	6
Individual	134	140	-6

<b>Total</b>	<b>1,881</b>	<b>1,881</b>	<b>0</b>
Local	736	810	-74
Foreign	1,144	1,071	74

Source: ADX and DFM

## Global markets and commodities trends

**Asia shares slipped on Monday in a countdown** for U.S. price data that investors are banking on to show a renewed moderation in inflation, while markets were on alert for possible Japanese intervention as the dollar tested the 160 yen barrier. Geopolitics also loomed large, with the first U.S. presidential debate on Thursday and the first round of voting in the French election at the weekend.

**MSCI's broadest index** of Asia-Pacific shares outside Japan fell 0.9%, after touching a two-year top last week. South Korean stocks fell 0.8%. S&P 500 futures and Nasdaq futures were both down around 0.1%. Japan's Nikkei inched up 0.2%, with the continued decline in the yen putting pressure on the Bank of Japan to tighten policy despite patchy domestic data.

**Central bank of Japan's last policy meeting** minutes out on Monday showed there was much discussion about tapering its bond buying and raising rates. Japan's top currency official was out early to voice disapproval with the yen's latest drop which saw the dollar reach as high as 159.94. The dollar was trading just a shade softer at 159.70, eyeing the 160.245 peak from late April where Japan was thought to have started spending around USD60bn buying the yen. Demand for carry trades, borrowing yen at low rates to buy higher yielding currencies, has also seen both the Australian and New Zealand dollars reach 17-year peaks on the yen.

Indices	Close	Change			
		1D	1M	YTD	1Y
DJI	39,150	0.0%	-2%	4%	15%
S&P 500	5,465	-0.2%	3%	15%	25%
Nasdaq	17,689	0.0%	5%	18%	31%
FTSE	8,238	-0.4%	-2%	7%	9%
DAX	18,164	-0.5%	-3%	8%	13%
CAC40	7,629	-0.6%	-6%	1%	5%
Nikkei225	38,596	-0.1%	-1%	15%	15%
HIS	17,845	-1.0%	-6%	6%	-6%
MSCI EM	1,087	-0.8%	-1%	6%	8%
MSCI Asia	179	-0.8%	-1%	6%	8%
US Futures	5,528	-0.1%	4%	15%	26%
Europe Futures	4,943	-0.2%	-2%	9%	15%

Source: Reuters, IS Research.

Rates	Current	Change			
		1D	1W	6M	1Y
US 2yr Bond	4.73%	0.00%	-0.04%	0.41%	-0.01%
US 10yr Bond	4.25%	-0.01%	-0.03%	0.35%	0.53%
US 30yr Bond	4.39%	-0.01%	-0.02%	0.34%	0.57%
EUR 2yr Bond	2.81%	0.02%	-0.01%	0.38%	-0.28%
EUR 10yr Bond	2.40%	-0.01%	-0.01%	0.43%	0.09%
EUR 30yr Bond	2.56%	-0.04%	-0.02%	0.35%	0.18%

JPY 2yr Bond	0.31%	0.01%	0.02%	0.26%	0.38%
JPY 10yr Bond	0.99%	0.02%	0.06%	0.37%	0.63%
JPY 30yr Bond	2.17%	0.03%	0.05%	0.61%	0.98%

Source: Bloomberg, IS Research

**Oil prices fell in early Asian trade on Monday** for a second straight session, weighed down by a stronger dollar after concerns of higher-for-longer interest rates resurfaced and cooled investors' risk appetite. Brent crude futures slid 40 cents, or 0.5%, to USD84.84 a barrel, after settling down 0.6% on Friday. U.S. West Texas Intermediate crude futures were at USD80.34 a barrel, down 39 cents, or 0.5%. A stronger greenback makes dollar-denominated commodities less attractive for holders of other currencies. However, both benchmark crude contracts gained about 3% last week on signs of stronger oil products demand in the U.S., world's largest consumer, and as OPEC+ cuts kept supply in check. U.S. crude inventories fell while gasoline demand rose for the seventh straight week and jet fuel consumption has returned to 2019 levels

Commodities/ Bitcoin	Current	Price Change			
		1D	1W	6M	1Y
Brent (USD/bbl)	85.2	-0.1%	1.1%	7.7%	14.8%
WTI (USD/bbl)	80.6	-0.1%	0.4%	9.6%	16.2%
Nat. Gas (USD/MMBtu)	2.7	-0.8%	-3.7%	2.8%	-3.8%
Gold (USD/oz)	2,325.5	0.1%	0.3%	13.3%	20.9%
Silver	29.5	0.0%	0.3%	22.2%	29.7%
Copper (USD/lb)	442.4	-0.4%	-0.5%	13.6%	16.9%
Steel (USD/T)	730.0	1.2%	-0.7%	-32.0%	-19.8%
Weat (USD/bu)	559.8	-0.3%	-5.4%	-9.2%	-22.7%
Corn (USD/bu)	435.8	0.2%	-1.8%	-7.9%	-31.6%
Polyethylene (CNY/MT)	8,406.0	-1.0%	-0.3%	2.7%	7.0%
Bitcoin (USD)	62,784.6	-2.2%	-5.4%	43.5%	108.2%

Source: Bloomberg, IS Research

### UAE focus list ([Open full range data table](#))

Company	MCAP (AEDm)	Price (AED)	Div		
			Day (%)	TTM P/E	YLD (%)^
IHC	908,101	414.00	2.3%	30.61	-
TAQA	306,937	2.73	-0.4%	42.92	1.4%
ADNOCGAS	232,550	3.03	0.3%	13.65	5.1%
EAND	137,927	15.86	-1.1%	13.20	5.0%
FAB	130,358	11.80	-1.2%	8.20	6.0%
Alpha Dhabi	122,397	12.24	-0.6%	11.57	-
DEWA	110,497	2.21	-1.3%	14.53	5.6%
ENBD	103,589	16.40	-0.6%	4.78	7.3%
Borouge	71,235	2.37	0.0%	18.2	6.7%
Emaar Pro.	69,825	7.90	0.9%	6.16	6.3%
ADNOC Drill.	64,798	4.05	-0.7%	16.20	4.1%
ADCB	57,460	7.85	-1.4%	7.18	7.1%
Pure Health	48,332	4.35	1.4%	42.61	-
Qholding	47,896	2.93	1.7%	43.93	-

Aldar	47,096	5.99	-0.7%	10.81	2.8%
DIB	41,706	5.76	0.7%	6.42	7.8%
ADIB	41,550	11.44	-3.1%	8.38	6.2%
ADNOC Dist.	41,000	3.28	-0.3%	15.69	6.3%
Emaar Dev.	31,079	7.77	2.2%	4.53	6.7%
ADNOCLS	29,815	4.03	-1.0%	12.14	3.2%
DU	26,290	5.80	1.0%	13.84	5.9%
AD Ports	25,704	5.05	-3.3%	24.36	-
Americana	25,691	3.05	1.7%	30.48	2.6%
Salik	24,674	3.29	0.3%	22.43	4.4%
Multiply	21,727	1.94	-2.5%	NULL	-
NMDC	20,129	24.40	2.5%	8.08	3.1%
Fertiglobe	20,089	2.42	-0.4%	16.60	8.7%
Empower	15,400	1.54	2.7%	16.23	5.5%
Burjeel	14,053	2.70	-0.4%	29.42	1.1%
Presight	12,339	2.20	-1.8%	19.06	-
Air Arabia	10,640	2.28	0.0%	7.36	8.8%
DFM	10,400	1.30	0.0%	27.12	2.7%
Phoenix	10,343	1.71	-1.7%	11.31	-

Source: Reuters, IS Research.

## Upcoming corporate actions and events

Date	Company	Event
24-Jun	ADNOCDrill	General Assembly
24-Jun	DSI	BoD/General
24-Jun	Deyaar	BoD/General
24-Jun	Al Firdous	BoD/General
26-Jun	ADSB	General Assembly
26-Jun	NBF	BoD/General
27-Jun	RAKBANK	BoD/General
28-Jun	Shuaa	General Assembly
02-Jul	IFA (DFM)	Ex Date
04-Jul	Bildco	General Assembly
08-Jul	Al Seer Marine	General Assembly
08-Jul	ASM	General Assembly
09-Jul	RAKWCT	General Assembly
10-Jul	NCTH	General Assembly
15-Jul	Salama	General Assembly
11-Aug	Al Salam Bank	BoD/Result
12-Aug	GFH	BoD/Result

Source: ADX and DFM

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