



Morning Report

24 November 2021

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	8,408	0.8%	7%	9%	67%	69%
DFM	3,144	-0.9%	10%	9%	26%	34%
TASI	11,257	0.8%	-6%	2%	30%	31%
BHSEASI	1,786	-0.1%	4%	9%	20%	22%
EGX	11,369	0.1%	2%	4%	5%	4%
DJI	35,814	0.5%	0%	1%	17%	21%
S&P 500	4,691	0.2%	3%	5%	25%	31%
Nasdaq	15,775	-0.5%	5%	6%	22%	33%
FTSE	7,267	0.2%	1%	2%	12%	15%
DAX	15,937	-1.1%	3%	1%	16%	21%
CAC40	7,045	-0.8%	5%	5%	27%	28%
Nikkei225	29,774	-1.1%	3%	10%	8%	17%
HIS	24,583	-1.2%	-6%	-2%	-9%	-7%
MSCI EM	1,255	-0.5%	-3%	1%	-3%	3%
MSCI Asia	198	-0.3%	-1%	2%	-1%	4%
US Fut.	4,681	-0.2%	3%	4%	25%	29%
EU Fut.	4,294	0.1%	2%	3%	21%	22%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	1,713	1,713	-
Local	74%	76%	-2%
Foreign	26%	24%	2%
Institutional	86%	78%	8%
Retail	14%	22%	-8%
DFM	770	770	-
Local	64%	57%	7%
Foreign	36%	43%	-7%
Institutional	22%	34%	-12%
Retail	78%	66%	12%
Total	2,483	2,483	-
Local	71%	70%	1%
Foreign	29%	30%	-1%

Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	High - Low 52WH	52WL
Manazel	0.107%	0.58	(1.4)	0.64	0.33
Aldar	0.066%	4.03	(1.5)	4.38	2.93
Dana	0.051%	1.06	(1.9)	1.27	0.67

Upcoming Corporates Actions & Events

Date	Company	Event
01-Dec	MSCI 4Q EM Index	Effective Date
08-Dec	Etisalat	GM
09-Dec	Dana Gas	GM/Dividend
09-Dec	UPP	AGM
20-Dec	FTSE 4Q EM Index	Effective Date

KEY STORIES

FAB is set to open its first branch in mainland China in the first quarter of 2022

Moody's says Dubai's DEWA privatisation risks being credit negative

ESG has acquired 70% of WFC Holding

Shuaa Capital confirms that it is in discussions with various stock exchanges to list one or more of its units through IPO

Emirates Airline said today that it has restored 90% of its network and is on track to reach 70% of pre-pandemic capacity by the end of 2021

Dubai Airports to welcome 1.8mln passengers in next 11 days with average daily traffic reaching 164,000 passengers

Dubai Duty Free recalls 900 laid-off workers; plans to continue rehiring

Silal will invest SAR 200mln to boost production levels and ensure better quality produce at local farms in Abu Dhabi

UAE Energy Minister said he saw no logic in the Gulf OPEC producer supplying more oil to global markets when all indicators pointed to a supply surplus in the first quarter of next year

UAE on Nov 23 announced 70 new Covid-19 cases and 86 recoveries. The tally takes total cases in UAE to 741,570 with 736,333 recoveries and 2,144 deaths

Saudi Aramco said it will continue to look for investment opportunities in India

Saudi Arabia has prequalified eight bidders for Rabigh 4 Independent Water Plant project

Saudi's Qassim Cement board proposes Q3 cash dividend of SAR 0.80 per share

Saudi's Amiantit has recommended a capital decrease of 69.06% and a subsequent capital increase through the rights issue

Fitch says Qatari banks face risks from increasing external funding

Expats residing in Kuwait might soon get a long-term residency visas ranging from 5 to 15 years, local media reported

Bahrain's Investcorp announced the launch of a Saudi focused Pre-IPO Growth Vehicle

Oman's Sohar International Bank received a merger offer from Bank Nizwa

Egypt aims to list five to six state-owned companies on the stock exchange before the end of its current fiscal year in July 2022 - Prime Minister

Egypt's economy is set to grow 5.6% in the fiscal year that ends in June 2022, Planning Minister

Egypt is expected to finalise a USD 3bln loan to be used in part to finance sustainable projects, three sources said

Asian Infrastructure Investment Bank approved USD 360mln in financing for Egypt – Minister

Key Global Trends/ Market Clues

Share markets were jittery in early Asia on Wednesday as trading was buffeted by a step-up in U.S. Treasury yields as well as volatile oil prices in the face of price-cooling moves by the United States and other nations. MSCI's broadest index of Asia-Pacific shares outside Japan slid 0.24%, while Japan's benchmark Nikkei stock price index fell 1.13%, as it returned from holiday and caught up with global falls

the day before. Chinese blue chips were last flat 0.1% and are up about 0.5% so far this week, versus a near 1% fall this week in the Asian regional benchmark. Overnight, yields on 10-year U.S. Treasury notes rose more than 5 basis points to as high as 1.684% while yields on 30-year Treasury bond gained 6 basis points. Two-year U.S. Treasury yields slipped having touched their highest level since March 2020 on Monday.

Oil prices fell on Wednesday as the U.S.-led coordinated release of stocks from strategic reserves eased concerns over tightness in global supply, while investors took profits from the previous day's rally ahead of the U.S. Thanksgiving holiday. U.S. West Texas Intermediate (WTI) crude futures fell 12 cents, or 0.2%, to USD 78.38 a barrel at 0122 GMT, reversing out of a 2.3% gain in the previous day. Brent crude futures slid 32 cents, or 0.4%, to USD 81.99 a barrel, having risen 3.3% on Tuesday. The United States said on Tuesday it would release millions of barrels of oil from strategic reserves in coordination with China, India, South Korea, Japan and Britain, to try to cool prices. Japan will hold auctions for about 4.2 million barrels of oil out of its national stockpile, the Nikkei newspaper reported on Wednesday. The coordinated release may add about 70mln to 80mln barrels of crude supply.

UAE Stories

First Abu Dhabi Bank (FAB) is set to open its first branch in mainland China in the first quarter of 2022, expanding its international network. The UAE's biggest lender received a financial license from the China Banking and Insurance Regulatory Commission Shanghai Office.

The privatisation of Dubai Electricity & Water Authority (DEWA) could be credit negative for the state-backed utility due to risk the government may seek to enhance value for prospective shareholders at the expense of creditors, Moody's said in a statement. Moody's, which rates DEWA at Baa2, said there is a risk that the company's financial policies will become more aggressive as a result of the privatisation and that could deteriorate its credit metrics. "DEWA's credit metrics are currently very strong, thanks to a supportive tariff structure and conservative financial policies that have resulted in a strong balance sheet," Moody's noted. An adjustment of company's dividend policy or leverage to levels similar to other listed utilities in the region would lead to a material deterioration of the company's credit metrics and financial profile, it said.

Emirates Stallions Group (ESG) has acquired 70% of WFC Holding, a UAE leading technology, data-driven and outsourcing company specialized in Business Process Outsourcing (BPO) and Manpower Outsourcing (MPO).

Shuaa Capital confirms that it is in discussions with various stock exchanges to list one or more of its units through IPO.

Emirates Airline said today that it has restored 90% of its network and is on track to reach 70% of pre-pandemic capacity by the end of 2021.

Dubai Airports to welcome 1.8mln passengers in next 11 days with average daily traffic reaching 164,000 passengers. December 4 is expected to be the busiest day during this period with passenger numbers likely to surpass the 190,000 mark.

Dubai Duty Free has confirmed it has already recalled hundreds of workers that were laid off during the coronavirus pandemic, as international air travel begins to show signs of recovery from last year's lows. More than 900 ground staff have already been reinstated to their previous positions and more workers are expected to rejoin later, Dubai Duty Free confirmed on Tuesday.

Abu Dhabi's agritech company Silal, which is part of ADQ holding firm, will invest SAR 200mln to boost production levels and ensure better quality produce at local farms in the emirate.

The United Arab Emirates energy minister said on Tuesday he saw no logic in the Gulf OPEC producer supplying more oil to global markets when all indicators pointed to a supply surplus in the first quarter of next year.

UAE on Nov 23 announced 70 new Covid-19 cases, bringing the total confirmed cases in the country to 741,570. At the same time, 86 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 736,333, UAE's Ministry of Health and Prevention said. It has reported no deaths from Covid-19 during the past 24 hours. The nationwide death toll stands at 2,144.

GCC/MENA

Saudi Aramco said it will continue to look for investment opportunities in India, days after Reliance Industries cancelled a plan to sell a stake in its oil-to-chemicals unit to the Middle Eastern company, Bloomberg reported.

Saudi Water Partnership Company (SWPC), the principal offtaker for water and wastewater projects in Saudi Arabia, has prequalified eight bidders for Rabigh 4 Independent Water Plant (IWP) project. The 600,000 cubic metres per day desalination project is located in Rabigh, 180 kilometres northwest of Makkah, on the Red Sea coast. Among others, the bidder include ACWA Power, Marubeni Corporation and Veolia Middle East.

Saudi's Qassim Cement board proposes Q3 cash dividend of SAR 0.80 per share.

Saudi's Amiantit has recommended a capital decrease of 69.06% and a subsequent capital increase through the rights issue. The capital would decline to SAR 99m from SAR 320m by cancelling 22.1m of the company's shares, according to a bourse filing on Tuesday. Subject to the approval of the related official authorities and the extraordinary general meeting (EGM), this proposal aims to restructure the company's capital to write off the accumulated losses. Meanwhile, the company's board recommended increasing the capital by offering the rights issue with a value of SAR 221m after finalising the process of capital reduction.

Fitch says Qatari banks face risks from increasing external funding makes them more vulnerable to external shocks and investor sentiment.

Expats residing in Kuwait might soon get a long-term residency visas ranging from 5 to 15 years, local media reported. Al Qabas newspaper quoted an official source as saying that Kuwait is currently mulling the rollout of a new visa scheme to grant expat investors, owners of businesses, commercial projects and CEOs long-term residency visas, similar to those being granted in other GCC countries like the UAE.

Bahrain's Investcorp announced the launch of a Saudi focused Pre-IPO Growth Vehicle. The Vehicle is dedicated to investing in a diversified portfolio of companies at a "pre-IPO" stage of development in Saudi Arabia, providing investors with an opportunity to gain exposure to growing and market-leading businesses in the Kingdom. It aims to raise USD 500m, targeting high growth and underserved sub-sectors such as healthcare, consumer, transport and logistics, and business services.

Oman's Sohar International Bank received a merger offer from Bank Nizwa.

Egypt aims to list five to six state-owned companies on the stock exchange before the end of its current fiscal year in July 2022, the prime minister said in a statement on Tuesday.

Egypt's economy is set to grow 5.6% in the fiscal year that ends in June 2022, Planning Minister Hala al-Saeed said on Tuesday. Egypt's gross domestic product grew 3.3% in the last fiscal year, according to the minister.

Egypt is expected to finalise a USD 3bn loan to be used in part to finance sustainable projects, three sources said, as the nation attempts to recover from a drop in tourism during the COVID-19 pandemic. The financing, arranged by Emirates NBD and First Abu Dhabi Bank, follows the repayment earlier this year of a USD 2bn facility Egypt borrowed last year, one of the sources said.

The Asian Infrastructure Investment Bank approved USD 360m in financing for Egypt on Tuesday, according to a statement by Minister of International Cooperation Rania Al-Mashat carried by the state news agency, MENA. The funds will help support Egypt's recovery from the COVID-19 pandemic and strengthen economic and structural reform programs, Mashat added.

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	58,791	8.45	8.45	5.97	12.01	1.03	3.2%	2.4	12.8	42.3	45.4
ADIB	22,410	6.17	6.45	4.59	12.34	1.13	3.3%	7.7	11.2	36.8	37.1
ADNIC	3,306	5.80	5.93	4.63	7.84	1.22	6.0%	7.8	4.1	21.9	38.2
ADNOC Dist.	52,126	4.17	5.01	3.46	19.49	15.41	4.9%	(0.5)	(6.5)	16.6	23.6
ADNOC Drill.*	52,001	3.25	3.51	2.77	25.85	5.00	4.6%	NA	NA	NA	NA
Agthia	4,465	5.64	7.32	4.03	NM	1.68	2.9%	(4.2)	(4.3)	38.0	34.3
Air Arabia	7,000	1.50	1.58	1.17	NM	1.26	0.0%	11.9	7.9	17.2	24.0
Ajman Bank	1,712	0.82	0.91	0.64	19.80	0.66	0.0%	19.3	7.9	4.5	11.6
Aldar	31,687	4.03	4.38	2.93	14.33	1.24	3.6%	(0.5)	(2.9)	32.9	41.9
Alpha Dhabi	278,008	27.80	30.20	15.00	NA	NA	NA	0.1	(4.3)	NA	NA
Amanat	2,900	1.16	1.27	0.78	9.80	1.04	1.9%	(1.7)	0.9	41.5	38.6
Aramex	5,974	4.08	4.80	3.50	35.29	2.16	3.2%	(7.1)	6.8	(3.8)	5.4
ASM	14,200	14.20	16.94	13.00	NM	3.85	NA	(7.1)	NA	NA	NA
BOS	1,298	0.59	0.76	0.50	NA	0.35	0.0%	7.3	9.3	(1.9)	(9.8)
Dana Gas	7,415	1.06	1.27	0.67	7.21	0.87	5.2%	1.9	11.5	59.0	68.4
Deyaar	2,745	0.48	0.55	0.25	NA	0.63	0.0%	60.5	53.7	69.0	69.0
DFM	19,841	2.48	3.05	0.86	NM	2.54	0.0%	136.2	123.4	166.7	188.4
DIC	8,207	1.93	2.08	1.23	21.31	0.69	NA	12.2	2.1	39.9	61.0
DIB	38,449	5.31	5.59	4.35	14.16	1.01	3.8%	4.5	2.7	20.2	26.0
DU	27,470	6.06	7.22	5.59	33.15	3.34	4.1%	(4.7)	(8.3)	9.2	12.2
Easy Lease	921	30.70	66.85	10.00	29.41	15.01	NA	(34.0)	(28.6)	74.4	-
Emaar Dev.	18,000	4.50	4.75	2.45	6.71	1.32	0.0%	14.2	15.4	63.6	64.8
Emaar Pro.	39,346	4.81	5.33	3.15	12.48	0.60	2.1%	20.0	15.3	39.8	52.4
ENBD	84,645	13.40	14.35	10.25	10.61	0.99	3.0%	(2.9)	(1.5)	34.8	31.6
ESG	1,975	7.90	11.80	3.01	NM	5.68	NA	(15.7)	85.4	NA	NA
Eshraq	984	0.42	0.48	0.29	NA	0.72	NA	35.1	34.3	33.0	35.1
Etisalat	260,737	29.98	29.98	16.86	28.31	5.53	4.0%	17.7	23.4	87.3	85.5
FAB	207,486	19.00	20.02	12.52	18.85	1.96	3.9%	5.7	11.9	55.0	56.9
Fertiglobe*	30,218	3.64	4.02	2.92	21.58	4.94	4.9%	-	-	-	-
GFH	4,244	1.11	1.33	0.56	12.32	1.18	1.5%	45.9	47.6	92.5	97.7
IHC	280,442	154.00	165.00	39.80	59.59	17.59	NA	5.5	5.4	266.7	285.0
Julphar	2,068	1.79	2.32	1.20	NA	2.07	NA	(13.1)	(1.6)	34.6	31.6
Mashreq	15,046	75.00	75.00	53.10	NA	0.78	0.0%	16.9	41.2	24.8	31.3
Palms Sports	1,782	11.88	21.48	4.30	22.09	6.60	NA	(15.0)	(16.3)	(10.0)	NA
RAK Bank	7,626	4.55	4.72	3.60	12.71	0.94	3.3%	16.7	17.3	16.7	25.3
RAK Pro.	1,548	0.77	0.81	0.43	5.72	0.38	5.2%	10.3	8.9	61.2	80.4
RAK Cer.	2,862	2.88	3.08	1.37	NM	1.28	2.6%	5.5	0.4	107.9	126.0
RPM	2,120	10.60	20.00	10.10	52.82	9.46	NA	NA	NA	NA	NA
Salama	956	0.79	0.97	0.73	15.53	1.22	10.4%	6.0	(3.4)	2.8	9.0
SIB	5,578	1.81	1.89	1.19	10.93	0.72	4.4%	(1.1)	3.4	45.3	61.2
Shuaa	2,016	0.80	0.83	0.59	11.13	1.30	3.8%	18.3	12.8	22.5	38.8
Tabreed	7,212	2.60	3.15	2.39	15.13	1.32	2.2%	(7.1)	(8.8)	2.3	1.2
TAQA	133,800	1.19	1.59	1.18	27.48	1.88	2.1%	(4.4)	(10.8)	(15.7)	(17.1)
Waha	3,403	1.75	1.96	1.05	6.86	1.00	3.4%	(2.2)	(6.9)	53.4	75.3
Yahsat *	6,905	2.83	3.10	2.46	31.10	2.31	5.6%	6.8	NA	NA	NA
Zee Store	2,570	25.70	53.00	7.95	NM	12.43	NA	(33.2)	62.0	144.8	NA

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

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