



Morning Report

27 July 2021

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	7,169	0.9%	9%	17%	42%	67%
DFM	2,759	-0.6%	-3%	4%	11%	34%
TASI	10,898	0.2%	0%	7%	25%	47%
BHSEASI	1,597	0.7%	1%	7%	7%	24%
EGX	10,697	-0.5%	4%	2%	-1%	2%
DJI	35,144	0.2%	2%	3%	15%	33%
S&P 500	4,422	0.2%	3%	6%	18%	38%
Nasdaq	14,841	0.0%	3%	5%	15%	43%
FTSE	7,025	0.0%	-2%	1%	9%	15%
DAX	15,619	-0.3%	0%	2%	14%	22%
CAC40	6,579	0.1%	-1%	5%	19%	33%
Nikkei225	27,833	1.0%	-4%	-4%	1%	22%
HIS	26,003	-4.1%	-11%	-10%	-4%	6%
MSCI EM	1,280	-2.4%	-7%	-6%	-1%	21%
MSCI Asia	198	-1.3%	-5%	-5%	-1%	20%
US Fut.	4,409	-0.1%	3%	5%	18%	36%
EU Fut.	4,094	0.0%	0%	3%	15%	24%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	1,344	1,344	-
Local	75%	78%	-3%
Foreign	25%	22%	3%
Institutional	78%	78%	0%
Retail	22%	22%	0%
DFM	111	111	-
Local	59%	54%	5%
Foreign	41%	46%	-5%
Institutional	38%	51%	-
Retail	62%	49%	14%
Total	1,455	1,455	-
Local	74%	76%	-2%
Foreign	26%	24%	2%

Last Trading Day's Top Short Sell Positions

Company	Short Volume (Shrs.)	Short Volume (% of total volume)	Total Stock Volume (mShrs.)	Total Stock Turnover (AEDm)
RAK Pro.	(600,355)	1.5%	39.9	26.0
Dana	(482,640)	1.9%	25.6	22.1
Etisalat	(97,269)	5.5%	1.8	39.8

Upcoming Corporates Actions & Events

Date	Company	Event
27-Jul	FAB	BoD/Results
27-Jul	ENBD	BoD/Results
27-Jul	DIB	BoD/Results
28-Jul	Alpha Dhabi	BoD/Results
28-Jul	Palms Sports	BoD/Results
28-Jul	ADIB	BoD/Results
29-Jul	Etisalat	BoD/Results
29-Jul	Zee Store	BoD/Results

KEY STORIES

DU reported Q2 net profits at AED 240mln, up 11.4pct YoY. Board proposed an interim dividend of AED 0.10 per share

Air Arabia Abu Dhabi to start flights to two Pakistan cities in August

Emirates Investment Bank posted quarterly net profit AED 7.3mln versus loss of AED 14.8mln year ago. Quarterly operating income AED 26.2mln versus AED 5.8mln year ago

Empower awards AED 133mln construction contract to build its new permanent plant at Al Khail Gate

Russian Helicopters expects to close deal for sale of 50% stake in its subsidiary VRT to Tawazun in August

Bee'ah eyes more contracts in Egypt's new cities

ADIO has inked partnerships with three tech companies to provide them support as part of its AED 2bln Innovation Programme

DIFC has invested in UK-based legaltech start-up, Clara

UAE on Jul 26 announced 1,549 new Covid-19 cases and 1,510 recoveries. The tally takes total cases in UAE to 673,185 with 650,683 recoveries and 1,927 deaths

Saudi Arabia has suspended the privatisation of the Ras Al Khair desalination and power plant

Saudi Kayan posted quarterly net profit SAR 780.99mln versus loss of SAR 398.19mln year ago. Quarterly sales SAR 2,973.71mln versus SAR 1,536.91mln year ago

Saudi Exchange announces the listing and trading shares of National Fertilizer on NOMU on July 28 as a direct listing

Saudi's Yanbu Cement board proposes H1 cash dividend of SAR 1.25 per share

Qatar International Islamic Bank posted H1 net profit QAR 543.9mln versus QAR 512.6mln year ago

Kuwait cancelled its decision to close commercial activities at 8 pm, starting Tuesday

Kuwait needs urgent reforms to put its finances on a more sustainable footing, as monetary tools are not sufficient to address structural challenges – CB Governor

Egypt's Heliopolis sees FY 2021-2022 net profit of EGP 661.1mln, revenue at EGP 1.67bln

Egypt's food exports grew by 13% YoY to USD 2.052bln in the first half of 2021

Key Global Trends/ Market Clues

Asia's stock markets fell to fresh troughs on Tuesday led by a third straight session of heavy selling in Chinese internet giants, while bond and currency markets traded on edge ahead of the Federal Reserve policy meeting. MSCI's broadest index of Asia-Pacific shares outside Japan fell 0.25% to its lowest level since mid-December, extending a low set the day before. The Hong Kong benchmark fell 0.59%, its third day of declines, with the Hang Seng Tech index down 2% to its lowest since its inception in July 2020. It is

down about 11% in three days and has lost 40% from a February peak. Elsewhere in Asia, markets were a little more optimistic, with Japan's Nikkei rising, and Australian shares up 0.54%. S&P 500 futures dipped 0.1% and Euro STOXX 50 futures were broadly steady. The Federal Reserve will begin its two day meeting later on Tuesday, with investors set to scrutinise a statement and press conference from Fed Chair Jerome Powell due late Wednesday.

Oil prices were steady on Tuesday with investors betting tight supply and rising vaccination rates will help offset any impact on demand due to surging COVID-19 cases worldwide. Brent crude futures climbed 13 cents, or 0.2%, to USD 74.63 a barrel at 0128 GMT, extending a 0.5% gain on Monday. U.S. West Texas Intermediate crude futures rose 4 cents to USD 71.95 a barrel, after losing 16 cents on Monday.

UAE Stories

DU reported Q2 net profits at AED 240mIn, up 11.4pct YoY. Q2 revenues reached AED 2,855mIn, up 7% YoY. Q2 EBITDA stood at AED 1,130mIn, up 7.3% YoY. The company board proposed an interim dividend of AED 0.10 per share.

Air Arabia Abu Dhabi to start flights to two Pakistan cities in Aug. The airline will operate flights to Faisalabad, Pakistan starting on August 10, 2021, followed by a new service to Multan starting on August 11.

Emirates Investment Bank posted quarterly net profit attributable AED 7.3mIn versus loss of AED 14.8mIn year ago. Quarterly operating income AED 26.2mIn versus AED 5.8mIn year ago.

Empower announced that it has awarded the main construction contract to build its new permanent plant at Al Khail Gate with a total value of more than AED 133mIn.

Russian Helicopters (part of Rostec) is expecting to close a deal for the sale of 50% in its subsidiary VR-Technologies (VRT) to the United Arab Emirates' defense and security acquisitions authority Tawazun in early August, the Russian holding company told Interfax on Monday.

Bee'ah is lobbying for more contracts in new cities in Egypt, CEO said. Bee'ah could also be looking at a longer contract for the New Administrative Capital. The company had been contracted to provide waste management services at the New Administrative Capital for 15 years as of last March, but could see its contract extended as new phases of the administrative capital are inaugurated, officials at Administrative Capital for Urban Development.

Abu Dhabi Investment Office has inked partnerships with three tech companies to provide them support as part of its AED 2bn Innovation Programme. In total, ADIO has provided more than AED 865mIn of support to seven information and communications technology (ICT) companies this year to help them innovate. ADIO announced today that it signed partnerships with Callsign, Lyve and RIZEK to provide the three companies financial and non-financial incentives.

Dubai International Financial Centre has invested in UK-based legaltech start-up, Clara. The investment is by the DIFC FinTech Fund, a USD 100mIn fund announced in 2017 to help establish, grow and upscale start-up and growth stage companies seeking access to Middle East, Africa and South Asia (MEASA) markets.

The United Arab Emirates on Jul 26 announced 1,549 new Covid-19 cases, bringing the total confirmed cases in the country to 673,185. At the same time, 1,510 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 650,683. UAE's Ministry of Health and Prevention said. It has reported 7 deaths from Covid-19 during the past 24 hours. The nationwide death toll stands at 1,927.

GCC/MENA

Saudi Arabia has suspended the privatisation of the Ras Al Khair desalination and power plant, one of a number of state assets that the government aimed to sell to reduce pressure on capital spending and diversify revenues away from oil. "This decision was made in order to capitalise on knowledge and capacity built in the Kingdom as a result of many years of experience in the areas of water desalination, new technologies, R&D (research and development) and supply chains", said the Privatization Supervisory Committee for the Environment, Water and Agriculture sectors. "A new engagement strategy and plan for

the Saline Water Conversion Corporation (SWCC) assets such as Ras Al Khair plant will be announced shortly," it said in a statement on Monday on the website of the Saudi national centre for privatisations.

Saudi Kayan Petrochemical posted quarterly net profit after zakat and tax SAR 780.99mIn versus loss of SAR 398.19mIn year ago. Quarterly sales SAR 2,973.71mIn versus SAR 1,536.91mIn year ago.

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Saudi's Yanbu Cement board proposes H1 cash dividend of SAR 1.25 per share.

Qatar International Islamic Bank posted H1 net profit QAR 543.9mIn versus QAR 512.6mIn year ago.

Kuwait cancelled its decision to close commercial activities at 8 pm, starting Tuesday, the cabinet said in a statement on Monday. Kuwait will open all activities except for gatherings which include conferences, weddings, and social events, and will also open special activities for children, starting from Sept. 1, the cabinet said. Kuwait will allow only those who are vaccinated to various activities. The unvaccinated will be only allowed to pharmacies, consumer cooperative societies, and food and catering marketing outlets, starting from Aug. 1, the cabinet added.

Kuwait needs urgent reforms to put its finances on a more sustainable footing, as monetary tools are not sufficient to address structural challenges, the governor of the central bank said on Monday. "There is an urgent need for economic reforms, and all parties, especially the executive and legislative authority, must work to address all imbalances", Mohammad al-Hashel told a conference. He didn't mention any specific measures but said reforms should aim to reduce Kuwait's dependence on oil.

Egypt's Heliopolis sees FY 2021-2022 net profit of EGP 661.1mIn, revenue at EGP 1.67bIn.

Egypt's food exports grew by 13% YoY to USD 2.052bIn in the first half of 2021, compared to USD 1.820bIn, according to data released by the Food Export Council on Monday.

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	47,310	6.80	7.57	4.98	10.02	0.85	4.0%	1.3	7.3	14.5	38.2
ADIB	19,722	5.43	5.68	3.59	11.89	0.99	3.8%	(0.7)	10.6	20.4	55.0
ADNIC	2,850	5.00	5.93	3.19	7.46	1.15	7.0%	(2.2)	3.3	5.1	70.2
ADNOC Dist.	54,625	4.37	5.01	3.01	22.46	15.71	4.7%	3.3	(4.2)	19.3	47.3
Agthia	4,908	6.20	7.32	2.70	75.68	1.86	2.7%	(5.8)	(3.9)	49.6	124.6
Air Arabia	6,300	1.35	1.42	1.07	NA	1.29	0.0%	(0.0)	4.7	5.5	19.5
Ajman Bank	1,596	0.76	0.83	0.58	20.23	0.64	0.0%	(3.8)	6.9	(2.6)	28.4
Waha	2,800	1.44	1.53	0.86	4.16	0.87	4.2%	2.9	24.1	26.2	70.2
Aldar	30,192	3.84	3.90	1.70	15.62	1.18	3.8%	0.8	6.1	26.7	133.3
Alpha Dhabi	257,000	25.70	25.90	15.00	NA	NA	NA	NA	NA	NA	NA
Amanat	2,775	1.11	1.11	0.75	77.24	1.09	2.0%	14.6	25.4	35.4	28.2
Aramex	5,490	3.75	4.49	3.23	25.17	2.01	3.5%	(5.8)	(4.3)	(11.5)	17.1
BOS	1,188	0.54	0.73	0.48	NA	0.34	0.0%	(9.8)	(2.5)	(10.2)	6.7
Damac	7,321	1.21	1.75	0.81	NA	0.57	NA	(5.5)	(1.6)	(6.9)	28.5
Dana Gas	6,065	0.87	0.88	0.64	42.08	0.76	6.3%	5.7	14.6	30.0	27.5
Deyaar	1,681	0.29	0.33	0.25	NA	0.39	0.0%	(1.0)	7.4	3.6	2.5
DFM	8,720	1.09	1.29	0.80	68.86	1.12	0.0%	(6.8)	1.9	17.2	33.7
DIC	7,143	1.68	1.76	1.11	14.94	0.60	NA	(1.8)	8.4	21.8	56.3
DIB	34,466	4.76	5.15	3.75	13.92	0.95	4.2%	(2.3)	4.4	7.8	31.8
DU	30,733	6.78	7.22	5.00	22.85	3.77	4.1%	0.7	1.2	20.4	37.9
Easy Lease	751	25.02	27.00	10.00	30.54	15.80	NA	-	13.7	42.2	-
Emaar Dev.	14,600	3.65	3.94	2.06	8.16	1.21	0.0%	(4.7)	32.7	32.7	76.3
Emaar Malls	25,508	1.96	2.14	1.28	39.64	1.32	0.0%	(5.3)	4.3	7.1	43.1
Emaar Pro.	28,138	3.93	4.29	2.54	11.42	0.50	2.5%	(7.1)	1.6	14.3	58.2
ENBD	84,327	13.35	14.00	8.82	12.88	1.02	3.0%	(3.3)	8.1	34.3	53.7
ESG	925	3.70	8.00	3.01	46.74	2.80	NA	0.0	NA	NA	NA
Eshraq	800	0.34	0.46	0.28	NA	0.60	NA	0.3	5.8	8.2	19.9
Etisalat	197,417	22.70	22.70	16.40	21.66	4.42	5.3%	2.3	4.5	39.5	40.1
FAB	177,996	16.30	17.14	10.70	16.76	1.65	4.5%	0.2	11.6	32.9	56.5
GFH	2,954	0.76	0.81	0.53	13.00	0.80	2.2%	1.2	19.7	32.0	34.9
Gulf Nav.	296	0.29	0.55	0.28	NA	0.75	0.0%	(3.3)	(9.1)	(30.1)	(42.2)
IHC	240,064	131.80	133.00	32.10	48.16	24.94	NA	36.8	44.8	213.8	300.6
Julphar	2,126	1.84	1.92	1.07	NA	2.42	0.0%	23.5	22.7	38.3	61.4
Mashreq	10,687	60.20	71.00	60.00	NA	0.55	6.6%	(10.1)	(7.4)	(11.3)	(10.0)
NBF	9,536	4.98	NA	NA	NA	NA	1.9%	NA	NA	NA	NA
Palms Sports	1,845	12.30	20.00	4.30	22.22	7.84	NA	1.7	(5.5)	(6.8)	NA
RAK Bank	6,620	3.95	4.24	3.36	14.27	0.84	3.8%	(3.7)	1.3	1.3	14.5
RAK Pro.	1,330	0.67	0.67	0.37	8.03	0.33	6.0%	4.7	23.1	38.5	76.9
RAK Cer.	2,276	2.29	2.45	1.24	NA	1.06	3.3%	0.4	27.9	59.6	81.4
Salama	990	0.82	0.97	0.55	6.19	1.14	10.1%	(1.6)	(0.6)	6.4	58.7
SIB	4,776	1.55	1.55	1.11	10.75	0.63	5.2%	5.4	15.7	24.4	46.7
Shuaa	1,831	0.72	0.77	0.54	4.31	1.20	4.2%	18.4	18.0	11.3	30.4
Tabreed	7,856	2.83	3.15	1.92	14.47	1.52	2.0%	2.2	(3.1)	11.4	48.3
TAQA	150,662	1.34	1.78	1.12	33.19	2.39	1.9%	(3.6)	(1.8)	(5.9)	21.2
Union Pro.	1,060	0.25	0.36	0.23	3.23	0.37	0.0%	(8.5)	(8.5)	(11.8)	(16.6)
UAB	1,541	0.75	0.89	0.59	NA	1.07	0.0%	NA	(10.0)	(12.0)	(16.4)
Zee Store	952	9.52	15.00	7.95	NM	5.90	NA	(1.9)	(4.8)	(9.3)	NA

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

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