



Morning Report

28 April 2021

Market Stats

Indices	Close	Change	1M Change	3M Change	1Y Change
ADX	6,120	-0.4%	6.9%	8.1%	46.8%
DFM	2,630	-0.6%	5.4%	-3.5%	32.4%
TASI	10,267	0.4%	9.0%	16.9%	50.4%
BHSEASI	1,483	-0.2%	1.3%	1.4%	13.3%
EGX	10,591	0.6%	-2.6%	-8.5%	2.1%
Dow Jones	33,985	0.0%	2.8%	12.1%	40.8%
S&P 500	4,187	0.0%	5.3%	11.6%	45.4%
Nasdaq	14,090	-0.3%	7.2%	6.2%	61.4%
FTSE 100	6,945	-0.3%	3.0%	5.7%	18.8%
DAX	15,249	-0.3%	3.4%	12.0%	43.1%
CAC40	6,274	0.0%	4.8%	14.9%	39.3%
Nikkei225	28,992	-0.5%	-0.6%	1.2%	46.5%
HIS	28,978	0.0%	2.1%	-1.2%	19.2%
MSCI EM	1,362	0.1%	4.2%	-0.7%	52.1%
MSCI Asia	208	-0.3%	1.8%	-1.2%	44.2%
US Futures	4,185	0.1%	5.7%	11.8%	45.9%
Eur Futures	3,968	0.2%	3.4%	12.1%	36.8%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	1,118	1,118	-
Local	59%	42%	17%
Foreign	41%	58%	-17%
Institutional	93%	97%	-4%
Retail	7%	3%	4%
DFM	148	148	-
Local	37%	39%	-1%
Foreign	63%	61%	1%
Institutional	69%	99%	-30%
Retail	31%	1%	30%
Total	1,267	1,267	-
Local	57%	42%	15%
Foreign	43%	58%	-15%

Last Trading Day's Top Short Sell Positions

Company	Short Volume (shrs.)	Short Volume (%)	Volume (m)	Turnover (AEDm)
Aldar	(258,685)	0.4%	59.6	214.6
TAQA	(170,000)	48.5%	0.4	0.5
FAB	(80,448)	0.5%	17.1	248.9

Upcoming Corporates Actions & Events

Date	Company	Event
28-Apr	Etisalat	BoD/Results
28-Apr	CBD	BoD/Results
28-Apr	NBF	BoD/Results
28-Apr	Dana Gas	AGM
28-Apr	DAMAC	BoD/General
29-Apr	DIC	BoD/Results

KEY STORIES

RAK Bank announced Q1 net profit of AED 113.9mIn, down 25.8% YoY and up 70.8% QoQ. Total operating income at AED 800.9mIn, down 20.0% YoY and -0.8% QoQ

Drake & Scull International has been awarded contracts of more than AED 376mIn for new projects in Tunisia, India, and Palestine

Emirates Driving Company is starting the establishment of a new branch in Madinat Zayed with an investment of about AED 22mIn

Gulf Navigation in talks for refinancing vessels at lower rate

Air Arabia Egypt announces direct flights to Manama from Cairo commencing on May 6, 2021

Al-Mazaya Holding Company posted Q1 net profit attributable KWD 41,649 dinars versus loss of KWD 3.5mIn year ago

S&P Global Ratings has maintained Ras Al Khaimah's credit ratings, economy expected to return to growth at a rate of about 2.5pct from 2021 to 2024

Fitch says among MENA sovereigns, only Abu Dhabi, Qatar will have fiscal surpluses in 2021

UAE on April 27 announced 2,094 new Covid-19 cases and 1,900 recoveries. The tally takes total cases in UAE to 514,591 with 495,589 recoveries and 1,578 deaths

Saudi Crown Prince says currently in talks to sell 1% stake in Aramco to a major investor. Decision to raise VAT to 15% is a temporary one that could remain between one to five years and there will be no income tax in the Kingdom

Saudi Arabia in talks to sell 1% of Aramco to foreign investor, says crown prince

Saudi Aramco expected to award offshore project by end of Q2

Saudi's Petro Rabigh posted quarterly net profit after zakat and tax SAR 649mIn versus loss of SAR 1,797mIn year ago. Quarterly sales SAR 10,136mIn

The board of Agility Public Warehousing has approved to sign an agreement with Denmark-based DSV Panalpina to sell its global integrated logistics business for an equity value of USD 4.1bln

Egypt is targeting annual economic growth of 6-7% over the next three years as it implements a new round of reforms for the fiscal year beginning in July

Egypt's Abu Qir Fertilizers posted nine-month net profit after tax EGP 2.44bln versus EGP 2.14bln year ago. Nine-month revenue EGP 6.30bln versus EGP 5.81bln year ago

Egypt Aluminum Company posted nine-month net loss after tax EGP 347.7mIn versus loss of EGP 1.02bln year ago. Nine-month revenue EGP 8.14bln versus EGP 5.58bln year ago

Key Global Trends/ Market Clues

Asian shares were mixed on Wednesday as already high valuations discouraged investors from buying equities ahead of a closely-watched U.S. Federal Reserve meeting. MSCI's broadest index of Asia-Pacific shares outside Japan declined 0.23%. Australian stocks rose 0.55%, but shares in China slipped 0.44%. S&P 500 e-mini stock futures rose 0.09%. Fed Chairman Jerome Powell is expected to reaffirm that easy monetary policy will remain in place for a prolonged period and dismiss any suggestions of

tapering bond purchases. The Dow Jones Industrial Average rose 0.01%, but the S&P 500 lost 0.02%, and the Nasdaq Composite dropped 0.34% as investors digested a mixed bag of earnings from Tesla Inc, Microsoft Corp and Google-parent Alphabet overnight.

Oil prices dropped on Wednesday, paring overnight gains, with soaring COVID-19 cases in India and a bigger-than-expected build in U.S. crude stocks offsetting confidence shown by OPEC and its allies in a solid recovery in global fuel demand. Brent crude futures fell 26 cents, or 0.4%, to USD 66.16 a barrel at 0205 GMT, paring a 1.2% gain from Tuesday. U.S. West Texas Intermediate (WTI) crude CLC1 futures fell 23 cents, or 0.4%, to USD 62.71 a barrel, after gaining 1.7% on Tuesday.

Russian Deputy Prime Minister Alexander Novak said on Tuesday, after a meeting of the OPEC+ oil group's monitoring committee, that the panel has decided not to change earlier agreed oil production levels. He said the situation on the oil market was "positive and oil demand was recovering", while the rapid spread of the COVID-19 in India and Latin America was a reason for concern. Novak also said the next OPEC+ ministerial meeting is set for June 1, when the ministers will consider production levels for July and August.

OPEC+ expects commercial oil stocks to fall below 2015-2019 average throughout H2 2021. OECD stocks 70mln bbls below average in 2021, compared with 20mln bbl below average in previous forecast - document

UAE Stories

RAKBank announced Q1 net profit of AED 113.9mln, down 25.8% YoY and up 70.8% QoQ. Total operating income at AED 800.9mln, down 20.0% YoY and -0.8% QoQ.

Drake & Scull International has been awarded contracts of more than AED 376mln for new projects in Tunisia, India, and Palestine. Despite the coronavirus (COVID-19) pandemic, DSI is also bidding for an AED 260mln project in Kuwait and for projects valued at AED 1.49bln in Iraq, according to a press release on Tuesday. The company has started working for a wastewater treatment plant in south Méliane in Tunisia, under an AED 178mln contract signed with a French company. The company also won a contract valued at AED 34mln to build a wastewater treatment plant in India. In addition, DSI completed an AED 76mln wastewater treatment plant in West Bank in Palestine.

Emirates Driving Company is starting the establishment of a new branch in Madinat Zayed with an investment of about AED 22mln. Project is set to be executed over a period of 16 months and project estimated to be completed by the end of 2022.

Gulf Navigation plans to recover insurance proceeds on lost vessel as part of plans to address accumulated losses. Expects to receive USD 22.5mln in insurance claim in 2Q21. Accumulated losses at AED 724mln as of Dec. Plans to charter vessels on long-term basis and divest non-profitable business. Focus on cost rationalization to reduce operating expenditure and overheads. Plans to progress on vessels transaction with Empire Navigation as soon as possible. Appointed Ali Abouda as group CFO.

Air Arabia Egypt announces direct flights to Manama from Cairo commencing on May 6, 2021.

Al-Mazaya Holding Company posted Q1 net profit attributable KWD 41,649 dinars versus loss of KWD 3.5mln year ago. Q1 total operating revenue KWD 2.8mln versus KWD 4.3mln year ago.

S&P Global Ratings has affirmed Ras Al Khaimah's sovereign credit ratings of "A-/Stable/A-2", with the emirate's economy expected to return to growth at a rate of about 2.5pct from 2021 to 2024. The stable outlook reflects S&P's expectation that the RAK government will maintain its "prudent fiscal stance over the next two years" and that the gross domestic product (GDP) growth will be at moderate levels.

Gulf Cooperation Council (GCC) sovereigns will experience significant narrowing of fiscal deficits/GDP in 2021, said Fitch Ratings in a report on Tuesday. Nevertheless, fiscal deficits will remain high, particularly in Kuwait and Bahrain. "We expect only Abu Dhabi and Qatar to eke out fiscal surpluses. Persistent deficits elsewhere will lead to continued debt issuance and/or drawdowns of assets, although sovereign assets remain sufficient to finance prolonged deficits in the higher-rated sovereigns," it said.

The United Arab Emirates on April 27 announced 2,094 new Covid-19 cases, bringing the total confirmed cases in the country to 514,591. At the same time, 1,900 more patients have recovered from the virus,

taking the tally of recoveries in the UAE to 495,589. UAE's ministry of health and prevention said. It has reported 5 deaths from Covid-19 during the past 24 hours. The nationwide death toll stands at 1,578.

GCC/MENA

Saudi Crown Prince says further Aramco stake sale to international investors may come within next year or two. Currently in talks to sell 1% stake in Aramco to a major investor. Decision to raise VAT to 15% is a temporary one that could remain between one to five years and there will be no income tax in the Kingdom.

Saudi Aramco is planning to carry out the replacement of two trunk lines (CRPO 63) connected to Gas-Oil Separation Plant -2 of Zuluf field development programme, a source aware of the project details said. The source told Zawya Projects that Saipem submitted lowest bid and has emerged as the front runner, adding that the bids are still under evaluation as the developer has extended the main contract bid validity by 90 days.

Saudi's Petro Rabigh posted quarterly net profit after zakat and tax SAR 649mln versus loss of SAR 1,797mln year ago. Quarterly sales SAR 10,136mln.

The board of Agility Public Warehousing has approved to sign an agreement with Denmark-based DSV Panalpina to sell its global integrated logistics business for an equity value of USD 4.1bln. Under the agreement, DSV will acquire the Global Integrated Logistics by issuing 19.3mln shares to Agility and its affiliates, representing around 8% of all post-transaction outstanding shares of DSV, according to a bourse filing on Tuesday. Following the transaction, Agility will become the second-largest shareholder in DSV with a stake of around 8% in the company. The transaction is expected to be closed during the third quarter of 2021.

Egypt is targeting annual economic growth of 6-7% over the next three years as it implements a new round of reforms for the fiscal year beginning in July. Egypt has previously achieved a primary surplus of 2%. Egypt aims to reduce the overall budget deficit to 5.5% in 2023-2024, he added. Egypt will continue subsidizing staple commodities in the next 3 years, PM Madbouly said.

Egypt's Abu Qir Fertilizers and Chemical posted nine-month net profit after tax EGP 2.44bln versus EGP 2.14bln year ago. Nine-month revenue EGP 6.30bln versus EGP 5.81bln year ago.

Egypt Aluminum Company posted nine-month net loss after tax EGP 347.7mln versus loss of EGP 1.02bln year ago. Nine-month revenue EGP 8.14bln versus EGP 5.58bln year ago.

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%	6M%	12M%
ADCB	43,692	6.28	6.75	3.98	11.48	0.77	4.3%	5.9	2.0	11.7	46.4
ADIB	17,688	4.87	5.16	3.21	13.39	0.92	4.2%	4.2	0.7	20.2	44.2
ADNIC	2,736	4.80	5.51	2.95	7.37	1.09	7.3%	(1.0)	2.5	28.7	60.3
ADNOC Dist	56,875	4.55	4.60	2.75	23.39	16.36	4.5%	5.8	19.5	39.1	70.8
Agthia	4,644	6.45	7.00	2.53	112.27	2.04	2.6%	1.9	26.2	57.8	120.4
Air Arabia	6,113	1.31	1.42	0.99	NA	1.36	0.0%	4.8	(0.0)	18.0	13.9
Ajman Bank	1,491	0.71	0.83	0.54	28.58	0.60	0.0%	(1.5)	(8.9)	2.2	14.7
Al Waha	2,275	1.17	1.30	0.62	9.31	0.71	5.1%	2.5	9.9	19.5	56.2
Aldar	28,227	3.59	3.88	1.64	14.61	1.10	4.0%	1.6	4.5	31.3	106.1
Amanat	2,223	0.89	0.92	0.70	218.97	0.88	2.5%	6.2	9.8	13.7	26.9
Amlak	327	0.22	0.38	0.20	NA	1.34	0.0%	(0.9)	(13.8)	(20.1)	(35.5)
Aramex	5,856	4.00	4.49	2.80	23.92	2.18	3.3%	5.3	(8.9)	(0.0)	43.4
BOS	1,218	0.58	0.77	0.50	NA	0.38	0.0%	(0.0)	(10.5)	9.4	(10.6)
DAMAC	7,321	1.21	1.75	0.55	NA	0.56	NA	10.0	(11.7)	9.0	94.2
Dana Gas	5,701	0.82	0.84	0.61	48.24	0.72	6.7%	6.5	17.6	17.8	11.4
Deyaar	1,560	0.27	0.33	0.24	NA	0.36	0.0%	4.2	(9.7)	(2.9)	(8.2)
DFM	8,640	1.08	1.29	0.65	62.65	1.11	0.0%	2.9	(13.6)	28.6	48.6
Dubai Inv.	6,591	1.55	1.72	1.09	18.96	0.56	NA	(0.0)	(2.4)	45.5	46.6
DIB	32,656	4.51	5.15	3.25	11.88	0.80	4.4%	(1.3)	(7.7)	13.4	30.0
Easy Lease	660	22.00	26.80	10.00	26.86	13.90	NA	(4.3)	5.9	-	-
Emaar Dev	10,720	2.68	3.20	1.89	6.47	0.95	0.0%	5.5	(10.7)	17.0	20.7
Emaar Malls	24,467	1.88	1.99	1.10	34.77	1.28	0.0%	14.6	3.3	27.0	48.0
Emaar Pro.	27,350	3.82	4.22	2.34	10.45	0.48	2.6%	13.6	1.3	43.1	44.7
Emirates Tele	30,189	6.66	7.22	4.97	20.92	3.52	4.2%	(1.7)	2.0	24.1	30.4
Emirates NBD	78,010	12.35	12.35	7.92	11.92	0.94	3.2%	13.3	7.5	35.8	56.6
Eshraq	732	0.32	0.46	0.22	NA	0.55	NA	(10.0)	(0.3)	4.7	10.1
Etisalat	186,459	21.44	22.18	14.52	20.85	3.80	5.6%	3.1	11.3	30.5	46.3
FAB	158,995	14.56	15.10	10.36	15.06	1.46	5.1%	(0.1)	2.0	33.2	34.6
GFH	2,427	0.63	0.68	0.51	13.30	0.66	2.7%	7.7	1.2	19.2	11.1
Gulf Nav.	323	0.32	0.55	0.30	NA	1.04	0.0%	(6.8)	(17.4)	(24.3)	(11.5)
IHC	165,711	91.00	100.00	25.00	54.87	21.19	NA	75.0	97.8	139.5	216.9
Julphar	1,825	1.58	1.77	0.54	NA	2.03	0.0%	29.5	5.3	6.0	178.8
Mashreqbank	11,540	65.00	71.00	62.00	NA	0.59	6.2%	NA	(3.6)	(4.4)	(9.7)
NBF	9,536	4.98	NA	NA	NA	NA	1.9%	NA	NA	NA	NA
Tabreed	8,161	2.94	3.15	1.79	14.76	1.54	2.0%	9.5	8.7	23.1	46.7
RAK Bank	6,536	3.90	4.24	3.33	12.98	0.84	3.8%	(2.5)	(3.2)	9.9	5.4
RAK Pro.	1,076	0.54	0.64	0.33	9.48	0.28	7.4%	1.1	(8.8)	37.9	45.4
RAK Cer.	1,818	1.83	1.85	1.24	NA	0.85	4.1%	9.3	13.9	36.7	36.7
SALAMA	991	0.82	0.97	0.47	6.39	1.17	10.1%	6.1	9.9	23.5	80.6
SIB	4,191	1.36	1.43	1.00	10.07	0.56	5.9%	4.6	4.4	23.2	37.3
SHUAA	1,648	0.65	0.77	0.50	12.88	1.11	4.6%	1.9	(10.3)	3.3	15.0
Tak. E. Ins.	248	1.65	1.65	1.20	600.00	2.18	5.0%	17.9	4.4	14.6	15.4
TAQA	154,035	1.37	1.78	0.61	40.45	2.49	1.8%	(0.7)	(6.8)	(3.2)	99.2
Union Pro.	1,145	0.27	0.39	0.25	5.70	0.40	0.0%	(0.0)	(5.7)	(2.9)	(15.0)
UAB	1,712	0.83	0.89	0.59	NA	1.18	0.0%	(6.2)	2.9	(7.2)	(7.4)

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

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