Morning Report

30 May 2023

Market Stats

Indices	Close	Chg.	1M Chg.	3M Chg.	YTD Chg.	1Y Chg.
ADX	9,412	-0.4%	-4%	-4%	-8%	-3%
DFM	3,544	0.1%	0%	3%	6%	7%
TASI	11,136	0.0%	-1%	10%	6%	-12%
QSI	10,403	-0.2%	3%	-2%	-3%	-19%
BKM	5,435	0.5%	-3%	-2%	-3%	-10%
MSX	4,642	0.3%	-2%	-2%	-4%	13%
BHSEASI	1,964	0.2%	4%	2%	4%	3%
EGX	17,212	0.0%	-3%	1%	18%	71%
DJI	33,093	0.0%	-3%	1%	0%	0%
S&P 500	4217	0.0%	1%	6%	10%	1%
Nasdaq	12,976	0.0%	6%	13%	24%	7%
FTSE	7,627	0.7%	-3%	-3%	2%	1%
DAX	15,953	-0.2%	0%	4%	15%	10%
CAC40	7,304	-0.2%	-3%	0%	13%	12%
Nikkei225	31,234	1.0%	8%	14%	20%	17%
HIS	18,370	-1.0%	-7%	-6%	-6%	-10%
MSCI EM	972	-0.1%	-1%	1%	2%	-7%
MSCI Asia	160	0.4%	0%	2%	3%	-3%
US Fut.	4,224	0.3%	1%	6%	9%	2%
EU Fut.	4,322	0.1%	0%	2%	14%	12%

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

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	**1,057**	**1,057**	**-**
Local	69%	74%	-5%
Foreign	31%	26%	5%
Institutional	84%	84%	-1%
Retail	16%	16%	1%
DFM	**569**	**569**	**-**
Local	74%	71%	3%
Foreign	26%	29%	-3%
Institutional	48%	50%	-2%
Retail	52%	50%	2%
Total	**1,626**	**1,626**	**-**
Local	71%	73%	-2%
Foreign	29%	27%	2%

Last Trading Day's Top Short Positions

Company	Short Interest (Short shares/Out. shares)	Close (AED)	Change (%)	High – Low 52WH	52WL
Dana	0.119%	0.84	3.2	1.12	0.75
RAKPROP	0.042%	0.69	(0.7)	0.81	0.55
GFH	0.020%	1.02	2.1	1.02	0.87

Upcoming Corporates Actions & Events

Date	Company	Event
30-May	IFA	General Assembly
30-May	Agility	General Assembly
30-May	DARTAKAFUL	BoD/General
30-May	ASCANA	BoD/General
31-May	EKTTIAB	General Assembly
01-Jun	MSCI Rebalancing	Effective Date
13-Jun	Ajman Bank	General Assembly
14-Jun	RAKBANK	General Assembly
14-Jun	DRC	General Assembly
19-Jun	FTSE Rebalancing	Effective Date

KEY STORIES

Aldar Properties acquires 75% stake in Basatin Landscaping for USD 40.84mln

Tabreed enters its first district cooling transaction in India through strategic alliance with Tata Realty, deal includes an investment of AED 44.34mln

RAK Properties 'Bayviews' residences, the development on Hayat Island, was sold out within a few hours of the launch

Dana Gas increases foreign ownership limit to 100% effective 29th May 2023, foreigners can hold up to 100% of shares in Dana Gas

Dubai Financial Market launches futures contract on General Index

DEWA commissions 60 MIG water reservoir in Lusaily with AED 157.4mln investments

Du has committed to achieving net zero Scope 1 and 2 emissions within its operations in the UAE by 2030 and Scope 3 by 2050

Deyaar Development launched Millennium Talia Residences, exquisitely designed and luxuriously furnished hotel apartments operated by Millennium Hotels & Resorts

Abu Dhabi National Takaful gets approval to transfer individual life insurance of Aman

TAQA and Kezad Communities announced a collaboration agreement for energy efficiency projects in Abu Dhabi

DP World and Standard Bank partner to expand trade finance in Africa

Saudi Advanced Petrochemical secures USD 586.6mln loan from Alawwal Bank

Saudi Naqi Water announces start of constructing a new factory in Riyadh and signing of a contract to acquire industrial property

Saudi Al Moammar Information Systems signed a contract with advanced electronics co. for the renewal of licences of computer programs for a contract value SAR 47mln for five years.

Egypt Foodico's net profit soars 88% YoY in 1Q23, the company recorded a net profit after tax of EGP 7.4mln in Q1 2023, compared to EGP 3.9mln in 1Q22

Egypt Arab Developers Holding shifted to net profits amounting to EGP 15mln in 1Q23, against net losses of EGP 9mln in 1Q22

Key Global Trends/ Market Clues

Asian stocks were mostly higher on Tuesday as investors cheered the prospect that the world's largest economy will avert a major debt default, improving sentiment across most asset classes. MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.4% early Tuesday, after U.S. stocks were closed on Monday for the Memorial Day holiday. The index is down 1.3% so far this month. Australian shares were up 0.03% while the Nikkei stock index slipped 0.28%, cooling a bit after the Japanese benchmark hit a 33-year high on optimism over the U.S debt deal and a weaker yen, which helps the country's exporters. Hong Kong's Hang Seng Index climbed 0.31% while China's CSI300 Index dipped 0.06%.

Oil prices rose on Tuesday as the expectations the debt ceiling deal in U.S., the world's biggest oil user, will spur more demand but fears of further interest rate rises and that OPEC+ will leave output quotas unchanged capped gains. Brent crude futures climbed 35 cents, or 0.5%, to USD 77.42 a barrel by 0145 GMT after gaining 12 cents on Monday. U.S. WTI crude rose 53 cents to USD 73.20 a barrel, up 0.7% from Friday's close. There was no settlement on Monday because of a U.S. public holiday. While the debt

ceiling deal has spurred buying in riskier assets such as commodities, major oil producers will meet on June 4 and it is unclear whether they might increase their output cuts amid an overall slump in prices since the middle of April. Additionally, expectations are for U.S. interest rates to rise further, potentially crimping economic growth and therefore oil demand.

UAE Stories

Aldar Properties acquires 75% stake in Basatin Landscaping for USD 40.84mln. Aldar adds landscaping services to its growing property and facilities management platform through the acquistion of Basatin. Through this transaction, which is valued at AED 150mln, Aldar will hold a majority stake of 75% in Basatin with the remaining 25% held by a strategic partner. Basatin is a provider of a wide range of landscaping services, including design, installation, paving, gardening, and green waste disposal. The company has over 1,000 employees and has provided landscaping services for key clients in the UAE, including the Department of Municipalities and Transport and Expo 2020.

Tabreed enters its first district cooling transaction in India through strategic alliance with Tata Realty. Multi-million-dirham investment opens door to enormous potential in India. Demand for cooling set to surge by 800% across country over next 15 years and the deal includes an investment of AED 44.34mln in Tata Realty's Intellion Park Special Economic Zone development in Gurugram. Through the investment, Tabreed will acquire the existing cooling infrastructure at the Intellion Park Development and will develop additional capacity to meet the development's rising demand for cooling services.

RAK Properties Sells Out 'Bayviews' Residences, the development on Hayat Island sold out within few hours of the launch

Dana Gas increases foreign ownership limit to 100% effective 29th May 2023, foreigners can hold up to 100% of shares in Dana Gas

Dubai Financial Market launches futures contract on General Index. The listing and trading of DFMGI futures commenced on 29th May 2023. Trading futures contracts on the DFMGI offers investors the opportunity to access one of the best performing indices in the world comprising DFM's largest and most liquid stocks, including the recently successfully listed Empower, Dewa, Salik, and others, as well as the region's leading blue-chip companies such as Emaar and Aramex.

DEWA commissions 60 MIG water reservoir in Lusaily with AED 157.4mln investments

Du has committed to achieving net zero Scope 1 and 2 emissions within its operations in the UAE by 2030 and Scope 3 by 2050. The company will be focusing on key initiatives to reduce its carbon footprint, including improving energy efficiency and sourcing renewable energy.

Deyaar Development has launched Millennium Talia Residences, exquisitely designed and luxuriously furnished hotel apartments operated by Millennium Hotels & Resorts. Strategically situated at a convenient location in Al Furjan, one of Dubai's most popular and vibrant districts, Millennium Talia Residences is poised to set a new standard of hospitality living within the community. The project will be Deyaar's second release in Al Furjan out of a total project portfolio worth AED 300mln, and their fourth property managed by Millennium Hotels & Resorts, after Millennium Atria Business Bay, Millennium Mont Rose at Dubai Science Park and Millennium Al Barsha

Abu Dhabi National Takaful gets approval to transfer individual life insurance of Aman. Central Bank of the UAE has issues initial approval to transfer individual life insurance and no additional fees will be charged to policyholders as a result of transferring of the portfolio. No additional fees to will be charged to the policyholders in the event of a desire to cancel the policy.

TAQA and Kezad Communities announced a collaboration agreement for energy efficiency projects in Abu Dhabi

DP World and Standard Bank partner to expand trade finance in Africa. Standard Bank to offer trade finance solutions jointly with DP World trade finance and the partnership will help in closing the gap in unmet demand for working capital in Africa.

GCC/MENA

Saudi Advanced Petrochemical secures USD 586.6mln loan from Alawwal Bank. The company will use the proceeds of the loan to pay back the existing credit facilities and finance general corporate purposes. The facility deal, which holds a five-year duration period, is secured by promissory notes. In 1Q23, the company has posted 73.78% lower net profits after Zakat and tax at SAR 43mln, compared to SAR 164mln in 1Q23.

Saudi Naqi Water announces start of constructing a new factory in Riyadh and signing of a contract to acquire industrial property. The financial impact of the new factory in Riyadh is expected to start by the end of the first quarter of 2024.

Saudi Al Moammar Information Systems signed a contract with advanced electronics co. for the renewal of licences of computer programs for a contract value SAR 47mln for five years. The financial impact will appear during 1Q and 2Q of 2023.

Egypt Foodico's net profit soars 88% YoY in 1Q23, the company recorded a net profit after tax of EGP 7.4mln in Q1 2023, compared to EGP 3.9mln in 1Q22. The company generated net sales of EGP 38.4mln in 1Q23, up from EGP 22.9mln in the corresponding period last year.

Egypt Arab Developers Holding shifted to net profits amounting to EGP 15mln in 1Q23, against net losses of EGP 9.0 mln in 1Q22. The sales hiked by 413% YoY to EGP 1.30bln in 1Q23 from EGP 31mln. EPS hit EGP 0.01 in the January-March 2023 period, vs. a loss per share worth the same value in 1Q22. As of 31 March 2023, the firm sold a total of 503 units that cover 58,000 square metres, compared to 205 units covering around 22,000 square metres in the year-ago period.

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

UAE Focus List

Company	MCAP (AEDm)	PRICE (AED)	HIGH-LOW 52WH	HIGH-LOW 52WL	VALUATION PE	VALUATION PB	Div. (%)^	PRICE RETURNS 1M%	PRICE RETURNS 3M%	PRICE RETURNS YTD%	PRICE RETURNS 12M%
IHC	866,519	395.00	410.10	276.90	55.00	11.96	-	-	(0.0)	(3.7)	41.5
TAQA	348,574	3.10	4.17	1.19	20.04	4.41	1.6%	(4.4)	(6.9)	(9.6)	148.6
ADNOCGAS*	234,879	3.06	3.51	2.77	15.33	3.13	5.1%	(4.7)	-	-	-
Etisalat	201,260	23.14	30.40	22.00	20.78	4.50	3.5%	(3.6)	(7.7)	1.2	(19.7)
Alpha Dhabi	188,615	18.86	30.50	18.52	15.78	4.72	-	(14.3)	(12.2)	(30.4)	(27.2)
FAB	139,874	12.66	21.66	12.66	11.92	1.25	4.1%	(10.7)	(6.8)	(26.0)	(36.7)
DEWA	122,510	2.45	2.56	2.24	15.84	1.36	8.1%	(1.2)	7.0	7.0	4.2
ENBD	86,544	13.70	14.20	11.80	5.18	0.90	4.4%	(2.8)	5.4	5.4	7.4
Borouge	77,856	2.59	3.27	2.45	36.2	4.82	4.6%	(1.9)	4.7	2.4	(9.7)
ADNOC Drill.	59,045	3.69	4.33	2.90	19.00	5.11	4.2%	(14.0)	13.8	23.8	21.0
ADCB	59,077	8.07	9.68	7.63	8.89	0.96	6.8%	(8.5)	3.4	(5.7)	(12.9)
Emaar Pro.	51,534	5.83	6.60	4.87	6.14	0.72	4.3%	(1.7)	8.6	(0.5)	9.1
ADNOC Dist.	48,254	3.86	4.88	3.84	18.45	17.91	5.3%	(12.1)	(8.4)	(12.5)	(2.9)
Aldar	40,417	5.14	5.54	4.12	13.46	1.37	3.1%	(4.8)	13.2	16.0	2.7
ADIB	37,558	10.34	11.90	7.03	10.24	1.75	4.7%	(9.0)	4.2	13.5	31.1
Multiply	38,867	3.47	5.08	1.72	2.15	1.36	-	3.3	(13.3)	(25.2)	81.7
DIB	37,872	5.23	6.20	5.10	7.27	0.94	5.7%	(5.9)	(3.6)	(8.2)	(7.8)
AD Ports	33,342	6.55	6.95	4.73	25.41	1.72	-	(4.4)	6.0	14.1	33.1
Americana	32,686	3.88	4.14	2.66	36.26	37.80	1.2%	(1.0)	11.5	30.6	39.1
Fertiglobe	27,397	3.30	6.11	3.11	7.25	3.38	19.4%	(14.1)	(9.7)	(22.0)	(27.1)
Mashreq	25,078	125.00	135.00	72.90	5.32	1.08	7.2%	4.2	1.5	28.2	75.2
DU	22,893	5.05	6.45	4.95	17.90	2.68	4.8%	-	(0.4)	(12.9)	(12.1)
Salik	22,052	2.94	3.10	2.19	16.63	25.08	4.8%	(1.7)	14.4	18.5	35.5
Emaar Dev.	20,642	5.16	6.04	4.02	5.41	1.07	10.1%	(6.4)	19.4	17.0	25.3
Presight	18,847	3.36	3.85	2.80	44.28	7.63	-	-	-	-	-
Empower	16,901	1.69	1.82	1.31	17.13	6.09	5.0%	(2.3)	9.6	19.0	27.4
NMDC	16,122	19.54	41.90	18.20	10.46	2.39	-	(10.0)	(48.7)	(20.2)	(30.9)
Burjeel	11,556	2.22	2.68	2.00	31.70	9.57	-	(1.8)	11.0	(2.2)	(3.9)
DFM	11,441	1.43	2.24	1.16	73.64	1.47	1.2%	(4.7)	0.6	(5.3)	(34.4)
Bayanat	10,852	4.22	6.24	3.17	53.64	10.03	-	4.2	14.1	(13.9)	2.9
Air Arabia	10,594	2.27	2.41	1.94	8.33	1.62	6.6%	3.7	8.1	5.6	22.9
Ghitha	9,819	40.64	91.90	33.80	33.43	3.89	-	(4.2)	(52.8)	(44.3)	(54.3)
DIC	9,440	2.22	2.60	2.04	5.49	0.72	9.0%	(4.4)	2.2	2.3	6.3
RAK Bank	8,550	5.10	5.34	4.19	6.10	0.91	6.7%	(3.8)	8.9	8.5	16.3
Tabreed	8,309	2.92	3.52	2.44	11.09	1.34	4.6%	(0.3)	2.6	(1.4)	18.5
ASM	7,601	7.60	12.40	7.00	8.03	1.10	-	(0.9)	(1.9)	(19.3)	(36.7)
SIB	6,278	1.94	2.15	1.57	9.01	0.84	4.9%	0.5	(5.0)	4.5	15.5
Yahsat	6,246	2.56	2.92	2.39	23.44	1.95	6.3%	(0.4)	(1.6)	2.4	3.8
Dana Gas	5,877	0.84	1.12	0.75	8.99	0.68	10.7%	(0.9)	12.1	(8.7)	(15.7)
Ajman Bank	4,586	2.11	2.19	0.64	25.87	1.78	-	28.7	102.2	85.1	181.1
Aramex	4,378	2.99	4.45	2.99	31.54	1.74	3.2%	(8.6)	(14.5)	(15.1)	(21.1)
GFH	3,870	1.01	1.18	0.87	9.85	0.98	5.7%	10.3	18.0	13.6	(6.5)
Agthia	3,784	4.78	5.48	3.87	15.05	1.32	3.5%	3.5	18.7	20.1	4.8
ADNIC	3,249	5.70	6.47	5.55	8.27	1.24	7.0%	2.2	(1.4)	(8.1)	1.0
Invictus	3,248	2.90	6.50	2.80	8.64	2.90	5.4%	(4.9)	(6.1)	(24.1)	(24.5)
RAK Cer.	2,614	2.63	3.03	2.50	8.18	1.23	7.6%	0.4	(6.1)	(7.1)	(5.8)
Amanat	2,475	0.99	1.07	0.81	20.17	0.89	4.0%	9.9	7.7	16.5	3.5
Palms Sports	1,470	9.80	13.00	8.47	12.07	3.10	-	(1.0)	1.1	-	(12.5)
ESG	1,163	4.65	8.70	4.28	7.84	1.70	-	(6.4)	(33.4)	(40.1)	(37.2)
Easy Lease	996	33.20	48.48	25.58	24.05	7.55	-	3.8	5.1	(4.6)	(30.7)
RPM	826	4.13	10.20	3.87	27.36	3.71	6.1%	(4.6)	(17.7)	(33.3)	(52.1)

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

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