



Morning Report

20 January 2021

Market Stats

Indices	Close	Change	1M Change	3M Change	1Y Change
ADX	5,662	3.1%	10.3%	24.2%	9.4%
DFM	2,753	1.0%	8.0%	24.7%	-3.8%
TASI	8,902	-0.3%	2.2%	4.1%	5.4%
BHSEASI	1,451	-0.2%	-2.8%	-0.7%	-11.6%
EGX	11,486	0.3%	5.9%	2.8%	-17.5%
Dow Jones	30,931	0.4%	2.5%	9.7%	5.4%
S&P 500	3,799	0.8%	2.4%	10.9%	14.1%
Nasdaq	13,197	1.5%	3.5%	15.0%	40.6%
FTSE 100	6,713	-0.1%	2.8%	14.1%	-12.5%
DAX	13,815	-0.2%	1.4%	7.5%	2.1%
CAC40	5,599	-0.3%	1.3%	13.3%	-8.2%
Nikkei225	28,633	1.4%	7.0%	21.0%	19.1%
HIS	29,719	2.7%	11.9%	20.8%	2.0%
US Futures	3,791	0.0%	2.8%	10.4%	14.2%
Europe Futures	3,585	-0.1%	4.5%	13.1%	-5.1%

UAE Trading Summary

AEDm	Buy	Sell	Net
ADX	853	853	-
Local	45%	74%	-29%
Foreign	55%	26%	29%
Institutional	75%	48%	27%
Retail	25%	52%	-27%
DFM	599	599	-
Local	53%	70%	-17%
Foreign	47%	30%	17%
Institutional	49%	34%	15%
Retail	51%	66%	-15%
Total	1,451	1,451	-
Local	48%	72%	-24%
Foreign	52%	28%	24%

Last trading day's short sell positions

Company	Short Volume (shrs.)	Short Volume (%)	Volume (m)	Turnover (AEDm)
RAK Properties	(1,277,035)	2.8%	45.9	27.2
Etisalat	(135,000)	1.0%	13.6	280.5
ADCB	(101,439)	0.5%	20.0	131.6
FAB	(20,000)	0.2%	9.4	141.4
Zee Store	(1,000)	0.4%	0.2	2.4

Upcoming Corporate Actions & Events

Date	Company	Event
20-Jan	Etisalat	BoD/FOL Increase
20-Jan	DU	BoD/FOL Increase
20-Jan	SIB	BoD/Results
9-Feb	MSCI IQ2I Index	Announcement Date
11-Feb	Ithmaar	BoD/Results
19-Feb	FTSE IQ2I Index	Announcement Date
14-Feb	GFH	BoD/Results

Key Stories

Agthia eyes 80% stake in owner of Jordanian frozen food firm. 60% to be acquired from ADQ, while remaining 20% from Ideal Holding

Tabreed and Masdar expand collaboration efforts. Tabreed will leverage its sector expertise to carry out R&D testing on two deep geothermal wells located in Masdar City International Financial Advisors disclosed that it has got approval to sell 17.5mln treasury shares

Deyaar Development has begun handing over the Bella Rose residential project located in Dubai Science Park

Mubadala says signed MOU with Siemens Energy to develop hydrogen, synthetic fuel production

Gulf Air mulls flights between Bahrain and Ras Al Khaimah

ADNOC Chief Executive Sultan al-Jaber said that ADNOC is seeking partnerships with U.S. companies in unconventional oil in the UAE

Fitch Ratings has assigned Dubai Aerospace Enterprise's USD 2.5bln global medium-term note programme rating of 'BBB-'

UAE Energy Minister said the oil market is recovering in 2021 and possibly rebalancing by early 2022

Qatar has suspended a trade dispute with the United Arab Emirates at the World Trade Organization

UAE on January 19 announced 3,491 new COVID-19 cases and 3,311 recoveries. The tally takes total cases in UAE to 260,223 with 231,675 recoveries and 756 deaths

Saudi's Riyadh Bank announces its intention to establish a domestic SAR-denominated sukuk issuance programme of up to SAR 10bln

Saudi's Aldrees Petroleum and Transport Services posted FY net profit after zakat and tax SAR 121.1mln, down 58.5% YoY. FY sales SAR 4,974.1mln, down 12.4% YoY

Saudi's Aldrees Petroleum and Transport Services posted FY net profit after zakat and tax SAR 121.1mln, down 58.5% YoY. The company is planning to increase its capital by 25pct to 750mln through the issuance of bonus shares

Saudi's Ataa Educational Company announces the acquisition of 52% of Al Wasat National Schools for Training and Education Company

Qatar December M2 money supply +3.79% YoY and credit +9.24% YoY - C. bank

Qatar National Bank to sell USD 1bln five-year bonds at 95 bps over mid-swaps, orders top USD 2.5bln

Bahrain has hired a group of banks to arrange a multi-tranche U.S. dollar-denominated bond sale

Egypt's trade balance deficit dropped 17% in 2020 to USD 38.3bln - Trade Ministry

Key Global Trends/ Market Clues

Asian shares climbed to a record high on Wednesday as U.S. Treasury Secretary nominee Janet Yellen advocated for a hefty fiscal relief package to help the world's largest economy ride out a pandemic-driven slump. U.S. President-elect Joe Biden, who will be sworn into office on Wednesday, last week laid out a USD 1.9trn stimulus package proposal to boost the economy and speed up the

distribution of vaccines. MSCI's Asia-Pacific index outside Japan rose 0.95%, reaching its highest level ever. Hong Kong's Hang Seng rose 1.0% to approach its 2019 peak while Australian shares added 0.6% to reach an all-time high. Japan's Nikkei, however, slipped 0.45% on profit-taking.

Oil prices rose in early trade on Wednesday, adding to solid gains overnight, on expectations the incoming U.S. administration will go ahead with massive stimulus spending that would boost fuel demand and draw down crude stocks. U.S. West Texas Intermediate crude futures climbed 23 cents, or 0.4%, to USD 53.21 a barrel at 0155 GMT, building on a 1.2% rise on Tuesday. Brent crude futures rose 25 cents, or 0.5%, to USD 56.15 a barrel, adding to a 2.1% gain on Tuesday.

Global oil demand will take a hit from a spike in new coronavirus cases before vaccine roll-outs and stimulus measures help in the second half of the year, the International Energy Agency (IEA) said on Tuesday. "Border closures, social distancing measures and shutdowns, among other policies, will continue to constrain fuel demand until vaccines are more widely distributed, most likely only by the second half of the year," the Paris-based watchdog said in its monthly report.

UAE Stories

Agthia Group is set to acquire 80 percent stake in the principal operator of a Jordanian frozen food company. Its board has agreed to buy 60pct in Oriongreen Limited from Nutrivation Holding Limited, which is owned by Abu Dhabi Developmental Holding Company (ADQ). The board also gave the green light to acquire a further 20pct in Oriongreen from another firm, Ideal Holding Limited. Oriongreen owns 100 percent of Amman-based Nabil Foods Group, a Jordanian incorporated company. It manufactures frozen and chilled processed meat products. Agthia will issue to Nutrivation mandatory convertible bonds (AED 394mn), which will be convertible into shares in the company at AED 5.5 per new ordinary share. A further 20 percent of Oriongreen will be acquired for cash from Ideal Holding Limited, the statement continued.

Tabreed and Masdar expand collaboration efforts. Expanding partnership with Masdar by developing, connecting Masdar and Tabreed infrastructure to help increase operating synergies further. Will leverage its sector expertise to carry out research & development testing on two deep geothermal wells located in Masdar City. Tests will study the viability of geothermal energy technology and its ability to substantially reduce electricity consumption.

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Deyaar Development has begun handing over the Bella Rose residential project located in Dubai Science Park. Bella Rose is Deyaar's second project in Dubai Science Park. The project offers a range of studios, one and two-bedroom apartments in a well-appointed 18-storey tower.

Mubadala says signed MOU with Siemens Energy to develop hydrogen, synthetic fuel production.

Gulf Air mulls flights between Bahrain and Ras Al Khaimah, signs MOU with RAK airport to explore potential services.

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UAE Energy Minister said the oil market is recovering in 2021 and possibly rebalancing by early 2022. The minister sees good oil demand growth in China and India as more countries begin their vaccination campaigns for the new coronavirus.

Qatar has suspended its case at the World Trade Organization against the UAE. The suspension, announced in a document filed at the WTO on Tuesday, follows moves by Saudi Arabia, the UAE, Bahrain and Egypt to end a boycott in which they severed diplomatic, trade and travel ties with Qatar in 2017.

The United Arab Emirates on January 19 announced 3,491 new COVID-19 cases, bringing the total confirmed cases in the country to 260,223. At the same time, 3,311 more patients have recovered from the virus, taking the tally of recoveries in the UAE to 231,675. 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 755.

GCC/MENA

Saudi's Riyadh Bank announces its intention to establish a domestic SAR-denominated sukuk issuance programme of up to SAR 10bln. Purpose of the potential offer is to strengthen the capital base of bank, thus supporting the bank's financial and strategic needs.

Saudi's Aldrees Petroleum and Transport Services posted FY net profit after zakat and tax SAR 121.1mln, down 58.5% YoY. FY sales SAR 4,974.1mln, down 12.4% YoY. The company is planning to increase its capital by 25pct to 750mln through the issuance of bonus shares.

Saudi's Ataa Educational Company announces the acquisition of 52% of Al Wasat National Schools for Training and Education Company in exchange for a land provided by Ataa and represented in the transfer of land ownership in favor of the company.

Qatar December M2 money supply +3.79% YoY and credit +9.24% YoY - C. bank

Qatar National Bank to sell USD 1bln five-year bonds at 95 bps over mid-swaps, orders top USD 2.5bln.

Bahrain has hired a group of banks to arrange a multi-tranche U.S. dollar-denominated bond sale. An issuance comprising benchmark tranches of seven years, 12 years and/or 30 years will follow, subject to market conditions, the document said.

Egypt's trade balance deficit dropped 17% in 2020 to USD 38.3bln, the trade ministry said in a statement on Tuesday. Egyptian non-oil exports decreased 1% to USD 25.3bln, while imports dropped 12% to USD 63.6bln in the same period.

(Source: ADX, DFM, Bloomberg, Reuters, Gulf News, The National, Arabian Business)

UAE Focus list

Company	MCAP (AEDm)	PRICE (AED)	HIGH - LOW		VALUATION		DIV YLD (%)^	HISTORICAL RETURN			
			52WH	52WL	TTM P/E	TTM P/B		1M%	3M%	6M%	12M%
ADCB	46,335	6.66	8.08	3.82	12.80	0.84	5.7%	6.1	14.8	33.7	(11.2)
ADIB	18,450	5.08	5.85	3.19	11.72	0.97	5.4%	4.7	19.5	37.7	(4.1)
ADNIC	2,799	4.91	5.17	2.95	7.51	1.18	6.1%	(3.7)	30.9	55.9	63.7
ADNOC Dist	48,874	3.91	3.95	2.40	23.53	17.59	4.9%	3.7	16.4	29.1	32.3
Agthia	3,816	5.30	5.59	2.50	107.22	1.70	2.8%	23.0	19.9	80.3	65.1
Air Arabia	6,487	1.39	1.61	0.87	NA	1.59	6.5%	10.3	25.2	19.8	(4.2)
Ajman Bank	1,680	0.80	0.90	0.50	60.88	0.67	0.0%	3.8	17.6	35.8	(9.5)
Al Waha Capital	2,139	1.10	1.20	0.62	NA	0.70	NA	(2.7)	5.8	35.8	19.6
Aldar Properties	26,182	3.33	3.39	1.35	14.65	1.05	4.4%	4.4	54.2	93.6	62.7
Amanat Holdings	2,032	0.81	0.92	0.56	138.27	0.82	2.7%	(4.1)	1.4	(8.3)	5.2
Amlak Finance	391	0.26	0.48	0.20	NA	0.79	0.0%	(1.9)	(4.0)	(18.2)	(43.5)
Aramex	6,442	4.40	4.49	2.00	17.87	2.52	3.8%	(0.0)	3.5	30.6	26.6
Bank of Sharjah	1,369	0.65	0.83	0.50	NA	0.42	0.0%	(2.7)	23.0	17.5	(19.6)
DAMAC Properties	8,470	1.40	1.75	0.36	NA	0.65	NA	(8.5)	46.0	66.9	93.4
Dana Gas	4,925	0.70	0.94	0.53	NA	0.62	7.8%	(4.1)	(0.4)	3.1	(18.5)
Deyaar Development	1,704	0.30	0.37	0.18	46.53	0.38	0.0%	1.0	4.2	6.1	(20.3)
Dubai Financial Market	9,520	1.19	1.24	0.50	65.56	1.23	2.1%	26.6	45.1	54.7	31.4
Dubai Investment	7,143	1.68	1.72	0.98	11.58	0.60	NA	14.3	47.4	46.1	32.4
Dubai Islamic Bank	36,782	5.08	5.86	3.04	9.70	0.98	6.9%	9.0	21.8	31.3	(3.7)
DXB Entertainments	664	0.08	0.20	0.08	NA	0.58	0.0%	(30.8)	(29.1)	(29.7)	(57.0)
Emaar Dev	12,160	3.04	3.97	1.79	6.11	1.11	0.0%	10.1	33.9	44.8	(22.1)
Emaar Malls	25,377	1.95	1.99	0.98	22.26	1.34	0.0%	3.2	35.4	39.3	6.0
Emaar Properties	29,569	4.13	4.24	1.90	7.05	0.52	0.0%	17.3	55.3	57.6	(1.9)
Emirates Integrated Tele	30,324	6.69	6.71	4.33	16.56	3.57	5.1%	16.1	21.6	32.2	21.8
Emirates NBD	72,323	11.45	13.90	6.33	9.74	0.87	3.5%	5.5	13.9	30.1	(12.5)
Eshraq Investments	765	0.33	0.46	0.16	NA	0.54	NA	(3.5)	7.5	26.1	3.8
Etisalat	180,888	20.80	20.80	11.02	20.23	3.86	3.8%	20.2	23.2	25.1	32.4
First Abu Dhabi Bank	163,577	14.98	15.92	7.78	16.49	1.62	4.9%	12.6	33.3	39.7	1.7
GFH	2,407	0.67	0.93	0.45	19.10	0.69	5.1%	9.3	16.8	20.5	(12.4)
Gulf Navigation Holding	428	0.42	0.55	0.28	NA	0.81	0.0%	(0.2)	2.4	(10.6)	(6.2)
IHC	77,044	42.30	42.30	7.82	34.99	13.57	NA	3.9	8.2	36.5	371.0
Julphar	1,617	1.40	1.54	0.54	NA	1.47	0.0%	(3.4)	(6.0)	22.8	60.5
Mashreqbank	12,604	71.00	75.10	62.00	19.10	0.60	5.6%	4.6	4.4	6.1	(7.8)
National Bank of Fujairah	9,535	4.98	4.98	4.98	NA	NA	1.9%	NA	NA	NA	3.3
Tabreed	7,305	2.69	2.75	1.67	14.21	1.47	3.9%	2.3	17.0	41.6	31.9
RAK Bank	6,804	4.06	5.00	3.33	9.83	0.89	7.4%	6.6	16.0	12.8	(10.6)
RAK Properties	1,228	0.61	0.61	0.33	11.29	0.32	6.5%	29.3	60.3	73.9	45.5
RAK Ceramics	1,699	1.71	1.81	1.24	20.65	0.74	8.4%	11.8	26.7	27.6	16.9
SALAMA	1,021	0.84	0.92	0.30	6.55	1.18	NA	(4.5)	13.7	62.9	62.6
Sharjah Islamic Bank	4,160	1.35	1.36	0.95	8.60	0.54	3.5%	3.8	16.4	20.5	16.1
SHUAA Capital	1,932	0.76	0.88	0.40	18.14	1.36	NA	9.6	24.9	43.0	(10.4)
Takaful Emarat Insurance	238	1.59	1.60	1.17	NA	1.91	5.2%	1.3	11.2	18.7	27.2
TAQA	163,025	1.45	1.78	0.42	53.90	2.62	0.0%	2.5	2.5	46.5	222.0
Union Properties	1,244	0.29	0.39	0.15	4.31	0.41	0.0%	(2.4)	(0.0)	4.3	29.5
United Arab Bank	1,751	0.85	0.90	0.81	NA	1.05	0.0%	NA	(5.0)	(5.0)	(5.4)

(Source: Bloomberg)

^ current dividend yield based on last year dividend declaration

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