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Yesterday, the EGX 30 failed to keep on a rebounding spirit, drifting 1.19% down. Egyptian retail investors were strong buyers on Monday, and as you might have guessed, institutional investors – especially Egyptian – were strong sellers. That's why it was no surprise to see the EGX 70 EWI diverge from EGX 30, with the former ending the day up 2.4%. As we progress forward in 2021, it's yet unclear when exactly the long-awaited shift from small to large caps will happen. We believed, and we still do, that cherry picking and individual stock selection, regardless of sector preference, is the optimal strategy in today's market.

Now, on to the top news and analysis for the day.

2. TOP NEWS & ANALYSIS**TABLE OF CONTENTS****MACRO NEWS**

Data from Kpler for Ship Tracking showed that 16 tankers loaded with liquefied natural gas are preparing to enter the Suez Canal, which is double the number since Friday with the container ship Ever Given was fully floated yesterday after being stranded for about a week. ([Al-Borsa](#), [Hapi](#))

Egypt's impending relisting in the JP Morgan emerging-market government bond index could attract USD4.8bn in new inflows and lead the Egyptian pound to appreciate by 5% against the dollar, Rand Merchant Bank (RMB) estimated on Monday. ([Reuters](#))

CORPORATE NEWS

SODIC's [OCDI] 2020 revenues rose to c.EGP5.6bn (+3.7% y/y), and net profits increased to EGP819mn (+14% y/y). On another note, OCDI's BoD proposed cash dividends of EGP0.55/share. Furthermore, OCDI's budget for 2021 is targeting gross sales of EGP8.8bn (+19% y/y) and delivering 1,200 units which would be translated into c.EGP7bn (+25% y/y) with construction spending targeted at EGP3.9bn. (Company disclosures: [1](#), [2](#), [Al-Mal](#))

Oriental Weavers Carpet's [ORWE] subsidiary Oriental Weavers International bought a 1.41% stake in Egyptian Propylene & Polypropylene Co. (EPP) for USD7.8mn, in an effort to enhance its vertical integration strategy. ([Company disclosure](#))

TMG Holding's [TMGH] OGM approved a dividend of EGP0.145/share in two equal payouts of EGP0.0725/share. The first payment will be made on 15 May 2021 or earlier and the second on 15 June 2021 or earlier. ([Company disclosure](#))

Unipak's [UNIP] OGM approved distributing a cash dividend of EGP0.11/share, implying a dividend yield of 0.8%. ([Company disclosure](#))

Telecom Egypt's [ETEL] OGM gave the go-ahead for dividends of EGP1.28bn, or EGP0.75/share, for 2020, suggesting a 7% yield. ([Company disclosure](#))

Taaleem Management Services [TALM] will debut on the EGX at an IPO price of EGP5.75/share (7% below the IPO maximum price of EGP6.2/share). This implies an LTM EV/adjusted EBITDA of 16.9x and an LTM P/E of 29x. ([Company disclosure](#))

Macro Group Pharmaceuticals set the price of its planned IPO of ordinary shares on the Egyptian Exchange (EGX) at a range between EGP5.30-6.15/share. ([Company disclosure](#))

LSE-listed Integrated Diagnostics Holding [LSE: IDHC] is considering the dual listing of its ordinary shares on EGX in April. ([Enterprise](#))

Abu Dhabi Islamic Bank - Egypt's [ADIB] subsidiary AD Lease has signed a memorandum of understanding with Osoul Securities, according to which the latter will obtain funds directly to finance Osoul's clients margin trading. ([Al-Mal](#))

Edita Food Industries [EFID] aims to operate its Morocco plant by mid-year, the construction work of which had started back in Q4 2019. ([Al-Borsa](#))

GLOBAL NEWS

The Federal Reserve is not keeping monetary policy easy to enable the government to rung up debts and deficits. ([CNBC](#))

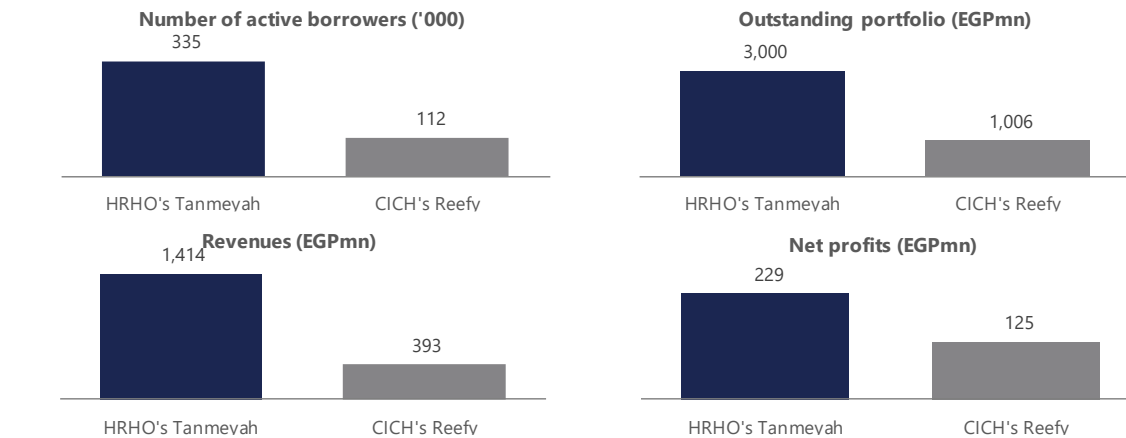
3. CHART OF THE DAY

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Sherif El Etr | Equity Analyst

seletr@egy.primegroup.org

HRHO's and CICH's Microfinance Arms Performance Comparison in 2020



Source: Company reports, Prime Research.

Egypt's microfinance sector grew in 2020 by 13.3% to EGP18.7bn as reported by the FRA. Looking at HRHO's and CICH's two microfinance arms, we saw Tanmeyah's portfolio dropping by 6% y/y to EGP3bn, while Reefy's grew by 46% y/y to EGP1bn. However, absolute numbers remain in HRHO's favor with domination in terms of operational and financial comparisons.

4. MARKETS PERFORMANCE

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| Current equity market cap (EGPbn) | | | | | Equity turnover (EGPmn): Last, ytd avg. | | | | |
|-----------------------------------|---------------|-----------|------------|----------|---|--------------|------------|----------|----------|
| 652.6 | | | | | 1,096.0 1,178.6 | | | | |
| | | | daily chg. | ytd chg. | | | daily chg. | ytd chg. | |
| | EGX 30 | 10,738.42 | (1.19%) | (0.99%) | | Gold | 1,712.20 | (1.17%) | (10.11%) |
| | EGX 30 TR | 4,135.48 | (0.76%) | (0.87%) | | Silver | 24.66 | (1.62%) | (6.52%) |
| | EGX 70 EWI | 1,952.41 | 2.39% | (8.98%) | | Brent Oil | 64.98 | (0.15%) | 25.25% |
| | EGX 100 EWI | 2,900.70 | 1.54% | (6.36%) | | WTI | 61.56 | (0.18%) | 26.65% |
| | DFMGI | 2,552.60 | 2.10% | 2.43% | | Natural Gas | 2.59 | 2.44% | 4.33% |
| | ADSMI | 5,824.13 | 1.17% | 16.68% | EGP | USD/EGP | 15.73 | 0.13% | (0.10%) |
| | TASI | 9,615.63 | 1.40% | 10.66% | € | EUR/USD | 1.18 | (0.03%) | (3.72%) |
| | QE Index | 10,323.98 | 1.30% | (1.07%) | £ | GBP/USD | 1.38 | 0.04% | 0.71% |
| | S&P 500 | 3,971.09 | (0.09%) | 5.72% | ¥ | USD/JPY | 109.81 | 0.15% | 6.52% |
| | Dow 30 | 33,171.37 | 0.30% | 8.38% | | 6M TB yield | 13.41 | 2 | 68 |
| | NASDAQ | 13,059.65 | (0.60%) | 1.33% | | 1Y TB yield | 13.38 | 2 | 61 |
| | VIX | 20.74 | 9.97% | (8.84%) | | 10Y TB yield | 14.79 | 8 | 40 |
| | STOXX 50 | 3,882.87 | 0.42% | 9.30% | | 2Y TB yield | 0.14 | (1) | 1 |
| | MSCI Emerging | 1,310.11 | 0.20% | 1.46% | | 10Y TB yield | 1.72 | 10 | 79 |
| | MSCI Frontier | 570.37 | (0.21%) | (0.22%) | | 30Y TB yield | 2.41 | 10 | 75 |

* As of market close, except for commodities and currencies at 8.28am CLT. Change in Treasuries is in basis points.

Source: Bloomberg, CBE.

5. LATEST EGX VALUATION MULTIPLES

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[Find out](#) how your favorite stocks compare to the rest of the market.

6. KEY DATES

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| DATE | TICKER | TYPE | EVENT |
|-----------|--------|-----------------|--|
| 30-Mar-21 | ALCN | BoD Meeting | Discussing 2021/22 budget. |
| 30-Mar-21 | CSAG | BoD Meeting | Discussing 2021/22 budget. |
| 30-Mar-21 | OCDI | Conference Call | FY2020 earnings. |
| 30-Mar-21 | EFID | OGM | Approving the financial statements ending 31 Dec. 2020, and discussing a dividend distribution and other agenda items. |
| 30-Mar-21 | AMER | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 30-Mar-21 | PHTV | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 30-Mar-21 | PHTV | EGM | Amending article 4 of the bylaws. |
| 30-Mar-21 | ELEC | OGM | Approving the financial statements ending 31 Dec. 2020 and the proposed dividend. |
| 30-Mar-21 | ELEC | EGM | Discussing a land sale. |
| 30-Mar-21 | ZMID | OGM | Approving the financial statements ending 31 Dec. 2020 and the proposed dividend. |
| 30-Mar-21 | MFPC | OGM | Approving the financial statements ending 31 Dec. 2020 and the proposed dividend. |
| 30-Mar-21 | PRMH | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 30-Mar-21 | PRMH | EGM | Discussing the agenda. |
| 30-Mar-21 | NEDA | EGM | Approving the financial statements ending 31 Dec. 2020. |
| 30-Mar-21 | EKHO | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 30-Mar-21 | COMI | OGM | Approving the financial statements ending 31 Dec. 2020 and the employee profit share distribution. |
| 31-Mar-21 | HELI | Cash dividend | Distribution date for dividends of EGP0.05/share (1st installment). |
| 31-Mar-21 | EMFD | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 31-Mar-21 | SPMD | OGM | Approving the financial statements ending 31 Dec. 2020 and the proposed dividend. |
| 31-Mar-21 | CERA | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 31-Mar-21 | CERA | EGM | Approving increasing the issued capital. |
| 31-Mar-21 | SUGR | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 31-Mar-21 | SUGR | EGM | Approving the company's participation to establish Qaha and Edfina Advanced Industries Company. |
| 31-Mar-21 | CIEB | OGM | Approving the financial statements ending 31 Dec. 2020 and the proposed dividend. |
| 31-Mar-21 | HELI | Auction | Open bid for 270 feddans in New Heliopolis. |
| 31-Mar-21 | LCSW | OGM | Approving the financial statements ending 31 Dec. 2020 and other agenda items. |
| 31-Mar-21 | ATQA | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 31-Mar-21 | ATQA | EGM | Amending articles 4 & 7 of the bylaws. |
| 31-Mar-21 | SKPC | OGM | Approving the financial statements ending 31 Dec. 2020 and the proposed dividend. |
| 31-Mar-21 | HDBK | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 31-Mar-21 | CANA | OGM | Approving the financial statements ending 31 Dec. 2020 and the proposed dividend. |

| | | | |
|-----------|-------|----------------|---|
| 31-Mar-21 | ACAMD | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 31-Mar-21 | ISPH | OGM | Approving the financial statements ending 31 Dec. 2020, and discussing a dividend distribution and other agenda items. |
| 31-Mar-21 | POUL | OGM | Approving the financial statements ending 31 Dec. 2020, and discussing a dividend distribution and other agenda items. |
| 31-Mar-21 | ETRS | OGM | Approving the financial statements ending 31 Dec. 2020, and discussing a dividend distribution and other agenda items. |
| 31-Mar-21 | ARCC | OGM | Approving the financial statements ending 31 Dec. 2020. |
| 31-Mar-21 | ORWE | OGM | Approving the financial statements ending 31 Dec. 2020, and discussing a dividend distribution and other agenda items. |
| 31-Mar-21 | COSG | OGM | Approving the financial statements ending 31 Dec. 2020, and discussing a dividend distribution and other agenda items. |
| 31-Mar-21 | COSG | EGM | Approving a capital reduction. |
| 31-Mar-21 | PIOH | OGM | Approving the financial statements ending 31 Dec. 2020, and discussing a dividend distribution. |
| 31-Mar-21 | DOMT | OGM | Approving the financial statements ending 31 Dec. 2020, and discussing a dividend distribution and other agenda items. |
| 31-Mar-21 | DOMT | EGM | Discussing a capital reduction. |
| 31-Mar-21 | CANA | Stock dividend | Record date for dividends at a 1-for-10 ratio. |
| 1-Apr-21 | CANA | Stock dividend | Distribution date for dividends at a 1-for-10 ratio. |
| 1-Apr-21 | PHDC | OGM | Approving the financial statements ending 31 Dec. 2020 and the acquisition of Mansour & Maghraby Inv. & Dev. Co.'s (MMID) stake in Palm Hills Taaleem and Eastern New Cairo for Real Estate Development and agenda items. |
| 4-Apr-21 | SWDY | OGM | Approving the financial statements ending 31 Dec. 2020 and the proposed dividend. |
| 4-Apr-21 | SWDY | EGM | Amending article 4 of the bylaws. |
| 4-Apr-21 | MICH | EGM | Approving the estimated budget for FY 2020/21 |
| 4-Apr-21 | BTFH | OGM | Approving the financial statements ending 31 Dec. 2020 and other agenda items. |
| 4-Apr-21 | BTFH | EGM | Approving an employee incentive system and discussing utilizing an asset representing 50% of the company's fixed assets. |

7. LATEST RESEARCH

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| DATE | PUBLISHED REPORT |
|-----------|--|
| 28-Mar-21 | Taaleem Management Services [TALM] – Enriching the Education Sector |
| 18-Mar-21 | EFG Hermes Holding [HRHO] – Challenging Year, Yet Growth Continues |
| 10-Mar-21 | MACROView – Still Below the Target, but Global Headwinds Cloud the Horizon |
| 8-Mar-21 | MACROView – Buffers Grew Despite Signs of Unwelcome Tightening of Financial Conditions |
| 7-Mar-21 | Al-Shams Housing & Development [ELSH] – Making Hay While the Sun Shines |
| 3-Mar-21 | MACROView – Weak Demand Still Weighing on the Rebound Trajectory |
| 2-Mar-21 | MACROView – Commodity Supercycle: Real or Hype? |
| 1-Mar-21 | Commercial International Bank [COMI] – Earnings Beat Despite Higher Provisions |
| 25-Feb-21 | Elsowedy Electric [SWDY] – Strong Set of Results Driven by Turnkey |



| | |
|-----------------|--|
| 22-Feb-21 | <u>CI Capital Holding [CICH] – Got the Hit, Yet Better Than Expected</u> |
| 10-Feb-21 | <u>MACROView – Disinflation Continues Amid Acceleration in Global Commodity Prices</u> |
| 8-Feb-21 | <u>Misr Chemical Industries [MICH] – Annually Wild, Quarterly Tamed</u> |
| 4-Feb-21 | <u>MACROView – External Buffers Are Still Restoring Grounds</u> |
| 3-Feb-21 | <u>MACROView – A Fragile Improvement but Favorable Sentiment</u> |
| 3-Feb-21 | <u>MACROView – External Woes vs. Cautious Optimism</u> |
| 2-Feb-21 | <u>STANDPoint – Egypt 2021 Investing Playbook</u> |
| 14-Jan-21 | <u>CI Capital Holding [CICH] – New Expansions = Further Growth</u> |
| 10-Jan-21 | <u>MACROView – Below End-of-Year Target</u> |
| 6-Jan-21 | <u>MACROView – On the Path to Further Recovery</u> |
| 5-Jan-21 | <u>MACROView – Rutted Road to Recovery</u> |
| 28-Dec-20 | <u>Elsewedy Electric [SWDY] – More Growth to Come</u> |
| 22-Dec-20 | <u>EFG Hermes Holding [HRHO] – Blueprinting Its Eminence</u> |
| 16-Dec-20 | <u>CIB [COMI] – Earnings beat despite higher provisions</u> |
| 10-Dec-20 | <u>MACROView – The Highest Reading in Seven Months</u> |
| 7-Dec-20 | <u>MACROView – Restored Ground</u> |
| 6-Dec-20 | <u>MACROView – Lost Momentum</u> |
| 3-Dec-20 | <u>MACROView – Not as Severe as Expected but All Eyes on the Scars</u> |
| 25-Nov-20 | <u>Misr Chemical Industries [MICH] – Pandemic Proof</u> |
| 10-Nov-20 | <u>MACROView – An expected rise as the new school year began</u> |
| 4-Nov-20 | <u>MACROView – The Stars Seem to Be Aligned for International Reserves</u> |
| 3-Nov-20 | <u>MACROView – The Highest Reading in Six Years</u> |
| 25-Oct-20 | <u>CIB [COMI] – Short-term pain for longer-term gain</u> |
| 11-Oct-20 | <u>MACROView – Disinflationary trend interrupted</u> |
| 11-Oct-20 | <u>MACROView – External strains are slacking and reserves are growing</u> |
| 6-Oct-20 | <u>CIB [COMI] – A Good Bet for the “Risk On” Mode</u> |
| 5-Oct-20 | <u>MACROView – Egypt’s recovery is broadening</u> |
| 10-Sep-20 | <u>MACROView – A Stunning Chapter Towards Targets</u> |
| 8-Sep-20 | <u>MACROView – Crawling Out of the Troughs</u> |
| 3-Sep-20 | <u>MACROView – Job losses and the bumpy road to recovery</u> |
| 18-Aug-20 | <u>Oriental Weavers Carpet [ORWE] – Q2 2020 Results</u> |
| 13-Aug-20 | <u>Credit Agricole Egypt [CIEB] – Q2 2020 Results</u> |
| 10-Aug-20 | <u>MACROView – Muted inflation environment still dominates</u> |

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| 9-Aug-20 | <u>MACROView – Recovery of FX revenues is a long-term goal, but the economy is still well armed</u> |
| 5-Aug-20 | <u>MACROView – Toward gradual recovery</u> |
| 29-Jul-20 | <u>MACROView – CAD gains eroded by financial account vulnerability</u> |
| 14-Jul-20 | <u>Commercial International Bank - [COMI] - Q2 2020 results</u> |
| 9-Jul-20 | <u>MACROView – Inflation driven by non-food baskets and unfavorable base effect</u> |
| 8-Jul-20 | <u>MACROView – Propped up by FX inflows, CBE amasses more reserves, turns NFA to net asset position</u> |
| 7-Jul-20 | <u>MACROView – Non-oil private sector keeps perking up in June, but demand stays depressed</u> |
| 25-Jun-20 | <u>EFG Hermes Holding [HRHO] – Behind the Optics of the Arab Investment Bank Potential Acquisition</u> |
| 10-Jun-20 | <u>MACROView – Lowest annual reading in five months, but monthly figures show no changes</u> |
| 8-Jun-20 | <u>Oriental Weavers Carpet [ORWE] – Operating margins improve despite COVID-19, thanks to lower PP and nylon prices</u> |
| 8-Jun-20 | <u>MACROView – Solid buffers and moderate depreciation: The CBE's recipe to deal with COVID-19</u> |
| 3-Jun-20 | <u>MACROView – Non-oil private sector took a breather in May, but outlook remains cloudy</u> |
| 18-May-20 | <u>Abu Dhabi Islamic Bank [ADIB] – Q1 2020 Results</u> |
| 18-May-20 | <u>Al Baraka Bank Egypt [SAUD] – Q1 2020 Results</u> |
| 17-May-20 | <u>Credit Agricole Egypt [CIEB] – Q1 2020 Results</u> |
| 13-May-20 | <u>MACROView – Yesterday's CBE conference call with Deputy Governor</u> |
| 11-May-20 | <u>MACROView– Acceleration in April driven by food prices – as expected</u> |
| 7-May-20 | <u>MACROView – Keeping head above water amid pandemic uncertainties</u> |
| 5-May-20 | <u>Commercial International Bank (CIB) - Egypt [COMI] – Q1 2020 Results</u> |

Prime Securities

Shawkat El Maraghy

Managing Director

T +202 3300 5622

SElmaraghy@egy.primegroup.org

Sales

Mohamed Ezzat

Head of Sales & Branches

T +202 3300 5784

MEzzat@egy.primegroup.org

Mohamed Ashmawy

Head of Institutional Sales

T +202 3300 5612

MAshmawy@egy.primegroup.org

Amr Alaa CFTe

Team Head –Institutional Desk

T +202 3300 5609

AAlaa@egy.primegroup.org

Mohamed El Metwaly

Manager

T +202 3300 5610

MElmetwaly@egy.primegroup.org

Emad El Safoury

Manager

T +202 3300 5624

EElsafoury@egy.primegroup.org

Shawkat Raslan

Heliopolis Branch Manager

T +202 3300 5110

SRaslan@egy.primegroup.org

Nashwa Abuelatta

Alexandria Branch Manager

T +202 3300 5173

NAbuelatta@egy.primegroup.org

Research

Amr Hussein Elalfy CFA

Head of Research

T +202 3300 5724

AElalfy@egy.primegroup.org

Head Office

Prime Securities S.A.E.

Regulated by FRA License No. 179.
Member of the Egyptian Exchange.

2 Wadi Elnil St., Liberty Tower, 7th Fl.
Mohandessin, Giza, Egypt

T +202 3300 5700 / 770 / 650 / 649

F +202 3760 7543

Branches

Heliopolis

7 Elheqaz Square
Heliopolis, Cairo, Egypt

T +202 2777 0600

F +202 2777 0604

Alexandria

7 Albert Al Awal St.
Smouha, Alexandria, Egypt

T +202 3300 8170

F +202 3305 4622

Website

www.primeholdingco.com

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