

**TABLE OF CONTENTS**

1. Today's Trading Playbook	2. Top News & Analysis	3. Chart of the Day
4. Markets Performance	5. Latest EGX Valuation Multiples	6. Key Dates
		7. Latest Research

## As Expected

### 1. Today's Trading Playbook

[\*\*TABLE OF CONTENTS\*\*](#)

#### KEY THEMES

In line with our expectation and market consensus, the Central Bank of Egypt's Monetary Policy Committee (MPC) opted to hold policy rates unchanged. Our chief economist **Mona Bedeir** spelled out [last Thursday](#) the rationale behind the "hold" decision from her point of view, be it locally driven (with inflation still anchored around the CBE's target) or globally driven (with higher global commodity prices adding more pressure on other EMs to raise rates).

Meanwhile, we think the government's push to stimulate the manufacturing sector targeting exports should bode well for certain EGX-listed companies. With the government adding automotive, ceramics, and pharma, we could see interest building in some names, such as EIPICO [**PHAR**], GB Auto [**AUTO**], Lecico Egypt [**LCSW**], and Rameda [**RMDA**] – all in alphabetical order.

#### POSITIVE

**AUTO, LCSW, PHAR, RMDA:** All could benefit from the government's move to support the manufacturing sector.

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

### 2. TOP NEWS & ANALYSIS

[\*\*TABLE OF CONTENTS\*\*](#)

#### MACRO NEWS

**In line with our expectations, the CBE kept its key interest rates unchanged during its MPC meeting on Thursday for the fifth time in a row.** The decision came to reflect the rising risks of global commodity prices and inflation and their impact on the stance of monetary policy around the globe. ([CBE](#))

**The government announced finally its long-awaited new export subsidy program that will come into effect next fiscal year (starting next July) for three years.** The new program added now eligible sectors to enroll for export subsidy for first time including the automotive,

ceramics, pharma, electronics, and chemicals industries. Moreover, the program introduced incentives for exports headed to the African market. ([Cabinet](#))

## CORPORATE NEWS

**Cairo for Investment & Real Estate Development [CIRA] is negotiating with three international banks to fund about 40-50% of the establishment costs of its first applied technologies university in Badr City, which was announced last week, with investments amounting to c.EGP2bn.** CIRA, meanwhile, aims to establish four schools nationwide and to open three nurseries during 2021. The company is also considering acquiring the total shares of the UAE-based **Star Light Educational DMCC** over the next three years after its acquisition of an 80% stake in Star Light last May. Accordingly, CIRA plans to inject investments of EGP3bn during the upcoming three years. (Hapi)

**As part of its strategy, Heliopolis Housing & Development [HELI] sold a portfolio of deferred rights owned by the company to Export Development Bank of Egypt [EXPA]. The nominal value of the portfolio is EGP329.1mn with a present value of EGP283.9mn.** ([Company disclosure](#))

**Sinai Cement's [SCEM] consolidated net losses after minorities widened to EGP148mn in Q1 2021** (vs. a net loss of EGP105.8mn in Q1 2020) on the back of heavier gross losses of EGP59.1mn (vs. EGP50.1mn in Q1 2020) and higher SG&A. ([Company disclosure](#))

**The FRA rejected a request from Arab Ceramic Co. "Ceramica Remas" [CERA] for a 10-for-1 stock split.** ([Mubasher](#))

**Banque du Caire's [BQDC] Q1 2021 stand-alone net profit rose 20% y/y to EGP1bn, as a result of 4.2% y/y growth in net interest income (NII).** ROAE reached 23.3%, while total assets grew 3% ytd to EGP211bn, backed by a 12% ytd increase in gross loans to EGP93.5bn (Al-Borsa)

## GLOBAL NEWS

**Stocks on Wall Street had their worst week in nearly four months** after comments from Federal Reserve policymakers that signaled the U.S. central bank was acutely aware of budding inflationary pressures. ([FT](#))

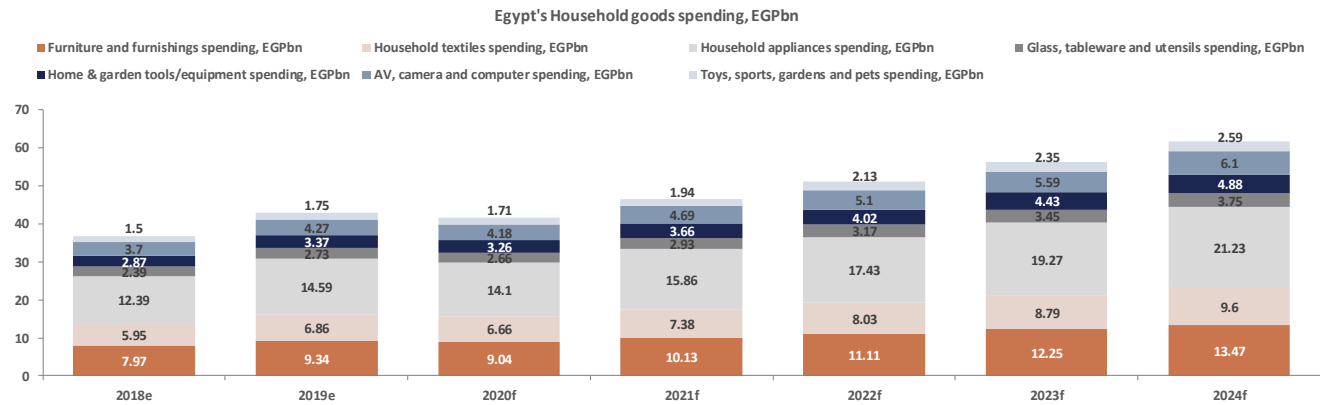
**The U.S. oil output growth will likely remain limited in 2021 despite rising prices,** an OPEC source said, giving it more power to manage the market in the short term before a potentially strong rise in shale output in 2022. ([Reuters](#))

### 3. CHART OF THE DAY

### TABLE OF CONTENTS

Nada Wagdy | Equity Analyst

[nwagdy@egy.primegroup.org](mailto:nwagdy@egy.primegroup.org)



After the drop witnessed in Egypt's total household consumption during 2020 due to COVID-19, total household consumption is expected at EGP47bn in 2021, a recovery of 12% y/y. According to Fitch Solutions, spending on home appliances will be the main driver with an expected growth of 18% y/y in 2021. The recovery in household consumption is evidenced by Oriental Weavers Carpet's **[ORWE]** Q1 2021 results which recorded a top line and net income of EGP2.8bn (+22% y/y) and EGP300mn (72% y/y), respectively. MM Group for Industry & International Trade's **[MTIE]** results also reflected this recovery with revenues growing to EGP2.5bn (+13% y/y), driven mainly by growth in its consumer appliances (+15% y/y, c.65% of total revenues) and auto revenues (+33% y/y, c.35% of total revenues) in Q1 2021. Accordingly, MTIE saw a net income of EGP127mn (+20% y/y).

## 4. MARKETS PERFORMANCE

## TABLE OF CONTENTS

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.				
633.1					1,403.4 1,178.6				
			daily chg.	ytd chg.			daily chg.	ytd chg.	
	EGX 30	9,865.59	(0.15%)	(9.03%)		Gold	1,764.16	(0.53%)	(7.07%)
	EGX 30 TR	3,815.16	(1.23%)	(8.55%)		Silver	25.79	(0.46%)	(2.33%)
	EGX 70 EWI	2,297.48	2.73%	7.10%		Brent Oil	73.51	0.59%	41.91%
	EGX 100 EWI	3,226.45	2.01%	4.15%		WTI	71.64	0.84%	47.65%
	DFMGI	2,862.66	0.80%	14.88%		Natural Gas	3.22	(1.17%)	26.62%
	ADSMI	6,646.83	(0.75%)	31.74%	EGP	USD/EGP	15.67	0.16%	(0.46%)
	TASI	10,853.12	(0.03%)	24.90%	€	EUR/USD	1.19	(0.36%)	(2.88%)
	QE Index	10,743.45	(0.36%)	2.95%	£	GBP/USD	1.38	(0.80%)	1.02%
	S&P 500	4,166.45	(1.31%)	10.93%	¥	USD/JPY	110.21	0.00%	6.74%
	Dow 30	33,290.08	(1.58%)	8.77%		6M TB yield	13.38	(1)	65
	NASDAQ	14,030.38	(0.92%)	8.86%		1Y TB yield	13.29	(4)	52
	VIX	20.70	16.62%	(9.01%)		10Y TB yield	14.83	(0)	44
	STOXX 50	4,083.37	(1.80%)	14.94%		2Y TB yield	0.25	4	12
EM	MSCI Emerging	1,361.25	(0.12%)	5.42%		10Y TB yield	1.44	(14)	51
FM	MSCI Frontier	637.05	0.07%	11.44%		30Y TB yield	2.02	(21)	36

\* As of market close. Change in Treasuries is in basis points.

Source: Bloomberg, CBE.

## 5. LATEST EGX VALUATION MULTIPLES

## TABLE OF CONTENTS

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

## 6. KEY DATES

## TABLE OF CONTENTS

DATE	TICKER	TYPE	EVENT
20-Jun-21	UASG	BoD meeting	Discussing amendments to the company's bylaws.
20-Jun-21	UNIP	Cash dividend	Payment date for a dividend of EGP0.011/share.
21-Jun-21	MOIL	OGM	Approving the financial statements and other agenda items.
21-Jun-21	MOIL	EGM	Approving a capital reduction.
24-Jun-21	MENA	EGM	Amending articles 5 and 39 of the bylaws.
26-Jun-21	CSAG	OGM	Approving the estimated budget of FY 2021/22.
26-Jun-21	UASG	OGM	Approving the estimated budget of FY 2021/22.
26-Jun-21	ALCN	OGM	Approving the estimated budget of FY 2021/22.
28-Jun-21	DSCW	OGM	Approving the financial statements ending 31 Dec. 2020 and other agenda items.
29-Jun-21	RACC	EGM	Discussing a capital decrease and amending articles 4, 6 and 7 of the bylaws.
29-Jun-21	CIEB	OGM	Approving a capital increase and other agenda items.
29-Jun-21	CIEB	EGM	Amending articles 6 and 7 of the bylaws.

29-Jun-21	HELI	Cash dividend	Date for a payout of EGP0.16/share (2nd round).
29-Jun-21	HELI		The deadline for buying a copy of the bidding terms for Heliopark.
30-Jun-21	IDHC	OGM	Approving the financial statements and approving distributing dividends.
30-Jun-21	CICH	Cash dividend	Date for a payout of EGP0.05/share (2nd round).
30-Jun-21	EGTS	OGM	Approving the financial statements and other agenda items.

## 7. LATEST RESEARCH

## TABLE OF CONTENTS

DATE	PUBLISHED REPORT
16-June-21	<a href="#"><u>B Investments Holding [BINV] – Strong Financials, Growing Investments</u></a>
14-June-21	<a href="#"><u>Al-Shams Housing &amp; Development [ELSH] – Earnings Flattened by Factoring Cost</u></a>
10-June-21	<a href="#"><u>MACROView – Inflation Risk Rising, but Still Within Target</u></a>
8-June-21	<a href="#"><u>TAKEStock – Telecom Egypt [ETEL] – Show Me the Dividends</u></a>
6-June-21	<a href="#"><u>MACROView – Further Enhancement</u></a>
3-June-21	<a href="#"><u>MACROView – Contraction Eased</u></a>
23-May-21	<a href="#"><u>Orascom Construction [ORAS] – Earnings Short of Our Estimates</u></a>
23-May-21	<a href="#"><u>CI Capital Holding [CICH] – Earnings Dented by One-off ESOP Expense</u></a>
22-May-21	<a href="#"><u>Commercial International Bank [COMI] – Earnings Growth Driven by Lower Provisions</u></a>
20-May-21	<a href="#"><u>Crédit Agricole Egypt (CAE) [CIEB] – Slowing Lending Inhibits Earnings Growth</u></a>
20-May-21	<a href="#"><u>EFG Hermes Holding [HRHO] – Recovery Signs; Back on Track</u></a>
18-May-21	<a href="#"><u><b>B Investments Holding [BINV] – Exits Kick Off, Unlocking Value</b></u></a>
18-May-21	<a href="#"><u>Elsewedy Electric [SWDY] – Financials promise a buoyant year ahead</u></a>
17-May-21	<a href="#"><u>Misr Chemical Industries [MICH] – Another Chapter of Strong Annual Growth</u></a>
11-May-21	<a href="#"><u>MACROView – Inflation Eased but Stage Still Set for a Pick-Up</u></a>
9-May-21	<a href="#"><u>MACROView – Stability Prevailed</u></a>
6-May-21	<a href="#"><u>MACROView – The Road to Recovery Gets Longer</u></a>
18-Apr-21	<a href="#"><u>MACROView – Challenges Remain Daunting</u></a>
<b>13-Apr-21</b>	<a href="#"><u><b>Crédit Agricole Egypt (CAE) [CIEB] – The Value Algorithm</b></u></a>
<b>12-Apr-21</b>	<a href="#"><u><b>Orascom Construction [ORAS] – Rich in Value</b></u></a>
11-Apr-21	<a href="#"><u>MACROView – Monthly Reading Pressured By Seasonality</u></a>
6-Apr-21	<a href="#"><u>MACROView – FX Assets Well Placed to Mitigate Potential Risks</u></a>
6-Apr-21	<a href="#"><u>MACROView – Still Downbeat</u></a>
28-Mar-21	<a href="#"><u>Taaleem Management Services [TALM] – Enriching the Education Sector</u></a>
18-Mar-21	<a href="#"><u>EFG Hermes Holding [HRHO] – Challenging Year, Yet Growth Continues</u></a>

10-Mar-21	<a href="#"><u>MACROView – Still Below the Target, but Global Headwinds Cloud the Horizon</u></a>
8-Mar-21	<a href="#"><u>MACROView – Buffers Grew Despite Signs of Unwelcome Tightening of Financial Conditions</u></a>
<b>7-Mar-21</b>	<b><a href="#"><u>AI-Shams Housing &amp; Development [ELSH] – Making Hay While the Sun Shines</u></a></b>
3-Mar-21	<a href="#"><u>MACROView – Weak Demand Still Weighing on the Rebound Trajectory</u></a>
2-Mar-21	<a href="#"><u>MACROView – Commodity Supercycle: Real or Hype?</u></a>
1-Mar-21	<a href="#"><u>Commercial International Bank [COMI] – Earnings Beat Despite Higher Provisions</u></a>
25-Feb-21	<a href="#"><u>Elsewedy Electric [SWDY] – Strong Set of Results Driven by Turnkey</u></a>
22-Feb-21	<a href="#"><u>CI Capital Holding [CICH] – Got the Hit, Yet Better Than Expected</u></a>
10-Feb-21	<a href="#"><u>MACROView – Disinflation Continues Amid Acceleration in Global Commodity Prices</u></a>
8-Feb-21	<a href="#"><u>Misr Chemical Industries [MICH]– Annually Wild, Quarterly Tamed</u></a>
4-Feb-21	<a href="#"><u>MACROView – External Buffers Are Still Restoring Grounds</u></a>
3-Feb-21	<a href="#"><u>MACROView – A Fragile Improvement but Favorable Sentiment</u></a>
3-Feb-21	<a href="#"><u>MACROView – External Woes vs. Cautious Optimism</u></a>
<b>1-Feb-21</b>	<b><a href="#"><u>STANDPoint – Egypt 2021 Investing Playbook</u></a></b>
<b>14-Jan-21</b>	<b><a href="#"><u>CI Capital Holding [CICH] – New Expansions = Further Growth</u></a></b>
10-Jan-21	<a href="#"><u>MACROView – Below End-of-Year Target</u></a>
6-Jan-21	<a href="#"><u>MACROView – On the Path to Further Recovery</u></a>
5-Jan-21	<a href="#"><u>MACROView – Rutted Road to Recovery</u></a>
<b>28-Dec-20</b>	<b><a href="#"><u>Elsewedy Electric [SWDY] – More Growth to Come</u></a></b>
<b>22-Dec-20</b>	<b><a href="#"><u>EFG Hermes Holding [HRHO] – Blueprinting Its Eminence</u></a></b>
16-Dec-20	<a href="#"><u>CIB [COMI] – Earnings beat despite higher provisions</u></a>
10-Dec-20	<a href="#"><u>MACROView – The Highest Reading in Seven Months</u></a>
7-Dec-20	<a href="#"><u>MACROView – Restored Ground</u></a>
6-Dec-20	<a href="#"><u>MACROView – Lost Momentum</u></a>
3-Dec-20	<a href="#"><u>MACROView – Not as Severe as Expected but All Eyes on the Scars</u></a>
<b>25-Nov-20</b>	<b><a href="#"><u>Misr Chemical Industries [MICH] – Pandemic Proof</u></a></b>
10-Nov-20	<a href="#"><u>MACROView – An expected rise as the new school year began</u></a>
4-Nov-20	<a href="#"><u>MACROView – The Stars Seem to Be Aligned for International Reserves</u></a>
3-Nov-20	<a href="#"><u>MACROView – The Highest Reading in Six Years</u></a>
25-Oct-20	<a href="#"><u>CIB [COMI] – Short-term pain for longer-term gain</u></a>
11-Oct-20	<a href="#"><u>MACROView – Disinflationary trend interrupted</u></a>
11-Oct-20	<a href="#"><u>MACROView – External strains are slacking and reserves are growing</u></a>



6-Oct-20	<b><u>CIB [COMI] – A Good Bet for the “Risk On” Mode</u></b>
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>
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>

## Prime Securities

### Shawkat ElMaraghy

Managing Director

T +20233005622

[SElmaraghy@egy.primegroup.org](mailto:SElmaraghy@egy.primegroup.org)

## Sales

### Mohamed Ezzat

Head of Sales & Branches

T +20233005784

[MEzzat@egy.primegroup.org](mailto:MEzzat@egy.primegroup.org)

### Mohamed Ashmawy

Head of Institutional Sales

T +20233005612

[MAshmawy@egy.primegroup.org](mailto:MAshmawy@egy.primegroup.org)

### Amr Alaa CFTe

Team Head - Institutional Desk

T +20233005609

[AAlaa@egy.primegroup.org](mailto:AAlaa@egy.primegroup.org)

### Mohamed ElMetwaly

Manager

T +20233005610

[MElmetwaly@egy.primegroup.org](mailto:MElmetwaly@egy.primegroup.org)

### Emad ElSafoury

Manager

T +20233005624

[EElsafoury@egy.primegroup.org](mailto:EElsafoury@egy.primegroup.org)

### Shawkat Raslan

Heliopolis Branch Manager

T +20233008130

[SRaslan@egy.primegroup.org](mailto:SRaslan@egy.primegroup.org)

### Nashwa Abuelatta

Alexandria Branch Manager

T +20233005173

[NAbuelatta@egy.primegroup.org](mailto:NAbuelatta@egy.primegroup.org)

## Research

### Amr Hussein Elalfy CFA

Head of Research

T +20233005724

[AElalfy@egy.primegroup.org](mailto:AElalfy@egy.primegroup.org)

## Head Office

Prime Securities S.A.E.

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

2 Wadi El Nil St, Liberty Tower, 7<sup>th</sup> Fl.  
Mohandessin, Giza, Egypt

T +20233005700/770/650/649

F +20237607543

## Branches

### Heliopolis

7 Elheqaz Square  
Heliopolis, Cairo, Egypt

T +20227770600

F +20227770604

### Alexandria

7 Albert Al Awa St.  
Smouha, Alexandria, Egypt

T +20233008170

F +20233054622

## Website

[www.primeholdingco.com](http://www.primeholdingco.com)

## Disclaimer

Information included in this report has no regard to specific investment objectives, financial situation, advices or particular needs of the report users whether they received them directly or through any research pool and other specialized websites. The report is published for information purposes only and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Unless specifically stated otherwise, all price information is only considered as indicator. No express or implied representation or guarantee is provided with respect to completeness, accuracy or reliability of information included in this report. Past performance is not necessarily an indication of future results. Fluctuation of foreign currency rates of exchange may adversely affect the value, price, or income of any products mentioned in this report. Information included in this report should not be regarded by report users as a substitute for the exercise of their own due diligence and analysis based on own assessment and judgment criteria. Any opinions given are subject to change without notice and may significantly differ or be contrary to opinions expressed by other Prime business areas as a result of using different assumptions and criteria. Prime Group is under no obligation responsible to update or keep current the information contained herein. Prime Group, its directors, officers, employees or clients may have or have had interests or long or short positions in the securities and/or currencies referred to herein, and may at any time make purchases and/or sales in them as principal or agent. Prime Group, its related entities, directors, employees, and agents accept no liability whatsoever for any loss or damage of any kind arising from the use of all or part of these information included in this report whether it is received directly or through research pools and other specialized websites. Certain laws and regulations impose liabilities which cannot be disclaimed. This disclaimer shall, in no way, constitute a waiver or limitation of any rights a person may have under such laws and/or regulations. Furthermore, Prime Group or any of the group companies may have or have had a relationship with or may provide or have provided other services, within its objectives to the relevant companies.

Copyrights © 2021, Prime Group, ALL RIGHTS RESERVED. You are hereby notified that distribution and copying of this document is strictly prohibited without the prior approval of Prime Group.