

**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

## High Yield Cheapness

### 1. Today's Trading Playbook

[TABLE OF CONTENTS](#)

#### KEY THEMES

Global markets are starting the week on a somewhat optimistic note over the situation with China Evergrande Group. Meanwhile, commodities, among other asset classes, are pulling back higher, with oil near its best levels since October 2018. Brent oil prices reached to USD78.64/bbl this morning on fears that global output disruptions will drain inventories. Also, a shortage of natural gas in Europe hiked costs across the continent.

The continued euphoria in oil prices as well as other commodities could threaten a more decisive hawkish stance by global central banks, refuting the assumption that global inflation could be transitory. This incidentally comes after the Fed's recent remarks, indicating that tapering is more imminent than before.

Here at home, the EGX 30 recovered a little bit from its recent slump, gaining in the last three consecutive sessions despite closing yesterday quite far off its intraday high. However, the three-day winning streak has seen thin trading activities on large cap stocks. Given the area in which the EGX 30 currently trades, the index's 2022e P/E is currently as low as 6.2x, implying an earnings yield of 16%, which looks cheap.

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

### 2. TOP NEWS & ANALYSIS

[TABLE OF CONTENTS](#)

#### MACRO NEWS

**The Central Bank of Egypt (CBE) said that it will begin issuing licenses allowing mobile contactless payments.** ([Enterprise](#)) This step will allow merchants to use mobile apps as a substitute of the POS in accepting financial transactions, particularly with small merchants which allows for less costly POS and easier transaction.

**The fuel price indexation committee will meet in early October 2021 to determine the prices of petroleum products for the last quarter of this year.** ([Economy Plus](#))



**The CBE intends to launch a new initiative for small-, medium-, and micro-sized enterprises,** which includes a digital platform to prepare them to start up companies. ([Economy Plus](#))

**Six financial institutions are taking part in launching an EGP500mn real estate fund** that will invest in commercial and administrative properties. ([Enterprise](#))

## CORPORATE NEWS

**Palm Hills Developments [PHDC] inked an EGP2.5bn 7.5-year syndicated loan agreement with Banque Misr and National Bank of Egypt to finance part of Palm Hills New Cairo project's investment cost.** ([Company release](#))

**The Egyptian Salts & Minerals Co. "Emisal" received offers to establish Lake Qarun's industrial complex that will produce sulfate, sodium chloride, and magnesium sulfate.**

Orascom Construction [[ORAS](#)] and **Hassan Allam** submitted their offers. (Al-Borsa)

**Speed Medical [SPMD] signed a contract with MEDAF Investments to conduct, through Speed Labs, COVID-19 PCR tests for workers traveling to Libya.** ([Al-Mal](#))

**El-Nasr Clothing & Textiles Co.'s [KABO] FY21 KPIs showed net losses narrowing to EGP16mn vs. EGP41mn a year ago on higher gross profit margin of 16% (+347bps y/y).** Revenues, however, dropped 26% y/y to EGP274mn during the same period. ([Company disclosure](#))

**Amanat Holdings [DFM: AMANAT], Dubai-based investment firm specialized in the health care and education sectors, plans to invest about AED1bn** by acquiring controlling stakes in Egyptian, Saudi, and Emirati companies over the coming period. ([Al-Arabiya](#))

## GLOBAL NEWS

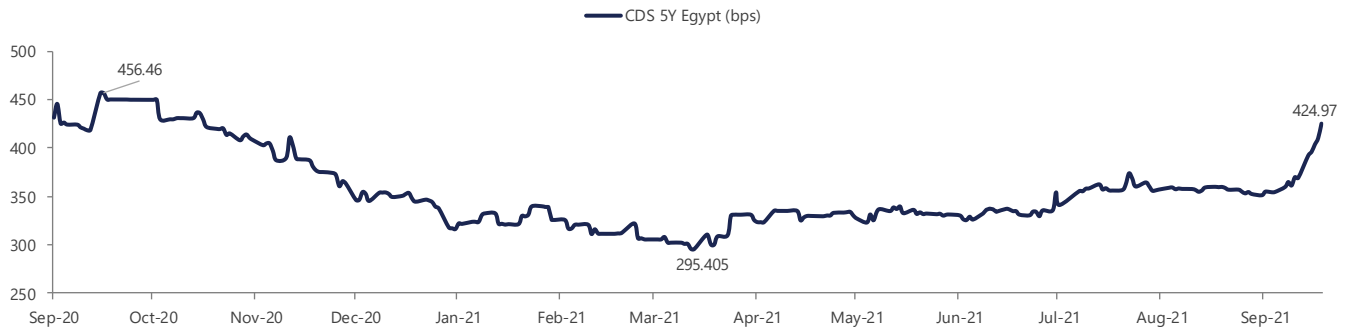
**China's power crunch, caused by tight coal supplies and toughening emissions standards,** has triggered a contraction in heavy industry across several regions and is dragging on the country's economic growth rate, analysts said. ([Reuters](#))

**The Federal Reserve's signal that it will soon unwind its bond buying program, is bolstering the case in financial markets for the so-called reflation trade,** which lifted treasury yields and boosted shares of banks, energy firms, and other economically-sensitive companies in the early months of 2021. ([Reuters](#))

## 3. CHART OF THE DAY

## TABLE OF CONTENTS

Mona Bedeir | Chief Economist











































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

Source: Bloomberg.

Egypt's credit default swap (CDS), which measures the level of sovereign default risk, hit its highest level in almost a year on Friday after the Fed's hawkish tapering talk. Data showed that 5-year CDS climbed to 424.97bps, the highest since September 2020. The country's CDS was on an upward trajectory since the beginning of September, recording the fastest monthly increase since the peak of the COVID-19 crisis.

## 4. MARKETS PERFORMANCE

## TABLE OF CONTENTS

Current equity market cap (EGPbn)						712.1		Equity turnover (EGPmn): Last, ytd avg.						1,189.0		1,178.6						
						daily chg.		ytd chg.								daily chg.		ytd chg.				
		EGX 30	10,649.76	0.07%	(1.80%)														Gold	1,750.42	0.44%	(7.36%)
		EGX 30 TR	4,158.17	0.04%	(0.33%)														Silver	22.42	(0.41%)	(14.33%)
		EGX 70 EWI	2,792.26	1.03%	30.17%														Brent Oil	78.09	1.27%	52.66%
		EGX 100 EWI	3,748.42	0.70%	21.00%													WTI	73.98	1.31%	54.47%	
		DFMGI	2,832.00	(0.27%)	13.65%														Natural Gas	5.14	3.62%	109.77%
		ADSMI	7,774.81	(0.64%)	54.13%												EGP		USD/EGP	15.70	(0.22%)	(0.21%)
		TASI	11,352.86	0.73%	30.65%												€		EUR/USD	1.17	(0.01%)	(4.07%)
		QE Index	11,313.50	0.65%	8.41%												£		GBP/USD	1.37	(0.12%)	(0.05%)
			S&P 500	4,455.48	0.15%	18.62%												¥		USD/JPY	110.73	(0.05%)
		Dow 30	34,798.00	0.10%	13.69%														6M TB yield	12.61	(0)	(12)
		NASDAQ	15,047.70	(0.03%)	16.75%													1Y TB yield	13.03	0	26	
		VIX	17.75	(4.72%)	(21.98%)													10Y TB yield	14.69	(2)	30	
		STOXX 50	4,158.51	(0.87%)	17.05%														2Y TB yield	0.28	4	15
EM		MSCI Emerging	1,265.10	(0.58%)	(2.03%)														10Y TB yield	1.45	14	52
FM		MSCI Frontier	662.52	(0.13%)	15.90%														30Y TB yield	1.99	17	33

\* As of market close, except for commodities and currencies at 8.35am CLT. 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
27-Sep-21	AFMC	BoD Meeting	Discussing financial results.
27-Sep-21	ALCN	BoD Meeting	Discussing August financials and other agenda items.
28-Sep-21	HRHO	OGM	Approving increasing the issued capital and amending articles 6 & 7 of the bylaws.
29/09/2021	MICH	BoD Meeting	Follow up on production, sales and exports.
29-Sep-21	DEIN	OGM	Approving the financial statements and other agenda items.
29-Sep-21	CICH	EGM	Amending articles 4, 7 & 19 of the bylaws.
29-Sep-21	IFAP	OGM	Approving the financial statements and other agenda items.
29-Sep-21	IFAP	EGM	Amending articles 3, 24 & 31 of the bylaws.
30-Sep-21	AIFI	OGM	Discussing listing Atlas Siwa for Agricultural Development on the Nilex.
30-Sep-21	CICH	Cash dividend	Date for paying out EGP0.10/share (3rd round).
30-Sep-21	ANFI	OGM	A board reshuffle.
30-Sep-21	ANFI	EGM	Amending article 7 of the bylaws.
30-Sep-21	MOED	OGM	Approving the financial statements and other agenda items.
30-Sep-21	MICH	OGM	Discussing a dividend distribution for FY2020/21.
2-Oct-21	NRPD	EGM	Amending article 46 of the bylaws.
4-Oct-21	CIRA	Cash dividend	Last date for eligibility for a dividend of EGP0.17/share.
5-Oct-21	CIRA	Cash dividend	Ex-dividend date for EGP0.17/share.
10-Oct-21	CIRA	Cash dividend	Payment date for a dividend of EGP0.17/share.
10-Oct-21	DOMT	BoD meeting	Discussing financial results.
11-Oct-21	ISMQ	OGM	Discussing 2020/21 financials.
11-Oct-21	ISMQ	EGM	Amending the articles of association.
13-Oct-21	IRON	OGM	Approving financial statements and other agenda items.
14-Oct-21	CERA	EGM	Approving the 4-for-1 stock split
14-Oct-21	RAKT	OGM	Approving financial statements and other agenda items.
14-Oct-21	RAKT	EGM	Discussing article 38 of the law.
17-Oct-21	WCDF	OGM	Approving financial statements for FY2017-FY2021.
17-Oct-21	WCDF	EGM	Amending the articles of incorporation.
18-Oct-21	AMOC	Cash dividend	Last date for eligibility for a dividend of EGP0.150/share.
19-Oct-21	AMOC	Cash dividend	Ex-dividend date for EGP0.150/share.
21-Oct-21	AMOC	Cash dividend	Payment date for a dividend of EGP0.150/share.
27-Oct-21	AIH	Lawsuit	A court session discussing legal disputes relevant to the company.
28-Oct-21		MPC Meeting	Determining the CBE's policy rate.
30-Oct-21	EGTS	OGM	Approving the financial statements and other agenda items.
31-Oct-21	MNHD	Cash dividend	Date for paying out EGP0.30/share (2nd installment).

**7. LATEST RESEARCH****TABLE OF CONTENTS**

<b>DATE</b>	<b>PUBLISHED REPORT</b>
19-Sep-21	<a href="#"><u>TAKEStock – Consumer Staples (Food &amp; Beverage) – All You Can Eat Festival</u></a>
15-Sep-21	<a href="#"><u>MACROView – Deciphering the Din of Battle</u></a>
14-Sep-21	<a href="#"><u>TAKEStock – Orascom Investment Holding [OIH] — Monetization at Play</u></a>
9-Sep-21	<a href="#"><u>MACROView – Hot Summer Winds</u></a>
7-Sep-21	<a href="#"><u>MACROView – The Global Blessing Windfall</u></a>
6-Sep-21	<a href="#"><u>MACROView – Tempered, But Cautious, Optimism</u></a>
5-Sep-21	<a href="#"><u>Misr Chemical Industries [MICH] – Nice While It Lasted</u></a>
29-Aug-21	<a href="#"><u>Orascom Construction [ORAS] – Recovery on Track Although Below Estimates</u></a>
24-Aug-21	<a href="#"><u>Abu Qir Fertilizers [ABUK] – When the Stars Align</u></a>
18-Aug-21	<a href="#"><u>EFG Hermes Holding [HRHO] – Solid Business, Strong Financial Growth</u></a>
17-Aug-21	<a href="#"><u>Elsowedy Electric [SWDY] – Impressive Set of Results</u></a>
17-Aug-21	<a href="#"><u>Commercial International Bank [COMI] – Adjustment Post Stock Dividend</u></a>
16-Aug-21	<a href="#"><u>B Investments Holding [BINV] – Growth Dented Across the Board</u></a>
11-Aug-21	<a href="#"><u>Crédit Agricole Egypt (CAE) [CIEB] – Non-Interest Income Heals Earnings Growth</u></a>
10-Aug-21	<a href="#"><u>MACROView – July's Feverous Inflation</u></a>
9-Aug-21	<a href="#"><u>CI Capital Holding [CICH] – Robust Exit Saves the Day</u></a>
5-Aug-21	<a href="#"><u>MACROView – The Sky Is No Blue</u></a>
4-Aug-21	<a href="#"><u>MACROView – Constrained Recovery</u></a>
26-Jul-21	<a href="#"><u>EFG Hermes Holding [HRHO] – FV and 12MPT Adjustment to Bonus Share Action</u></a>
13-Jul-21	<a href="#"><u>Commercial International Bank [COMI] – Tamed Credit Provisions Spur Annual Growth</u></a>
8-Jul-21	<a href="#"><u>MACROView – Inflation Edged Up, As Expected</u></a>
8-Jul-21	<a href="#"><u>MACROView – External Buffers Still Powering Ahead</u></a>
6-Jul-21	<a href="#"><u>MACROView – A Steady and Slow Recovery in the Making</u></a>
<b>5-July-21</b>	<b><a href="#"><u>Abu Qir Fertilizers [ABUK] – Talking U</u></a></b>
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>
<b>18-May-21</b>	<b><a href="#"><u>B Investments Holding [BINV] – Exits Kick Off, Unlocking Value</u></a></b>
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>	<b><a href="#"><u>Crédit Agricole Egypt (CAE) [CIEB] – The Value Algorithm</u></a></b>
<b>12-Apr-21</b>	<b><a href="#"><u>Orascom Construction [ORAS] – Rich in Value</u></a></b>
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>Al-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>

1-Feb-21	<b><u>STANDPoint – Egypt 2021 Investing Playbook</u></b>
14-Jan-21	<b><u>CI Capital Holding [CICH] – New Expansions = Further Growth</u></b>
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	<b><u>Elsewedy Electric [SWDY] – More Growth to Come</u></b>
22-Dec-20	<b><u>EFG Hermes Holding [HRHO] – Blueprinting Its Eminence</u></b>
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	<b><u>Misr Chemical Industries [MICH] – Pandemic Proof</u></b>
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	<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>

## Prime Securities

### Shawkat El Maraghy

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 El Safoury

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.