

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

Welcome Back!

1. Today's Trading Playbook

TABLE OF CONTENTS**KEY THEMES**

Welcome back everyone! It has been a long vacation here at home. However, it wasn't a very calm one on the global markets front. Last Wednesday, the U.S. Federal Reserve hiked interest rates by 50bps, with planned hikes in the remaining meetings of 2022. Furthermore, the Fed's chairman mentioned that a 75bps hike is not on the cards. At first, markets welcomed the decision, since it was already priced in beforehand. However, U.S. equities slipped notably during the last two sessions of the last week, as investors doubted the promises made by the Fed, in view of the growing notion of overwhelming inflation and its implication on global growth. Analysts believe that while interest rate risk was front and center so far in 2022, the environment of higher interest rate will lead the market to perceive credit and liquidity risks. This is projected in light of the recent movements in developed markets' Treasury yields, as well as the Fed's balance sheet reduction as part of a Quantitative Tightening (QT) efforts.

Elsewhere, Abu Qir Fertilizers [**ABUK**] has reported its preliminary Q3 2021/22 figures, which resulted in a wide bottom line beat of EGP3.7bn (+97% q/q) (+10% vs. PRe). ABUK has witnessed a historical quarter thanks to a 61% q/q growth in top line of EGP5.8bn (+2% vs. PRe) and a 4.6pp sequential improvement in GPM. Reasons for such historical quarter remain ultra-high urea prices, as well as higher subsidized local urea prices. We hypothesize that the strong beat in net earnings could partially include non-operational events (e.g. FX-related gains). We note that ABUK's performance in 9M 2021/22 resulted in net earnings of EGP6.9bn (+185% y/y). ABUK is on the road to surpass our previous 2021/22 target of EGP7.1bn. ABUK is one of the 15 stocks we had picked in our **STAND**Point 2022 strategy outlook published on 30 January 2022. We will be revising our 12MPT (set previously at EGP31/share) in view of the considerably better than expected Q3 2021/22. ABUK is currently traded at 2021/22 P/E of only 4x.

Moreover, Misr Chemical Industries [**MICH**] reported its March 2022 earnings of EGP23.4mn, bringing 9M 2021/22 bottom line of EGP148mn (+38% y/y) due to significantly higher caustic soda prices, coupled with improved y/y utilization rate. We note that Q3 2021/22 earnings alone came at EGP52mn, where 45% of the quarter earnings taking place in March 2022. Hence, we again presume that the quarter's earnings may have include non-operational events (e.g. FX related gains). We note that MICH has already achieved our bottom line target for the entirety of 2021/22. In light of 9M 2021/22 preliminary figures, we will be raising our EPS projection for

MICH by c.15-20% upward. MICH is one of the 15 stocks we had picked in our STANDPoint 2022 strategy outlook published on 30 January 2022. We have an Overweight recommendation for the name, with our 12MPT of EGP13.9/share (ETR +43%). MICH is currently traded at 2021/22 P/E of only 4x.

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

2. TOP NEWS & ANALYSIS

TABLE OF CONTENTS

MACRO NEWS

Egypt plans to offer shares in state owned companies on the EGX starting next September, according to Public Enterprise Minister Hisham Tawfik. ([Enterprise](#))

Abu Dhabi Ports (ADP) has signed a contract to develop, operate and manage a multi-purpose terminal in Safaga Port as part of a joint venture with the Red Sea Ports Authority and the Transport Ministry's commercial arm. ([Enterprise](#))

The Ministry of Petroleum and Eni are implementing a pilot carbon capture project at the Italian energy firm's Meleiha concessions in the Western Desert. The pilot project — which marks Egypt's first carbon capture initiative — is being implemented at a cost of USD25mn and aims to store some 25,000-30,000 tons of carbon dioxide each year. ([Enterprise](#))

CORPORATE NEWS

Qalaa Holdings [CCAP] narrowed its losses to EGP2.3bn in 2021 from EGP2.6bn a year earlier, thanks to 27% y/y growth in total revenues of EGP45.8bn. ([Company disclosure](#))

Juhayna Food Industries [JUFO] announced its 2021 consolidated results; revenues came at EGP8.8bn (+17% y/y). Meanwhile, GPM came pressured at 28.7% compared to 32.1% (-3.4pp) due to a worldwide increase in SMP prices. On the contrary, NPM came higher at 6.0% in 2021 (+0.3pp) due to a decrease in SG&A to revenues of 18.3% (-0.3pp). Juhayna is currently trading at a P/E of 13.4x. ([Company disclosure](#))

Abu Qir Fertilizers' [ABUK] scheduled maintenance for its Abu Qir III facility will take place this May 2022. ([Mubasher](#))

Egyptian Financial and Industrial [EFIC] standalone bottom line in Q1 2022 surged to EGP96.4mn vs EGP20.3mn a year earlier thanks to 68% growth in top line of EGP308.6mn. ([Mubasher](#))

Ibnsina Pharma [ISPH] shareholders approved dividend distribution of EGP0.10/share, a 3.8% dividend yield. ([Company disclosure](#))

Kahraba, a subsidiary of Egypt Kuwait Holding [EKHO], has announced an agreement with Wartsila to supply Borg El Arab power plant with new equipment to increase capacity by 20MW. ([Company release](#))

Delta Sugar's [SUGR] preliminary indicators showed a flat y/y bottom line of EGP76.9mn. ([Mubasher](#))

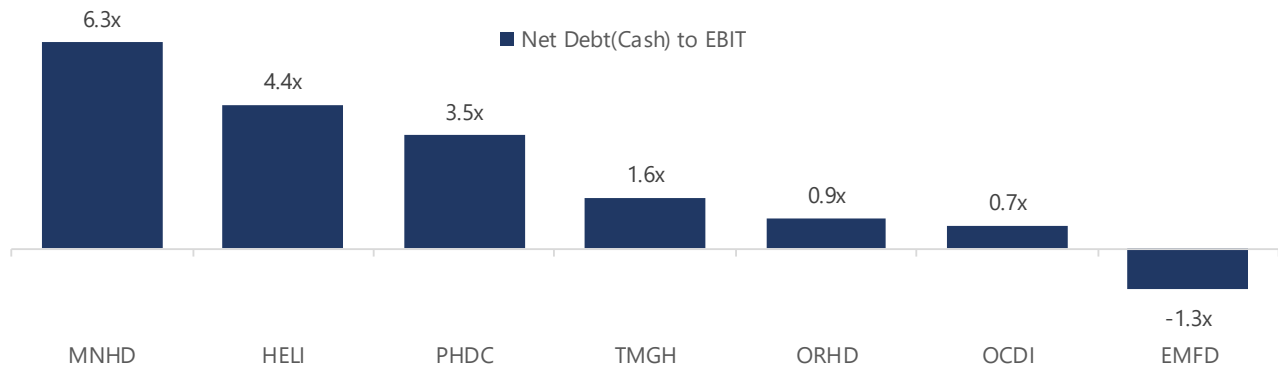
General Company for Silos & Storage [GSSC] reported bottom line growth of 10% y/y of EGP86.1mn in the 9M 2021/22. ([Mubasher](#))

3. CHART OF THE DAY

[TABLE OF CONTENTS](#)

Hossain Zaman | Equity Analyst
hzaman@egy.primegroup.org

Net debt to EBIT for real estate names












































Source: Companies' reports, Investing.com.

Compared to its peers, Madinet Nasr Housing & Development [**MNHD**] is considered highly leveraged.

4. MARKETS PERFORMANCE

TABLE OF CONTENTS

Current equity market cap (EGPbn)						715.1							
						daily chg.		ytd chg.					
		EGX 30	11,047.70	3.07%	(7.54%)			Gold	1,883.81	0.35%	2.99%		
		EGX 30 TR	4,445.19	2.97%	(5.76%)				Silver	22.36	(0.67%)	(4.07%)	
		EGX 70 EWI	1,873.98	2.74%	(14.89%)					Brent Oil	112.39	1.34%	47.13%
		EGX 100 EWI	2,851.09	2.87%	(12.41%)					WTI	109.77	1.39%	49.61%
		DFMGI	3,694.89	(1.04%)	15.61%					Natural Gas	8.04	(8.43%)	115.63%
		ADSMI	10,073.03	(0.06%)	18.67%		EGP			USD/EGP	18.48	(0.01%)	(15.02%)
		TASI	13,733.87	0.66%	21.74%	€		EUR/USD	1.06	0.09%	(7.20%)		
		QE Index	13,590.81	(0.16%)	16.90%	£		GBP/USD	1.23	(0.11%)	(8.75%)		
			S&P 500	4,123.34	(0.57%)	(13.49%)	¥		USD/JPY	130.56	(0.28%)	(11.86%)	
		Dow 30	32,899.37	(0.30%)	(9.46%)			6M TB yield	13.62	15	89		
		NASDAQ	12,144.66	(1.40%)	(22.37%)			1Y TB yield	13.63	21	86		
		VIX	30.19	(3.24%)	75.32%			10Y TB yield	14.71	(0)	32		
	STOXX 50	3,629.17	(1.82%)	(15.57%)				2Y TB yield	2.68	11	255		
EM		MSCI Emerging	1,031.50	(2.57%)		(16.28%)		10Y TB yield	3.13	36	220		
FM		MSCI Frontier	580.22	(0.94%)		(12.83%)		30Y TB yield	3.23	37	157		

* 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

DATE	TICKER	TYPE	EVENT
8-May-22	NINH	Cash dividend	Deadline for eligibility for a dividend of EGP0.05/share.
8-May-22	OIH	OGM	Approving financial statements ending 31 Dec. 2021 and the proposed dividends.
9-May-22	MOIL	EGM	Discussing capital reduction and amending article No.4 of the company's bylaws.
9-May-22	NINH	Cash dividend	Ex-dividend date for EGP0.05/share.
9-May-22	NEDA	OGM	Approving financial statements ending 31 Dec. 2021 and other agenda items.
9-May-22	ABUK	Cash dividend	Deadline for eligibility for a dividend of EGP1.00/share.
10-May-22	TMGH	Cash dividend	Deadline for eligibility for a dividend of EGP0.174/share.
10-May-22	ABUK	Cash dividend	Ex-dividend date for EGP1.00/share.
11-May-22	ELKA	OGM	Approving financial statements ending 31 Dec. 2021 and the proposed dividends.
11-May-22	NINH	Cash dividend	Date for paying out a dividend of EGP0.05/share.
12-May-22	ABUK	Cash dividend	Date for paying out a dividend of EGP1.00/share.

12-May-22	RTVC	OGM	Approving financial statements ending 31 Dec. 2021 and other agenda items.
12-May-22		MSCI	MSCI's May 2022 Semi-Annual Index Review Announcement.
12-May-22	UNIT	EGM	Discussing capital reduction.
13-May-22	EDBM	OGM	Approving financial statements ending 31 Dec. 2021 and other agenda items.
14-May-22	MTIE	OGM	Approving financial statements ending 31 Dec. 2021 and the proposed dividends.
14-May-22	MTIE	EGM	Amending Articles No. 3, 21, 24 & 31 of the company's bylaws.
15-May-22	TMGH	Cash dividend	Payment date for a dividend of EGP0.087/share (1st installment).
15-May-22	AMIA	Stock dividend	Last date for eligibility for a 0.20-for-1 stock dividend.
15-May-22	MOED	Stock dividend	Last date for eligibility for a 0.042-for-1 stock dividend.
16-May-22	MOED	Stock dividend	Date for distributing a 0.042-for-1 stock dividend.
16-May-22	CICH	Cash dividend	Deadline for eligibility for a dividend of EGP0.25/share.
16-May-22	AMIA	Stock dividend	Date for distributing a 0.20-for-1 stock dividend.
16-May-22	SVCE	OGM	Approving financial statements ending 31 Dec. 2021 and other agenda items.
16-May-22	EGTS	OGM	Approving financial statements and other agenda items.

7. LATEST RESEARCH

DATE PUBLISHED REPORT

28-Apr-22	<u>MACROView – Din of Battle Getting Louder</u>
17-Apr-22	<u>MACROView – Before the Grand Storm</u>
14-Apr-22	<u>EFG Hermes Holding [HRHO] – Rating Cut on Withdrawal of FAB's Bid</u>
12-Apr-22	<u>MACROView – Mounting External Vulnerabilities</u>
10-Apr-22	<u>MACROView – Much Higher Inflation ... and Longer</u>
24-Mar-22	<u>EFG Hermes Holding [HRHO] – The Best Is Yet to Come</u>
23-Mar-22	<u>CI Capital Holding [CICH] – A Year to Remember</u>
22-Mar-22	<u>Orascom Construction [ORAS] – A Clear Devaluation Winner</u>
10-Mar-22	<u>MACROView – The Dizzying Speed</u>
6-Mar-22	<u>MACROView – On the Back Foot</u>
2-Mar-22	<u>MACROView – Calculating the Ferocity</u>
1-Mar-22	<u>Housing & Development Bank [HDBK] – Credit Provisions Flattened Earnings Growth</u>
27-Feb-22	<u>Export Development Bank of Egypt [EXPA] – A Year to Forget</u>
22-Feb-22	<u>Commercial International Bank (CIB) [COMI] – 2021, a Grand Finale</u>
21-Feb-22	<u>Crédit Agricole Egypt (CAE) [CIEB] – Non-Interest Income Saves the Day</u>
20-Feb-22	<u>Abu Dhabi Islamic Bank - Egypt [ADIB] – Wise Utilization Enhances Profitability</u>
17-Feb-22	<u>Al Baraka Bank Egypt [SAUD] – Earnings Pressured by Higher Cost of Risk</u>

16-Feb-22	<u>MACROView – A Soothing Message From the CBE ... and Our Takeaways</u>
14-Feb-22	<u>Abu Qir Fertilizers [ABUK] – Another Record-High Quarter</u>
13-Feb-22	<u>Misr Chemical Industries [MICH] – Annually Wild, Quarterly Tamed</u>
10-Feb-22	<u>MACROView – Ebb and Flow</u>
10-Feb-22	<u>MACROView – The Cloudy Year Has Just Begun</u>
9-Feb-22	<u>Elsowedy Electric [SWDY] – Ending 2021 on a Good Note</u>
8-Feb-22	<u>MACROView – A Fall in Disguise</u>
7-Feb-22	<u>Macro Group Pharmaceuticals [MCRO] – Not the Usual Pharma Stock</u>
1-Feb-22	<u>MACROView – The Ripple Effect</u>
31-Jan-22	<u>Obour Land For Food Industries [OLFI] – Double-Digit Growth Complements a Resilient Story</u>
30-Jan-22	<u>STANDPoint – Egypt Valuation Repertoire — 2022 Outlook</u>
12-Jan-22	<u>QNB Alahli [QNBA] – Slow Earnings Pace Despite Assets Growth</u>
10-Jan-22	<u>MACROView – The Last Reading Ahead of a Cloudy Year</u>
30-Dec-21	<u>EGYPTCeramics – From Dusk to Dawn</u>
26-Dec-21	<u>Obour Land For Food Industries [OLFI] – A Play on Consumption Recovery</u>
22-Dec-21	<u>MACROView – The Return of the ‘Vigilante’</u>
14-Dec-21	<u>MACROView – When “Bad” Inflation Clouds the Path of “Good” Inflation</u>
9-Dec-21	<u>MACROView – Another Retreat ... Until Further Notice</u>
8-Dec-21	<u>MACROView – For Stormy Days, Eyes on the Ball</u>
7-Dec-21	<u>EGYPTBanks – Takeoff Time</u>
5-Dec-21	<u>MACROView – Searching for Lost Momentum</u>
21-Nov-21	<u>TAKEStock – Nitrogen Fertilizers Local Price Hike</u>
17-Nov-21	<u>EFG Hermes Holding [HRHO] – Earnings Growth Skyrocketing ex-One-Offs</u>
17-Nov-21	<u>Orascom Construction [ORAS] – BESIX – Back on Track Again</u>
15-Nov-21	<u>B Investments Holding [BINV] – Growth Dented Across the Board – Take 2</u>
15-Nov-21	<u>Elsowedy Electric [SWDY] – A Quarter to Forget?</u>
14-Nov-21	<u>Misr Chemical Industries [MICH] – A Healthy Kick-off to a Promising Year</u>
14-Nov-21	<u>Abu Qir Fertilizers [ABUK] – A “One-of-a-Kind” Quarter</u>
14-Nov-21	<u>Commercial International Bank [COMI] – Elegant Earnings Growth on All Fronts</u>
10-Nov-21	<u>MACROView – The Calm Before the Storm, or Maybe Not</u>
10-Nov-21	<u>CI Capital Holding [CICH] – Record-Breaking Quarter</u>
7-Nov-21	<u>Crédit Agricole Egypt (CAE) [CIEB] – Earnings Recover on Lower Provisions</u>

4-Nov-21	<u>MACROView – Underlying Strength, but Gathering Headwinds</u>
3-Nov-21	<u>MACROView – Gathering Clouds</u>
1-Nov-21	<u>TAKEStock – Separating the Wheat from the Chaff</u>
31-Oct-21	<u>TAKEStock – Natural Gas Price Hike</u>
19-Oct-21	<u>MACROView – The Storm Is Gone but the Headwinds Persist</u>
13-Oct-21	<u>e-finance [EFIH] – An Eye-Opening IPO</u>
10-Oct-21	<u>MACROView – Walking a Tightrope</u>
6-Oct-21	<u>MACROView – On “Risk Control” Mode</u>
6-Oct-21	<u>MACROView – The Tortuous Path to Recovery</u>
19-Sep-21	<u>TAKEStock – Consumer Staples (Food & Beverage) – All You Can Eat Festival</u>
15-Sep-21	<u>MACROView – Deciphering the Din of Battle</u>
14-Sep-21	<u>TAKEStock – Orascom Investment Holding [OIH] — Monetization at Play</u>
9-Sep-21	<u>MACROView – Hot Summer Winds</u>
7-Sep-21	<u>MACROView – The Global Blessing Windfall</u>
6-Sep-21	<u>MACROView – Tempered, But Cautious, Optimism</u>
5-Sep-21	<u>Misr Chemical Industries [MICH] – Nice While It Lasted</u>
29-Aug-21	<u>Orascom Construction [ORAS] – Recovery on Track Although Below Estimates</u>
24-Aug-21	<u>Abu Qir Fertilizers [ABUK] – When the Stars Align</u>
18-Aug-21	<u>EFG Hermes Holding [HRHO] – Solid Business, Strong Financial Growth</u>
17-Aug-21	<u>Elsewedy Electric [SWDY] – Impressive Set of Results</u>
17-Aug-21	<u>Commercial International Bank [COMI] – Adjustment Post Stock Dividend</u>
16-Aug-21	<u>B Investments Holding [BINV] – Growth Dented Across the Board</u>
11-Aug-21	<u>Crédit Agricole Egypt (CAE) [CIEB] – Non-Interest Income Heals Earnings Growth</u>
10-Aug-21	<u>MACROView – July’s Feverous Inflation</u>
9-Aug-21	<u>CI Capital Holding [CICH] – Robust Exit Saves the Day</u>
5-Aug-21	<u>MACROView – The Sky Is No Blue</u>
4-Aug-21	<u>MACROView – Constrained Recovery</u>
26-Jul-21	<u>EFG Hermes Holding [HRHO] – FV and 12MPT Adjustment to Bonus Share Action</u>
13-Jul-21	<u>Commercial International Bank [COMI] – Tamed Credit Provisions Spur Annual Growth</u>
8-Jul-21	<u>MACROView – Inflation Edged Up, As Expected</u>
8-Jul-21	<u>MACROView – External Buffers Still Powering Ahead</u>
6-Jul-21	<u>MACROView – A Steady and Slow Recovery in the Making</u>



5-Jul-21	<u>Abu Qir Fertilizers [ABUK] – Talking U</u>
16-Jun-21	<u>B Investments Holding [BINV] – Strong Financials, Growing Investments</u>
14-Jun-21	<u>Al-Shams Housing & Development [ELSH] – Earnings Flattened by Factoring Cost</u>
10-Jun-21	<u>MACROView – Inflation Risk Rising, but Still Within Target</u>
8-Jun-21	<u>TAKEStock – Telecom Egypt [ETEL] – Show Me the Dividends</u>
6-Jun-21	<u>MACROView – Further Enhancement</u>
3-Jun-21	<u>MACROView – Contraction Eased</u>
23-May-21	<u>Orascom Construction [ORAS] – Earnings Short of Our Estimates</u>
23-May-21	<u>CI Capital Holding [CICH] – Earnings Dented by One-off ESOP Expense</u>
22-May-21	<u>Commercial International Bank [COMI] – Earnings Growth Driven by Lower Provisions</u>
20-May-21	<u>Crédit Agricole Egypt (CAE) [CIEB] – Slowing Lending Inhibits Earnings Growth</u>
20-May-21	<u>EFG Hermes Holding [HRHO] – Recovery Signs; Back on Track</u>
18-May-21	<u>B Investments Holding [BINV] – Exits Kick Off, Unlocking Value</u>
18-May-21	<u>Elsewedy Electric [SWDY] – Financials promise a buoyant year ahead</u>
17-May-21	<u>Misr Chemical Industries [MICH] – Another Chapter of Strong Annual Growth</u>

Prime Securities

Shawkat El Maraghy

Managing Director

T +20233005622

SElmaraghy@egy.primegroup.org

Sales

Mohamed Ezzat

Head of Sales & Branches

T +20233005784

MEzzat@egy.primegroup.org

Mohamed Ashmawy

Head of Institutional Sales

T +20233005612

MAshmawy@egy.primegroup.org

Amr Alaa CFTe

Team Head-Institutional Desk

T +20233005609

AAlaa@egy.primegroup.org

Mohamed ElMetwaly

Manager

T +20233005610

MElmetwaly@egy.primegroup.org

Emad El Safoury

Manager

T +20233005624

EElsafoury@egy.primegroup.org

Shawkat Raslan

Heliopolis Branch Manager

T +20233008130

SRaslan@egy.primegroup.org

Nashwa Abuelatta

Alexandria Branch Manager

T +20233005173

NAbuelatta@egy.primegroup.org

Research

Amr Hussein Elalfy CFA

Head of Research

T +20233005724

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, 7th 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

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 © 2022, 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.