

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

Markets' Conundrum

1. Today's Trading Playbook

TABLE OF CONTENTS**KEY THEMES**

U.S. equities rose aggressively yesterday, whereas bond yields went down, despite the Fed hiking rates by as much as 75 bps, and signaling more. However, Fed Chair mentioned that the hiking cycle target would be a "neutral" level, which will not be encouraging nor hindering more growth. Bullish waves continued to travel into other markets, with European futures point to a green opening, Meanwhile, Brent oil prices bounced back above the USD100/bbl as sentiment improves.

Elsewhere, news sources points to a possible interest from ADQ to acquire a state owned Sugar manufacturer listed on the stock exchange. This of course leaves no option but to think about Delta Sugar [**SUGR**], given it's the only state owned Sugar manufacturer listed on the EGX. While such news still within the space of market chatters, the stock rose in a convincingly fashion in the last couple of days. We remind you that we issued a [TAKESock report on SUGR dated 8 June 2022](#), saying how SUGR's price is mismatching its improving fundamentals big time. We note that SUGR stock rose 20% since we published our TAKESock report. Since SUGR's fundamentals still in place, we remain bullish on the name, with our 12MPT of EGP22.2/share (ETR +68%).

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

2. TOP NEWS & ANALYSIS

TABLE OF CONTENTS**MACRO NEWS**

Egypt is working to resolve differences with the IMF in talks for a fresh assistance program, according to Finance Minister. ([Enterprise](#))

The government is still holding out hope that it could sell stakes on the EGX in as many as ten companies before the end of the year, according to Finance Minister. ([Enterprise](#))

The government has signed an MoU with an Indian renewables company to establish a green hydrogen plant in the Suez Canal Economic Zone with investments worth USD8bn and a capacity of 220ktpa. ([Cabinet](#))

CORPORATE NEWS

Obour Land Food Industries [OLFI] reported consolidated net profits of EGP90mn (+22% y/y) in Q2 2022 compared to EGP74mn a year earlier. This was due to a lower SG&A-to-revenues ratio of 7% (-1pp y/y). Meanwhile, revenues came in at EGP873mn (+37% y/y) driven by a higher white cheese selling prices, as well as higher cheese volumes, reaching to 25,000 tons (+8% y/y). The cheese segment contributed by 34.5% to the overall top-line growth, while juice & milk contributed by 2.5%. Gross profit and EBITDA also increased to EGP191mn (+24% y/y) and EGP143mn (+23% y/y) respectively, albeit implying a lower margins of 22% (-2pp y/y) and 16% (-2pp y/y) respectively. ([Company disclosure](#))

Cairo for Investment & Real Estate Development's [CIRA] future flow securitization program has gotten the nod from the Financial Regulatory Authority (FRA), which will be Egypt's first-ever future flow securitization. (Enterprise, FRA [1](#) [2](#))

Arabian Food Industries "Domty" [DOMT] submitted five projects for the industrial cooperation initiative between Egypt, UAE, Jordon, and Bahrain. ([Amwal Al Ghad](#))

Eastern Co [EAST] is targeting to expand its exports through opening new markets in the coming period. Meanwhile, EAST's management is studying whether the company is impacted by the higher fuel prices and higher raw material prices or not, and how they will act upon it. ([Arab Finance](#))

The Arab Ceramic Company - Ceramica Remas [CERA] announced its Q2 results where revenues reached EGP219.48mn compared to EGP198.75mn in the same period last year (+10.4% y/y). Net profits came at EGP12mn, where it had a minor decrease compared to Q2 2021, which came at EGP12.4mn (-3.4% y/y). GPM decreased from 10.8% in Q2 2021 to 9.2% in Q2 2022 (-1.6pp y/y). ([Company disclosure](#))

Aman, the subsidiary of Raya Financial Holding [RAYA], targets a securitizations worth EGP500mn. ([Arab finance](#))

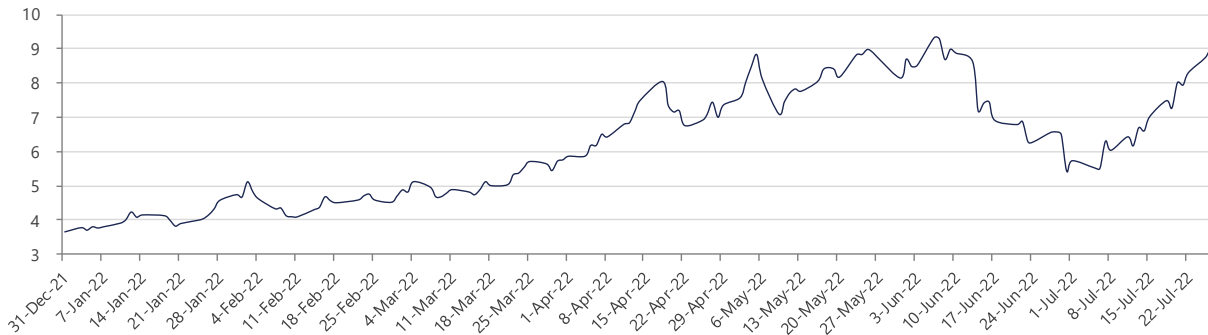
Post the subscription of Dice Sport & Casual Wear's [DSCW] to 94.8% of the EGP265mn planned capital increase at a par value of EGP0.20/share, DSCW's BoD had amended article number six of its internal regulation which currently states that DSCW's issued capital is EGP357mn distributed over 1.79bn shares at a par value of EGP0.2/share. ([Company disclosure](#))

3. CHART OF THE DAY

TABLE OF CONTENTS

Mohamed Saad | Vice President
msaad@egy.primegroup.org

NG Price (USD/MMBtu, ytd)



Source: Bloomberg.

Natural Gas (NG) prices have rallied 142% ytd, reaching to a year high of USD8.99/MMBtu in light of Russia cutting gas supply to Europe, which is threatened of another energy crisis. We note that higher gas prices, if persistent, will result in a higher demand for oil due to a possible switch from gas to oil in order to combat low NG supply levels.

4. MARKETS PERFORMANCE

TABLE OF CONTENTS

Current equity market cap (EGPbn)						Equity turnover (EGPmn): Last, ytd avg.					
624.4						825.0808.1					
daily chg. ytd chg.						daily chg. ytd chg.					
		EGX 30	9,287.92	(0.67%)	(22.27%)			Gold	1,734.19	0.98%	(4.78%)
		EGX 30 TR	3,756.66	(0.65%)	(20.35%)			Silver	19.09	2.48%	(17.14%)
		EGX 70 EWI	1,833.90	(0.62%)	(16.71%)			Brent Oil	106.62	0.82%	43.70%
		EGX 100 EWI	2,686.17	(0.68%)	(17.48%)			WTI	97.26	1.06%	37.35%
		DFMGI	3,260.53	0.41%	2.02%			Natural Gas	8.69	(1.05%)	130.46%
		ADSMI	9,575.21	0.26%	12.80%	EGP		USD/EGP	18.94	0.11%	(16.96%)
		TASI	12,052.18	0.74%	6.83%	€		EUR/USD	1.02	0.26%	(10.05%)
		QE Index	13,102.78	1.71%	12.70%	£		GBP/USD	1.22	0.19%	(9.98%)
		S&P 500	4,023.61	2.62%	(15.58%)	¥		USD/JPY	136.57	0.25%	(14.95%)
		Dow 30	32,197.59	1.37%	(11.39%)			6M TB yield	15.58	9	285
		NASDAQ	12,032.42	4.06%	(23.09%)			1Y TB yield	16.05	30	328
		VIX	23.24	(5.87%)	34.96%			10Y TB yield	14.68	30	29
		STOXX 50	3,607.78	0.91%	(16.07%)			2Y TB yield	3.01	(5)	288
EM		MSCI Emerging	989.89	(0.00%)	(19.65%)			10Y TB yield	2.79	(0)	186
FM		MSCI Frontier	515.46	0.46%	(22.56%)			30Y TB yield	3.07	4	141

* As of market close, except for commodities and currencies at 8.3am 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

DATE	TICKER	TYPE	EVENT
28-Jul-22	PHAR	Cash dividend	Payment date for a dividend of EGP1.5/share (2nd installment).
30-Jul-22	ELNA	OGM	Approving financial statements and other agenda items.
30-Jul-22	ELNA	EGM	Approving cancelling Articles No. 21 & 23 of the company's bylaws.
31-Jul-22	ZMID	Cash dividend	Payment date for a dividend of EGP0.15/share (1st installment).
31-Jul-22	AJWA	OGM	Approving financial statements.
31-Jul-22	AJWA	EGM	Discussing the continuation of the company & amending Article No. 4 of the company's bylaws.
31-Jul-22	MICH	BoD meeting	Follow up on production, sales and exports.
1-Aug-22	ORAS	EGM	Approval of appointing Renad Younes as Independent Non-Executive Director
3-Aug-22	MNHD	Stock dividend	Last date for eligibility for a 0.12-for-1 stock dividend.
4-Aug-22	MNHD	Stock dividend	Date for distributing a 0.12-for-1 stock dividend.
7-Aug-22	AIVC	OGM	Approving financials ended 31 January 2022.
11-Aug-22		MSCI	MSCI's August 2022 Quarterly Index Review Announcement.
11-Aug-22	UNIT	EGM	Approving decreasing the issued capital & amending Articles No. 6 & 7 of the company's bylaws.
14-Aug-22	GMFC	Subscription in the capital increase	Last day of subscription in the GMFC's EGP98mn capital increase.
16-Aug-22	MNHD	OGM	To discuss allowing OCDI to conduct due diligence.
17-Aug-22	ETRS	EGM	To discuss selling the company's branch headquarters in Alexandria.
17-Aug-22	SWDY	Cash dividend	Deadline for eligibility for a dividend of USD0.2313/share.
18-Aug-22	SWDY	Cash dividend	Ex-dividend date for USD0.2313/share.
18-Aug-22		MPC Meeting	Determining the CBE's policy rate.
23-Aug-22	SWDY	OGM	Approving the authorization of the Chairman or the Managing Director to participate in establishing companies and entering as a partner or shareholder in other new or existing companies.
23-Aug-22	SWDY	EGM	Discussing capital reduction by cancelling SWDY's treasury stocks & amending Articles No. 6 & 7 of the company's bylaws.
24-Aug-22	SWDY	Cash dividend	Payment date for a dividend of USD0.2313/share.

7. LATEST RESEARCH

DATE	PUBLISHED REPORT
14-Jun-22	Ghazl El-Mahalla Football Co. [GMFC] - In a League of Its Own
8-Jun-22	TAKESock – Delta Sugar [SUGR] - Sweet and Sour
7-Jun-22	TAKESock – Orascom Financial Holding [OFH] - Triple-Digit Upside
25-May-22	TAKESock – The Egyptian Cement Industry - Gauging the Impact
23-May-22	Cairo for Investment & Real Estate Development [CIRA] – Head of the Class

19-May-22	<u>MACROView – A New Game Plan</u>
17-May-22	<u>MACROView – All Uphill from Here</u>
15-May-22	<u>EGYPTBanks – Harness the Hike</u>
15-May-22	<u>TAKEStock – Hidden “valu”</u>
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>Elsewedy 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>

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.