

## Eventful Mid-Week

### TODAY'S TOP NEWS & ANALYSIS

#### MACRO

**Net foreign assets (NFA) at the Egyptian banking system fell down further by EGP65bn to negative EGP370bn in June 2022** for the ninth consecutive month. ([CBE](#))

**Misr Insurance is targeting investments of EGP133.5bn before end of this year.** ([Economy Plus](#))

**Remittances from Egyptians living abroad recorded USD29.1bn in 11M FY22 (+2.1% y/y) vs. USD28.5bn a year earlier.** ([Al-Mal](#))

**The Minister of Finance said the amount of borrowing that Egypt expects to get from the IMF is less than USD15bn.** ([TV Interview](#))

**Metro and train fare hikes will likely be implemented later this month.** ([Enterprise](#))

#### CORPORATE

**The Egyptian Competition Authority (ECA) renewed the quota scheme for cement production for another year until July 2023 as well as an 8% increase in production volumes for all manufacturers vs. last year's quota.** This is in line with what we expected in our TAKEStock published on 25 May 2022. This decision should help the Egyptian cement industry by gradually increasing cement supply, which in turn should help ease market prices while maintaining the profitability of disadvantaged cement producers. ([Al-Mal](#))

**Orascom Construction [ORAS] announced adding USD1.8bn of new awards to its backlog during Q2 2022 (+55% y/y), consequently increasing its total backlog to USD6.4bn. This increase is attributable to the major infrastructure boom and ORAS's role in Egypt's new high-speed railway system among other projects.** Also, ORAS shareholders approved paying USD0.2313 in cash dividends, a 7.5% yield. ([Arab Finance](#), [Company disclosure](#))

**Misr Chemical Industries' [MICH] preliminary 2021/22 results showed net income growing to EGP211mn (i.e. EPS of EGP2.89) (+59% y/y) ahead of our expectations in view of (1) 15% y/y growth in top line to EGP550mn and (2) 10pp improvement in GPM to 56%.** MICH is currently traded at 2021/22 P/E of only 3.6x. We have an Overweight rating on MICH with a 12MPT is EGP13.9/share. ([Company disclosure](#))

**Macro Group's [MCRO] H1 2022 net earnings grew to EGP71mn (+75% y/y) compared to EGP41mn a year before.** Meanwhile, revenues came in at EGP305mn (+31% y/y) on higher sales volumes reaching 8.6mn units (9% y/y) and higher selling prices. SG&A-to-revenues ratio decreased to 45% (-4pp y/y). However, GPM decreased to 77% (-2pp y/y) on the back of higher raw material costs. On a separate note, MCRO launched six new products in Q2 2022, leaving a space for the company to expand more and increase its profitability. ([Company disclosure](#))

**Taaleem Management Services [TALM] and Maastricht University signed a Memorandum of Understanding (MoU) with the aim of establishing an academic partnership between Maastricht University and TALM's Badia University.** According to the MoU, students of the University of Badya, which is still under construction, will receive an additional Maastricht University degree on their graduation in addition to their graduation certificate from Badya. ([Company disclosure](#))

**Aldar Properties [ADX: ALDAR] plans to invest USD1.5bn in Egypt** and the UAE with plans to increase its land bank in Egypt's major locations from the North Coast to east and west Cairo then the Red Sea in the future. ([Mubasher](#))

**Madinet Nasr Housing & Development [MNHD] achieved EGP400mn in contracted sales in its new project Elect as part of its Taj City project in New Cairo.** MNHD managed to sell 50% of the offered units within two days. The gross land area of Elect stands at 167,200 sqm of Taj City's total land bank of 3.5mn sqm. ([Mubasher](#))

**Emaar Misr for Development [EMFD] reportedly anticipates the investment cost for Soul, its new project in the North Cost, at EGP53bn.** ([Al-Borsa](#))

**Banque Misr has fully divested its 9.98% stake in Egyptian Financial & Industrial Co. [EFIC] for EGP20/share for a total value of EGP145.3mn.** Meanwhile, Midfert Egypt for Investment increased its stake in EFIC to 21.95%. ([Mubasher](#))

**ADQ Holding is potentially interested in buying another stake at MOPCO [MPFC] between 10% and 15%.** ([Al-Mal](#))

**El Nasr Clothing & Textiles Co. [KABO] said that a fire had broken out in one of its warehouses.** ([Company disclosure](#))

## MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.				
630.8					1,114.2 808.8				
			daily chg.	ytd chg.			daily chg.	ytd chg.	
	EGX 30	9,423.10	(0.46%)	(21.14%)		Gold	1,772.17	0.35%	(2.99%)
	EGX 30 TR	3,808.39	(0.46%)	(19.26%)		Silver	20.36	0.03%	(12.99%)
	EGX 70 EWI	1,837.37	(1.66%)	(16.55%)		Brent Oil	100.03	(0.15%)	34.41%
	EGX 100 EWI	2,699.70	(1.29%)	(17.07%)		WTI	93.89	(0.11%)	31.06%
	DFMGI	3,377.12	1.17%	5.67%		Natural Gas	8.28	(1.18%)	119.44%
	ADSMI	9,777.56	1.18%	15.19%	EGP	USD/EGP	18.97	(0.17%)	(17.18%)
	TASI	12,338.95	1.15%	9.37%	€	EUR/USD	1.03	(0.20%)	(9.93%)
	QE Index	13,469.11	0.74%	15.86%	£	GBP/USD	1.23	(0.18%)	(9.64%)
	S&P 500	4,118.63	(0.28%)	(13.59%)	¥	USD/JPY	131.61	1.26%	(12.07%)
	Dow 30	32,798.40	(0.14%)	(9.74%)		6M TB yield	15.63	5	290
	NASDAQ	12,368.98	(0.18%)	(20.94%)		1Y TB yield	16.29	24	352
	VIX	22.84	7.08%	32.64%		10Y TB yield	14.68	30	29
	STOXX 50	3,706.62	(0.04%)	(13.77%)		2Y TB yield	2.87	(1)	274
EM	MSCI Emerging	995.04	0.13%	(19.23%)		10Y TB yield	2.57	(8)	164
FM	MSCI Frontier	525.99	1.08%	(20.98%)		30Y TB yield	2.92	(9)	126

\* As of market close, except for commodities and currencies at 8.3am CLT. Change in Treasuries is in basis points.

Source: Bloomberg, CBE.

## KEY DATES

DATE	TICKER	TYPE	EVENT
2-Aug-22	MCRO	Conference Call	Discussing Q2 2022 results.
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.
7-Aug-22	ABUK	OGM	A board reshuffle.
7-Aug-22	ABUK	EGM	Amending Articles No. 7 & 21 of the company's bylaws.
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.
22-Aug-22	AREH	OGM	Discussing netting contracts.
22-Aug-22	AREH	EGM	Approving increasing issued capital and amending article No. 6 of the company's bylaws.

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.
24-Aug-22	MOIL	OGM	Appointing Peter William as a member of the BoD representing EFG Capital Partners III.

## LATEST RESEARCH

DATE	PUBLISHED REPORT
31-Jul-22	<a href="#">Ghazl El-Mahalla Football Co. [GMFC] - IPO Update</a>
14-Jun-22	<a href="#">Ghazl El-Mahalla Football Co. [GMFC] - In a League of Its Own</a>
8-Jun-22	<a href="#">TAKESock – Delta Sugar [SUGR] - Sweet and Sour</a>
7-Jun-22	<a href="#">TAKESock – Orascom Financial Holding [OFH] - Triple-Digit Upside</a>
25-May-22	<a href="#">TAKESock – The Egyptian Cement Industry - Gauging the Impact</a>
<b>23-May-22</b>	<b><a href="#">Cairo for Investment &amp; Real Estate Development [CIRA] – Head of the Class</a></b>
19-May-22	<a href="#">MACROView – A New Game Plan</a>
17-May-22	<a href="#">MACROView – All Uphill from Here</a>
<b>15-May-22</b>	<b><a href="#">EGYPTBanks – Harness the Hike</a></b>
15-May-22	<a href="#">TAKESock – Hidden “valu”</a>
28-Apr-22	<a href="#">MACROView – Din of Battle Getting Louder</a>
17-Apr-22	<a href="#">MACROView – Before the Grand Storm</a>
14-Apr-22	<a href="#">EFG Hermes Holding [HRHO] – Rating Cut on Withdrawal of FAB’s Bid</a>
12-Apr-22	<a href="#">MACROView – Mounting External Vulnerabilities</a>
10-Apr-22	<a href="#">MACROView – Much Higher Inflation ... and Longer</a>
24-Mar-22	<a href="#">EFG Hermes Holding [HRHO] – The Best Is Yet to Come</a>
23-Mar-22	<a href="#">CI Capital Holding [CICH] – A Year to Remember</a>
22-Mar-22	<a href="#">Orascom Construction [ORAS] – A Clear Devaluation Winner</a>
10-Mar-22	<a href="#">MACROView – The Dizzying Speed</a>
6-Mar-22	<a href="#">MACROView – On the Back Foot</a>
2-Mar-22	<a href="#">MACROView – Calculating the Ferocity</a>
1-Mar-22	<a href="#">Housing &amp; Development Bank [HDBK] – Credit Provisions Flattened Earnings Growth</a>
27-Feb-22	<a href="#">Export Development Bank of Egypt [EXPA] – A Year to Forget</a>
22-Feb-22	<a href="#">Commercial International Bank (CIB) [COMI] – 2021, a Grand Finale</a>

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

10-Nov-21	<a href="#"><u>MACROView – The Calm Before the Storm, or Maybe Not</u></a>
10-Nov-21	<a href="#"><u>CI Capital Holding [CICH] – Record-Breaking Quarter</u></a>
7-Nov-21	<a href="#"><u>Crédit Agricole Egypt (CAE) [CIEB] – Earnings Recover on Lower Provisions</u></a>
4-Nov-21	<a href="#"><u>MACROView – Underlying Strength, but Gathering Headwinds</u></a>
3-Nov-21	<a href="#"><u>MACROView – Gathering Clouds</u></a>
1-Nov-21	<a href="#"><u>TAKEStock – Separating the Wheat from the Chaff</u></a>
31-Oct-21	<a href="#"><u>TAKEStock – Natural Gas Price Hike</u></a>
19-Oct-21	<a href="#"><u>MACROView – The Storm Is Gone but the Headwinds Persist</u></a>
13-Oct-21	<a href="#"><u>e-finance [EFIH] – An Eye-Opening IPO</u></a>
10-Oct-21	<a href="#"><u>MACROView – Walking a Tightrope</u></a>
6-Oct-21	<a href="#"><u>MACROView – On “Risk Control” Mode</u></a>
6-Oct-21	<a href="#"><u>MACROView – The Tortuous Path to Recovery</u></a>
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>Elsewedy Electric [SWDY] – Impressive Set of Results</u></a>
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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>

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