

FDIs Are Welcome

TODAY'S TOP NEWS & ANALYSIS

Egypt's 9M FY22 CAD relatively stable despite a wider trade deficit

Saudi wealth fund sets up a company to manage its investments in Egypt

No impact on Suez Canal from the China-Taiwan crisis

Nokia and EAI teamed up to manufacture mobile phones in Egypt

FRA approves Egyptian Gulf Bank's capital increase

A shareholder sold most of his stake in SPMD

MACRO

Egypt's 9M FY22 CAD relatively stable despite a wider trade deficit

Egypt's 9M FY22 balance of payments showed that the country's current account deficit rose slightly by 2.2% to USD13.6bn despite a 10% wider trade deficit of USD33.5bn. This was driven mainly by a 22.5% higher non-hydrocarbon trade deficit of USD37.7bn, while the hydrocarbon trade surplus expanded to USD4.1bn. On the positive side, Suez Canal receipts, tourism, and Egyptians' remittances all rose in 9M FY22 by 17%, 164%, and 1.1%, respectively. That said, the balance of payments turned into a deficit of USD7.3bn vs. a surplus of USD1.8bn in the comparable period as the capital and financial account surplus fell 37% to USD10.8bn despite 54% higher FDIs as FPIs turned negative to USD17.2bn vs. a positive USD16.0bn a year before.

([CBE](#))

Saudi wealth fund sets up a company to manage its investments in Egypt

Saudi Arabia's Public Investment Fund (PIF) has set up Saudi Egyptian Investment Co. (SEIC) to manage its investments in Egypt. PIF is said to invest USD10bn in various sectors, such as infrastructure, real estate, health care, financial services, food and agriculture, manufacturing and pharma. ([Enterprise](#))

No impact on Suez Canal from the China-Taiwan crisis

Despite the China-Taiwan crisis, containers passing from China to Europe through the Suez Canal will not be affected. ([Mubasher](#))

Nokia and EAI teamed up to manufacture mobile phones in Egypt

HMD Global, a manufacturer of Nokia phones, has partnered with **Etisal for Advanced Industries** to manufacture 1mn mobile phones in Egypt this year, with plans to double production later. ([Ministry of Communication & Information Technology](#))

CORPORATE**FRA approves Egyptian Gulf Bank's capital increase**

The Financial Regulatory Authority (FRA) has approved the capital increase of Egyptian Gulf bank [**EGBE**] by EGP904mn from EGP4.1bn. This capital increase will be financed using an amount of EGP526mn (paid under capital increase) in addition to the bank's retained earnings of EGP379mn. We note that the exact number of shares of the capital increase will be determined in accordance with the FX rate at the date of the shareholders' decision. This increase comes in line with the minimum capital requirements stated by the CBE. ([FRA](#))

A shareholder sold most of his stake in SPMD

Speed Medical [**SPMD**] announced that a shareholder decreased his stake in SPMD from 5.2% to 0.9% by selling a total of 47,817,268 shares for EGP0.61/share or a total of EGP29mn. ([Company disclosure](#))

CORRECTION

The **Urban Development Fund** was incorrectly mentioned in **PRIMETime** published on 4 August 2022.

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.				
663.0					2,416.6 818.4				
				daily chg.	ytd chg.			daily chg.	ytd chg.
	↗	EGX 30	10,043.23	5.28%	(15.95%)		↘	Gold	1,775.50 (0.88%) (2.94%)
	↗	EGX 30 TR	4,061.37	5.33%	(13.89%)		↘	Silver	19.90 (1.40%) (14.64%)
	↗	EGX 70 EWI	1,911.51	2.29%	(13.18%)		↗	Brent Oil	94.92 0.85% 27.74%
	↗	EGX 100 EWI	2,835.89	3.18%	(12.88%)		↗	WTI	89.01 0.53% 24.39%
	↘	DFMGI	3,317.13	(0.11%)	3.79%		↘	Natural Gas	8.06 (0.71%) 116.19%
	↗	ADSMI	9,916.27	1.00%	16.82%		↘	USD/EGP	19.11 (0.01%) (17.79%)
	↘	TASI	12,291.54	(0.00%)	9.12%	€	↘	EUR/USD	1.02 (0.61%) (10.44%)
	↘	QE Index	13,376.64	(0.07%)	15.01%	£	↘	GBP/USD	1.21 (0.72%) (10.78%)
	↘	S&P 500	4,145.19	(0.16%)	(13.03%)	¥	↘	USD/JPY	135.01 (1.57%) (14.76%)
	↗	Dow 30	32,803.47	0.23%	(9.73%)		↗	6M TB yield	16.00 37 327
	↘	NASDAQ	12,657.55	(0.50%)	(19.10%)		↗	1Y TB yield	16.38 9 361
	↘	VIX	21.15	(1.35%)	22.82%		↗	10Y TB yield	14.68 30 29
	↘	STOXX 50	3,725.39	(0.78%)	(13.33%)		↘	2Y TB yield	3.05 (2) 292
EM	↗	MSCI Emerging	1,002.87	0.83%	(18.60%)		↘	10Y TB yield	2.68 (3) 175
FM	↘	MSCI Frontier	531.01	(0.25%)	(20.23%)		↗	30Y TB yield	2.96 1 130

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

Source: Bloomberg, CBE.

KEY DATES

DATE	TICKER	TYPE	EVENT
7-Aug-22	TMGH	BoD meeting	Discussing financial results.
7-Aug-22	UASG	BoD meeting	Discussing financial results.
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.
8-Aug-22	ELSH	BoD meeting	Discussing financial results.
11-Aug-22	ETEL	Earnings Announcement	Announcing Q2 2022 financial results.
11-Aug-22	ETEL	Conference Call	Discussing Q2 2022 financial results.
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	ORAS	Cash dividend	Deadline for eligibility for a dividend of EGP4.39/share.
18-Aug-22	ORAS	Cash dividend	Ex-dividend date for EGP4.39/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	ORAS	Cash dividend	Payment date for a dividend of EGP4.39/share.
24-Aug-22	MOIL	OGM	Appointing Peter William as a member of the BoD representing EFG Capital Partners III.
30-Aug-22	PHDC	Cash dividend	Payment date for a dividend of EGP0.05/share (2nd installment).

LATEST RESEARCH

DATE PUBLISHED REPORT

31-Jul-22	<u>Ghazl El-Mahalla Football Co. [GMFC] - IPO Update</u>
14-Jun-22	<u>Ghazl El-Mahalla Football Co. [GMFC] - In a League of Its Own</u>
8-Jun-22	<u>TAKEStock – Delta Sugar [SUGR] - Sweet and Sour</u>
7-Jun-22	<u>TAKEStock – Orascom Financial Holding [OFH] - Triple-Digit Upside</u>
25-May-22	<u>TAKEStock – The Egyptian Cement Industry - Gauging the Impact</u>
23-May-22	<u>Cairo for Investment & Real Estate Development [CIRA] – Head of the Class</u>
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 [Export Development Bank of Egypt \[EXPA\] – A Year to Forget](#)
- 22-Feb-22 [Commercial International Bank \(CIB\) \[COMI\] – 2021, a Grand Finale](#)
- 21-Feb-22 [Crédit Agricole Egypt \(CAE\) \[CIEB\] – Non-Interest Income Saves the Day](#)
- 20-Feb-22 [Abu Dhabi Islamic Bank - Egypt \[ADIB\] – Wise Utilization Enhances Profitability](#)
- 17-Feb-22 [Al Baraka Bank Egypt \[SAUD\] – Earnings Pressured by Higher Cost of Risk](#)
- 16-Feb-22 [MACROView – A Soothing Message From the CBE ... and Our Takeaways](#)
- 14-Feb-22 [Abu Qir Fertilizers \[ABUK\] – Another Record-High Quarter](#)
- 13-Feb-22 [Misr Chemical Industries \[MICH\] – Annually Wild, Quarterly Tamed](#)
- 10-Feb-22 [MACROView – Ebb and Flow](#)
- 10-Feb-22 [MACROView – The Cloudy Year Has Just Begun](#)
- 9-Feb-22 [Elsowedy Electric \[SWDY\] – Ending 2021 on a Good Note](#)
- 8-Feb-22 [MACROView – A Fall in Disguise](#)
- 7-Feb-22 [Macro Group Pharmaceuticals \[MCRO\] – Not the Usual Pharma Stock](#)
- 1-Feb-22 [MACROView – The Ripple Effect](#)
- 31-Jan-22 [Obour Land For Food Industries \[OLFI\] – Double-Digit Growth Complements a Resilient Story](#)
- 30-Jan-22** [**STANDPoint – Egypt Valuation Repertoire — 2022 Outlook**](#)
- 12-Jan-22 [QNB Alahli \[QNBA\] – Slow Earnings Pace Despite Assets Growth](#)
- 10-Jan-22 [MACROView – The Last Reading Ahead of a Cloudy Year](#)
- 30-Dec-21** [**EGYPTCeramics – From Dusk to Dawn**](#)
- 26-Dec-21** [**Obour Land For Food Industries \[OLFI\] – A Play on Consumption Recovery**](#)
- 22-Dec-21 [MACROView – The Return of the 'Vigilante'](#)
- 14-Dec-21 [MACROView – When "Bad" Inflation Clouds the Path of "Good" Inflation](#)
- 9-Dec-21 [MACROView – Another Retreat ... Until Further Notice](#)
- 8-Dec-21 [MACROView – For Stormy Days, Eyes on the Ball](#)
- 7-Dec-21** [**EGYPTBanks – Takeoff Time**](#)
- 5-Dec-21 [MACROView – Searching for Lost Momentum](#)
- 21-Nov-21 [TAKESock – Nitrogen Fertilizers Local Price Hike](#)
- 17-Nov-21 [EFG Hermes Holding \[HRHO\] – Earnings Growth Skyrocketing ex-One-Offs](#)
- 17-Nov-21 [Orascom Construction \[ORAS\] – BESIX – Back on Track Again](#)
- 15-Nov-21 [B Investments Holding \[BINV\] – Growth Dented Across the Board – Take 2](#)
- 15-Nov-21 [Elsowedy Electric \[SWDY\] – A Quarter to Forget?](#)
- 14-Nov-21 [Misr Chemical Industries \[MICH\] – A Healthy Kick-off to a Promising Year](#)

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>

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

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