

Entropy

TODAY'S TOP NEWS & ANALYSIS

A new head for the FRA

NIR flat m/m in July

Compass Capital is willing to tap the EGX

PACH receives another tender offer

Cairo Poultry posts Q2 2022 results

PIF is getting closer to The United Bank

MACRO

A new head for the FRA

Egyptian President Abdel-Fattah El-Sisi appointed Dr. Mohamed Farid, the EGX chairman, as Acting Chairman of the **Financial Regulatory Authority (FRA)** for one year. ([EGX](#))

NIR flat m/m in July

Net International Reserves (NIR) were marginally down by end of July 2022, reaching to USD33.1bn (-0.7% m/m). ([CBE](#))

Compass Capital is willing to tap the EGX

Compass Capital is reportedly mulling to float a stake of its subsidiary **Bonyan For Development & Trade** which owns assets up to EGP5.5bn. ([Arab Finance](#))

CORPORATE

PACH receives another tender offer

Paints & Chemical Industries Co. (PACHIN) [**PACH**] received a non-binding tender offer from **Universal for Building Materials & Chemicals (SIPES)** to buy at least 60% and up to 100% of PACH minus the number of shares needed to comply with the minimum free float. The average of the initial offer price range submitted by SIPES is EGP18/share (i.e. +10% higher than market price). We note that PACH had received another tender offer previously from **Saybad Industrial Investment** to acquire up to 90% of the company for an average price of EGP16.25/share, which is very close to current market price. ([Company disclosure](#))

Cairo Poultry posts Q2 2022 results

Cairo Poultry's [POUL] net earnings in Q2 2022 leaped to EGP183mn vs. EGP27.5mn a year earlier. The strong turnaround in profitability was caused by a 28% y/y higher top line of EGP1.6bn and a significantly better GPM of 17.8% vs. 8.7% a year earlier. ([Company disclosure](#))

PIF is getting closer to The United Bank

The Public Investment Fund (PIF), the sovereign wealth fund of Saudi Arabia, is reportedly closing in on a potential acquisition of **The United Bank** before year end. According to news sources, PIF is approaching the final stages of due diligence to acquire the bank, which is owned by the **CBE**. We note that EFG Hermes Holding [HRHO] is acting as a financial consultant for PIF on this deal. ([Hapi](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.			
669.6					1,874.9		825.8	
			daily chg.	ytd chg.			daily chg.	ytd chg.
		EGX 30	10,123.81	0.80% (15.28%)			Gold	1,775.50 (0.88%) (2.98%)
		EGX 30 TR	4,094.44	0.81% (13.19%)			Silver	19.90 (1.40%) (14.35%)
		EGX 70 EWI	1,989.56	4.08% (9.64%)			Brent Oil	94.92 0.96% 28.96%
		EGX 100 EWI	2,923.75	3.10% (10.18%)			WTI	89.01 0.87% 25.46%
		DFMGI	3,317.13	(0.11%) 3.79%			Natural Gas	8.06 (2.43%) 110.94%
		ADSMI	9,916.27	1.00% 16.82%	EGP		USD/EGP	19.13 (0.08%) (17.97%)
		TASI	12,216.84	(0.61%) 8.29%	€		EUR/USD	1.02 (0.02%) (10.46%)
		QE Index	13,379.72	0.02% 15.09%	£		GBP/USD	1.21 0.03% (10.75%)
		S&P 500	4,145.19	(0.16%) (13.03%)	¥		USD/JPY	135.01 (1.57%) (15.02%)
		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, 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
8-Aug-22	ELSH	BoD meeting	Discussing financial results.
11-Aug-22	ISPH	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	<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>TAKESock – 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>Elsewedy 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>

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