

## As Soon as Possible

### TODAY'S TOP NEWS & ANALYSIS

IMF in final stages for a new funding for Egypt

A fully-charged Q2 2022 for Elsewedy Electric

ValU acquires Paynas

Raya Contact Center signed a partnership with Saudi Zain

### MACRO

#### IMF in final stages for a new funding for Egypt

Egypt and the IMF are in the "final stages" of talks over a new funding facility as part of yet another support package. While no details are provided yet, some sources cited the IMF's request to halt subsidized loans, i.e. low-cost loans to certain sectors. ([Cabinet](#))

### CORPORATE

#### A fully-charged Q2 2022 for Elsewedy Electric

Elsewedy Electric's [SWDY] Q2 2022 net profits came in at EGP1.13bn (+27% y/y), on Revenues of EGP20.4bn (+49% y/y). The revenue mix was as follows:

- EGP9.7bn from the wires & cables segment (+48% y/y), contributing 47% of total sales.
- EGP8.6bn from the turnkey projects segment (+44% y/y), contributing 42% of total sales.
- EGP2.1bn from the other business segments, contributing the remaining 11% of total sales.
- Turnkey projects backlog reached EGP74.4bn (+50% y/y), while the wires & cables segment had a slight growth in sales volumes (+4% y/y).

GPM reached 14.4% (+0.3pp y/y, +1.9pp q/q), supported by the increase in the wires & cables margins which reached 14.8% (+3pp y/y). By contrast, the GPM for the turnkey segment decreased to 11.8% (-1.4pp y/y).

SG&A expenses increased in line with the increase in revenues, with SG&A-to-sales ratio decreasing slightly to 5.5% (-0.2% y/y). Also, SWDY's other operating expenses and net interest expense increased y/y by 460% and 20%, respectively, narrowing net margin to 5.5% (-1pp y/y).

SWDY is one of the 15 stocks we had picked in [our STANDPoint 2022 strategy outlook published on 30 January 2022](#). We have an Overweight rating for the name, with a 12MPT of EGP14.3/share. ([Company disclosure](#))

### ValU acquires Paynas

**ValU**, the consumer finance subsidiary of EFG Hermes Holding [**HRHO**], acquired a 100% stake in **Paynas** which specializes in financial services, such as cloud-based HR system and payroll cards. ([Company disclosure](#))

### Raya Contact Center signed a partnership with Saudi Zain

Raya Contact Center [**RACC**] announced signing a strategic partnership, providing its outsourcing services to **Saudi Zain**, besides enhancing the customer experience in Saudi Arabia. ([Company disclosure](#))

## MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.			
690.3					1,551.9		866.7	
			daily chg.	ytd chg.			daily chg.	ytd chg.
	EGX 30	10,246.24	(0.90%)	(14.25%)		Gold	1,736.30	(0.62%) (5.12%)
	EGX 30 TR	4,145.64	(0.97%)	(12.11%)		Silver	18.99	(0.31%) (19.01%)
	EGX 70 EWI	2,193.78	(0.08%)	(0.36%)		Brent Oil	96.48	0.47% 30.44%
	EGX 100 EWI	3,148.12	(0.15%)	(3.29%)		WTI	90.36	0.56% 28.04%
	DFMGI	3,408.11	(0.34%)	6.64%		Natural Gas	9.68	2.15% 165.09%
	ADSMI	10,040.58	(0.42%)	18.29%	EGP	USD/EGP	19.17	(0.06%) (18.03%)
	TASI	12,560.48	0.05%	11.33%	€	EUR/USD	0.99	(0.25%) (12.77%)
	QE Index	13,801.16	(1.19%)	18.71%	£	GBP/USD	1.18	(0.27%) (13.28%)
	S&P 500	4,137.99	(2.14%)	(13.18%)	¥	USD/JPY	137.48	(0.37%) (16.23%)
	Dow 30	33,063.61	(1.91%)	(9.01%)		6M TB yield	16.37	17 364
	NASDAQ	12,381.57	(2.55%)	(20.86%)		1Y TB yield	16.60	13 383
	VIX	23.80	15.53%	38.21%		10Y TB yield	14.68	30 29
	STOXX 50	3,658.22	(1.93%)	(14.89%)		2Y TB yield	3.30	8 317
EM	MSCI Emerging	991.90	(0.95%)	(19.49%)		10Y TB yield	3.02	4 209
FM	MSCI Frontier	529.68	(1.04%)	(20.43%)		30Y TB yield	3.22	1 156

\* 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
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.
25-Aug-22	CSAG	BoD meeting	Discussing financial results 2021/22.
29-Aug-22	DSCW	Earnings Announcement	Announcing Q2 2022 financial results.
30-Aug-22	PHDC	Cash dividend	Payment date for a dividend of EGP0.05/share (2nd installment).
31-Aug-22	BTFH	OGM	Electing board members.
31-Aug-22	ORAS	Financial results Announcement	Q2 2022 financial results' announcement
1-Sep-22		MSCI	MSCI's August 2022 Quarterly Index Review Effective Date.
12-Sep-22	EGBE	OGM	Approving financial statements.
12-Sep-22	EGBE	EGM	Discussing applying a reward system for the bank & amending Articles No. 6 & 7 of the bank's bylaws.
12-Sep-22	AMER	OGM	Approving financial statements and the proposed dividends.

## LATEST RESEARCH

DATE	PUBLISHED REPORT
22-Aug-22	<a href="#"><b>Credit Agricole Egypt [CIEB] – Core Coverage Update</b></a>
31-Jul-22	<a href="#"><b>Ghazl El-Mahalla Football Co. [GMFC] - IPO Update</b></a>
14-Jun-22	<a href="#"><b>Ghazl El-Mahalla Football Co. [GMFC] - In a League of Its Own</b></a>
8-Jun-22	<a href="#"><b>TAKEStock – Delta Sugar [SUGR] - Sweet and Sour</b></a>
7-Jun-22	<a href="#"><b>TAKEStock – Orascom Financial Holding [OFH] - Triple-Digit Upside</b></a>
25-May-22	<a href="#"><b>TAKEStock – The Egyptian Cement Industry - Gauging the Impact</b></a>
<b>23-May-22</b>	<a href="#"><b>Cairo for Investment &amp; Real Estate Development [CIRA] – Head of the Class</b></a>
19-May-22	<a href="#"><b>MACROView – A New Game Plan</b></a>
17-May-22	<a href="#"><b>MACROView – All Uphill from Here</b></a>
<b>15-May-22</b>	<a href="#"><b>EGYPTBanks – Harness the Hike</b></a>
15-May-22	<a href="#"><b>TAKEStock – Hidden “valu”</b></a>
28-Apr-22	<a href="#"><b>MACROView – Din of Battle Getting Louder</b></a>
17-Apr-22	<a href="#"><b>MACROView – Before the Grand Storm</b></a>
14-Apr-22	<a href="#"><b>EFG Hermes Holding [HRHO] – Rating Cut on Withdrawal of FAB's Bid</b></a>
12-Apr-22	<a href="#"><b>MACROView – Mounting External Vulnerabilities</b></a>
10-Apr-22	<a href="#"><b>MACROView – Much Higher Inflation ... and Longer</b></a>
24-Mar-22	<a href="#"><b>EFG Hermes Holding [HRHO] – The Best Is Yet to Come</b></a>
23-Mar-22	<a href="#"><b>CI Capital Holding [CICH] – A Year to Remember</b></a>
22-Mar-22	<a href="#"><b>Orascom Construction [ORAS] – A Clear Devaluation Winner</b></a>

10-Mar-22	<a href="#"><u>MACROView – The Dizzying Speed</u></a>
6-Mar-22	<a href="#"><u>MACROView – On the Back Foot</u></a>
2-Mar-22	<a href="#"><u>MACROView – Calculating the Ferocity</u></a>
1-Mar-22	<a href="#"><u>Housing &amp; Development Bank [HDBK] – Credit Provisions Flattened Earnings Growth</u></a>
27-Feb-22	<a href="#"><u>Export Development Bank of Egypt [EXPA] – A Year to Forget</u></a>
22-Feb-22	<a href="#"><u>Commercial International Bank (CIB) [COMI] – 2021, a Grand Finale</u></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>
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<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>TAKESock – Nitrogen Fertilizers Local Price Hike</u></a>

- 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](#)
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- 3-Nov-21 [MACROView – Gathering Clouds](#)
- 1-Nov-21 [TAKEStock – Separating the Wheat from the Chaff](#)
- 31-Oct-21 [TAKEStock – Natural Gas Price Hike](#)
- 19-Oct-21 [MACROView – The Storm Is Gone but the Headwinds Persist](#)
- 13-Oct-21 [e-finance \[EFIH\] – An Eye-Opening IPO](#)
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- 29-Aug-21 [Orascom Construction \[ORAS\] – Recovery on Track Although Below Estimates](#)
- 24-Aug-21 [Abu Qir Fertilizers \[ABUK\] – When the Stars Align](#)

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