

The Beginning of an Interesting Week

TODAY'S TOP NEWS & ANALYSIS

There is no longer a fixed customs exchange rate

Suez Canal sees record monthly revenues in August 2022

Ezz Steel reports 130% y/y earnings growth in Q2 2022

CIB acquires 15% of SEI

SODIC relaunches its New Zayed Project on 464 acres

Qatar Investment Authority is interested in Eastern Company

Expedition Investments will up their MTO price for Domty

MACRO

There is no longer a fixed customs exchange rate

The customs authority is now using the official exchange rates announced by the CBE every day, where it no longer assumes a fixed customs based exchange rate. ([Asharq Business](#))

Suez Canal sees record monthly revenues in August 2022

Revenues at the **Suez Canal** hit an all-time high of USD744.8mn in August 2022, compared to USD562.7bn in August 2021 (+32% y/y). ([Enterprise](#))



CORPORATE

Ezz Steel reports 130% y/y earnings growth in Q2 2022

Ezz Steel [ESRS] net earnings after minority in H1 2022 grew to EGP2.6bn (+64% y/y) on 27% higher top line of EGP38.5bn, as well as 6pp expansion in GPM to record 27%. Meanwhile, during Q2 2022, net earnings grew to EGP1.8bn (+130% y/y) on the back of:

- (1) Top line of EGP19.8bn (+17% y/y).
- (2) Improved GPM of 28% vs. 21% a year earlier.
- (3) Contained growth in SG&A.
- (4) Lower net financing costs of EGP780mn (-3% y/y).
- (5) Lower effective tax rate of 24% (-4pp).

We note that the company directed part of its flexible capacity in Suez to maximize rebar production; accordingly, HRC production and exports were reduced. ESRS is currently traded at TTM P/E of 2x. ([Company disclosure](#))

CIB acquires 15% of SEI

Commercial International Bank (CIB) [COMI] acquired a 15% stake of **Elsewedy Engineering Industries (SEI)**, one of "Zaki Elsewedy Group" companies, through a capital increase. ([Al-Borsa](#))

SODIC relaunches its New Zayed Project on 464 acres

SODIC [OCDI] has relaunched of its New Zayed project, which now spans 464 acres after being re-master planned. The project had been put hold due to the re-zoning of New Zayed city plans. ([Company disclosure](#))

Qatar Investment Authority is interested in Eastern Company

Qatar Investment Authority (QIA) is reportedly interested in acquiring up to 25% stake in Eastern Company [EAST]. (Al-Mal)

Expedition Investments will up their MTO price for Domty

The **Financial Regulatory Authority (FRA)** approved Expedition Investments proposal to raise their offer price for Arabian Food Industries [DOMT] from EGP5.0/share to EGP5.5/share, post the IFA valuation. The IFA valued DOMT recently at EGP6.90/share. We have an Overweight recommendation for DOMT, with our 12MPT of EGP8.7/share. ([FRA](#))



MARKETS PERFORMANCE

Current equity market cap (EGPbn)		702.6		Equity turnover (EGPmn): Last, ytd avg.		1,660.0 914.3					
			daily chg.	ytd chg.		daily chg.	ytd chg.				
		EGX 30	10,265.35	0.32%	(14.09%)			Gold	1,716.83	0.49%	(6.14%)
		EGX 30 TR	4,151.53	0.36%	(11.98%)			Silver	18.86	1.74%	(19.09%)
		EGX 70 EWI	2,274.18	0.51%	3.29%			Brent Oil	92.84	4.14%	25.75%
		EGX 100 EWI	3,256.17	0.52%	0.03%			WTI	86.79	3.89%	22.29%
		DFMGI	3,360.83	0.04%	5.16%			Natural Gas	8.00	1.02%	114.37%
		ADSMI	9,795.86	0.10%	15.40%	EGP		USD/EGP	19.33	(0.02%)	(18.70%)
		TASI	11,834.26	(0.25%)	4.90%	€		EUR/USD	1.00	0.45%	(11.68%)
		QE Index	12,948.92	(0.05%)	11.38%	£		GBP/USD	1.16	0.74%	(14.36%)
		S&P 500	4,067.36	1.53%	(14.66%)	¥		USD/JPY	142.47	1.15%	(19.23%)
		Dow 30	32,151.71	1.19%	(11.52%)			6M TB yield	16.38	(4)	365
		NASDAQ	12,112.31	2.11%	(22.58%)			1Y TB yield	16.88	7	411
		VIX	22.79	(3.47%)	32.35%			10Y TB yield	14.68	30	29
		STOXX 50	3,570.04	1.64%	(16.95%)			2Y TB yield	3.56	13	343
EM		MSCI Emerging	970.29	1.37%	(21.24%)			10Y TB yield	3.31	8	238
FM		MSCI Frontier	524.62	0.57%	(21.19%)			30Y TB yield	3.45	6	179

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

Source: Bloomberg, CBE.

KEY DATES

DATE	TICKER	TYPE	EVENT
12-Sep-22	AMER	OGM	Approving financial statements and the proposed dividends.
14-Sep-22	DOMT	Acquisition offer	End date for the MTO at a price of EGP5/share.
17-Sep-22	AMES	Acquisition offer	End date for the MTO at a price of EGP47.67/share.
17-Sep-22	ALCN	OGM	A board reshuffle.
19-Sep-22	BIOC	Cash dividend	Deadline for eligibility for a dividend of EGP0.750/share.
20-Sep-22	BIOC	Cash dividend	Ex-dividend date for EGP0.750/share.
20-21 Sep-2022		FOMC	Determining the Fed's policy rate and monetary stance.
21-Sep-22	ZMID	Stock dividend	Last date for eligibility for a 1.00-for-1 stock dividend.
21-Sep-22	COMI	Stock dividend	Last date for eligibility for a 0.50-for-1 stock dividend.
21-Sep-22	EGBE	OGM	Approving financial statements.
21-Sep-22	EGBE	EGM	Discussing applying a reward system for the bank & amending Articles No. 6 & 7 of the bank's bylaws.
22-Sep-22	COMI	Stock dividend	Date for distributing a 0.50-for-1 stock dividend.
22-Sep-22	ZMID	Stock dividend	Date for distributing a 1.00-for-1 stock dividend.
22-Sep-22	BIOC	Cash dividend	Ex-dividend date for EGP0.750/share.
22-Sep-22	MFSC	Cash dividend	Deadline for eligibility for a dividend of EGP1.518/share.
22-Sep-22		MPC Meeting	Determining the CBE's policy rate.
23-Sep-22	MFSC	Cash dividend	Ex-dividend date for EGP1.518/share.
24-Sep-22	IFAP	OGM	Approving financial statements.
24-Sep-22	AMOC	OGM	Approving financial statements and the proposed dividends.



24-Sep-22	ABUK	OGM	Approving financial statements and the proposed dividends.
24-Sep-22	ABUK	EGM	Amending Articles No. 7, 21, and 39 in its articles of incorporation, to reflect the new shareholder structure and board members and to allow for advanced communication tools to use when holding general meetings.
25-Sep-22	MFPC	EGM	Amending Articles No. 7 & 21 of the company's bylaws.
26-Sep-22	ICLE	Cash dividend	Deadline for eligibility for a dividend of EGP2.50/share.
27-Sep-22	MFSC	Cash dividend	Payment date for a dividend of EGP1.518/share.
28-Sep-22	ELSH	Cash dividend	Payment date for a dividend of EGP0.075/share (2nd installment).
28-Sep-22	MICH	OGM	Approving financial statements and the proposed dividends.
29-Sep-22	ICLE	Cash dividend	Payment date for a dividend of EGP1.25/share (1st installment).
29-Sep-22	RMDA	OGM	A board reshuffle.
29-Sep-22	SAUD	EGM	Amending Articles No. 6, 7, 20 and 27 of the bank's bylaws.
29-Sep-22	CICH	Cash dividend	Payment date for a dividend of EGP0.125/share (2nd installment).
29-Sep-22	AUTO	Cash dividend	Payment date for a dividend of EGP0.25/share (2nd installment).
2-Oct-22	CIRA	OGM	Discuss the dividend distribution of EGP0.21/share
3-Oct-22	EFID	Buying treasury shares	Ending date to buy back shares.
4-Oct-22	ADIB	OGM	Approving increasing the issued capital.
4-Oct-22	ADIB	EGM	Amending Articles No. 6 & 7 of the bank's bylaws.

LATEST RESEARCH

DATE	PUBLISHED REPORT
24-Aug-22	<u>Arabian Food Industries (Domty) – Core Coverage Report</u>
22-Aug-22	<u>Credit Agricole Egypt [CIEB] – Core Coverage Update</u>
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 [MACROView – Much Higher Inflation ... and Longer](#)
- 24-Mar-22 [EFG Hermes Holding \[HRHO\] – The Best Is Yet to Come](#)
- 23-Mar-22 [CI Capital Holding \[CICH\] – A Year to Remember](#)
- 22-Mar-22 [Orascom Construction \[ORAS\] – A Clear Devaluation Winner](#)
- 10-Mar-22 [MACROView – The Dizzying Speed](#)
- 6-Mar-22 [MACROView – On the Back Foot](#)
- 2-Mar-22 [MACROView – Calculating the Ferocity](#)
- 1-Mar-22 [Housing & Development Bank \[HDBK\] – Credit Provisions Flattened Earnings Growth](#)
- 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 [Elsewedy 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 [TAKEStock – 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 [Elsewedy Electric \[SWDY\] – A Quarter to Forget?](#)
- 14-Nov-21 [Misr Chemical Industries \[MICH\] – A Healthy Kick-off to a Promising Year](#)
- 14-Nov-21 [Abu Qir Fertilizers \[ABUK\] – A “One-of-a-Kind” Quarter](#)
- 14-Nov-21 [Commercial International Bank \[COMI\] – Elegant Earnings Growth on All Fronts](#)
- 10-Nov-21 [MACROView – The Calm Before the Storm, or Maybe Not](#)
- 10-Nov-21 [CI Capital Holding \[CICH\] – Record-Breaking Quarter](#)
- 7-Nov-21 [Crédit Agricole Egypt \(CAE\) \[CIEB\] – Earnings Recover on Lower Provisions](#)
- 4-Nov-21 [MACROView – Underlying Strength, but Gathering Headwinds](#)
- 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](#)
- 10-Oct-21 [MACROView – Walking a Tightrope](#)
- 6-Oct-21 [MACROView – On “Risk Control” Mode](#)
- 6-Oct-21 [MACROView – The Tortuous Path to Recovery](#)
- 19-Sep-21 [TAKEStock – Consumer Staples \(Food & Beverage\) – All You Can Eat Festival](#)
- 15-Sep-21 [MACROView – Deciphering the Din of Battle](#)
- 14-Sep-21 [TAKEStock – Orascom Investment Holding \[OIH\] — Monetization at Play](#)

**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**Head Office**

Prime Securities S.A.E.

Regulated by FRA License No. 179.
Member of the Egyptian Exchange.2 Wadi Elnil 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

Alexandria7 Albert AlAwal St.
Smouha, Alexandria, Egypt

T +20233008170

F +20233054622

Websitewww.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.