

No Expansion Yet

TODAY'S TOP NEWS & ANALYSIS

Egypt's PMI below 50 in September for the 22nd month in a row

New updates on the IMF agreement

World Bank funds Egypt's freight rail network

Kuwait's Agility Logistics plans to invest USD60mn to digitize Egyptian ports

EFG Hermes to finance Klickit's clients

B Investment completed the sale of Giza Systems

Cairo for Investment & Real Estate Development approves cash dividends

Al Rowad lowers its stake in Lecico Egypt by 1.9%

MACRO

Egypt's PMI below 50 in September for the 22nd month in a row

The **Purchasing Managers' Index (PMI)** for **Egypt** remained at 47.5 from August, still considerably below the 50.0 threshold that separates expansion from contraction. Egypt's non-oil private sector contracted for the 22nd consecutive month. ([S&P Global](#))

New updates on the IMF agreement

The **International Monetary Fund** should reach staff-level agreements on loans to **Egypt** and **Tunisia** within days or weeks, according to IMF Managing Director Kristalina Georgieva. ([Enterprise](#))

World Bank funds Egypt's freight rail network

The World Bank has approved a USD400mn financing agreement to boost the performance of **Egypt's** transport and logistics sectors and support a shift towards low-carbon rail systems. ([World Bank](#), [Enterprise](#))

Kuwait's Agility Logistics plans to invest USD60mn to digitize Egyptian ports

Kuwait's **Agility Logistics** is planning to invest USD60mn to set up and operate two new logistic hubs in Ain Sokhna and East Port Said ports. The hubs will automate and digitize the customs process, connecting the two ports with all related government agencies, feeding into a single window digital customs system called "Nafeza". ([Enterprise](#))

CORPORATE

EFG Hermes to finance Klickit's clients

EFG Hermes Corp-Solutions, the leasing and factoring arm of EFG Hermes Holding [**HRHO**], entered into an agreement with **Klickit**, a local Fintech startup specialized in education services, to provide more than 55,000 education service providers with finance capex and other cash flow needs. ([Company disclosure](#))

B Investment completed the sale of Giza Systems

B Investments Holding [**BINV**] completed the sale of its entire indirect stake in **Giza Systems** (44.7%) for a total equity valuation of c.USD119mn, whereby **STC's Solutions** acquired an 88.19% stake in Giza Systems at an enterprise value of USD158mn. According to our calculations, notwithstanding a capital gains tax, the value of the deal is equivalent to 55% of BINV's current market cap. We note that BINV has long been one of our top picks in the market. ([Company disclosure](#))

Cairo for Investment & Real Estate Development approves cash dividends

Cairo for Investment & Real Estate Development's [**CIRA**] OGM approved the BoD proposal of distributing cash dividends worth EGP125mn or EGP0.21/share in November, implying a 2% yield. The dividends will be distributed from CIRA's retained earnings as of 31 August 2021. ([Company disclosure](#))

Al Rowad lowers its stake in Lecico Egypt by 1.9%

Rowad Tourism (Al Rowad) [**ROTO**] lowered its stake in Lecico Egypt [**LCSW**] from 5.29% to 3.4% after selling 1.5mn shares at an average price of EGP10.8/share (11.7% higher than market price at 3 October 2022 closing). ([Company disclosure](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.				
680.5					922.0 932.4				
			daily chg.	ytd chg.			daily chg.	ytd chg.	
	EGX 30	9,685.85	(0.02%)	(18.94%)		Gold	1,699.89	2.37%	(6.90%)
	EGX 30 TR	3,919.02	0.09%	(16.91%)		Silver	20.70	8.80%	(10.28%)
	EGX 70 EWI	2,193.17	(1.09%)	(0.39%)		Brent Oil	88.86	0.63%	21.91%
	EGX 100 EWI	3,115.95	(0.78%)	(4.28%)		WTI	83.63	0.45%	19.37%
	DFMGI	3,319.73	(0.58%)	3.87%		Natural Gas	6.47	0.12%	73.67%
	ADSMI	9,763.67	0.13%	15.02%	EGP	USD/EGP	19.62	(0.34%)	(19.93%)
	TASI	11,607.96	1.05%	2.89%	€	EUR/USD	0.98	0.32%	(13.31%)
	QE Index	12,595.69	0.38%	8.34%	£	GBP/USD	1.13	0.28%	(16.09%)
	S&P 500	3,678.43	2.59%	(22.82%)	¥	USD/JPY	144.55	0.13%	(20.54%)
	Dow 30	29,490.89	2.66%	(18.84%)		6M TB yield	16.41	(5)	368
	NASDAQ	10,815.43	2.27%	(30.87%)		1Y TB yield	17.32	(1)	455
	VIX	30.10	(4.81%)	74.80%		10Y TB yield	14.68	30	29
	STOXX 50	3,342.17	0.72%	(22.25%)		2Y TB yield	4.04	(24)	391
EM	MSCI Emerging	876.15	0.04%	(28.88%)		10Y TB yield	3.62	(21)	269
FM	MSCI Frontier	474.59	(0.95%)	(28.70%)		30Y TB yield	3.67	(11)	201

* 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
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.
5-Oct-22	EHDR	EGM	Discussing merger contract.
17-Oct-22	DAPH	OGM	A board reshuffle.
17-Oct-22	EGAL	OGM	Approving financial statements 2021/22.
17-Oct-22	AMOC	Cash dividend	Deadline for eligibility for a dividend of EGP0.55/share.
17-Oct-22	ABUK	Cash dividend	Deadline for eligibility for a dividend of EGP3.00/share.
19-Oct-22	ISMQ	OGM	Approving financial statements 2021/22.
20-Oct-22	AMOC	Cash dividend	Payment date for a dividend of EGP0.30/share (1st installment).
20-Oct-22	ABUK	Cash dividend	Payment date for a dividend of EGP1/share (1st installment).
22-Oct-22	PRCL	OGM	Approving financial statements.
22-Oct-22	PRCL	EGM	Discussing the going concern of the company.
24-Oct-22	EAST	OGM	Approving financial statements ending 30 June 2022.
25-Oct-22	EXPA	OGM	Approving increasing the issued capital.
25-Oct-22	EXPA	EGM	Amending Article No. 5 of the bank's bylaws.
25-Oct-22	MNHD / NRPD	Lawsuit	Postponed from 22 August 2022, a lawsuit filed by National Real Estate Bank for Development [NRPD] against Madinet Nasr Housing & Development [MNHD], demanding EGP42mn in relation to a project in the Sixth of October City.
31-Oct-22	ZMID	Cash dividend	Payment date for a dividend of EGP0.15/share (2nd installment).

LATEST RESEARCH

DATE	PUBLISHED REPORT
27-Sep-22	<u>Commercial International Bank [COMI]: Commander-in-Chief</u>
24-Sep-22	<u>TAKEStock: The Egyptian Banking Industry - The RRR Effect</u>
21-Sep-22	<u>EGYPTBanks – The Causal Sequence</u>
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	<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>Elsewedy 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>TAKEStock – 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 [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](#)

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