

## A New Trajectory

### TODAY'S TOP NEWS & ANALYSIS

The IMF cuts global economic forecasts for 2023, including Egypt's

Egypt's foreign debt fell q/q in Q2 2022

Egypt's trade deficit falls 29% y/y in July 2022

Egypt to obtain a loan from EBRD to develop freight and passenger rail line

Cement producers say that the NG hike won't affect their selling prices

CI Capital and Misr Capital will remain separate entities

Arab Drug's shareholders approve cash dividends

Mastercard makes a strategic investment in Nclude

### MACRO

#### The IMF cuts global economic forecasts for 2023, including Egypt's

The **International Monetary Fund (IMF)** revised its 2023 growth forecast for **Egypt** by 1.5% to 4.4% from 5.9% in its July forecast. This was part of an overall downgrade of its global outlook, where the IMF cut its 2023 global economic growth to 2.7% from 2.9% in July, but it kept its 2022 forecast unchanged at 3.2%. ([IMF](#))

#### Egypt's foreign debt fell q/q in Q2 2022

**Egypt's** foreign debt has fallen by 1.3% q/q from USD157.8bn at end of March 2022 (Q1 2022) to USD155.7bn at end of June 2022 (Q2 2022). This marks the largest quarterly drop in Egypt's foreign debt since Q1 2015. The drop was driven by lower government borrowings (-USD0.9bn to USD82.3bn) and lower **CBE** borrowings (-USD1bn to USD40.9bn). ([Alborsa](#))

#### Egypt's trade deficit falls 29% y/y in July 2022

**Egypt's** trade deficit registered USD2.7bn in July 2022, down 29% y/y, driven by 2.2% higher exports of USD3.13bn and 14.8% lower imports of USD5.81bn. ([Economy Plus ME](#))

#### Egypt to obtain a loan from EBRD to develop freight and passenger rail line

**Egyptian National Railways (ENR)** has secured a EUR40mn loan from the **European Bank for Reconstruction & Development (EBRD)** to partially finance work on the Robeiky-Tenth of Ramadan-Belbeis freight and passenger railway line. ([Enterprise](#))

## CORPORATE

**Cement producers say that the NG hike won't affect their selling prices**

Misr Beni Suef Cement [**MBSC**], Misr Cement Qena [**MCQE**], and Sinai Cement [**SCEM**] reported that the **Cabinet's** decision to raise natural gas prices by 109% for cement producers will not affect their costs as they do not use natural gas in their fuel mix. Consequently, this will not result in higher cement selling prices. We had noted yesterday that the only EGX-listed company that is affected is South Valley Cement [**SVCE**], as they rely heavily on natural gas in their fuel mix. (Mubasher: [1](#), [2](#), [Company disclosure](#))

**CI Capital and Misr Capital will remain separate entities**

CI Capital Holding [**CICH**] said that both **Misr Capital** and CICH will remain separate entities, and the merger will only happen within certain activities. ([Mubasher](#))

**Arab Drug's shareholders approve cash dividends**

Arab Drug Co.'s [**ADCI**] shareholders approved paying a cash dividend of EGP4.8/share, implying an 11% yield. ([Company disclosure](#))

**Mastercard makes a strategic investment in Nclude**

**Mastercard** announced a strategic investment in **Nclude**, an Egyptian local fintech startup. The investment will support Nclude's early and growth stages. ([Company disclosure](#))

## MARKETS PERFORMANCE

Current equity market cap (EGPbn)						Equity turnover (EGPmn): Last, ytd avg.			
687.6						828.4		932.0	
				daily chg.	ytd chg.			daily chg.	ytd chg.
	EGX 30	9,867.23	(0.82%)	(17.42%)			Gold	1,666.34	(0.14%) (8.52%)
	EGX 30 TR	3,992.80	(0.81%)	(15.35%)			Silver	19.15	(2.33%) (17.37%)
	EGX 70 EWI	2,153.82	(1.44%)	(2.18%)			Brent Oil	94.29	0.14% 28.73%
	EGX 100 EWI	3,083.24	(1.30%)	(5.28%)			WTI	89.35	(0.10%) 26.83%
	DFMGI	3,320.12	(0.57%)	3.89%			Natural Gas	6.60	(0.55%) 75.87%
	ADSMI	9,754.17	(0.78%)	14.91%		EGP	USD/EGP	19.69	(0.08%) (20.19%)
	TASI	11,514.26	(0.14%)	2.06%		€	EUR/USD	0.97	0.23% (14.42%)
	QE Index	12,754.52	(1.23%)	9.71%		£	GBP/USD	1.10	0.40% (18.62%)
	S&P 500	3,588.84	(0.65%)	(24.70%)		¥	USD/JPY	145.86	(0.10%) (21.23%)
	Dow 30	29,239.19	0.12%	(19.54%)			6M TB yield	16.47	6 374
	NASDAQ	10,426.19	(1.10%)	(33.36%)			1Y TB yield	17.45	13 468
	VIX	33.63	3.64%	95.30%			10Y TB yield	14.68	30 29
	STOXX 50	3,340.35	(0.49%)	(22.29%)			2Y TB yield	4.30	(5) 417
	MSCI Emerging	864.66	(2.28%)	(29.82%)			10Y TB yield	3.93	(6) 300
	MSCI Frontier	464.52	(1.31%)	(30.21%)			30Y TB yield	3.92	(3) 226

\* 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
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).
20-Oct-22	MCQE	Cash dividend	Deadline for eligibility for a dividend of EGP0.500/share.
22-Oct-22	PRCL	OGM	Approving financial statements.
22-Oct-22	PRCL	EGM	Discussing the going concern of the company.
23-Oct-22	CIRA	Cash dividend	Deadline for eligibility for a dividend of EGP0.214/share.
24-Oct-22	CIRA	Cash dividend	Ex-dividend date for EGP0.214/share.
24-Oct-22	MICH	Cash dividend	Deadline for eligibility for a dividend of EGP1.50/share.
24-Oct-22	EAST	OGM	Approving financial statements ending 30 June 2022.
25-Oct-22	MCQE	Cash dividend	Deadline for eligibility for a dividend of EGP0.500/share.
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.
26-Oct-22	CIRA	Cash dividend	Payment date for a dividend of EGP0.214/share
27-Oct-22	MICH	Cash dividend	Payment date for a dividend of EGP0.75/share (1st installment).
30-Oct-22	IRON	OGM	Discussing the financial position.
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	<a href="#"><b>Commercial International Bank [COMI]: Commander-in-Chief</b></a>
24-Sep-22	<a href="#"><b>TAKEStock: The Egyptian Banking Industry - The RRR Effect</b></a>
21-Sep-22	<a href="#"><b>EGYPTBanks – The Causal Sequence</b></a>
24-Aug-22	<a href="#"><b>Arabian Food Industries (Domty) – Core Coverage Report</b></a>
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>	<b><u>Cairo for Investment &amp; Real Estate Development [CIRA] – Head of the Class</u></b>
19-May-22	<u>MACROView – A New Game Plan</u>
17-May-22	<u>MACROView – All Uphill from Here</u>
<b>15-May-22</b>	<b><u>EGYPTBanks – Harness the Hike</u></b>
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 &amp; 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	<a href="#"><u>Obour Land For Food Industries [OLFI] – Double-Digit Growth Complements a Resilient Story</u></a>
30-Jan-22	<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>
30-Dec-21	<b><a href="#"><u>EGYPTCeramics – From Dusk to Dawn</u></a></b>
26-Dec-21	<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>
14-Dec-21	<a href="#"><u>MACROView – When “Bad” Inflation Clouds the Path of “Good” Inflation</u></a>
9-Dec-21	<a href="#"><u>MACROView – Another Retreat ... Until Further Notice</u></a>
8-Dec-21	<a href="#"><u>MACROView – For Stormy Days, Eyes on the Ball</u></a>
7-Dec-21	<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>TAKEStock – Nitrogen Fertilizers Local Price Hike</u></a>
17-Nov-21	<a href="#"><u>EFG Hermes Holding [HRHO] – Earnings Growth Skyrocketing ex-One-Offs</u></a>
17-Nov-21	<a href="#"><u>Orascom Construction [ORAS] – BESIX – Back on Track Again</u></a>
15-Nov-21	<a href="#"><u>B Investments Holding [BINV] – Growth Dented Across the Board – Take 2</u></a>
15-Nov-21	<a href="#"><u>Elsewedy Electric [SWDY] – A Quarter to Forget?</u></a>
14-Nov-21	<a href="#"><u>Misr Chemical Industries [MICH] – A Healthy Kick-off to a Promising Year</u></a>
14-Nov-21	<a href="#"><u>Abu Qir Fertilizers [ABUK] – A “One-of-a-Kind” Quarter</u></a>
14-Nov-21	<a href="#"><u>Commercial International Bank [COMI] – Elegant Earnings Growth on All Fronts</u></a>
10-Nov-21	<a href="#"><u>MACROView – The Calm Before the Storm, or Maybe Not</u></a>
10-Nov-21	<a href="#"><u>CI Capital Holding [CICH] – Record-Breaking Quarter</u></a>
7-Nov-21	<a href="#"><u>Crédit Agricole Egypt (CAE) [CIEB] – Earnings Recover on Lower Provisions</u></a>
4-Nov-21	<a href="#"><u>MACROView – Underlying Strength, but Gathering Headwinds</u></a>
3-Nov-21	<a href="#"><u>MACROView – Gathering Clouds</u></a>
1-Nov-21	<a href="#"><u>TAKEStock – Separating the Wheat from the Chaff</u></a>
31-Oct-21	<a href="#"><u>TAKEStock – Natural Gas Price Hike</u></a>
19-Oct-21	<a href="#"><u>MACROView – The Storm Is Gone but the Headwinds Persist</u></a>

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