

Almost There

TODAY'S TOP NEWS & ANALYSIS

Final Countdown begins on IMF long-awaited assistance package

CBE reportedly adopts SOFR for USD deposits

Suez Canal will offer new ship services next year

Ministry of Electricity to retain a minority stake in Beni Suef Electricity Co.

KIMA turned to profitability in 2021/22

Sidpec speaks up about the new EP mix pricing

TAQA Arabia launches its solar plant in Sharm El Sheikh

valU reportedly targeted by a UAE-based firm; EFG Hermes expands in education

MACRO

Final Countdown begins on IMF long-awaited assistance package

IMF chief Kristalina Georgieva said that the assistance package could be finalized "within days", adding that all "big policy issues" had been resolved, with only a few "smaller, technical details" yet to be ironed out. ([Enterprise](#))

CBE reportedly adopts SOFR for USD deposits

Sources claim that the **Central Bank of Egypt (CBE)** is to adopt a new benchmark rate for pricing short-term USD deposits for up to one year. The new rate, known as Secured Overnight Financing Rate (SOFR), is going to replace the previously used London Interbank Offered Rate (LIBOR) completely by June 2023. This rate is thought to be more accurate and consistent with the USD yield curve. It also allows a maximum of +1% over the benchmark rate for banks to add as they see fit, without exceeding the limit ceiling. ([Masrawy](#))

Suez Canal will offer new ship services next year

Suez Canal Economic Zone (SCZone) will provide new services to ships including bunkering and catering starting from the first quarter of next year. ([Enterprise](#))

Ministry of Electricity to retain a minority stake in Beni Suef Electricity Co.

The **Ministry of Electricity** is looking to retain a minority stake in **Beni Suef Electricity Co.** before adding its assets to **The Sovereign Fund of Egypt** to be offered to strategic investors by Q1 2023. (Al-Mal)

CORPORATE

KIMA turned to profitability in 2021/22

Egyptian Chemical Industries (KIMA) [**EGCH**] achieved preliminary net earnings of EGP651mn in 2021/22 vs. net losses of EGP1.4bn a year earlier. Reasons for the massive profitability turnaround comes in light of strong top line growth of EGP4.4bn (+218% y/y) as well as achieving a GPM of 45.5% vs. GLM of 5.0% a year earlier. We note that EGCH suffered in 2020/21 from operational interruptions, coupled with high tax expenses. ([Company disclosure](#))

Sidpec speaks up about the new EP mix pricing

Sidi Kerir Petrochemicals [**SKPC**] said that the cost of the ethane-propane (EP) mix will be reviewed monthly and the impact of the recent Cabinet decision will appear in future financial statements. The company made no remarks on whether the new formula will yield higher or lower EP mix cost compared to the previous pricing. ([Company disclosure](#))

TAQA Arabia launches its solar plant in Sharm El Sheikh

Qalaa Holdings' [**CCAP**] subsidiary, **TAQA Arabia**, announced the commissioning of the largest solar power plant in Sharm El-Sheikh, built on an area of 250,000 sqm with a production capacity exceeding 42 GWh/year at an investment cost of EGP250mn. ([Press release](#))

valU reportedly targeted by a UAE-based firm; EFG Hermes expands in education

According to a media report quoting a reliable source, a UAE-based firm specializing in e-commerce is looking to acquire a controlling stake in **valU**, the consumer finance arm of EFG Hermes Holding [**HRHO**]. No further details were provided. Elsewhere, a consortium of **Egyptian Education Platform** and **HRHO** is said to have acquired a controlling stake in **Selah El Telmeez Co.**, a well-known education books publisher. ([Shorouk News](#), [Al-Mal](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.				
687.5					1,019.9 932.1				
			daily chg.	ytd chg.			daily chg.	ytd chg.	
	↗	EGX 30	9,853.74	0.54%	(17.54%)		↘	Gold	1,644.47 (1.31%) (10.10%)
	↗	EGX 30 TR	3,984.18	0.41%	(15.53%)		↘	Silver	18.28 (3.27%) (21.59%)
	↗	EGX 70 EWI	2,151.94	1.44%	(2.26%)		↘	Brent Oil	91.63 (3.11%) 24.92%
	↗	EGX 100 EWI	3,077.69	1.19%	(5.45%)		↘	WTI	85.61 (3.93%) 21.64%
	↗	DFMGI	3,376.57	0.81%	5.65%		↘	Natural Gas	6.45 (4.27%) 73.00%
	↗	ADSMI	9,776.05	0.82%	15.17%	EGP	↘	USD/EGP	19.66 (0.00%) (20.08%)
	↘	TASI	11,421.78	(1.12%)	1.24%	€	↘	EUR/USD	0.97 (0.55%) (14.49%)
	↘	QE Index	12,718.25	(1.03%)	9.40%	£	↘	GBP/USD	1.12 (1.36%) (17.44%)
	↘	S&P 500	3,583.07	(2.37%)	(24.82%)	¥	↘	USD/JPY	148.67 (1.04%) (22.59%)
	↘	Dow 30	29,634.83	(1.34%)	(18.45%)		↗	6M TB yield	16.47 6 374
	↘	NASDAQ	10,321.39	(3.08%)	(34.03%)		↗	1Y TB yield	17.45 13 468
	↗	VIX	32.02	0.25%	85.95%		↗	10Y TB yield	14.68 30 29
	↗	STOXX 50	3,381.73	0.57%	(21.33%)		↗	2Y TB yield	4.51 20 438
EM	↗	MSCI Emerging	863.33	1.03%	(29.93%)		↗	10Y TB yield	4.02 10 309
FM	↗	MSCI Frontier	468.66	0.27%	(29.59%)		↗	30Y TB yield	4.00 9 234

* As of market close. 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

26-Oct-22	HDBK	Stock dividend	Last date for eligibility for a 2.5-for-1 stock dividend.
27-Oct-22	HDBK	Stock dividend	Date for distributing a 2.5-for-1 stock dividend.
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).
31-Oct-22	JUFO	Cash dividend	Deadline for eligibility for a dividend of EGP0.350/share.
1-Nov-22	JUFO	Cash dividend	Ex-dividend date for EGP0.350/share.
1-2 Nov-2022		FOMC	Determining policy rate & monetary stance.
3-Nov-22	JUFO	Cash dividend	Payment date for a dividend of EGP0.350/share
3-Nov-22		MPC Meeting	Determining the CBE's policy rate.
6-Nov-22	PHDC	OGM	Discussing netting contracts.
6-Nov-22	PHDC	EGM	Discussing capital reduction.

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	<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>

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