

The Search for Goodies

TODAY'S TOP NEWS & ANALYSIS

Egyptian abroad car import initiative could yield USD2.5bn

The government settles disputes with international firms amid efforts to attract more FDI

One Finance integrates its services into the Egyptian market

FAIT reports preliminary results for Q3 2022

Macro Group plans to acquire a new production line

CIRA's 2022/23 enrollments reached c.48,000 students so far in 2022/23

Orascom Construction adds USD670mn of new awards during Q3 2022

Maridive receives a tender offer to acquire one of its subsidiaries

MACRO

Egyptian abroad car import initiative could yield USD2.5bn

The new cabinet initiative which will allow Egyptians abroad to import a new car while getting get a full rebate on all customs fees and taxes, is expected to yield USD2.5bn. ([Enterprise](#))

The government settles disputes with international firms amid efforts to attract more FDI

The state has settled disputes with international companies including Dutch Future Pipe and Italy's Maire Tecnimont, as it looks to improve the investment environment and attract more foreign inflows. ([Enterprise](#))

One Finance integrates its services into the Egyptian market

One Finance launches its integrated services in the Egyptian market with a paid capital of EGP100mn. The company targets to contribute 13% of the consumer finance market share in 2026. ([Company disclosure](#))

CORPORATE

FAIT reports preliminary results for Q3 2022

Faisal Islamic Bank of Egypt [FAIT] reported its Q3 2022 preliminary results. Below are our key takeaways so far:

- The bank managed to improve its net interest income (NII) by 9% q/q to EGP1bn though is still 22% lower y/y due to a higher interest cost.
- The bottom line decreased 2% q/q to EGP547mn in Q3 2022, which we think might be attributed to booked provisions against a reversal of EGP155mn in Q2 2022. Net earnings also decreased 18% y/y as the y/y decrease in NII filtered through.
- However, overall earnings grew at a satisfactory 36% to EGP2.3bn in 9M 2022. This comes on the back of the exceptional FX gains of EGP743mn recorded in Q1 2022. Adjusting for FX gains with the tax effect taken into consideration, 9M 2022 earnings were virtually flat y/y at EGP1.7bn (-0.5% y/y).
- NII decreased 15% y/y in 9M 2022 despite recent rate hikes, which we think could be due to the significant increase in cost of funding (CoF) that ate up the slower increase in yield.

With an annualized ROE of 17%, FAIT is now traded at an annualized P/E of 2.6x and a P/BV of 0.5x. ([Company disclosure](#))

Macro Group plans to acquire a new production line

Macro Group Pharmaceuticals [MCRO] is planning to acquire a new production line in 2023. ([Company disclosure](#))

CIRA's 2022/23 enrollments reached c.48,000 students so far in 2022/23

Cairo For Investment & Real Estate Development [CIRA] enrolled k-12 students so far for 2022/23 reached c.32,200 vs c.30,500 students last year. Regarding higher-ed enrolments, CIRA's students reached c.16,000 vs c.14,000 in 2021/22. CIRA today has 23 faculties compared to 16 faculties last year as BUA is now operating with 7 new faculties. In addition, CIRA opened a new school in Quena under the brand name of Future, bringing the total number of CIRA's schools up from 24 to 25 this year. ([Company disclosure](#))












































Orascom Construction adds USD670mn of new awards during Q3 2022

Orascom Construction [ORAS] new awards reached USD670mn during Q3 2022, bringing total new awards during 9M to USD3.1bn and total backlog to USD6.1bn. Egypt's contribution came in at 70% of the new awards, while contribution from the US contributed the remaining 30%. ([Company disclosure](#))

Maridive receives a tender offer to acquire one of its subsidiaries

Maridive and Oil Services [MOIL] received a tender offer to acquire a 100% stake in its subsidiary, Valentine Maritime, from Ancla Marine Ship Management. ([Al-Mal](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)						697.0		Equity turnover (EGPmn): Last, ytd avg.						942.8		932.2			
						daily chg.		ytd chg.								daily chg.		ytd chg.	
		EGX 30	10,048.88	1.98%	(15.90%)			Gold	1,644.47	(1.31%)	(9.73%)			Silver	18.28	(3.27%)	(20.63%)		
		EGX 30 TR	4,067.98	2.10%	(13.75%)				Brent Oil	91.63	0.74%		25.85%		WTI	85.61	0.74%	22.53%	
		EGX 70 EWI	2,186.65	1.61%	(0.69%)				Natural Gas	6.45	(2.45%)		68.77%						
		EGX 100 EWI	3,125.71	1.56%	(3.98%)			EGP		USD/EGP	19.65		0.04%	(20.15%)					
		DFMGI	3,376.57	0.81%	5.65%			EUR/USD	0.97	0.23%	(14.30%)								
		ADSMI	9,776.05	0.82%	15.17%		£		GBP/USD	1.12	1.01%	(16.61%)							
		TASI	11,405.88	(0.14%)	1.10%			USD/JPY	148.67	(1.04%)	(22.60%)								
		QE Index	12,635.04	(0.65%)	8.68%				6M TB yield	16.69	22	396							
		S&P 500	3,583.07	(2.37%)	(24.82%)			1Y TB yield	17.70	26	493								
		Dow 30	29,634.83	(1.34%)	(18.45%)			10Y TB yield	14.68	30	29								
		NASDAQ	10,321.39	(3.08%)	(34.03%)				2Y TB yield	4.51	20	438							
	VIX	32.02	0.25%	85.95%			10Y TB yield	4.02	10	309									
		STOXX 50	3,381.73	0.57%	(21.33%)			30Y TB yield	4.00	9	234								
EM		MSCI Emerging	863.33	1.03%	(29.93%)														
FM		MSCI Frontier	468.66	0.27%	(29.59%)														

* 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
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.
6-Nov-22	EGCH	OGM	Approving financial statements ending 30 Jun. 2022.
6-Nov-22	EGCH	EGM	Discussing land selling.
7-Nov-22	SCEM	OGM	Discussing netting contracts.
7-Nov-22	ZMID	OGM	A board reshuffle.
9-Nov-22	KABO	OGM	Approving financial statements ending 30 Jun. 2022.
9-Nov-22	KABO	EGM	Considering approval some articles of the law.
10-Nov-22		MSCI	MSCI's November 2022 Semi-Annual Index Review Announcement.

LATEST RESEARCH

DATE	PUBLISHED REPORT
27-Sep-22	<u>Commercial International Bank [COMI]: Commander-in-Chief</u>
24-Sep-22	<u>TAKESock: 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>TAKESock – Delta Sugar [SUGR] - Sweet and Sour</u>
7-Jun-22	<u>TAKESock – Orascom Financial Holding [OFH] - Triple-Digit Upside</u>
25-May-22	<u>TAKESock – 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>

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

Emad El Safoury

Manager

T +20233005624

EElsafoury@egy.primegroup.org

Shawkat Raslan

Heliopolis Branch Manager

T +20233008130

SRaslan@egy.primegroup.org

Nashwa Abuelatta

Alexandria Branch Manager

T +20233005173

NAbuelatta@egy.primegroup.org

Research

Amr Hussein Elalfy CFA

Head of Research

T +20233005724

AElalfy@egy.primegroup.org

Head Office

Prime Securities S.A.E.

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

2 Wadi El Nil 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

Alexandria

7 Albert Al Awa St.
Smouha, Alexandria, Egypt

T +20233008170

F +20233054622

Website

www.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.