

The Aftermath

TODAY'S TOP NEWS & ANALYSIS

NFAs dive further into the red in September 2022

IMF is praising recent monetary actions by the CBE

Monthly auto sales hit multi-year low

Egypt to receive funding from IFAD to support small-scale rural farmers

ALCN posts 2021/22 results, proposes a dividend of EGP1.36/share

IDHC to open a diagnostic center in Saudi Arabia

Ezz Steel ups its selling prices

Orascom Construction commenced construction in Ras Ghareb wind farm

Egypt Aluminum posts preliminary Q1 2022/23

MACRO

NFAs dive further into the red in September 2022

After two months of a slight decrease, **Net Foreign Assets (NFAs)** of the total banking system exhibited a strong decline in September 2022 to negative EGP441bn against negative EGP386bn in August 2022. This marks a full year since the start of the deterioration in September 2021. We expect NFAs could begin to recover in 2023 after the latest EGP devaluation and the new IMF program. (CBE)

IMF is praising recent monetary actions by the CBE

The **IMF's** Middle East & Central Asia head has praised the CBE policy moves last week, saying that the shift to a flexible exchange rate will protect the economy against external shocks and calling the decision to raise interest rates a step in the right direction. ([Enterprise](#))

Monthly auto sales hit multi-year low

Monthly auto sales fell in September 2022 to their lowest level since 2018 as import restrictions continued to weigh on the market. Only 6,800 passenger cars were sold during the month (-60% y/y). ([Enterprise](#))

**Egypt to receive funding from IFAD to support small-scale rural farmers**

Egypt will reportedly obtain USD2bn from the **UN's International Fund for Agricultural Development (IFAD)** and unnamed partner organizations to support small-scale rural farmers to boost food security. ([Enterprise](#))

CORPORATE**ALCN posts 2021/22 results, proposes a dividend of EGP1.36/share**

Alexandria Container & Cargo Handling's [**ALCN**] full-year results showed a net profit of EGP2.02bn (+44% y/y) on revenues of EGP2.8bn (+19% y/y). Such growth came from handling 840k containers throughout the year with an average revenue/container of EGP3,380 (+18% y/y). GPM came in at 69.4% (+5pp y/y), the highest in the last four fiscal years. On another note, ALCN proposed a dividend of EGP1.36/share, implying a 10.9% yield and a payout ratio of 100%. We note that ALCN currently trades at a TTM P/E of 7.1x. ([Company disclosure](#))

IDHC to open a diagnostic center in Saudi Arabia

Integrated Diagnostics Holdings [**IDHC**] announced signing a joint venture with **Biolab** and **Izhoor Holding Medical Company** to launch a diagnostic center in **Saudi Arabia**. The investment is expected to be worth USD20mn. IDHC and Biolab will have a combined 50% stake, while Izhoor will own the other 50%. ([Company disclosure](#))

Ezz Steel ups its selling prices

Ezz Steel [**ESRS**] upped its selling prices to EGP19,650/ton, including VAT, due to the recent weakness in the EGP. (Company release)

Orascom Construction commenced construction in Ras Ghareb wind farm

Orascom Construction [**ORAS**] announced the start of construction of a 500MW wind farm in Ras Ghareb in a consortium with the French **ENGIE**, Japanese **Toyota Tsusho**, and the **Ministry of Electricity**. (Company disclosure)

Egypt Aluminum posts preliminary Q1 2022/23

Egypt Aluminum's [**EGAL**] preliminary Q1 2022/23 net earnings came in at EGP642mn (+110% y/y). Top line grew to EGP3.4bn (+4% y/y), while GPM came in at 26% vs. 16% a year earlier. ([Company disclosure](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.			
764.7					1,537.1		953.6	
			daily chg.	ytd chg.			daily chg.	ytd chg.
		EGX 30	11,372.79	2.45% (4.82%)			Gold	1,633.56 (0.69%) (10.18%)
		EGX 30 TR	4,646.06	2.47% (1.50%)			Silver	19.16 (0.49%) (15.97%)
		EGX 70 EWI	2,251.58	0.91% 2.26%			Brent Oil	92.81 1.48% 29.23%
		EGX 100 EWI	3,275.37	1.19% 0.62%			WTI	86.53 1.40% 25.65%
		DFMGI	3,331.76	(0.52%) 4.25%			Natural Gas	6.36 (1.89%) 67.16%
		ADSMI	10,412.25	1.22% 22.67%	EGP		USD/EGP	24.18 (2.25%) (34.95%)
		TASI	11,667.80	0.30% 3.42%	€		EUR/USD	0.99 0.51% (12.65%)
		QE Index	12,414.41	1.33% 6.78%	£		GBP/USD	1.15 0.61% (14.73%)
		S&P 500	3,871.98	(0.75%) (18.76%)	¥		USD/JPY	148.71 (0.75%) (22.19%)
		Dow 30	32,732.95	(0.39%) (9.92%)			6M TB yield	16.98 7 425
		NASDAQ	10,988.15	(1.03%) (29.77%)			1Y TB yield	18.00 2 523
		VIX	25.88	0.50% 50.29%			10Y TB yield	14.68 30 29
		STOXX 50	3,617.54	0.13% (15.84%)			2Y TB yield	4.46 5 433
EM		MSCI Emerging	848.16	0.31% (31.16%)			10Y TB yield	4.03 2 310
FM		MSCI Frontier	457.82	(0.38%) (31.22%)			30Y TB yield	4.15 1 249

* 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
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.
10-Nov-22	DOMT	OGM	Board election.
10-Nov-22	DOMT	EGM	Considering approval some articles of the law.
13-Nov-22	AMES	OGM	A board reshuffle.
14-Nov-22	CANA	EGM	Amending Article No. 4 of the bank's bylaws.

LATEST RESEARCH**DATE PUBLISHED REPORT**

19-Oct-22	<u>Lecico Egypt [LCSW] – A Fragile Tile?</u>
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>TAKESock – 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 [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](#)

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