

Expansions Everywhere

TODAY'S TOP NEWS & ANALYSIS

AMEA Power gets funding for renewable projects in Egypt

State ownership policy is in the last miles

Ezz Steel posts Q3 2022 results

CIRA announced 2021/22 results

Fawry acquires 50% stake in Drac

Taaleem to take part in SB Investments capital increase

MACRO

AMEA Power gets funding for renewable projects in Egypt

AMEA Power has locked in USD1.1bn in debt and equity for a 500MW solar plant and 500MW wind farm in Egypt. ([Enterprise](#))

State ownership policy is in the last miles

The government has reportedly approved yesterday the final draft of the state ownership policy document, following amendments made after months of consultations with public and private-sector stakeholders. ([Enterprise](#))

CORPORATE

Ezz Steel posts Q3 2022 results

Ezz Steel [**ESRS**] posted Q3 2022 net earnings of EGP1.1bn (+20.5% y/y) on the back of:

- (1) 18.8% annual growth in top line of EGP22.1bn.
- (2) 30bps improvement in EBIT margin to 15.1% on lower SG&A relative to top line.

We note that ESRS was able to achieve strong earnings growth despite enduring FX losses during the third quarter of EGP308mn due to weaker local currency. For 9M 2022, ESRS achieved net earnings of EGP3.7bn (+48.4% y/y) in light of 23.6% higher top line of EGP60.6bn, and GPM improvement to 23.7%. Rebar sales contributed 61% to total revenues, as HRC revenues' contribution weakened on lower selling prices. ESRS is currently traded at 9M 2022 annualized P/E of 2x. However, we note that company expects heftier FX losses in the final quarter of the year, which could be around EGP2bn, post the EGP devaluation that took place in late October 2022. ([Company disclosure](#))

CIRA announced 2021/22 results

CIRA Education [**CIRA**] reported 2021/22 consolidated net profits of EGP371mn (+20% y/y) on higher revenues of EGP1.7bn (+23% y/y). Revenues grew due to the increase of students enrollments. Meanwhile, GPM decreased to 51% (-7.1pp y/y), on increased expansion costs, however, SG&A-to-revenues ratio improved to 12% (-4.4pp y/y). We note that our 12MPT for CIRA is EGP20.6/share (ETR +54%). CIRA is currently traded at TTM P/E of 19.8x. ([Company disclosure](#))
























Fawry acquires 50% stake in Drac


























Fawry [**FWRY**] intends to expand in Kuwait by acquiring a 50% stake in Drac, a fintech firm specializing in payroll and cloud computing services. ([Al-Mal](#))

Taaleem to take part in SB Investments capital increase

Taaleem Management Serveries' [**TALM**] BoD has approved to take part in SB Investments upcoming capital increase, where TALM will have a 32% stake for EGP302mn after the capital increase. ([Company disclosure](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					870.0		Equity turnover (EGPmn): Last, ytd avg.				3,535.1		1,025.7				
					daily chg.		ytd chg.							daily chg.		ytd chg.	
		EGX 30	13,259.26	0.57%	10.96%												
		EGX 30 TR	5,453.75	0.58%	15.63%												
		EGX 70 EWI	2,583.12	(0.32%)	17.32%												
		EGX 100 EWI	3,740.62	(0.10%)	14.91%												
		DFMGI	3,323.96	0.59%	4.01%												
		ADSMI	10,552.37	1.54%	24.32%												
		TASI	10,896.91	1.35%	(3.41%)												
		QE Index	11,925.98	1.07%	2.58%												
		S&P 500	4,080.11	3.09%	(14.39%)												
		Dow 30	34,589.77	2.18%	(4.81%)												
		NASDAQ	11,468.00	4.41%	(26.70%)												
		VIX	20.58	(5.98%)	19.51%												
		STOXX 50	3,964.72	0.77%	(7.76%)												
		MSCI Emerging	972.29	2.03%	(21.08%)												
		MSCI Frontier	480.07	0.42%	(27.88%)												

		Gold	1,768.52	1.07%	(2.58%)				
		Silver	22.19	4.41%	(4.04%)				
		Brent Oil	86.97	(0.37%)	19.60%				
		WTI	80.55	(0.29%)	15.94%				
		Natural Gas	6.93	0.38%	86.49%				
		USD/EGP	24.54	(0.01%)	(36.00%)				
		EUR/USD	1.04	0.37%	(8.14%)				
		GBP/USD	1.21	0.34%	(10.59%)				
		USD/JPY	138.07	0.41%	(15.62%)				
		6M TB yield	18.53	14	580				
		1Y TB yield	18.65	32	588				
		10Y TB yield	14.68	30	29				
		2Y TB yield	4.34	(14)	421				
		10Y TB yield	3.61	(12)	268				
		30Y TB yield	3.74	(5)	208				

* As of market close, except for commodities and currencies at 8.35am CLT. Change in Treasuries is in basis points.
Source: Bloomberg, CBE.

KEY DATES

DATE	TICKER	TYPE	EVENT
1-Dec-22	ETRS	OGM	Approving financial statements and the proposed dividends.
1-Dec-22		MSCI	MSCI's November 2022 Semi-Annual Index Review Effective Date.
6-Dec-22	SAUD	Stock dividend	Last date for eligibility for a 1.74-for-1 stock dividend.
7-Dec-22	SAUD	Stock dividend	Date for distributing a 1.74-for-1 stock dividend.
7-Dec-22	MOIN	OGM	Approving financial statements and the proposed dividends.
10-Dec-22	EGTS	Lawsuit	Rescheduled court hearing for withdrawal of assigned land.
12-Dec-22	GOCO	OGM	Approving financial statements and the proposed dividends.
13-Dec-22	ADIB	Right Issue	Last day for eligibility for subscription in the rights issue.
13-Dec-22	CAED	OGM	Approving financial statements and the proposed dividends.
13-14 Dec-2022		FOMC	Determining policy rate & monetary stance.
15-Dec-22	ARCC	OGM	Approving financial statements and the proposed dividends.
17-Dec-22	HELI	OGM	Approving financial statements and the proposed dividends.
18-Dec-22	ADIB	Right Issue	First day of trading the rights issue.
18-Dec-22	ADIB	Capital increase	Capital increase subscription starting date.
22-Dec-22		MPC Meeting	Determining the CBE's policy rate.
29-Dec-22	MICH	Cash dividend	Payment date for a dividend of EGP0.75/share (2nd installment).
29-Dec-22	ABUK	Cash dividend	Payment date for a dividend of EGP2.00/share (2nd installment).
11-Jan-23	ADIB	Right Issue	Last day of trading the rights issue.
16-Jan-23	ADIB	Capital increase	Capital increase subscription closing date.

LATEST RESEARCH

DATE	PUBLISHED REPORT
28-Nov-22	<u>Abu Dhabi Islamic Bank - Egypt [ADIB] – Unmitigated Temerity</u>
20-Nov-22	<u>Alexandria Containers & Cargo Handling Co. [ALCN] – Gateway of the North</u>
14-Nov-22	<u>Obour Land for Food Industries [OLFI] – Wise and Clever</u>
13-Nov-22	<u>STANDPoint – Time to Catch Up; Updating our fundamental outlook</u>
3-Nov-22	<u>TAKEStock – Telecom Egypt [ETEL] – Life Above 40</u>
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>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>

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

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