

Smart Moves

TODAY'S TOP NEWS & ANALYSIS

25% decline in NFAs in October

Egypt to sign contracts for 21 desalination plants next year

NREA cancels a 50MW solar plant project

MICH posts 4M 2022/23 results

KABO announced Q1 2022/23 results

Ezz Steel ups its selling prices

DCHC and PSCHC plan to appear on EGX

MACRO

25% decline in NFAs in October

Recording the second worst m/m deterioration since May 2022, **Net Foreign Assets (NFAs)** of the Egyptian banking system recorded a 25% decline in October 2022 to negative EGP551bn against negative EGP441bn in September2022. (CBE)

Egypt to sign contracts for 21 desalination plants next year

The Egyptian government will sign contracts to build 21 new desalination plants next year. The projects will cost a total of USD8bn, with more than 200 developers from 35 countries interested in the project. ([Enterprise](#))

NREA cancels a 50MW solar plant project

The New and Renewable Energy Authority (NREA) canceled a 50MW solar plant project in Aswan to lower its debt burdens. ([Enterprise](#))

CORPORATE

MICH posts 4M 2022/23 results

Misr Chemical Industries [**MICH**] 4M 2022/23 bottom line upped by 151% y/y to EGP162mn. The reasons for bottom-line growth were higher sales volume and higher average selling prices. We note that October's bottom line alone came in at EGP58mn. Our 12MPT for MICH is EGP20.0/share. ([Company disclosure](#))

KABO announced Q1 2022/23 results

El Nasr Clothing & Textiles Co.'s [**KABO**] reported Q1 2022/23 consolidated net profits of EGP4mn compared to EGP1mn a year earlier. Net profits improvements came in view of:

- (1) Top line growth to EGP93mn (+16% y/y),
- (2) GPM increased to 28% (+6.8pp y/y), and
- (3) SG&A-to-revenues ratio improved to 16% (-1.7pp y/y). ([Company disclosure](#))

Ezz Steel ups its selling prices

Ezz Steel [**ESRS**] upped its selling prices by 4% to reach EGP20,450 per ton including VAT effective 2 December 2022. (Company release)

DCHC and PSCHC plan to appear on EGX

BoDs of both **Damietta Container & Cargo Handling Co. (DCHC)** and **Port Said Container & Cargo Handling Co. (PSCHC)** agreed to list their companies in the EGX. We note that it was reported that both companies will list c.25% of its shares through IPO. We note that Canal Shipping Agencies [**CSAG**] owns a 20% stake in DCHC and PSCHC. (Al-Mal)

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.				
890.4					2,756.1 1,033.4				
				daily chg.	ytd chg.			daily chg.	ytd chg.
	↗	EGX 30	13,639.73	2.87%	14.15%		↘	Gold	1,797.63 (0.30%) (1.73%)
	↗	EGX 30 TR	5,609.87	2.86%	18.94%		↗	Silver	23.14 1.69% (0.72%)
	↗	EGX 70 EWI	2,622.41	1.52%	19.10%		↘	Brent Oil	85.57 (1.51%) 18.11%
	↗	EGX 100 EWI	3,809.87	1.85%	17.04%		↘	WTI	79.98 (1.53%) 15.44%
	↗	DFMGI	3,323.96	0.59%	4.01%		↘	Natural Gas	6.28 (6.78%) 68.39%
	↗	ADSMI	10,552.37	1.54%	24.32%	EGP	↗	USD/EGP	24.56 0.03% (36.06%)
	↘	TASI	10,822.65	(0.68%)	(4.07%)	€	↗	EUR/USD	1.05 0.14% (7.34%)
	↗	QE Index	12,017.56	0.77%	3.37%	£	↗	GBP/USD	1.23 0.27% (9.25%)
	↘	S&P 500	4,071.70	(0.12%)	(14.57%)	¥	↗	USD/JPY	134.31 0.76% (14.32%)
	↗	Dow 30	34,429.88	0.10%	(5.25%)		↗	6M TB yield	18.53 14 580
	↘	NASDAQ	11,461.50	(0.18%)	(26.74%)		↗	1Y TB yield	18.65 32 588
	↘	VIX	19.06	(3.93%)	10.69%		↗	10Y TB yield	14.68 30 29
	↘	STOXX 50	3,977.90	(0.17%)	(7.46%)		↘	2Y TB yield	4.29 (5) 416
EM	↘	MSCI Emerging	973.85	(0.45%)	(20.95%)		↘	10Y TB yield	3.49 (12) 256
FM	↗	MSCI Frontier	490.46	1.80%	(26.32%)		↘	30Y TB yield	3.55 (20) 189

* As of market close. Change in Treasuries is in basis points.

Source: Bloomberg, CBE.

KEY DATES

DATE	TICKER	TYPE	EVENT
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	AMER	EGM	Approving the division of the company and amending Articles no. 6 & 7 of the company's bylaws.
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 [MACROView – On the Back Foot](#)
- 2-Mar-22 [MACROView – Calculating the Ferocity](#)
- 1-Mar-22 [Housing & Development Bank \[HDBK\] – Credit Provisions Flattened Earnings Growth](#)
- 27-Feb-22 [Export Development Bank of Egypt \[EXPA\] – A Year to Forget](#)
- 22-Feb-22 [Commercial International Bank \(CIB\) \[COMI\] – 2021, a Grand Finale](#)
- 21-Feb-22 [Crédit Agricole Egypt \(CAE\) \[CIEB\] – Non-Interest Income Saves the Day](#)
- 20-Feb-22 [Abu Dhabi Islamic Bank - Egypt \[ADIB\] – Wise Utilization Enhances Profitability](#)
- 17-Feb-22 [Al Baraka Bank Egypt \[SAUD\] – Earnings Pressured by Higher Cost of Risk](#)
- 16-Feb-22 [MACROView – A Soothing Message From the CBE ... and Our Takeaways](#)
- 14-Feb-22 [Abu Qir Fertilizers \[ABUK\] – Another Record-High Quarter](#)
- 13-Feb-22 [Misr Chemical Industries \[MICH\] – Annually Wild, Quarterly Tamed](#)
- 10-Feb-22 [MACROView – Ebb and Flow](#)
- 10-Feb-22 [MACROView – The Cloudy Year Has Just Begun](#)
- 9-Feb-22 [Elsewedy Electric \[SWDY\] – Ending 2021 on a Good Note](#)
- 8-Feb-22 [MACROView – A Fall in Disguise](#)
- 7-Feb-22 [Macro Group Pharmaceuticals \[MCRO\] – Not the Usual Pharma Stock](#)
- 1-Feb-22 [MACROView – The Ripple Effect](#)
- 31-Jan-22 [Obour Land For Food Industries \[OLFI\] – Double-Digit Growth Complements a Resilient Story](#)
- 30-Jan-22** [**STANDPoint – Egypt Valuation Repertoire — 2022 Outlook**](#)
- 12-Jan-22 [QNB Alahli \[QNBA\] – Slow Earnings Pace Despite Assets Growth](#)
- 10-Jan-22 [MACROView – The Last Reading Ahead of a Cloudy Year](#)
- 30-Dec-21** [**EGYPTCeramics – From Dusk to Dawn**](#)
- 26-Dec-21** [**Obour Land For Food Industries \[OLFI\] – A Play on Consumption Recovery**](#)
- 22-Dec-21 [MACROView – The Return of the ‘Vigilante’](#)
- 14-Dec-21 [MACROView – When “Bad” Inflation Clouds the Path of “Good” Inflation](#)
- 9-Dec-21 [MACROView – Another Retreat ... Until Further Notice](#)
- 8-Dec-21 [MACROView – For Stormy Days, Eyes on the Ball](#)
- 7-Dec-21** [**EGYPTBanks – Takeoff Time**](#)
- 5-Dec-21 [MACROView – Searching for Lost Momentum](#)

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