

More Asset Sales Ahead

TODAY'S TOP NEWS & ANALYSIS

New natural gas discovery offshore the Mediterranean

More investments are planned for the North Sinai electric grid

Another oversubscribed treasury bills bid

Palliser Capital attempts to block a merger between Capricorn Energy and NewMed Energy

Damietta and Port Said Container Handling companies to be listed next week

NERIC to start manufacturing electronic railway carriages

MIH intends to sell land to investors

HCCD reportedly negotiates sale of assets to GCC investors

Remco's EGM to discuss the sale of Stella di Mare Hotel; a 10% share buyback

Alexandria Container & Cargo Handling Co. BoD approves cash dividends

Sidpec eyeing full takeover of ETHYDCO

KABO denies paying a second loan to EXPA

Cleopatra to invest for development

MACRO

New natural gas discovery offshore the Mediterranean

Italy's **Eni** and U.S. **Chevron** announced the discovery of an offshore natural gas field in the Eastern Mediterranean sea. The field is located in the Nargis-1 well, and development will be linked to the already existing infrastructure in the Nargis offshore concession. Ownership of the site is split between **Eni** (45%), **Chevron** (45%), and **Egypt's Tharwa Petroleum Co.** (10%). ([Reuters](#))

More investments are planned for the North Sinai electric grid

The **Ministry of Electricity & Renewable Energy** has invested a total of EGP1.6bn, having been enhancing the electric capabilities of the North Sinai region since 2014. More than 23,000 subscriptions have been registered with the introduction of prepaid meters. The ministry is currently embarking on new projects to further improve the efficiency and reach of the electric grid, with EGP500mn in investments. ([Al-Borsa](#))

Another oversubscribed treasury bills bid

With over EGP140bn of submitted bids (a coverage ratio of 11x), the **CBE** has accepted EGP87bn for 91 days treasury bills with an average yield of 20.5%. Meanwhile, 273 days bills have seen a just as strong demand where the **CBE** accepted EGP10.7bn on an average yield of 21.5%. ([CBE, Al-Borsa](#))

Palliser Capital attempts to block a merger between Capricorn Energy and NewMed Energy

LSE-listed **Capricorn Energy** intends to merge with **Israel's NewMed Energy** whose unitholders are expected to own c.90% of the merged entity through a share swap. Meanwhile, **Palliser Capital**, Capricorn's third largest shareholder, called for a general meeting to oust the board of directors and thwart the attempt. The vote is planned to take place on 1 February, but the effort might prove futile as the vote to approve the merger is scheduled just hours before the GM to restructure the board. If the merger goes through, the merged entity NewMed would assume control of Capricorn's oil and gas operations in **Egypt's** Western Desert. ([Arab Finance](#))

Damietta and Port Said Container Handling companies to be listed next week

Prime Minister Mustafa Madbouly said that Port Said Container Handling Co. [**POCO**] and Damietta Container Handling Co. [**DCCC**] will be listed next week for a strategic investor. We think that **Qatar Investment Authority (QIA)** might be interested in acquiring a stake in the two terminals companies. (Al-Mal)

NERIC to start manufacturing electronic railway carriages

National Egyptian Railway Industries Company (NERIC) is reportedly to start the manufacturing process of electronic railway carriages for the new metro line in its plant in Port Said incorporation with the Korean "Hyundai Rotem" in H1 of 2023. NERIC is expected to provide 340 carriages as per its contract with Cairo Metro. ([Al-Borsa](#))

MIH intends to sell land to investors

Mettallurgical Industries Holding (MIH) reportedly intends to sell land of a subsidiary "**Delta Steel Mill Company**" to investors as a part of its plan to exploit its assets base to maximize its resources. ([AL-Borsa](#))

CORPORATE

HCCD reportedly negotiates sale of assets to GCC investors

Holding Co. for Construction & Development (HCCD) is reportedly negotiating the sale of some assets to GCC investors. The negotiations include acquiring part of HCCD's land bank along with co-partnering in *Helio Park New Cairo* project owned by HCCD's subsidiary Heliopolis Housing & Development [**HELI**]. ([Asharq Business](#))

Remco's EGM to discuss the sale of Stella di Mare Hotel; a 10% share buyback

Remco for Tourism Villages Construction's [**RTVC**] BoD held last Thursday called for an extraordinary general meeting (EGM) to approve the sale of *Stella di Mare Hotel* to *TOLIP Hotels & Resorts* for EGP700mn. The EGM will also look into approving a share buyback of as much as 10% of the company's shares. ([Company disclosure](#))

Alexandria Container & Cargo Handling Co. BoD approves cash dividends

Alexandria Container & Cargo Handling's [**ALCN**] BoD approved a cash dividend payment of EGP1.11/share to shareholders, implying a 5% yield. ([Company disclosure](#))

Sidpec eyeing full takeover of ETHYDCO

Sidi Kerir Petrochemicals (Sidpec) [**SKPC**] is considering a full acquisition of the **Egyptian Ethylene Production Company (ETHYDCO)**. SKPC already owns 20% of ETHYDCO, and the remaining 80% will likely be obtained through a share swap. Given the higher production capacity of ETHYDCO, the share swap ratio could be close to 2:1 in favor of ETHYDCO. ETHYDCO's other major shareholders include **ECHEM**, **GASCO**, **Al Ahly Capital Holding**, **National Investment Bank**, and **Banque Misr**. ([Al-Borsa](#))











































KABO denies paying a second loan to EXPA

El Nasr Clothing & Textiles [**KABO**] denied paying its EGP61mn long-term loan owed to Export Development Bank [**EXPA**], stating it did not decide anything regarding this loan yet. On a separate note, KABO announced earlier that another EGP9mn long-term loan had been paid to EXPA on 3 January 2023. (Company disclosures: [1](#), [2](#))

Cleopatra to invest for development

Cleopatra Hospitals' [**CLHO**] CEO, Dr. Ahmed Ezz El-deen, reported that CLHO plans investing EGP3bn dedicated for the development of four hospitals in the next six years. (Economy Plus)

MARKETS PERFORMANCE

Current equity market cap (EGPbn)						1,025.9					
						daily chg.	ytd chg.				
		EGX 30	15,561.25	0.06%	6.59%			Gold	1,920.23	1.22%	5.14%
		EGX 30 TR	6,404.13	(0.03%)	6.65%			Silver	24.26	2.05%	1.68%
		EGX 70 EWI	2,840.08	1.18%	1.36%			Brent Oil	85.28	(0.72%)	(1.44%)
		EGX 100 EWI	4,274.54	0.94%	3.11%			WTI	79.86	(0.61%)	(1.11%)
		DFMGI	3,323.96	0.32%	(0.36%)			Natural Gas	3.42	5.26%	(19.58%)
		ADSMI	10,210.55	0.57%	(0.01%)		EGP		USD/EGP	29.59	(0.23%)
		TASI	10,726.87	(0.16%)	2.37%	€		EUR/USD	1.08	0.22%	1.39%
		QE Index	10,961.22	(0.26%)	2.62%	£		GBP/USD	1.22	0.26%	1.46%
			S&P 500	3,999.09	0.40%	4.16%	¥		USD/JPY	127.87	1.08%
		Dow 30	34,302.61	0.33%	3.49%			6M TB yield	21.03	44	186
		NASDAQ	11,079.16	0.71%	5.85%			1Y TB yield	21.52	63	261
		VIX	18.35	(2.55%)	(15.32%)			10Y TB yield	14.68	0	0
		STOXX 50	4,150.80	0.58%	9.42%				2Y TB yield	4.23	1
EM		MSCI Emerging	1,029.85	1.13%	7.68%			10Y TB yield	3.50	(4)	(37)
FM		MSCI Frontier	491.35	0.54%	4.03%			30Y TB yield	3.61	(6)	(35)

* 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
16-Jan-23	HELI	Cash dividend	Payment date for a dividend of EGP0.05/share (1st installment).
16-Jan-23	ADIB	Capital increase	Capital increase subscription closing date.
17-Jan-23	UASG	BoD Meeting	Discussing agenda items.
17-Jan-23	EHDR	OGM	Discussing netting contracts & board election.
17-Jan-23	EHDR	EGM	Discussing cancelling reward system.
18-Jan-23	CCAP	EGM	Discussing reward system for the Board members.
22-Jan-23	EMFD	EGM	Amending article No. 3 of the company's bylaws.
22-Jan-23	PHDC	OGM	Discussing netting contracts.
25-Jan-23	CLHO	EGM	Discussing capital reduction by cancelling treasury stocks & amending Articles No. 6 & 7 of the company's bylaws.
2-Feb-23	SPMD	EGM	Approving increasing the issued capital & amending Articles No. 6 & 7 of the company's bylaws.
4-Feb-23	GGCC	OGM	Approving the sale, waiver, and financial leasing of Katamya land to Beltone Leasing Company.
5-Feb-23	EXPA	OGM	Ratifying 2023's budget.
9-Feb-23		MSCI	MSCI's February 2023 Quarterly Index Review Announcement.

LATEST RESEARCH

DATE	PUBLISHED REPORT
18-Dec-22	<u>Elsewedy Electric [SWDY] – Turning Copper Into Gold</u>
5-Dec-22	<u>Commercial International Bank [COMI] – Still Spearheading</u>
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 [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**](#)

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