

## High Prices, Low Prices

### TODAY'S TOP NEWS & ANALYSIS

Record-breaking Egyptian exports in 2022

The new 11% industrial and agricultural loan initiative will start next week

Minister of Planning expects inflation to recede by the end of 2023

CBE urges banks to assess foreign currency demand for the next six months

Russia adding EGP to its official list of currencies

More sanctions coming for Russia

Egyptian government to increase wheat incentives

Poultry fodder prices to fall

Obeikan Investment Group establishes a digital solutions subsidiary in Egypt

Global Auto to assemble BMW in Egypt

FRA approves FWRY's Capital increase

Subscription rate of ADIB's capital increase reached 93.4%

Ezz Steel raises rebar prices for the second time in January

MPCO adds new land in 10th of Ramadan City to increase its expansion

EEP and TSFE acquires Selah El Telmeez

### MACRO

#### Record-breaking Egyptian exports in 2022

The **Egyptian Prime Minister** said **Egyptian exports** reached an all-time high of USD53.8bn in 2022 (+20% y/y). He also added that non-oil exports alone increased 12% y/y to USD35.6bn.

Meanwhile, the **Egyptian Minister of Petroleum** revealed that petroleum exports reached USD18.2bn (+41% y/y). ([Asharq Business](#), [Al-Mal](#))

#### The new 11% industrial and agricultural loan initiative will start next week

The **Egyptian Prime Minister** said the new 11% p.a. industrial and agricultural loan initiative will start next week. The initiative will provide a total of EGP150bn of financing, with EGP140bn earmarked for working capital requirements and EGP10bn for capex needs. The initiative will have an EGP75mn limit for each company, with conditions to prevent using the finance initiative to pay back any outstanding debt. (Economy Plus)

### Minister of Planning expects inflation to recede by the end of 2023

The Egyptian Minister of Planning said she expects inflation in **Egypt** to go down to the 7-9% range by the end of 2023. ([Asharq Business](#))

### CBE urges banks to assess foreign currency demand for the next six months

To estimate the expected demand for foreign currency, the **Central Bank of Egypt (CBE)** requested from banks to give ballpark figures for foreign currency requirements over the next six months based on their backlog of letters of credit (LCs) and documents collection (DCs) requests. ([Asharq Business](#))

### Russia adding EGP to its official list of currencies

The **Russian Central Bank** will now officially set daily exchange rates for the **Russian ruble** against the **Egyptian pound**. ([NASDAQ](#))

### More sanctions coming for Russia

The **European Union**, the **G-7**, and their allies will impose sanctions on **Russian oil products** starting on 5 February. Currently, the restrictions that were imposed in December placed a cap on Russian crude oil. The new sanctions will put a cap and a ban on refined fuel products, most notably diesel fuel. This is expected to create volatility as **Russia** finds new buyers and the **EU** replaces 600,000bbl/day worth of diesel fuel. ([Bloomberg](#))

### Egyptian government to increase wheat incentives

The **Egyptian government** approved increasing the wheat incentives by 25% to EGP1,250/ardeb in order to encourage local farmers to expand the planting of strategic crops, especially wheat. ([CNBC Arabia](#))

### Poultry fodder prices to fall

**Poultry fodder prices** reportedly fell after the increased releases from ports. Prices of soybeans and yellow corn fell to c. EGP26,000/ton and EGP12,000/ton from EGP33,000/ton and 15,000/ton, respectively. Bran also fell to EGP8,000 from EGP10,000. ([Al-Borsa](#))

### Obeikan Investment Group establishes a digital solutions subsidiary in Egypt

KSA-based **Obeikan Investment Group** decided to expand its services in **Egypt** through establishing **Obeikan Digital Solutions** to make use of the increasing demand for digital transformation technology and tech services in the Egyptian market. ([Economy Plus](#), [Obeikan Group](#))

### Global Auto to assemble BMW in Egypt

**Global Auto Group**, the official agents of **BMW** and **Mini** in **Egypt**, started assembling **BMW** locally. ([Al-Mal](#))

## CORPORATE

### FRA approves FWRV's Capital increase

The **Financial Regulatory Authority (FRA)** has approved Fawry for Banking Technology & Electronic Payments' [**FWRV**] capital increase from EGP1,654mn to EGP1,703mn or EGP50mn distributed on 99.2mn shares. The increase is part of FWRV's employees reward system and is to be financed through the company's reserves. FWRV's BoD is yet to call for an ordinary general meeting (OGM) to approve the increase. ([Company disclosure](#))

### Subscription rate of ADIB's capital increase reached 93.4%

Shareholders of Abu Dhabi Islamic Bank - Egypt [**ADIB**] subscribed to 93.4% of the bank's EGP1bn capital increase at a par value of EGP10/share. The remaining unsubscribed amount of 6.5mn shares will be offered in a second-phase subscription. ([Company disclosure](#))

### Ezz Steel raises rebar prices for the second time in January

Ezz Steel [**ESRS**] raised its rebar prices by EGP1,000/ton or 3.8% to EGP26,985/ton. This is the second time prices have increased this month, with the last price increase taking place on 11 January. ([Al-Mal](#))

### MPCO adds new land in 10th of Ramadan City to increase its expansion

Mansoura Poultry [**MPCO**] reported that **New Urban Communities Authority (NUCA)** approved the allocation of 550sqm land near to MPCO's building and land in the Tenth of Ramadan City with a combined worth of EGP744,976. Currently, MPCO has total land of 6,600 sqm. The new land will be used in an expansion plan that includes farms to raise the production efficiency of the company's hatchery labs. Additionally, MPCO will expand the fattening activity after the sector recovers following the continuous releases of poultry feed by the government. The financing of this expansion will come from the company's own financial resources, including selling its stake in **Safwa Poultry** amounting to EGP10mn. (Company disclosures: [1](#), [2](#))

### EEP and TSFE acquires Selah El Telmeez

The **Egyptian Education Platform (EEP)** and **The Sovereign Fund of Egypt (TSFE)** acquired a controlling stake in **Selah El Telmeez**, a publisher of educational books, for EGP646mn. ([Al-Mal](#))

## MARKETS PERFORMANCE

Current equity market cap (EGPbn)						Equity turnover (EGPmn): Last, ytd avg.					
1,049.9						3,476.4      2,796.1					
daily chg.    ytd chg.						daily chg.    ytd chg.					
		EGX 30	15,987.15	0.03%	9.51%			Gold	1,904.11	(0.24%)	4.68%
		EGX 30 TR	6,579.41	0.02%	9.57%			Silver	23.46	(1.94%)	(2.17%)
		EGX 70 EWI	2,974.92	0.42%	6.17%			Brent Oil	84.98	(1.33%)	(2.40%)
		EGX 100 EWI	4,428.96	(0.07%)	6.84%			WTI	79.48	(1.62%)	(2.58%)
		DFMGI	3,349.40	(0.24%)	0.40%			Natural Gas	3.31	(1.15%)	(26.86%)
		ADSMI	10,240.67	(0.32%)	0.29%	EGP		USD/EGP	29.65	(0.21%)	(16.66%)
		TASI	10,664.04	(0.18%)	1.77%	€		EUR/USD	1.08	0.02%	0.85%
		QE Index	10,586.28	(0.19%)	(0.89%)	£		GBP/USD	1.23	(0.14%)	2.05%
		S&P 500	3,928.86	(1.56%)	2.33%	¥		USD/JPY	128.90	(0.61%)	2.53%
		Dow 30	33,296.96	(1.81%)	0.45%			6M TB yield	21.03	44	186
		NASDAQ	10,957.01	(1.24%)	4.69%			1Y TB yield	21.52	63	261
		VIX	20.34	5.06%	(6.14%)			10Y TB yield	14.68	0	0
		STOXX 50	4,174.34	0.00%	10.04%			2Y TB yield	4.08	(12)	(34)
EM		MSCI Emerging	1,030.06	0.26%	7.70%			10Y TB yield	3.37	(18)	(51)
FM		MSCI Frontier	495.20	0.65%	4.84%			30Y TB yield	3.54	(12)	(43)

\* 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
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.
16-Feb-23	RTVC	EGM	Approving valuation & selling Stella Di Mare Sharm Elsheikh.
22-Feb-23	AMOC	Cash dividend	Payment date for a dividend of EGP0.25/share (2nd installment).

## LATEST RESEARCH

DATE	PUBLISHED REPORT
18-Dec-22	<a href="#">Elsewedy Electric [SWDY] – Turning Copper Into Gold</a>
5-Dec-22	<a href="#">Commercial International Bank [COMI] – Still Spearheading</a>
28-Nov-22	<a href="#">Abu Dhabi Islamic Bank - Egypt [ADIB] – Unmitigated Temerity</a>
<b>20-Nov-22</b>	<b><a href="#">Alexandria Containers &amp; Cargo Handling Co. [ALCN] – Gateway of the North</a></b>
14-Nov-22	<a href="#">Obour Land for Food Industries [OLFI] – Wise and Clever</a>
<b>13-Nov-22</b>	<b><a href="#">STANDPoint – Time to Catch Up: Updating our fundamental outlook</a></b>
3-Nov-22	<a href="#">TAKEStock – Telecom Egypt [ETEL] – Life Above 40</a>
19-Oct-22	<a href="#">Lecico Egypt [LCSW] – A Fragile Tile?</a>
27-Sep-22	<a href="#">Commercial International Bank [COMI]: Commander-in-Chief</a>
24-Sep-22	<a href="#">TAKEStock: The Egyptian Banking Industry - The RRR Effect</a>
21-Sep-22	<a href="#">EGYPTBanks – The Causal Sequence</a>
<b>24-Aug-22</b>	<b><a href="#">Arabian Food Industries (Domty) – Core Coverage Report</a></b>
22-Aug-22	<a href="#">Credit Agricole Egypt [CIEB] – Core Coverage Update</a>
31-Jul-22	<a href="#">Ghazl El-Mahalla Football Co. [GMFC] - IPO Update</a>
14-Jun-22	<a href="#">Ghazl El-Mahalla Football Co. [GMFC] - In a League of Its Own</a>
8-Jun-22	<a href="#">TAKEStock – Delta Sugar [SUGR] - Sweet and Sour</a>
7-Jun-22	<a href="#">TAKEStock – Orascom Financial Holding [OFH] - Triple-Digit Upside</a>
25-May-22	<a href="#">TAKEStock – The Egyptian Cement Industry - Gauging the Impact</a>
<b>23-May-22</b>	<b><a href="#">Cairo for Investment &amp; Real Estate Development [CIRA] – Head of the Class</a></b>
19-May-22	<a href="#">MACROView – A New Game Plan</a>
17-May-22	<a href="#">MACROView – All Uphill from Here</a>
<b>15-May-22</b>	<b><a href="#">EGYPTBanks – Harness the Hike</a></b>
15-May-22	<a href="#">TAKEStock – Hidden “valu”</a>
28-Apr-22	<a href="#">MACROView – Din of Battle Getting Louder</a>
17-Apr-22	<a href="#">MACROView – Before the Grand Storm</a>
14-Apr-22	<a href="#">EFG Hermes Holding [HRHO] – Rating Cut on Withdrawal of FAB’s Bid</a>
12-Apr-22	<a href="#">MACROView – Mounting External Vulnerabilities</a>
10-Apr-22	<a href="#">MACROView – Much Higher Inflation ... and Longer</a>
24-Mar-22	<a href="#">EFG Hermes Holding [HRHO] – The Best Is Yet to Come</a>
23-Mar-22	<a href="#">CI Capital Holding [CICH] – A Year to Remember</a>
22-Mar-22	<a href="#">Orascom Construction [ORAS] – A Clear Devaluation Winner</a>
10-Mar-22	<a href="#">MACROView – The Dizzying Speed</a>
6-Mar-22	<a href="#">MACROView – On the Back Foot</a>
2-Mar-22	<a href="#">MACROView – Calculating the Ferocity</a>
1-Mar-22	<a href="#">Housing &amp; Development Bank [HDBK] – Credit Provisions Flattened Earnings Growth</a>
27-Feb-22	<a href="#">Export Development Bank of Egypt [EXPA] – A Year to Forget</a>
22-Feb-22	<a href="#">Commercial International Bank (CIB) [COMI] – 2021, a Grand Finale</a>
21-Feb-22	<a href="#">Crédit Agricole Egypt (CAE) [CIEB] – Non-Interest Income Saves the Day</a>



- 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\*\*](#)

## Prime Securities

### Shawkat El Maraghy

Managing Director

T +20233005622

[SElmaraghy@egy.primegroup.org](mailto:SElmaraghy@egy.primegroup.org)

## Sales

### Mohamed Ezzat

Head of Sales & Branches

T +20233005784

[MEzzat@egy.primegroup.org](mailto:MEzzat@egy.primegroup.org)

### Mohamed Ashmawy

Head of Institutional Sales

T +20233005612

[MAshmawy@egy.primegroup.org](mailto:MAshmawy@egy.primegroup.org)

### Amr Alaa CFTe

Team Head-Institutional Desk

T +20233005609

[AAlaa@egy.primegroup.org](mailto:AAlaa@egy.primegroup.org)

### Mohamed ElMetwaly

Manager

T +20233005610

[MElmetwaly@egy.primegroup.org](mailto:MElmetwaly@egy.primegroup.org)

### Emad El Safoury

Manager

T +20233005624

[EElsafoury@egy.primegroup.org](mailto:EElsafoury@egy.primegroup.org)

### Shawkat Raslan

Heliopolis Branch Manager

T +20233008130

[SRaslan@egy.primegroup.org](mailto:SRaslan@egy.primegroup.org)

### Nashwa Abuelatta

Alexandria Branch Manager

T +20233005173

[NAbuelatta@egy.primegroup.org](mailto:NAbuelatta@egy.primegroup.org)

## Research

### Amr Hussein Elalfy CFA

Head of Research

T +20233005724

[AElalfy@egy.primegroup.org](mailto: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, 7<sup>th</sup> 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](http://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 © 2023, 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.