

Merger or Acquisition?

TODAY'S TOP NEWS & ANALYSIS

Suez Canal revenues increase 45.6% y/y in January 2023

Minister of planning expects GDP growth of 4.8%-5%

Qatar offered to acquire 50%+ of Damietta and Port Said Container Handling Co.'s

Suez Canal Bank submits listing documents for its c.24% stock dividend

The CI Capital-Misr Capital merger is close to its final stage

Banque du Caire receives a USD100mn European/British loan facility

EGX indices gets a rebalance

MACRO

Suez Canal revenues increase 45.6% y/y in January 2023

The chairman of **Suez Canal Authority (SCA)** has announced that the canal's revenues increased 45.6% y/y in January reaching USD717mn. While the number of ships increased to 1953 ship (+21.3% y/y). (Economy plus)

Minister of planning expects GDP growth of 4.8%-5%

Minister of Planning declared her expectations for GDP growth in the current fiscal year to be around 4.8%-5% against 6.6% in FY2021/22. The Minister also stated that the government targets increasing private sector's contribution to economy to 65% over the next 3 years. (Al-Borsa news)

CORPORATE

Qatar offered to acquire 50%+ of Damietta and Port Said Container Handling Co.'s

Maha Capital, a subsidiary of the **Qatar Investment Authority (QIA)**, has reportedly made an offer to the **Holding Co. for Maritime & Land Transport (HCMLT)** to acquire more than 50% of Damietta Container Handling Co. [**DCCC**] and Port Said Container Handling Co. [**POCO**].

However, HCMLT would like to maintain majority stakes in the two companies. In similar news, Admiral Tarek Shahin, the CEO of POCO, said that EFG Hermes Holding [**HRHO**], CI Capital Holding [**CICH**], and another investment bank are competing to float the company on the EGX in an IPO. (Al-Mal: [1](#), [2](#))

Suez Canal Bank submits listing documents for its c.24% stock dividend

Suez Canal Bank [**CANA**] has submitted to the **EGX** the documents to list 69.6mn stock dividends at a par value of EGP10/share. The bank had previously announced increasing its paid-in capital from EGP2.9bn to EGP3.6bn by EGP695.7mn through a c.24% stock dividend distribution to be financed from retained earnings. ([Company disclosure](#))

The CI Capital-Misr Capital merger is close to its final stage

According to a reliable source, the merger between CI Capital Holding [**CICH**] and **Misr Capital's** operations is close to its final stage, pending a few legal procedures. ([Al-Mal](#))

Banque du Caire receives a USD100mn European/British loan facility

Banque du Caire [**BQDC**] received a USD100mn loan from **British International Investment (BII)** and the **European Bank for Reconstruction & Development (EBRD)**. The loan aims to support BQDC's capital base through second-tier enforcement, which would allow the bank to capture further growth opportunities. ([Asharq Business](#))

















EGX indices gets a rebalance

The EGX30 index semiannual rebalancing has been done yesterday, with Alexandria Container and Cargo Handling Co. [**ALCN**], Housing and Development Bank [**HDBK**], and QNB AlAhli [**QNBA**] going out of the index and replaced by Edita Food Industries [**EFID**], Taaleem Management Services [**TALM**], and Abu Dhabi Islamic Bank [**ADIB**]. As for the EGX70 index, 13 companies were replaced. The rebalanced indices will be effective starting 1 February 2023 trading session. (EGX)

Companies that joined EGX70	Companies that exit the EGX70
The Arab Dairy Products Co. Arab Dairy - Panda [ADPC]	Speed Medical SAE [SPMD]
Giza General Contracting and Real Estate Investment Co SAE [GGCC]	Rowad Tourism Co SAE [ROTO]
El Nasr Clothing and Textiles [KABO]	Abu Dhabi Islamic Bank- Egypt [ADIB]
Alexandria Container Handling Co [ALCN]	Taaleem Management Services SAE [TALM]
Housing and Development Bank [HDBK]	The Egyptian Modern Education Systems [MOED]
Egyptian Resorts Co SAE [EGTS]	Six of October Development & Invest [OCDI]
ODIN Investments [ODIN]	Export Development Bank of Egypt [EXPA]
Al Baraka Bank - Egypt [SAUD]	Macro Group Pharmaceutical SAE [MCRO]

Development and Engineering Consultants Co SAE [DAPH]	Naeem Holding [NAHO]
Rakta Paper Manufacturing (RAKT)	Industrial Engineering Co [ENGCI]
Kafr Zayat Pesticides [KZPC]	Misr Beni Suef Cement [MBSC]
Alexandria Spinning and Weaving [SPIN]	Edita Food Industries [EFID]
Reacap Financial Investments [REAC]	Marseilia Egyptian Gulf Real Estate Investment SAE [MAAL]

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.			
1,088.5					2,914.1 2,680.6			
			daily chg.	ytd chg.			daily chg.	ytd chg.
	EGX 30	17,026.64	(2.21%)	16.63%		Gold	1,923.17	(0.25%) 5.00%
	EGX 30 TR	7,006.26	(2.24%)	16.68%		Silver	23.60	(0.01%) (2.27%)
	EGX 70 EWI	2,971.06	(2.90%)	6.04%		Brent Oil	84.90	(0.06%) (1.23%)
	EGX 100 EWI	4,469.66	(2.86%)	7.82%		WTI	77.90	(0.35%) (3.51%)
	DFMGI	3,303.46	(0.77%)	(0.98%)		Natural Gas	2.68	1.05% (39.55%)
	ADSMI	9,802.02	0.66%	(4.01%)	EGP	USD/EGP	30.08	(0.56%) (17.80%)
	TASI	10,810.68	(0.27%)	3.17%	€	EUR/USD	1.09	(0.18%) 1.19%
	QE Index	11,123.47	(0.27%)	4.14%	£	GBP/USD	1.24	(0.13%) 2.09%
	S&P 500	4,017.77	(1.30%)	4.64%	¥	USD/JPY	130.39	(0.39%) 0.68%
	Dow 30	33,717.09	(0.77%)	1.72%		6M TB yield	21.38	7 221
	NASDAQ	11,393.81	(1.96%)	8.86%		1Y TB yield	21.95	11 305
	VIX	19.94	7.73%	(7.98%)		10Y TB yield	14.68	0 0
	STOXX 50	4,158.63	(0.46%)	9.62%		2Y TB yield	4.23	3 (19)
EM	MSCI Emerging	1,044.00	(0.68%)	9.16%		10Y TB yield	3.54	4 (34)
FM	MSCI Frontier	492.87	(0.47%)	4.35%		30Y TB yield	3.65	3 (31)

* 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
31-Jan-23	CIRA	Conference Call	Discussing Q1 2022/2023 financial results.
1-Feb-23	ELSH	BoD meeting	Discussing financial results.
2-Feb-23	SPMD	EGM	Approving increasing the issued capital & amending Articles No. 6 & 7 of the company's bylaws.
2-Feb-23	ORAS	Cash dividend	Deadline for eligibility for a dividend of EGP5.54/share.
3-Feb-23	ORAS	Cash dividend	Ex-dividend date for EGP5.54/share.
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.
8-Feb-23	ALCN	Cash dividend	Deadline for eligibility for a dividend of EGP1.113/share.
9-Feb-23	ALCN	Cash dividend	Ex-dividend date for EGP1.113/share.
9-Feb-23		MSCI	MSCI's February 2023 Quarterly Index Review Announcement.
9-Feb-23	ORAS	Cash dividend	Payment date for a dividend of EGP5.54/share.
13-Feb-23	ALCN	Cash dividend	Payment date for a dividend of EGP1.113/share.
16-Feb-23	QNBA	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
16-Feb-23	QNBA	EGM	Amending articles No. 4, 23, 27, 29, 30, 39 & 45 of the bank's bylaws.
16-Feb-23	RTVC	EGM	Approving valuation & selling Stella Di Mare Sharm El-Sheikh.
18-Feb-23	HELI	OGM	Cancelling the bidding for the development of "Heliopark Land" project and looking into BoD allowances.
18-Feb-23	PHAR	EGM	Discussing the capital increase & amending Articles No. 6 & 7 of the company's bylaws.
22-Feb-23	AMOC	Cash dividend	Payment date for a dividend of EGP0.25/share (2nd installment).
25-Feb-23	OLFI	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.

LATEST RESEARCH

DATE	PUBLISHED REPORT
29-Jan-23	<u>STANDPoint – The Year of Adjustment; Our fundamental outlook for 2023</u>
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	<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>

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