

## A Surprise Downgrade

### TODAY'S TOP NEWS & ANALYSIS

Moody's downgrades Egypt's credit rating

Lower imports decreases trade balance deficit in November 2022

Russian companies to export food oil to Egypt

ADQ to join Vodafone Egypt acquisition

Canal Shipping Agencies H1 2022/23 preliminary net income jumps by 311% y/y

### MACRO

#### Moody's downgrades Egypt's credit rating

**Moody's** downgraded the credit rating of **Egypt** to **B3**, while changing its outlook to **stable**. (Moody's)

#### Lower imports decreases trade balance deficit in November 2022

**Egypt's trade balance deficit** decreased by 38.5% y/y, reaching USD2.15bn, on the back of lower imports of USD5.94bn (-26.8% y/y). ([Economy Plus](#))

#### Russian companies to export food oil to Egypt

**Three major Russian companies** are in negotiations with **The Russian Food Exhibition** in **Egypt** to supply food oil. It is stated that a Russian company called "**AFCO**" has already supplied Egypt with food oil at a competitive price of EGP58/bottle (800mn bottle). (Al-Borsa)

## CORPORATE











































## ADQ to join Vodafone Egypt acquisition

It has been reported that **ADQ Holding** is negotiating with the **Egyptian Government** to acquire Telecom Egypt's [ETEL] stake in Vodafone Egypt [VODE]. ([Asharq Business](#))

## Canal Shipping Agencies H1 2022/23 preliminary net income jumps by 311% y/y

Canal Shipping Agencies [CSAG] H1 2022/23 preliminary results showed a huge growth in net income reaching EGP289.5mn (+311% y/y), whereas revenues came in at EGP35.7mn (+2.3% y/y). The bottom-line increase is attributable to the higher investment income from Damietta Container Handling Co. [DCCC] and Port Said container Handling Co. [POCO], and FX gains. Gross profit margin widened to reach 35.4% (+17.8 pp y/y), while Net profit margin reached 810%. ([Company disclosure](#))

## MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.			
1,070.1					1,987.1		2,471.9	
			daily chg.	ytd chg.			daily chg.	ytd chg.
	 EGX 30	16,900.43	1.89%	15.77%	  Gold	1,873.10	0.30%	2.96%
	 EGX 30 TR	6,961.34	1.84%	15.93%	  Silver	22.17	(0.44%)	(6.70%)
	 EGX 70 EWI	2,849.87	2.58%	1.71%	  Brent Oil	83.69	0.05%	(2.24%)
	 EGX 100 EWI	4,308.69	2.38%	3.94%	 WTI	77.14	0.21%	(3.92%)
	 DFMGI	3,404.81	0.13%	2.06%	  Natural Gas	2.58	(0.31%)	(42.44%)
	 ADSMI	10,003.14	0.02%	(2.04%)	EGP  USD/EGP	30.30	(0.33%)	(18.49%)
	 TASI	10,469.50	(0.82%)	(0.09%)	€  EUR/USD	1.07	0.07%	0.27%
	 QE Index	10,571.91	(1.30%)	(1.02%)	£  GBP/USD	1.20	0.05%	(0.24%)
	 S&P 500	4,164.00	1.29%	8.45%	¥  USD/JPY	131.07	1.21%	0.04%
	 Dow 30	34,156.69	0.78%	3.05%	  6M TB yield	21.49	12	232
	 NASDAQ	12,113.79	1.90%	15.74%	 1Y TB yield	22.04	8	313
	 VIX	18.66	(3.96%)	(13.89%)	 10Y TB yield	14.68	0	0
	 STOXX 50	4,209.31	0.09%	10.96%	  2Y TB yield	4.46	(1)	4
EM	 MSCI Emerging	1,015.51	0.10%	6.18%	 10Y TB yield	3.67	3	(20)
FM	 MSCI Frontier	492.47	(0.70%)	4.27%	 30Y TB yield	3.71	4	(25)

\* 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
8-Feb-23	ALCN	Cash dividend	<b>Deadline for eligibility for a dividend of EGP1.113/share.</b>
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).
22-Feb-23	SKPC	Stock dividend	Last date for eligibility for a 0.20-for-1 stock dividend.
23-Feb-23	SKPC	Stock dividend	Date for distributing a 0.20-for-1 stock dividend.
25-Feb-23	OLFI	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
28-Feb-23	BTFH	EGM	Approving increasing the issued capital & amending Articles No. 6 & 7 of the company's bylaws.
1-Mar-23	PHDC	EGM	Discussing decreasing paid in capital by EGP120mn.
1-Mar-23		MSCI	MSCI's February 2023 Quarterly Index Review Effective Date.

## LATEST RESEARCH

DATE	PUBLISHED REPORT
29-Jan-23	<b><u>STANDPoint – The Year of Adjustment; Our fundamental outlook for 2023</u></b>
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	<b><u>Alexandria Containers &amp; Cargo Handling Co. [ALCN] – Gateway of the North</u></b>
14-Nov-22	<u>Obour Land for Food Industries [OLFI] – Wise and Clever</u>
13-Nov-22	<b><u>STANDPoint – Time to Catch Up; Updating our fundamental outlook</u></b>
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	<b><u>Arabian Food Industries (Domty) – Core Coverage Report</u></b>
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	<a href="#"><u>Ghazl El-Mahalla Football Co. [GMFC] - In a League of Its Own</u></a>
8-Jun-22	<a href="#"><u>TAKEStock – Delta Sugar [SUGR] - Sweet and Sour</u></a>
7-Jun-22	<a href="#"><u>TAKEStock – Orascom Financial Holding [OFH] - Triple-Digit Upside</u></a>
25-May-22	<a href="#"><u>TAKEStock – The Egyptian Cement Industry - Gauging the Impact</u></a>
<b>23-May-22</b>	<b><a href="#"><u>Cairo for Investment &amp; Real Estate Development [CIRA] – Head of the Class</u></a></b>
19-May-22	<a href="#"><u>MACROView – A New Game Plan</u></a>
17-May-22	<a href="#"><u>MACROView – All Uphill from Here</u></a>
<b>15-May-22</b>	<b><a href="#"><u>EGYPTBanks – Harness the Hike</u></a></b>
15-May-22	<a href="#"><u>TAKEStock – Hidden “valu”</u></a>
28-Apr-22	<a href="#"><u>MACROView – Din of Battle Getting Louder</u></a>
17-Apr-22	<a href="#"><u>MACROView – Before the Grand Storm</u></a>
14-Apr-22	<a href="#"><u>EFG Hermes Holding [HRHO] – Rating Cut on Withdrawal of FAB’s Bid</u></a>
12-Apr-22	<a href="#"><u>MACROView – Mounting External Vulnerabilities</u></a>
10-Apr-22	<a href="#"><u>MACROView – Much Higher Inflation ... and Longer</u></a>
24-Mar-22	<a href="#"><u>EFG Hermes Holding [HRHO] – The Best Is Yet to Come</u></a>
23-Mar-22	<a href="#"><u>CI Capital Holding [CICH] – A Year to Remember</u></a>
22-Mar-22	<a href="#"><u>Orascom Construction [ORAS] – A Clear Devaluation Winner</u></a>
10-Mar-22	<a href="#"><u>MACROView – The Dizzying Speed</u></a>
6-Mar-22	<a href="#"><u>MACROView – On the Back Foot</u></a>
2-Mar-22	<a href="#"><u>MACROView – Calculating the Ferocity</u></a>
1-Mar-22	<a href="#"><u>Housing &amp; Development Bank [HDBK] – Credit Provisions Flattened Earnings Growth</u></a>
27-Feb-22	<a href="#"><u>Export Development Bank of Egypt [EXPA] – A Year to Forget</u></a>
22-Feb-22	<a href="#"><u>Commercial International Bank (CIB) [COMI] – 2021, a Grand Finale</u></a>
21-Feb-22	<a href="#"><u>Crédit Agricole Egypt (CAE) [CIEB] – Non-Interest Income Saves the Day</u></a>
20-Feb-22	<a href="#"><u>Abu Dhabi Islamic Bank - Egypt [ADIB] – Wise Utilization Enhances Profitability</u></a>
17-Feb-22	<a href="#"><u>Al Baraka Bank Egypt [SAUD] – Earnings Pressured by Higher Cost of Risk</u></a>
16-Feb-22	<a href="#"><u>MACROView – A Soothing Message From the CBE ... and Our Takeaways</u></a>
14-Feb-22	<a href="#"><u>Abu Qir Fertilizers [ABUK] – Another Record-High Quarter</u></a>
13-Feb-22	<a href="#"><u>Misr Chemical Industries [MICH] – Annually Wild, Quarterly Tamed</u></a>
10-Feb-22	<a href="#"><u>MACROView – Ebb and Flow</u></a>
10-Feb-22	<a href="#"><u>MACROView – The Cloudy Year Has Just Begun</u></a>

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