

Higher Wages!

TODAY'S TOP NEWS & ANALYSIS

A new minimum wage

Suez Canal February revenues

Egypt is looking to be a center for green hydrogen and renewable energy

Arab Contractors to sell a part of its subsidiaries

Palm Hills 2022: A new high

ESRS discloses its FX position

Egytrans to acquire NOSCO by H1 2023

Elsewedy Electric Infrastructure to raise EGP1.7bn in financing

MACRO

A new minimum wage

President El-Sisi announced last Thursday a new minimum wage for all civil servants, where all employees will get at least a 17% increase or the equivalent of EGP1,000 increase at least to their wages, making the new minimum wage EGP3,500/month. Moreover, employees with an MSc and PhD will receive at least EGP6,000/month and EGP7,000/month respectively. Pensions also will increase by 15% starting from April, which should help 11mn pensioners. Personal income tax break threshold was raised from EGP24,000 to EGP30,000. ([Enterprise](#))

Suez Canal February revenues up y/y

The chairman of **Suez Canal Authority (SCA)** announced that the canal recorded revenues of USD743mn (+36% y/y) in February 2023 from the passing of 1,959 ships (+14.3% y/y). ([Al-Mal](#))

Egypt looking to be a center for green hydrogen and renewable energy

The president of the **New & Renewable Energy Authority (NREA)** has reported that the renewable energy projects currently under construction are worth over USD4bn with a total production capacity of 3,500 MW. This includes five wind energy projects and two solar energy projects with capacities of 2,800MW and 700MW respectively. He also added that the projects will be built and operated by private sector companies, both local and foreign. Moreover, Egypt is looking to be a main producer of green hydrogen in the region, with 23 MoU signed with international companies to produce green hydrogen and build other complementary industries. We see that Orascom Construction [**ORAS**], Elsewedy Electric [**SWDY**], and Egytrans [**ETRS**] will be beneficiaries of the aforementioned projects. (Economy Plus)

Arab Contractors to sell a part of its subsidiaries

Arab Contractors is looking to sell or list some of its subsidiaries to a strategic investor or in the upcoming IPO program through **The Sovereign Fund of Egypt**. (Economy Plus)

CORPORATE

Palm Hills Developments 2022: All-time high new sales

Palm Hills Developments' [PHDC] 2022 net income came at EGP1.25bn (+52% y/y) on 76% y/y higher revenues of EGP13.6bn. GPM came at 33% compared to 34% the year before (-1pp y/y). New residential and commercial sales grew by 50% y/y to EGP26bn in 2022, highest in the PHDC's history, from selling 4,033 units during the year compared to 3,350 units the year before (+20% y/y). New sales can be broken down into:

- West Cairo contributed 50% of new sales with EGP13.1bn in new sales by selling 2,039 units during the year
- East Cairo contributed 28% of new sales with EGP7.3bn (+151% y/y) in new sales by selling 1,194 units during the year
- North Coast and Alexandria contributed the remaining 22% of new sales with EGP5.6bn (-21% y/y) in new sales by selling 800 units during the year. ([Company disclosure](#))

ESRS discloses its FX position

Ezz Steel Co. [ESRS] disclosed its preliminary consolidated net FX losses for both the holding company and its subsidiary Al Ezz Dekheila Steel Co. (EZDK) [IRAX].

Net FX losses recorded for Q4 2022:

- ESRS: EGP3bn.
- IRAX: EGP2.8bn.

Net FX losses recorded for the first 2 months within Q1 2023:

- ESRS: EGP5.3bn.
- IRAX: EGP4.8bn. ([Company disclosure](#))

Egytrans to acquire NOSCO by H1 2023

Egytrans [ETRS] is reportedly looking to finish its acquisition of a majority stake in **NOSCO** by H1 2023, as per ETRS's CEO. Due diligence is currently underway, and the transaction value is to be determined upon completion of the due diligence process. ([Enterprise](#))

Elsewedy Electric Infrastructure to raise EGP1.7bn in financing

Elsewedy Electric Infrastructure, a subsidiary of Elsewedy Electric [SWDY], is currently in negotiations with **National Bank of Egypt (NBE)** to acquire financing worth EGP1.7bn. The financing will be broken down into 3 parts, EGP1bn for letters of guarantee, EGP500mn of bank overdrafts, and the remaining EGP200mn for letters of credit. (Economy Plus)

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.			
1,082.8					2,254.5		2,274.5	
			daily chg.	ytd chg.			daily chg.	ytd chg.
	EGX 30	16,846.79	(1.61%)	15.40%		Gold	1,856.48	1.12% 1.78%
	EGX 30 TR	6,937.64	(1.67%)	15.54%		Silver	21.26	1.74% (11.24%)
	EGX 70 EWI	3,058.88	(0.03%)	9.17%		Brent Oil	85.83	1.27% 0.66%
	EGX 100 EWI	4,534.76	(0.25%)	9.39%		WTI	79.68	1.94% (1.06%)
	DFMGI	3,420.26	(0.45%)	2.52%		Natural Gas	3.01	8.82% (32.76%)
	ADSMI	9,906.71	0.39%	(2.98%)	EGP	USD/EGP	30.77	0.00% (19.59%)
	TASI	10,277.76	0.84%	(1.92%)	€	EUR/USD	1.06	0.36% (0.65%)
	QE Index	10,621.81	0.47%	(0.55%)	£	GBP/USD	1.20	0.75% (0.39%)
	S&P 500	4,045.64	1.61%	5.37%	¥	USD/JPY	135.87	0.66% (3.50%)
	Dow 30	33,390.97	1.17%	0.74%		6M TB yield	22.15	18 298
	NASDAQ	11,689.01	1.97%	11.68%		1Y TB yield	22.59	20 369
	VIX	18.49	(5.62%)	(14.67%)		10Y TB yield	14.68	0 0
	STOXX 50	4,294.80	1.28%	13.21%		2Y TB yield	4.86	(2) 43
EM	MSCI Emerging	988.03	0.81%	3.31%		10Y TB yield	3.95	(4) 8
FM	MSCI Frontier	480.14	(0.11%)	1.66%		30Y TB yield	3.88	(7) (9)

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

Source: Bloomberg, CBE.

KEY DATES

DATE	TICKER	TYPE	EVENT
5-Mar-23	MOIN	Cash dividend	Payment date for a dividend of EGP0.096/share (2nd installment).
9-Mar-23	OCDI	OGM	Approving financial statements ending 31 Dec. 2022 and discussing netting contracts.
13-Mar-23	QNBA	Cash dividend	Deadline for eligibility for a dividend of EGP0.75/share.
14-Mar-23	QNBA	Cash dividend	Ex-dividend date for EGP0.75/share.
15-Mar-23		IMF Review	First IMF review with Egypt (end-December 2022 quantitative targets).
15-Mar-23	SMFR	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
15-Mar-23	SMFR	EGM	Amending articles No. 31 & 56 of the company's bylaws.
16-Mar-23	QNBA	Cash dividend	Payment date for a dividend of EGP0.75/share.
16-Mar-23	FAIT	OGM	Approving financial statements ending 31 Dec. 2022 & board election.
18-Mar-23	SNFC	OGM	Approving financial statements ending 31 Dec. 2022.
18-Mar-23	SAUD	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
18-Mar-23	EGAS	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
18-Mar-23	EGAS	EGM	Amending Articles No. 2 & 6 of the company's bylaws.
19-Mar-23	ATLC	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
19-Mar-23	EGBE	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
19-Mar-23	EXPA	Stock dividend	Last date for eligibility for a 0.062-for-1 stock dividend.
20-Mar-23	EXPA	Stock dividend	Date for distributing a 0.062-for-1 stock dividend.
20-Mar-23	AMIA	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
20-Mar-23	AMIA	EGM	Approving increasing the issued capital & amending Articles No. 6 & 7 of the company's bylaws.
20-Mar-23	COMI	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
20-Mar-23	COMI	EGM	Amending some articles of the bank's bylaws.
20-Mar-23	DEIN	OGM	Board election.
20-Mar-23	ANFI	OGM	Approving financial statements ending 31 Dec. 2022.
20-Mar-23	ANFI	EGM	Discussing the continuation of the company.
20-Mar-23	EHDR	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
20-Mar-23	BINV	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
20-Mar-23	TMGH	OGM	Approving financial statements ending 31 Dec. 2022.
21-Mar-23	CERA	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.

21-Mar-23	EFIH	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
21-Mar-23	EFIC	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
21-Mar-23	SKPC	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
21-Mar-23	ADIB	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
21-Mar-23	ADIB	EGM	Amending articles No. 39 & 40 of the bank's bylaws.
21-Mar-23	CNFN	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
21-Mar-23	KZPC	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
22-Mar-23	KRDI	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
23-Mar-23	ARCC	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
26-Mar-23	AUTO	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
26-Mar-23	AUTO	EGM	Amending articles No. 2 & 41 of the company's bylaws.
26-Mar-23	MBSC	OGM	Approving financial statements ending 31 Dec. 2022.
26-Mar-23	MBSC	EGM	Discussing capital reduction & amending Articles No. 4, 6 & 7 of the company's bylaws.
27-Mar-23	ECAP	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
27-Mar-23	SAIB	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
30-Mar-23	MENA	OGM	Approving financial statements ending 31 Dec. 2022.
30-Mar-23	CIEB	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
30-Mar-23	ETRS	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
30-Mar-23	EXPA	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.

LATEST RESEARCH

DATE	PUBLISHED REPORT
8-Feb-23	Alexandria Containers Handling [ALCN] – Breaking Higher Waves
29-Jan-23	STANDPoint – The Year of Adjustment; Our fundamental outlook for 2023
18-Dec-22	Elsewedy Electric [SWDY] – Turning Copper Into Gold
5-Dec-22	Commercial International Bank [COMI] – Still Spearheading
28-Nov-22	Abu Dhabi Islamic Bank - Egypt [ADIB] – Unmitigated Temerity
20-Nov-22	Alexandria Containers & Cargo Handling Co. [ALCN] – Gateway of the North

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>

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