

Citizenship for Sale

TODAY'S TOP NEWS & ANALYSIS

Laws granting foreigners Egyptian citizenship amended

Egypt/Qatar joint investment fund to be USD1bn in size

An unidentified petroleum company will be listed on EGX next month

February Urban CPI rises 31.9% y/y

Details of the Industrial & Agriculture Loan Initiative released

The Egyptian government will bear an extra EGP100bn in subsidies this year

Exports of building materials rise 6% y/y to USD6.9bn in 2022

China Energy to invest USD5.1bn in a green hydrogen plant

A shareholder buys an additional stake in MCRO

South Valley Cement 2022: Still in the red

MACRO

Laws granting foreigners Egyptian citizenship amended

Egypt has amended its laws for granting foreigners citizenship. Foreigners can attain **Egyptian** citizenship for:

- Paying USD250,000, without purchasing assets, to the state's public treasury.
- Buying real estate worth at least USD300,000.
- Establishing or participating in an investment project worth at least USD350,000.
- Depositing USD500,000 in a 0% interest 3-year CD, to be returned in EGP upon maturity.

([Asharq Business](#))

Egypt/Qatar joint investment fund to be USD1bn in size

The joint investment fund between **Qatar** and **Egypt**, which we reported on 2 March, will have a size of USD1bn. The investment fund will be under the direct jurisdiction of either the **Ministry of Planning** or **The Sovereign Fund of Egypt**. ([Al-Borsa](#))

An unidentified petroleum company will be listed on EGX next month

The Chairman of the **Egyptian Exchange (EGX)** expects a new petroleum services company will be listed on the EGX within April. He also expects two new private-sector companies to be listed within 2023. ([Amwal Al-Ghad](#))

February Urban CPI rises 31.9% y/y

Urban CPI in February 2023 climbed 31.9% y/y (vs +25.8% y/y the previous month). Urban CPI also rose 6.5% m/m (vs +4.7% m/m in January), according to CAPMAS. (Bloomberg)

Details of the Industrial & Agriculture Loan Initiative released

We had reported on 19 January 2023 that the **Egyptian government** was finalizing a loan initiative for private-sector companies in the industrial and agriculture sectors. The details of this loan initiative are as follows:

- **Total value of EGP150bn**, with EGP140bn allocated for financing working capital operations and EGP10bn for machinery and equipment.
- **An interest rate of 11% p.a.**
- **A maximum validity period of 5 years** during which the initiative will decrease by 20% each year.
- **Eligibility** is for:
 - Industrial, agricultural, and renewable energy companies.
 - Large and medium-sized enterprises according to the **CBE's** definitions.
 - Small enterprises affiliated with medium or large entities, factories inside free zones, and cooperatives in the agriculture field.
- **The maximum loan per company** is EGP75mn or EGP112.5mn including its related parties (covering both working capital and machinery financing).
- **Each company will only be able to deal with two banks.** ([Hapi](#))

The Egyptian government will bear an extra EGP100bn in subsidies this year

According to the **Prime Minister**, the state will bear this year an extra EGP54bn in ration goods and bread subsidies and an additional EGP45bn for diesel and liquefied petroleum gas cylinder subsidies due to persisting global commodity crisis and crude oil volatility. ([Al-Mal](#))

Exports of building materials rise 6% y/y to USD6.9bn in 2022

The **Export Council for Building Materials, Refractories, & Metallurgical Industries (ECBM)** said that exports of building materials, refractories, and metallurgical industries rose by 6% y/y in 2022 to USD6.9bn. The exports for some of the building materials are:

- **Cement:** USD670mn (+44% y/y)
- **Ceramics:** USD185mn (-7.5% y/y)
- **Aluminum:** USD681mn (-14% y/y)
- **Steel:** USD1.4bn (-21% y/y)

Meanwhile, exports of building materials fell 9% y/y to USD526mn in December 2022. ([Al-Borsa](#), ECBM: [1](#), [2](#), [3](#), [4](#))

China Energy to invest USD5.1bn in a green hydrogen plant

Investments in **China** Energy's green hydrogen plant could reach USD5.1bn, as the company hopes to export green ammonia to Europe. The MoU for the project was signed last November, and the initial implementation could start in May 2023. China Energy is also interested in renewing Egypt's electricity grid, as well as, partnering with the **Ministry of Housing** to manufacture sewage pumps and establishing desalination plants. ([Cabinet statement](#))

CORPORATE

A shareholder buys an additional stake in MCRO

Coronation Africa Frontiers Fund Universal increased its stake in Macro Group Pharmaceuticals [**MCRO**] by a total of 1,307,361 shares (+0.22%), raising its stake to 5.11%. ([Company disclosure](#))

South Valley Cement 2022: Still in the red

South Valley Cement [**SVCE**] 2022 consolidated net loss came at EGP330.4mn (+7% y/y) on revenues of EGP2.3bn (+62.4% y/y). GPM came at 4.3% compared to 1.6% the year before (+2.7pp y/y). ([Company disclosure](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.				
1,057.3					1,624.1 2,223.4				
			daily chg.	ytd chg.			daily chg.	ytd chg.	
	EGX 30	16,315.62	(0.71%)	11.76%		Gold	1,813.80	0.02%	(0.49%)
	EGX 30 TR	6,718.15	(0.72%)	11.88%		Silver	20.03	(0.25%)	(16.32%)
	EGX 70 EWI	3,020.60	0.35%	7.80%		Brent Oil	82.66	0.06%	(3.00%)
	EGX 100 EWI	4,437.63	(0.23%)	7.05%		WTI	76.66	0.05%	(4.76%)
	DFMGI	3,427.05	(0.07%)	2.73%		Natural Gas	2.55	3.37%	(41.07%)
	ADSMI	9,944.09	(0.04%)	(2.61%)	EGP	USD/EGP	30.88	(0.47%)	(20.00%)
	TASI	10,410.21	(0.60%)	(0.65%)	€	EUR/USD	1.05	0.08%	(1.42%)
	QE Index	10,752.32	0.28%	0.67%	£	GBP/USD	1.18	0.08%	(1.89%)
	S&P 500	3,992.01	0.14%	3.97%	¥	USD/JPY	137.36	(0.15%)	(4.12%)
	Dow 30	32,798.40	(0.18%)	(1.05%)		6M TB yield	22.15	18	298
	NASDAQ	11,576.00	0.40%	10.60%		1Y TB yield	22.59	20	369
	VIX	19.11	(2.45%)	(11.81%)		10Y TB yield	14.68	0	0
	STOXX 50	4,288.45	0.22%	13.04%		2Y TB yield	5.07	6	64
EM	MSCI Emerging	978.07	(1.04%)	2.27%		10Y TB yield	3.99	3	12
FM	MSCI Frontier	479.69	(0.03%)	1.56%		30Y TB yield	3.89	2	(7)

* As of market close, except for commodities and currencies at 8.15am CLT. Change in Treasuries is in basis points.

Source: Bloomberg, CBE.

KEY DATES

DATE	TICKER	TYPE	EVENT
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.
20-Mar-23	OLFI	Cash dividend	Deadline for eligibility for a dividend of EGP0.95/share.
21-Mar-23	OLFI	Cash dividend	Ex-dividend date for EGP0.95/share.
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.
23-Mar-23	OLFI	Cash dividend	Payment date for a dividend of EGP0.95/share.
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.
28-Mar-23	POUL	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
28-Mar-23	EFID	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
28-Mar-23	UNIT	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
28-Mar-23	ETEL	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
28-Mar-23	PORT	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
29-Mar-23	EPCO	OGM	Approving financial statements ending 31 Dec. 2022.
29-Mar-23	MCRO	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
29-Mar-23	MCRO	EGM	Discussing capital reduction & amending Articles No. 6 & 7 of the company's bylaws.
29-Mar-23	AMES	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.

29-Mar-23	SUGR	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
29-Mar-23	ICLE	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
29-Mar-23	ACAMD	OGM	Approving financial statements ending 31 Dec. 2022 and netting contracts.
29-Mar-23	ELSH	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
30-Mar-23	ATQA	OGM	Approving financial statements ending 31 Dec. 2022 and netting contracts.
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.
30-Mar-23	HDBK	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
30-Mar-23	LCSW	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
30-Mar-23	CANA	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
30-Mar-23	AREH	OGM	Discussing netting contracts.
30-Mar-23	EMFD	OGM	Approving financial statements ending 31 Dec. 2022.
30-Mar-23	EKHO	OGM	Approving financial statements ending 31 Dec. 2022 and approving distributing dividends of USD0.11/share.
30-Mar-23	EKHO	EGM	Considering approval some articles of the law.
30-Mar-23	GGCC	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
30-Mar-23	GGCC	EGM	Discussing capital reduction & amending Articles No. 6 & 7 of the company's bylaws.

LATEST RESEARCH

DATE	PUBLISHED REPORT
8-Feb-23	<u>Alexandria Containers Handling [ALCN] – Breaking Higher Waves</u>
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>

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