

A Hidden "GEMMA"

NEW RESEARCH

Al Ezz Ceramics & Porcelain (GEMMA) [ECAP]: A Hidden "GEMMA"

Our bullish view on Al Ezz Ceramics & Porcelain (GEMMA) [ECAP] published in [our Core Coverage report dated 30 December 2021](#) was due to its growth potential and relatively low multiples. Today, we affirm our positive view on ECAP, adding to the mix its higher utilization rates and selling prices, despite the lower purchasing power and higher imported costs. Although pressured in 2022 on a strong USD, ECAP's margins stood strong as it managed to pass on the higher costs to its end customers. We updated our financial model, which resulted in a 12MPT of EGP35.3/share (138% higher than our previous 12MPT of EGP14.8/share). Thus, we reiterate our Overweight / Medium Risk rating for ECAP.

For the full report, please [click here](#).

TODAY'S TOP NEWS & ANALYSIS

The Ministry of Transportation and AD Ports sign several agreements to operate terminals
Egypt to sell more than 10% in Safi and Wataniya; more listings on the way
Egypt may not withdraw the UN grains treaty
Egypt to deal in local currencies with India and China
TSFE is looking to sell El Salhiya For Development & Agricultural Investment
Dice to buy back 5.04% of its outstanding shares

MACRO

The Ministry of Transportation and AD Ports sign several agreements to operate terminals

The **Ministry of Transportation** signed a contract with **AD Ports**, a subsidiary of **ADQ Holding**, to operate, manage, service, and rebuild the infrastructure of several ports, including **Safaga 2** terminal in **Safaga Port**, **Ain Sokhna Port**, and **East Port Said Port**, alongside building and operating an industrial and logistics area. Moreover, the ministry also signed several agreements to operate and manage the piers and terminals for cruise ships in **Sharm El-Sheikh** and **Hurghada ports**. ([Al-Mal](#))

Egypt to sell more than 10% in Safi and Wataniya; more listings on the way

The **Sovereign Fund of Egypt (TSFE)** said it is possible to sell more than 10% stakes in **National Co. for Natural Water (Safi)** and **National Petroleum Co. (Wataniya)** to investors, with no maximum limit. To recap, it was reported that an Emirati investor is interested in investing into Wataniya, while GCC sovereign wealth funds showed interest in investing in both Safi and Wataniya. In similar news, TSFE also reported that **Egyptian Linear Alkylbenzene Co. (ELAB)** will be the first offering in Egypt's planned IPO program. Moreover, eight more undisclosed companies joined the pre-IPO fund that will be offered soon. ([Al-Borsa](#))

Egypt may not withdraw the UN grains treaty

Reportedly, the **Egyptian government** have received several letters from the **Grains Trade Convention (GTC)** that made the government rethink the withdrawal from the treaty. The Egyptian supply minister said that Egypt is not benefiting from the treaty now, however the government incurs paying around USD58,000/year. ([Enterprise](#))

Egypt to deal in local currencies with India and China

Egypt is currently considering completing its commercial dealings with **China** and **India** in local currencies, which should help increase trade between the countries. (Economy Plus)

CORPORATE

TSFE is looking to sell El Salhiya For Development & Agricultural Investment

The **Sovereign Fund of Egypt (TSFE)** started to promote **ElSalhiya for Development & Agricultural Investment (SDAI)** to strategic investors in the GCC region. The sources ruled out putting the company on the money market. (Economy Plus)

Dice to buy back 5.04% of its outstanding shares

Dice Sports & Casual Wear [**DSCW**] will start a share buyback program, buying 90mn treasury shares (equivalent to 5.0374%) of its outstanding shares for EGP0.35/share. The program will start Tuesday, 21 March 2023 and will continue for five days. ([Company disclosure](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.				
957.1					2,130.3 2,172.1				
			daily chg.	ytd chg.			daily chg.	ytd chg.	
	EGX 30	14,704.18	(0.14%)	0.72%		Gold	1,989.25	3.63%	9.06%
	EGX 30 TR	6,062.73	(0.00%)	0.97%		Silver	22.60	4.17%	(5.65%)
	EGX 70 EWI	2,558.65	(0.22%)	(8.68%)		Brent Oil	72.97	(2.32%)	(14.42%)
	EGX 100 EWI	3,814.41	0.07%	(7.99%)		WTI	66.74	(2.36%)	(17.12%)
	DFMGI	3,349.24	1.28%	0.39%		Natural Gas	2.34	(7.00%)	(47.75%)
	ADSMI	9,650.10	2.21%	(5.49%)	EGP	USD/EGP	30.79	0.03%	(18.95%)
	TASI	9,976.65	(0.72%)	(4.79%)	€	EUR/USD	1.07	0.57%	(0.33%)
	QE Index	9,910.09	(2.01%)	(7.22%)	£	GBP/USD	1.22	0.53%	0.74%
	S&P 500	3,916.64	(1.10%)	2.01%	¥	USD/JPY	131.85	1.43%	(0.55%)
	Dow 30	31,861.98	(1.19%)	(3.88%)		6M TB yield	22.59	10	342
	NASDAQ	11,630.51	(0.74%)	11.12%		1Y TB yield	22.58	(1)	367
	VIX	25.51	10.96%	17.72%		10Y TB yield	14.68	0	0
	STOXX 50	4,064.99	(1.26%)	7.15%		2Y TB yield	3.84	(5)	(59)
EM	MSCI Emerging	951.56	1.08%	(0.50%)		10Y TB yield	3.43	(2)	(45)
FM	MSCI Frontier	473.82	(0.10%)	0.32%		30Y TB yield	3.62	(2)	(34)

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

Source: Bloomberg, CBE.

KEY DATES

DATE	TICKER	TYPE	EVENT
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.
30-Mar-23	MCQE	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
31-Mar-23	CCRS	OGM	Approving financial statements ending 31 Dec. 2022.

LATEST RESEARCH

DATE	PUBLISHED REPORT
16-Mar-23	<u>Al Ezz Ceramics & Porcelain (GEMMA) [ECAP] – A Hidden “GEMMA”</u>
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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