

The Gold Rush

TODAY'S TOP NEWS & ANALYSIS

Egypt's gold reserves up; foreign currency reserves down in March 2023

Suez Canal revenues up 38.5% y/y in March 2023

Trade balance deficit declines by 47% y/y in January

Supply Ministry sells yellow corn to poultry feed factories

Egypt to open global bids for gold exploration tomorrow

Egypt's automotive imports fall 63% in January 2023

IDHC 2022: Lower earnings on lower COVID-related revenues; dividend decision postponed

e-finance signs an MoU with KSA-based Thiqah

Speed Medical to kick off its 50% capital increase next month

MACRO

Egypt's gold reserves up; foreign currency reserves down in March 2023

Egypt's gold reserves increased by USD578mn m/m to USD7.95bn in March 2023. On the other hand, the country's **foreign currency reserves** declined by USD485mn m/m to USD26.47bn in March 2023. ([Al-Mal](#))

Suez Canal revenues up 38.5% y/y in March 2023

Suez Canal revenues recorded USD832mn in March 2023 vs. USD602mn in March 2022 (+38.5% y/y). This came from the passage of 2,191 ships during March vs. 1,816 a year before (+20.6% y/y). ([Al-Mal](#))

Trade balance deficit declines by 47% y/y in January

The **Egyptian trade balance deficit** has declined by 47% y/y to USD2.48bn compared to USD4.68bn in January 2022. Exports declined slightly by 7.1% y/y to USD3.85bn in January 2022. Imports also declined by 28% y/y to USD6.33bn in January 2023. (Economy Plus)

Supply Ministry sells yellow corn to poultry feed factories

Supply Ministry is selling imported yellow corn to medium-sized poultry feed factories with production capacity from 20-100 tons/day through the Egyptian Mercantile Exchange (EMX). The factories can register until 11 April. ([Al-Mal](#))

Egypt to open global bids for gold exploration tomorrow

Egypt intends to launch its first global bid for gold exploration during 2023 in five areas in the Eastern Desert, through **Shalatin Mineral Resources Co.** The bidding will run from 10 April to 10 August 2023. The areas that will be offered for exploration in the Eastern Desert are the following: Fatiri, Al-Baramiyah, Aqoud, Umm Oud, and Hamata. ([Asharq Business](#))

Egypt's automotive imports fall 63% in January 2023

According to **Automotive Marketing Information Council (AMIC)**, **Egypt's** automotive imports fell to USD190.6mn in January 2023 (-63% y/y) as:

- Passenger car imports fell to USD100.7mn (-71% y/y).
- Bus imports fell to USD0.1mn (-86% y/y).
- Truck imports fell to USD16mn (-72% y/y).
- Special-use vehicle imports fell to USD11.8mn (-29% y/y). ([Al-Mal](#))

CORPORATE

IDHC 2022: Lower earnings on lower COVID-related revenues; dividend decision postponed

Integrated Diagnostics Holding Co. [**IDHC**] reported 2022 net profits of EGP541mn (-62% y/y) on lower revenues of EGP3.6bn (-31% y/y) driven by a 75% y/y drop in COVID-19-related revenues to EGP702mn. Non-COVID-19 (conventional) revenues started to normalize after the pandemic, recording an 18% y/y growth in revenues to EGP2.9bn. This was driven by higher number of conventional tests performed to c.31mn (+9% y/y) and higher average revenue per conventional test to EGP94 (+9% y/y). Overall, the number of tests per patients grew 15% y/y to 3.7 in 2022.

Meanwhile, GPM narrowed by 13pp y/y to 41%, driven by:

- Normalization of margins after the pandemic.
- Higher direct salaries and wages.
- Higher depreciation expense on new branch additions.
- Slight increase in raw materials prices due to the EGP devaluation.

As for Q4 2022, net profits declined by 56% y/y to EGP137mn on lower revenues of EGP805mn (-45% y/y). The drop in revenues came due to a rapid decline in COVID-19-related revenues by 97% y/y to EGP24mn as COVID-19 was gradually phasing out. Meanwhile, conventional revenues grew by 31% y/y to EGP780mn. Similarly, GPM dropped by 9pp y/y to 35% for the same reasons as those driving 2022.

On a separate note, IDHC's BoD postponed its decision to distribute dividends for the year 2022 to its meeting in August 2023. While the company confirmed commitment to its long-term dividend policy, the postponement decision was due to the ongoing uncertainty and lack of FX availability in Egypt, according to IDHC's management. ([Company disclosure](#))













e-finance signs an MoU with KSA-based Thiqah

e-finance [EFIH] signed an MoU with **Thiqah Business Services**, a digital transformation player in **Saudi Arabia**. The company hopes such cooperation will position EFIH in the Saudi market while serving as a launch pad into a number of new markets with the support of the **Public Investment Fund (PIF)**. ([Company disclosure](#))

Speed Medical to kick off its 50% capital increase next month

The **Financial Regulatory Authority (FRA)** approved Speed Medical's [SPMD] 50% rights issue where the company will increase its paid-in capital by EGP111mn by offering c.555mn shares at a par value of EGP0.2/share. The capital increase will take place between 2 May and 1 June 2023, and the last date for rights issue eligibility is 26 April 2023. ([Company disclosure](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)				Equity turnover (EGPmn): Last, ytd avg.			
1,075.5				1,552.7 2,057.1			
			daily chg.	ytd chg.		daily chg.	ytd chg.
	EGX 30	16,709.28	(1.82%)	14.46%		Gold	2,007.91 (0.63%) 10.08%
	EGX 30 TR	6,906.64	(1.83%)	15.02%		Silver	24.98 (0.01%) 4.27%
	EGX 70 EWI	2,945.58	(0.35%)	5.13%		Brent Oil	85.12 0.15% 0.42%
	EGX 100 EWI	4,420.09	(0.55%)	6.62%		WTI	80.70 0.11% 0.31%
	DFMGI	3,410.51	(0.12%)	2.23%		Natural Gas	2.01 (6.68%) (55.06%)
	ADSMI	9,461.69	(0.10%)	(7.34%)	EGP	USD/EGP	30.77 0.42% (19.71%)
	TASI	10,906.15	(0.13%)	4.08%	€	EUR/USD	1.09 (0.16%) 1.87%
	QE Index	10,342.43	(0.16%)	(3.17%)	£	GBP/USD	1.24 (0.18%) 2.77%
	S&P 500	4,105.02	0.36%	6.92%	¥	USD/JPY	132.16 (0.29%) (0.79%)
	Dow 30	33,485.29	0.01%	1.02%		6M TB yield	23.12 54 395
	NASDAQ	12,087.96	0.76%	15.49%		1Y TB yield	23.20 52 430
	VIX	18.40	(3.56%)	(15.09%)		10Y TB yield	14.68 0 0
	STOXX 50	4,309.45	0.26%	13.60%		2Y TB yield	3.98 20 (45)
EM	MSCI Emerging	987.07	0.27%	3.21%		10Y TB yield	3.39 8 (48)
FM	MSCI Frontier	483.11	(0.01%)	2.28%		30Y TB yield	3.61 4 (36)

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

Source: Bloomberg, CBE.

KEY DATES

DATE	TICKER	TYPE	EVENT
9-Apr-23	RACC	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
9-Apr-23	RMDA	OGM	Approving financial statements ending 31 Dec. 2022.
10-Apr-23	SWDY	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
10-Apr-23	SWDY	EGM	Amending Articles No. 4 & 55 of the company's bylaws.
10-Apr-23	EGCH	OGM	Approving the estimated budget of FY 2023/2024.
10-Apr-23	EGSA	Cash dividend	Deadline for eligibility for a dividend of USD0.45/share.
10-Apr-23	EGAS	Cash dividend	Deadline for eligibility for a dividend of EGP1.250/share.
11-Apr-23	EGAS	Cash dividend	Ex-dividend date for EGP1.250/share.
11-Apr-23	EGSA	Cash dividend	Ex-dividend date for USD0.45/share.
11-Apr-23	EFIH	Cash dividend	Deadline for eligibility for a dividend of EGP0.225/share.
11-Apr-23	ATLC	Cash dividend	Deadline for eligibility for a dividend of EGP0.42/Share.
11-Apr-23	EKHO	Cash dividend	Deadline for eligibility for a dividend of USD0.11/share.
12-Apr-23	EKHO	Cash dividend	Ex-dividend date for USD0.11/share.
12-Apr-23	ATLC	Cash dividend	Ex-dividend date for EGP0.42/Share.
12-Apr-23	EFIH	Cash dividend	Ex-dividend date for EGP0.225/share.
12-Apr-23	CICH	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
12-Apr-23	IRON	OGM	Approving financial statements.
12-Apr-23	FWRV	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
12-Apr-23	EFIC	Cash dividend	Deadline for eligibility for a dividend of EGP5.00/share.
13-Apr-23	FWRV	EGM	Approving increasing the issued capital & amending Articles No. 6 & 7 of the company's bylaws.
13-Apr-23	EGAL	OGM	Approving the estimated budget of FY 2023/2024.
13-Apr-23	CLHO	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
13-Apr-23	NCCW	OGM	Approving financial statements ending 31 Dec. 2022.
13-Apr-23	NCCW	EGM	Discussing stock split and amending articles No. 6 & 7 of the company's bylaws.
13-Apr-23	HDBK	Cash dividend	Deadline for eligibility for a dividend of EGP1/Share.
13-Apr-23	ETEL	Cash dividend	Deadline for eligibility for a dividend of EGP1.25/Share.
13-Apr-23	ECAP	Cash dividend	Deadline for eligibility for a dividend of EGP0.9/Share.
13-Apr-23	MCRO	Cash dividend	Deadline for eligibility for a dividend of EGP0.106/Share.
14-Apr-23	ECAP	Cash dividend	Ex-dividend date for EGP0.9/Share.
14-Apr-23	ETEL	Cash dividend	Ex-dividend date for EGP1.25/Share.
14-Apr-23	HDBK	Cash dividend	Ex-dividend date for EGP1/Share.
15-Apr-23	MFPC	OGM	Approving financial statements ending 31 Dec. 2022 and the proposed dividends.
15-Apr-23	MFPC	EGM	Amending Articles No. 3 & 5 of the company's bylaws.
15-Apr-23	MPCO	OGM	Approving financial statements ending 31 Dec. 2022.

LATEST RESEARCH

DATE	PUBLISHED REPORT
21-Mar-23	<u>STANDPoint Portfolio Update – Adding ALCN, ECAP, HRHO, and RACC</u>
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>

Prime Securities

Shawkat El Maraghy

Managing Director

T +20233005622

SElmaraghy@egy.primegroup.org

Sales

Mohamed Ezzat

Head of Sales & Branches

T +20233005784

MEzzat@egy.primegroup.org

Mohamed Ashmawy

Head of Institutional Sales

T +20233005612

MAshmawy@egy.primegroup.org

Amr Alaa CFTe

Team Head-Institutional Desk

T +20233005609

AAlaa@egy.primegroup.org

Mohamed ElMetwaly

Manager

T +20233005610

MElmetwaly@egy.primegroup.org

Emad El Safoury

Manager

T +20233005624

EElsafoury@egy.primegroup.org

Shawkat Raslan

Heliopolis Branch Manager

T +20233008130

SRaslan@egy.primegroup.org

Nashwa Abuelatta

Alexandria Branch Manager

T +20233005173

NAbuelatta@egy.primegroup.org

Research

Amr Hussein Elalfy CFA

Head of Research

T +20233005724

AElalfy@egy.primegroup.org

Head Office

Prime Securities S.A.E.

Regulated by FRA License No. 179.
Member of the Egyptian Exchange.

2 Wadi El Nil St, Liberty Tower, 7th Fl.
Mohandessin, Giza, Egypt

T +20233005700/770/650/649

F +20237607543

Branches

Heliopolis

7 Elheqaz Square
Heliopolis, Cairo, Egypt

T +20227770600

F +20227770604

Alexandria

7 Albert Al Awa St.
Smouha, Alexandria, Egypt

T +20233008170

F +20233054622

Website

www.primeholdingco.com

Disclaimer

Information included in this report has no regard to specific investment objectives, financial situation, advices or particular needs of the report users whether they received them directly or through any research pool and other specialized websites. The report is published for information purposes only and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Unless specifically stated otherwise, all price information is only considered as indicator. No express or implied representation or guarantee is provided with respect to completeness, accuracy or reliability of information included in this report. Past performance is not necessarily an indication of future results. Fluctuation of foreign currency rates of exchange may adversely affect the value, price, or income of any products mentioned in this report. Information included in this report should not be regarded by report users as a substitute for the exercise of their own due diligence and analysis based on own assessment and judgment criteria. Any opinions given are subject to change without notice and may significantly differ or be contrary to opinions expressed by other Prime business areas as a result of using different assumptions and criteria. Prime Group is under no obligation responsible to update or keep current the information contained herein. Prime Group, its directors, officers, employees or clients may have or have had interests or long or short positions in the securities and/or currencies referred to herein, and may at any time make purchases and/or sales in them as principal or agent. Prime Group, its related entities, directors, employees, and agents accept no liability whatsoever for any loss or damage of any kind arising from the use of all or part of these information included in this report whether it is received directly or through research pools and other specialized websites. Certain laws and regulations impose liabilities which cannot be disclaimed. This disclaimer shall, in no way, constitute a waiver or limitation of any rights a person may have under such laws and/or regulations. Furthermore, Prime Group or any of the group companies may have or have had a relationship with or may provide or have provided other services, within its objectives to the relevant companies.

Copyrights © 2023, Prime Group, ALL RIGHTS RESERVED. You are hereby notified that distribution and copying of this document is strictly prohibited without the prior approval of Prime Group.