

More Investments

TODAY'S TOP NEWS & ANALYSIS

AstraZeneca to invest USD100mn in Egypt

AMOC and Kima to be added to the IPO program

EXPA Q1 2023: Double-digit growth despite provisions and FX losses

MCQE Q1 2023: Higher revenues on higher cement prices

ValU partners up with Partment

MACRO

AstraZeneca to invest USD100mn in Egypt

AstraZeneca will invest over USD100mn in **Egypt**, while it plans to increase its production capacity by 50%. In addition, AstraZeneca plans to increase the use of local products from 50-60% to 80%. ([Enterprise](#))

AMOC and Kima to be added to the IPO program

The **Egyptian government** may offer an additional stake in Alexandria Mineral Oils Co. [**AMOC**] to the IPO program. Meanwhile, Emiratis are interested in investing in the Egyptian Chemical Industries (Kima) [**EGCH**]. (Al-Mal)

CORPORATE

EXPA Q1 2023: Double-digit growth despite provisions and FX losses

Export Development Bank of Egypt [**EXPA**] announced Q1 2023 results. Here are our main takeaways:

- Net income increased by 74% y/y to EGP502mn on the back of a stellar 104% y/y growth in net interest income (NII) to EGP1.1bn and a 230% y/y growth in net fees and commissions to EGP336mn.
- NII growth did not fully filter through to net income due to:
 - (1) A significant increase in provisions to EGP167mn against EGP0.384mn last year.
 - (2) A 45% y/y increase in administrative expenses to EGP545mn.
 - (3) Other operating expenses of EGP81mn due to FX losses against other operating income of EGP84mn last year.
- On the balance sheet side, EXPA managed to grow its loan book by 17.5% ytd to EGP52.6bn with an NPL of 3.3% and a coverage ratio of 109%.

- Deposits grew by 10% ytd to EGP80bn, bringing GLDR to 66%.
- ROAE is finally up to 21%, but CAR declined to 13.95%.

EXPA is currently traded at an annualized P/E of 3.6x and a P/BV of 0.7x. ([Bank disclosure](#))

MCQE Q1 2023: Higher revenues on higher cement prices

Misr Cement Qena [**MCQE**] Q1 2023 results show net income of EGP65.7mn compared to EGP59.6mn in Q1 2022 (+10% y/y) with the following highlights:

- Revenues grew by +35.5% y/y to EGP906.4mn on a higher average blended selling price of EGP1,487/ton (+56% y/y), despite the decrease in sales volume to 573,000 ton (-12%y/y) of cement compared to Q1 2022.
- Export volumes decreased to 18,000 tons (-67% y/y) impacted by the political situation in Sudan.
- GPM decreased to 22% compared to 23% in Q1 2022 (-1pp y/y) due to higher cost of fuels and energy.
- Ready mix concrete sales amounted to EGP97mn compared to EGP68mn (+43% y/y) due to selling 82K cubic meters of concrete during Q1 2023 (+5% y/y). Meanwhile, ready mix concrete segment had a GPM of 7% compared to a GLM of -1% in Q1 2022. ([Company disclosure](#))

ValU partners up with Partment

ValU, the consumer finance arm of EFG Hermes Holding [**HRHO**], announced signing a partnership agreement with **Partment**, a digital platform startup that provides property management services and was founded last year, allowing Partment customers to benefit from ValU's payment plans. ([Economy Plus](#))

MARKETS PERFORMANCE

Current equity market cap (EGPbn)					Equity turnover (EGPmn): Last, ytd avg.			
1,086.9					1,769.5 2,017.0			
			daily chg.	ytd chg.			daily chg.	ytd chg.
	EGX 30	16,764.41	(0.57%)	14.84%		Gold	1,971.86	(0.30%) 7.61%
	EGX 30 TR	7,011.21	(0.59%)	16.76%		Silver	23.63	(0.94%) (1.71%)
	EGX 70 EWI	3,009.86	0.44%	7.42%		Brent Oil	75.99	0.33% (9.45%)
	EGX 100 EWI	4,544.49	(0.02%)	9.62%		WTI	72.05	0.39% (9.39%)
	DFMGI	3,549.30	0.13%	6.39%		Natural Gas	2.40	(0.50%) (46.64%)
	ADSMI	9,527.42	0.51%	(6.70%)	EGP	USD/EGP	30.90	(0.13%) (19.80%)
	TASI	11,329.19	(0.11%)	8.12%	€	EUR/USD	1.08	(0.06%) 0.95%
	QE Index	10,637.41	(0.13%)	(0.41%)	£	GBP/USD	1.24	(0.03%) 2.90%
	S&P 500	4,192.63	0.02%	9.20%	¥	USD/JPY	138.60	(0.45%) (5.36%)
	Dow 30	33,286.58	(0.42%)	0.42%		6M TB yield	23.77	4 460
	NASDAQ	12,720.78	0.50%	21.54%		1Y TB yield	23.78	9 488
	VIX	17.21	2.38%	(20.58%)		10Y TB yield	14.68	0 0
	STOXX 50	4,385.63	(0.22%)	15.61%		2Y TB yield	4.32	5 (11)
EM	MSCI Emerging	983.27	0.62%	2.81%		10Y TB yield	3.71	4 (16)
FM	MSCI Frontier	477.19	(0.04%)	1.03%		30Y TB yield	3.97	4 0

* 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
23-May-23	ISPH	Conference Call	Discussing Q1 2023 financial results.
24-May-23	HRHO	EGM	Approving increasing the issued capital & amending Articles No. 6 & 7 of the company's bylaws.
28-May-23	ASCM	OGM	Approving financial statements ending 31 Dec. 2022.
28-May-23	ASCM	EGM	Discussing the continuation of the company.
28-May-23	TMGH	Cash dividend	Deadline for eligibility for a dividend of EGP0.19/Share.
28-May-23	BINV	Cash dividend	Deadline for eligibility for a dividend of USD0.129/Share.
28-May-23	MNHD	Cash dividend	Deadline for eligibility for a dividend of EGP0.150/Share.
29-May-23	BINV	Cash dividend	Ex-dividend date for USD0.129/Share.
30-May-23	IDHC	OGM	Approving financial statements ending 31 Dec. 2022.
31-May-23	TMGH	Cash dividend	Payment date for a dividend of EGP0.096/share (1st installment).
31-May-23	ORAS	OGM	Approving financial statements ending 31 Dec. 2022.
31-May-23	BINV	Cash dividend	Payment date for a dividend of USD0.129/Share.
31-May-23	MNHD	Cash dividend	Payment date for a dividend of EGP0.075/share (1st installment).
31-May-23	ETEL	Financial results Announcement	Q1 2023 financial results' announcement.
1-Jun-23	SPMD	Right Issue	Last day of trading the rights issue.
1-Jun-23		MSCI	MSCI's May 2023 Semi-Annual Index Review Effective Date.
4-Jun-23	HELI	OGM	Approving financial statements.
5-Jun-23	JUFO	Cash dividend	Deadline for eligibility for a dividend of EGP0.15/Share.

6-Jun-23	JUFO	<u>Cash dividend</u>	Ex-dividend date for EGP0.15/Share.
6-Jun-23	CSAG	<u>OGM</u>	Approving the estimated budget of FY 2023/2024.
6-Jun-23	CSAG	<u>EGM</u>	Amending Article No. 3 of the company's bylaws.
7-Jun-23	ATQA	<u>EGM</u>	To renew the company's license for 25 years starting from the end of the previous license (30 May 2023).
8-Jun-23	JUFO	<u>Cash dividend</u>	Payment date for a dividend of EGP0.15/Share.
8-Jun-23	BTFH	<u>OGM</u>	Approving financial statements ending 31 Dec. 2022.
8-Jun-23	BTFH	<u>EGM</u>	Amending Article No. 29 of the company's bylaws.

LATEST RESEARCH

DATE	PUBLISHED REPORT
14-May-23	<u>Commercial International Bank [COMI] – Coping Mechanisms</u>
30-Apr-23	<u>EGYPTFertilizers – Grass Is Green on Both Sides</u>
11-Apr-23	<u>Obour Land Food Industries [OLFI] – Resilience is Key</u>
9-Apr-23	<u>Orascom Construction [ORAS] – On Solid Foundations</u>
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>

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

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