

## SHUAA Securities Morning Report

26 March 2020

# Market Stats					
Indices	Close	Change	1M Change	3M Change	1Y Change
ADX	3,921	7.4%	-20.6%	-23.2%	-23.4%
DFM	1,823	6.4%	-31.8%	-34.3%	-30.8%
TASI	6,209	0.2%	-20.0%	-25.6%	-28.4%
BHSEASI	1,385	1.8%	-16.6%	-13.6%	-2.2%
EGX	9,866	1.0%	-26.0%	-28.2%	-32.8%
Dow Jones	21,201	2.4%	-21.7%	-25.7%	-16.9%
S&P 500	2,476	1.2%	-20.9%	-23.2%	-11.5%
Nasdaq	7,384	-0.5%	-17.6%	-17.5%	-3.3%
FTSE 100	5,688	4.4%	-18.9%	-25.5%	-20.8%
DAX	9,874	1.8%	-22.8%	-25.8%	-13.0%
CAC40	4,432	4.5%	-22.0%	-26.5%	-15.7%
Nikkei225	19,547	8.0%	-13.5%	-17.8%	-6.8%
HIS	23,527	3.8%	-12.5%	-15.6%	-17.5%

## # UAE Trading Summary

AEDm	BUY	SELL	Net
<b>ADX</b>	<b>254</b>	<b>254</b>	<b>-</b>
Local	58%	48%	10%
Foreign	42%	52%	-10%
Institution	57%	55%	2%
Retail	43%	45%	-2%
<b>DFM</b>	<b>344</b>	<b>344</b>	<b>-</b>
Local	51%	54%	-3%
Foreign	49%	46%	3%
Institution	37%	36%	1%
Retail	63%	64%	-1%
<b>Total</b>	<b>598</b>	<b>598</b>	<b>-</b>
Local	54%	51%	3%
Foreign	46%	49%	-3%

## # Upcoming Corporate Actions & Events

Date	Company	Event
26-Mar	DAMAC	BoD/General
26-Mar	ESHRAQ	AGM
29-Mar	ADIB	AGM
30-Mar	EMAAR	BoD
30-Mar	EMAAR DEV	BoD
30-Mar	EMAAR MALLS	BoD
30-Mar	CBI	AGM
30-Mar	REEM	AGM
30-Mar	RAKBANK	AGM
30-Mar	CBI	AGM
30-Mar	GFH	AGM
31-Mar	ADNOC	AGM
07-Apr	ARMX	AGM
09-Apr	JULPHAR	AGM
12-Apr	IHC	AGM
13-Apr	UAB	AGM
13-Apr	AMANAT	AGM

## # KEY STORIES

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UAE reported 85 new cases of the Covid-19 coronavirus taking total to 333. 7 patients have recovered, taking the total number of recoveries to 52 in the country

Abu Dhabi banks (FAB, ADCB and ADIB) in coordination with Abu Dhabi Department of Finance and the Abu Dhabi Department of Economic Development announce 17 financial initiatives for supporting the community and businesses in Abu Dhabi

Dubai Economy has ordered all commercial establishments in the emirate to close for two weeks starting from Wednesday. All shops, except grocery stores, supermarkets, cooperative societies, and pharmacies that provide for the basic needs of residents, have to remain closed until April 8, although online sales are allowed during this period

UAE will restrict the movement of traffic and people from 8 p.m. on Thursday to 6 a.m. on Sunday as it disinfects public transport and public facilities

Salama board recommends FY cash dividend of 3 fils per share, first cash dividend since IPO

Khaleeji Commercial Bank shareholders approve de-listing of bank's shares from DFM. Shareholders approve reduction of paid-up capital to BD 89.2mln from BD 105mln

DXB Entertainments shareholders approve continuity of company's operations

Gulf Navigation Holding says its accumulated losses stands at AED 445.2mln as at Dec 31, 2019 with accumulated losses to capital ratio of 44%

Union Properties Board approves utilization of statutory reserve to amortize part of accumulated losses. Accumulated losses stand at AED 2.14bln as of Dec 31, 2019

National Cement board proposes FY cash dividend of 10% of share nominal value

Dubai has directed private sector companies to implement remote working systems for 80% of staff from now until April 9

Water and electricity bills for businesses in the UAE are to be reduced by 20pct for the next three months

Etihad staff to take 25-50% temporary pay cut amid coronavirus crisis

Saudi Arabia's Ministry of Health has confirmed a second death from coronavirus and recorded 133 new cases on Wednesday, taking the total number of infections to 900

Tadawul announces a temporary reduction of trading hours for all listed securities to be from 10 a.m. to 1 p.m effective from Thursday 26 march

Saudi Arabia is tightening a partial curfew imposed nationwide to contain the spread of the coronavirus, barring entry or exit from Riyadh, Mecca and Medina as well as movement between all provinces started on Wednesday

Saudi February CPI +1.2% YoY and +0.3% MoM

Saudi's Dar Al Arkan posted FY net profit after zakat and tax SAR 304.6mln vs SAR 508.8mln year ago. FY sales SAR 3.49bln vs SAR 6.41bln year ago

Saudi's Basic Chemical Industries posted FY net profit after zakat and tax SAR 59.3mln vs SAR 70.5mln year ago. FY sales SAR 534.6mln vs SAR 605.2mln year ago

Saudi's Emaar the Economic City posted FY net loss after zakat and tax SAR 509mln vs loss of SAR 138mln year ago. FY sales SAR 987mln vs SAR 1.01bln year ago

Egypt's Sinai Cement posted FY consolidated net loss attributable EGP 446.1mln vs loss of EGP 306.2mln year ago. FY consolidated net sales EGP 752.3mln vs EGP 803.7mln year ago

#### # Key Global Trends/ Market Clues

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A two-day equities rally lost momentum on Thursday, and investors sold riskier currencies, as stimulus negotiations dragged on in Washington and investors fretted over a likely spike in U.S. jobless claims. MSCI's broadest index of Asia-Pacific shares outside Japan wobbled either side of flat. Japan's Nikkei slumped 4% and U.S. stock futures fell 1%. Hong Kong's Hang Seng was down 0.5% by mid-morning while regional trade was mixed. Indexes in China posted meagre gains and Australia, Indonesia and Thailand advanced.

Oil prices were mixed on Thursday following three days of gains, with the prospect of rapidly dwindling demand due to coronavirus travel bans and lockdowns offsetting hopes a U.S. \$2 trillion emergency stimulus will shore up economic activity. Brent crude futures rose 12 cents, or 0.4%, to USD 27.51.

The United States said on Wednesday it has urged Saudi Arabia to "reassure" oil and financial markets as the world grapples with a coronavirus pandemic that has paralyzed major economies. The appeal was made by Secretary of State Mike Pompeo in a telephone conversation on Tuesday with Crown Prince Mohammed bin Salman, the State Department said.

#### # UAE Stories

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UAE Ministry of Health and Prevention reported 85 new cases of the Covid-19 coronavirus taking total to 333. The ministry also announced that seven patients have recovered, taking the total number of recoveries to 52 in the country.

The Abu Dhabi Government has unveiled a comprehensive package of financial incentives. A collective effort by Abu Dhabi banks - First Abu Dhabi Bank, Abu Dhabi Islamic Bank and Abu Dhabi Commercial Bank – in coordination with Abu Dhabi Department of Finance and the Abu Dhabi Department of Economic Development, the package is aimed at supporting the community and businesses in Abu Dhabi. Designed to provide for the immediate needs of individuals and small to medium-sized enterprises (SMEs) in Abu Dhabi, these 17 financial initiatives seek to reduce finance-related costs, facilitate the ease of access to financing, and maintain the resilience of the Abu Dhabi economy. The measures announced today include 10 banking-related initiatives specifically for individuals, and seven financial initiatives for SMEs.

Dubai Economy has ordered all commercial establishments in the emirate to close for two weeks starting from Wednesday. All shops, except grocery stores, supermarkets, cooperative societies, and pharmacies that provide for the basic needs of residents, have to remain closed until April 8, although online sales are allowed during this period.

UAE will restrict the movement of traffic and people from 8 p.m. on Thursday to 6 a.m. on Sunday as it disinfects public transport and public facilities, state news agency WAM said on Wednesday. The health and interior ministries urged people to stay in their homes throughout the period and only go out to buy food or medicine, receive healthcare or to work in vital sectors including energy, banking, communications, postal services, shipping, water and food, civil aviation and construction, WAM said.

Salama board recommends FY cash dividend of 3 fils per share, first cash dividend since IPO.

Khaleeji Commercial Bank shareholders approve de-listing of bank's shares from DFM. Shareholders approve reduction of issued and paid-up capital to BD 89.2mln from BD 105mln. Shareholders approve issuance of sukuk as additional tier 1 capital instrument upto USD 200mln.

DXB Entertainments shareholders approve continuity of company's operations.

Gulf Navigation Holding says its accumulated losses stands at AED 445.2mln as at Dec 31, 2019 with accumulated losses to capital ratio of 44%.

Union Properties Board approves utilization of statutory reserve to amortize part of accumulated losses. Accumulated losses stand at AED 2.14bln as of Dec 31, 2019 with accumulated losses to capital ratio 49.93%.

National Cement board proposes FY cash dividend of 10% of share nominal value.

Dubai has directed private sector companies to implement remote working systems for 80% of staff from now until April 9, the authority regulating business in the emirate said. Pharmacies, grocery stores, supermarkets and cooperative societies were excluded from the order, Dubai Economy said.

Water and electricity bills for businesses in the UAE are to be reduced by 20pct for the next three months. Shopping malls, commercial shops, hotels, hotel apartments and plants will all benefit from the announcement by the UAE cabinet, which is designed to support businesses during the current coronavirus pandemic.

Etihad Airways staff have taken pay cuts of up to 50pct as the coronavirus continues to wreak havoc throughout the aviation industry.

## # GCC/ MENA

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Tadawul announces a temporary reduction of trading hours for all listed securities to be from 10 a.m. to 1 p.m effective from Thursday 26 march.

Saudi Arabia is tightening a partial curfew imposed nationwide to contain the spread of the coronavirus, barring entry or exit from Riyadh, Mecca and Medina as well as movement between all provinces started on Wednesday. The orders, approved by King Salman, also added four hours in the three cities to the 21-day curfew that began on Monday, so that it will start at 3pm instead of 7pm as of Thursday, SPA said.

Saudi February CPI +1.2% YoY and +0.3% MoM.

Saudi's Dar Al Arkan posted FY net profit after zakat and tax SAR 304.6mln vs SAR 508.8mln year ago. FY sales SAR 3.49bln vs SAR 6.41bln year ago.

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*(Source: ADX, DFM, Bloomberg, Reuters, Gulf News, The National, Arabian Business)*

## # UAE FOCUS LIST - COMPANY DATA

Company	MCAP	PRICE	HIGH - LOW		VALUATION		DIV	HISTORICAL RETURN			
	(AEDm)	(AED)	52WH	52WL	TTM P/E	TTM P/B	YLD (%)^	1M%	3M%	6M%	12M%
ADCB	39,307	5.65	10.26	4.33	7.83	0.71	8.1%	(25.5)	(28.4)	(30.0)	(40.3)
ADIB	14,527	4.00	5.85	3.60	6.33	0.76	6.8%	(28.2)	(26.7)	(21.3)	(8.7)
ADNIC	1,387	3.70	3.70	2.60	7.39	0.92	8.1%	-	32.1	23.3	-
ADNOC Dist	31,998	2.56	3.20	2.19	14.43	8.54	8.2%	(15.5)	(14.4)	0.1	18.5
Agthia	1,536	2.56	4.15	2.55	11.21	0.78	5.9%	(14.7)	(26.6)	(26.9)	(32.6)
Air Arabia	4,480	0.96	1.61	0.87	4.52	0.81	NA	(26.9)	(32.5)	(15.0)	3.2
Ajman Bank	1,153	0.55	0.98	0.50	14.08	0.46	6.4%	(34.6)	(37.6)	(40.1)	(37.5)
Al Waha Capital	1,556	0.80	1.30	0.72	NA	0.52	NA	(5.9)	(12.6)	(20.0)	(37.5)
Aldar Properties	13,366	1.70	2.37	1.35	6.74	0.54	8.2%	(22.4)	(22.0)	(19.8)	(10.5)
Amanat Holdings	1,442	0.58	1.06	0.56	24.03	0.56	2.6%	(26.0)	(33.2)	(36.6)	(40.5)
Amlak Finance	382	0.26	0.64	0.20	NA	0.33	0.0%	(39.3)	(47.2)	(13.0)	(18.8)
Arabtec	745	0.50	2.28	0.44	NA	0.63	10.1%	(34.3)	(60.9)	(70.9)	(76.4)
Aramex	3,235	2.21	4.85	2.00	6.50	1.24	7.5%	(35.6)	(37.9)	(45.7)	(54.0)
Bank of Sharjah	1,470	0.70	1.00	0.65	NA	0.38	0.0%	(9.7)	(14.6)	(16.3)	(25.8)
DAMAC Properties	2,995	0.50	1.41	0.36	15.63	0.21	NA	(22.9)	(34.6)	(44.8)	(62.8)
Dana Gas	4,001	0.57	1.10	0.53	6.92	0.41	9.6%	(35.7)	(38.2)	(39.8)	(36.9)
Deyaar Development	1,260	0.22	0.43	0.18	17.61	0.28	0.0%	(31.7)	(40.4)	(34.9)	(38.6)
Dubai Financial Market	4,480	0.56	1.00	0.50	37.11	0.57	0.0%	(35.6)	(39.4)	(36.0)	(24.0)
Dubai Investment	4,634	1.09	1.63	0.98	7.05	0.39	NA	(16.8)	(16.8)	(12.8)	(22.1)
Dubai Islamic Bank	28,382	3.92	5.86	3.75	5.67	0.81	8.9%	(23.6)	(22.3)	(18.9)	(18.8)
DXB Entertainments	888	0.11	0.27	0.09	NA	0.31	0.0%	(39.0)	(44.2)	(45.9)	(54.5)
Emaar Dev	8,720	2.18	4.91	2.06	2.51	0.97	23.9%	(41.9)	(43.7)	(47.5)	(44.2)
Emaar Malls	14,575	1.12	2.17	0.98	6.38	0.82	8.9%	(32.1)	(40.7)	(41.4)	(37.1)
Emaar Properties	16,610	2.32	5.53	1.90	2.68	0.32	6.5%	(36.6)	(42.1)	(51.1)	(51.5)
Emirates Integrated Tele	22,663	5.00	6.35	4.33	13.09	2.62	7.0%	(19.7)	(9.4)	(10.4)	(5.7)
Emirates NBD	46,614	7.38	13.93	6.60	3.03	0.57	5.4%	(40.4)	(40.4)	(37.9)	(23.1)
Eshraq Investments	442	0.19	0.55	0.16	NA	0.31	NA	(38.7)	(42.4)	(52.9)	(58.7)
Etisalat	125,574	14.44	17.80	11.02	14.45	2.69	5.5%	(9.4)	(13.1)	(12.5)	(14.6)
First Abu Dhabi Bank	112,470	10.30	16.96	7.78	9.40	1.04	7.2%	(23.5)	(29.0)	(28.4)	(32.2)
GFH	1,947	0.54	1.11	0.45	6.19	0.49	5.9%	(38.5)	(38.8)	(37.9)	(45.0)
Gulf Navigation Holding	382	0.38	1.00	0.30	NA	0.44	0.0%	(17.6)	(39.4)	(47.5)	(50.7)
IHC	24,624	13.52	14.00	0.87	NM	11.34	NA	(0.0)	125.3	170.4	1,265.7
Julphar	927	0.80	1.58	0.77	NA	1.33	0.0%	(14.4)	(5.9)	(33.3)	(49.4)
Mashreqbank	12,782	72.00	86.80	66.00	6.19	0.59	5.6%	-	(10.0)	9.1	(10.0)
National Bank of Fujairah	9,231	4.99	4.99	3.88	NA	NA	1.3%	NA	NA	NA	NA
Tabreed	5,186	1.91	2.14	1.44	10.97	1.05	5.0%	(7.3)	(1.5)	12.4	20.1
RAK Bank	7,057	4.21	5.00	3.75	6.44	0.90	7.1%	(12.3)	(10.4)	(10.2)	(2.5)
RAK Properties	800	0.40	0.50	0.35	7.94	0.20	0.0%	(9.1)	(6.3)	(10.7)	(6.3)
RAK Ceramics	1,292	1.30	1.81	1.24	7.48	0.51	11.0%	(20.1)	(6.2)	(3.1)	(19.7)
SALAMA	471	0.39	0.71	0.30	21.00	0.62	NA	(29.9)	(30.5)	(40.2)	(14.5)
Sharjah Islamic Bank	3,112	1.01	1.29	0.95	5.71	0.41	7.9%	(15.8)	(10.3)	(7.3)	(2.7)
SHUAA Capital	1,166	0.46	1.05	0.40	766.67	0.80	NA	(43.2)	(52.5)	(52.1)	(43.3)
Takaful Emarat Insurance	210	1.40	1.62	0.97	NA	1.77	5.0%	7.7	30.8	(1.4)	(11.9)
TAQA	3,518	0.58	0.94	0.40	15.04	0.84	0.0%	(14.7)	(3.3)	(19.4)	(37.6)
Union Properties	935	0.22	0.44	0.15	NA	0.32	0.0%	6.3	(23.0)	(31.0)	(43.1)
United Arab Bank	1,848	0.90	1.25	0.81	NA	0.86	0.0%	-	(11.3)	(10.4)	(31.1)

(Source: Bloomberg)

^ current dividend yield based on last year dividend declaration

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