

SHUAA Securities Morning Report

21 May 2019

Market Stats

Indices	Close	Change	1M Change	3M Change	1Y Change
ADX	4,733	0.0%	-11.5%	-7.2%	6.2%
DFM	2,513	-0.2%	-10.9%	-4.6%	-14.7%
TASI	8,469	-0.7%	-8.3%	-0.9%	5.9%
BHSEASI	1,396	-0.2%	-3.4%	-0.6%	10.1%
EGX	13,379	-1.0%	-9.8%	-11.7%	-20.3%
Dow Jones	25,680	-0.3%	-3.3%	-0.7%	2.7%
S&P 500	2,840	-0.7%	-2.2%	2.4%	3.9%
Nasdaq	7,702	-1.5%	-3.7%	3.3%	4.2%
FTSE 100	7,311	-0.5%	-2.0%	2.0%	-7.0%
DAX	12,041	-1.6%	-1.5%	5.4%	-7.9%
CAC40	5,359	-1.5%	-4.0%	3.1%	-4.9%
Nikkei225	21,261	-0.2%	-4.2%	-0.9%	-7.6%
HIS	27,849	0.2%	-7.1%	-2.7%	-10.8%

UAE Trading Summary

AEDm	BUY	SELL	Net
ADX	183	183	-
Local	36%	21%	15%
Foreign	64%	79%	-15%
Institution	87%	88%	-1%
Retail	13%	12%	1%
DFM	136	136	-
Local	41%	46%	-4%
Foreign	59%	54%	4%
Institution	44%	44%	1%
Retail	56%	56%	-1%
Total	319	319	-
Local	38%	31%	7%
Foreign	62%	69%	-7%

Upcoming Corporate Actions & Events

Date	Company	Event
21-May	IFA	Board Meeting
26-May	Manazel	General Assembly
28-May	ARIG	General Assembly
12-Jun	Depa	General Assembly
27-Jun	Sudatel	General Assembly
30-Jun	Salama	General Assembly

KEY STORIES

Marka liquidation vote invalid, shareholders to meet again

Ajman Bank, Rasmala ink \$90m deal for UAE real estate portfolio

United Foods shareholders approve proposal of related party transaction to purchase Emirates Refreshments' warehouse

Al Ramz Corporation said as per request of Mohammad Al Mortada Al Dandashi, transaction executed on May 14, 2019 on 21mln Al Ramz Shares is only transfer of shares for financing purposes with a local bank and he remains ultimate owner of these share. He confirmed that there is no intention to sell any of his shares at short or medium term.

The consumer price index (CPI) in the emirate of Abu Dhabi dipped 0.9% in the first four months of 2019. The CPI fell by 1.3% year-on-year and 0.3% month-on-month in April

Emirates Global Aluminium (EGA) has announced the start-up of a new Dh15 million (\$4.1 million) pre-treatment and crusher facility for spent pot lining

GE secures \$1bn financing for Sharjah power plant

IATA classifies Saudi Arabia's Neom airport as a commercial facility

Oman hires banks for bond issue, deal could raise \$2bln– sources

Oman's Raysut Cement Company signed agreement of acquisition of total shares of Sohar Cement Factory at a purchase value of \$60 million

Egypt's EFG Hermes Holdings expands into Vietnam market through signing strategic partnership with brokerage arm of Asia Commercial Bank

Egyptian Exchange says Reliance Logistics Company buys 5.1mln shares of Sinai Cement Company for total value of EGP 41.98mln

Egypt's Universal Company for Packaging Materials and Paper posted Q1 net profit EGP 7.3mln vs EGP 11.4mln year ago

Egypt's Sabaa International Company for Pharmaceutical and Chemical Industries posted Q1 net profit after tax EGP 0.7mn vs EGP 0.3mn year ago

Egypt's Grand Capital for Financial Investments posted FY consolidated net profit EGP 4.3mln vs EGP 1.9mln year ago

Key Global Trends/ Market Clues

Asian shares wobbled near four-month lows on Tuesday on mounting worries the White House's black-listing of Chinese telecom giant Huawei Technologies could further inflame already tense relations between Washington and Beijing. MSCI's broadest index of Asia-Pacific shares outside Japan was flat in early trade but stayed close to a four-month low touched on Friday. It has fallen about 8% from a nine-month peak hit just over a month ago. Japan's Nikkei fell 0.5%. In New York, the S&P 500 lost 0.67% while the Nasdaq Composite dropped 1.46%. The Philadelphia Semiconductor Index fell 4.02% to two-month lows.

Oil prices edged up on Tuesday on escalating tensions between the United States and Iran and on signs that producer club OPEC will continue withholding supply this year. However, gains were checked by concerns that a prolonged Sino-U.S. trade war could lead to a global economic slowdown. Brent crude futures, the international benchmark for oil prices, were at \$72.03 per barrel at 0118 GMT, up 6 cents, or 0.1 percent, from their last close.

Turkey's BDDK banking watchdog on Monday imposed a settlement delay for FX purchases by individuals of more than \$100,000, a move that could raise concerns about capital control in the country as it looks protect the value of its local currency. The settlement date for FX purchases by individuals of more than \$100,000 - or equivalent in other currencies - will be the following day, the letter sent from the watchdog to banks showed.

UAE Stories

Shareholders representing 10% of share capital in struggling Dubai retailer Marka have rejected a decision by the majority of shareholders (90%) taken last week to dissolve and liquidate the company following several failed attempts at recovering finances. The majority of investors had approved the motion at the company's general assembly meeting, according to a regulatory filing. However, a statement on the Dubai Financial Market (DFM), where Marka is listed, said the remaining shareholders will vote again on either the continuity of the company or its liquidation. Marka has refused to comment on the vote, but the statement said its general assembly will be given a restructuring plan ahead of the next vote. In case of non-approval of company continuity under a special resolution, "the liquidation of the company shall be considered," the statement said.

Dana Gas said on Monday its share capital has increased after issuing incentive shares for employees. The company's share capital has increased to 6.995 billion shares from the previous 6.976 billion shares. The company issued new 18 million new shares.

Ajman Bank, in collaboration with Rasmala Investment Bank Limited, an alternative investment manager, has announced the launch of Makaseb Real Estate Investments SPV Limited, domiciled in the Abu Dhabi Global Market (ADGM).

United Foods shareholders approve proposal of related party transaction to purchase Emirates Refreshments' warehouse. The shareholders authorize a nominated member of board to negotiate and finalize price based on accredited evaluation.

Al Ramz Corporation said as per request of Mohammad Al Mortada Al Dandashi, transaction executed on May 14, 2019 on 21 mln Al Ramz Shares is only transfer of shares for financing purposes with a local bank and he remains ultimate owner of these share. He confirmed that there is no intention to sell any of his shares at short or medium term.

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Emirates Global Aluminium (EGA) has announced the start-up of a new Dh15 million (\$4.1 million) pre-treatment and crusher facility for spent pot lining in a step forward for the recycling of industrial waste.

GE Energy Financial Services (GE EFS) and Sumitomo Corporation have secured project financing of \$1 billion from a consortium of banks and Japan Bank for International Cooperation (JBIC) for an independent combined cycle power project in Sharjah, UAE.

GCC/ MENA

The new airport serving Saudi Arabia's planned \$500 billion mega-city Neom has been classified as a commercial hub by the aviation industry body International Air Transport Association.

Oman has hired a group of international banks including HSBC and Standard Chartered for a planned bond issue which could go up to \$2 billion in size.

Oman's Raysut Cement Company signed agreement of acquisition of total shares of Sohar Cement Factory at a purchase value of \$60 million. This acquisition brings RCC cement capacity up to 4.7million tons per annum. This acquisition is initial phase of RCC planned expansion strategy to reinstate company's value and shareholders equity. All procedures and ownership transfer have been completed on May 19.

Egypt's EFG Hermes Holdings expands into Vietnam market through signing strategic partnership with brokerage arm of Asia Commercial Bank.

Egyptian Exchange says Reliance Logistics Company buys 5.1mln shares of Sinai Cement Company for total value of EGP 41.98mln.

Egypt's Universal Company for Packaging Materials and Paper posted Q1 net profit EGP 7.3mln vs EGP 11.4mln year ago. Q1 net revenue EGP 126.9mln vs EGP 132.4mln year ago.

Egypt's Sabaa International Company for Pharmaceutical and Chemical Industries posted Q1 net profit after tax EGP 0.7mn vs EGP 0.3mn year ago. Q1 revenue EGP 16.6mn vs EGP 13.5mn year ago.

Egypt's Grand Capital for Financial Investments posted FY consolidated net profit EGP 4.3mln vs EGP 1.9mln year ago. FY consolidated revenue EGP 18.6mln vs EGP 12.5mln year ago.

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

UAE FOCUS LIST - COMPANY DATA

Company	MCAP (AEDm)	PRICE (AED)	HIGH - LOW		VALUATION		DIV YLD (%) [^]	HISTORICAL RETURN			
			52WH	52WL	TTM P/E	TTM P/B		1M%	3M%	6M%	12M%
ADCB	59,138	8.50	10.26	6.72	9.64	1.58	5.4%	-13.2%	-13.2%	5.3%	25.0%
ADIB	15,981	4.40	4.95	3.46	7.39	1.28	6.2%	-9.7%	-1.6%	6.5%	22.3%
ADNIC	1,275	3.40	4.00	3.32	9.97	0.62	8.8%	-2.9%	-9.3%	-11.9%	-2.9%
Agthia	2,100	3.50	5.00	3.25	10.31	1.12	4.3%	-11.4%	-10.3%	-11.4%	-27.1%
Air Arabia	4,653	1.00	1.18	0.90	NA	0.95	NA	-2.3%	7.2%	-5.9%	-14.8%
Ajman Bank	1,859	0.89	1.03	0.82	9.15	0.76	0.0%	0.0%	-3.0%	-7.8%	-12.4%
Al Waha Capital	1,808	0.93	2.02	0.89	NA	0.56	8.1%	-19.8%	-32.6%	-51.8%	-47.8%
Aldar Properties	12,973	1.65	2.14	1.43	7.45	0.55	8.5%	-13.6%	-7.8%	-2.9%	-21.1%
Amanat Holdings	2,475	0.99	1.39	0.92	50.11	0.98	1.5%	-3.9%	3.0%	-12.4%	-26.7%
Amlak Finance	380	0.25	0.86	0.25	NA	0.32	0.0%	-31.3%	-31.3%	-52.3%	-68.6%
Arabtec	2,115	1.41	2.41	1.37	9.96	1.29	3.5%	-37.1%	-33.2%	-37.9%	-29.5%
Aramex	6,442	4.40	5.01	3.72	12.93	2.61	3.8%	-7.9%	2.3%	3.0%	12.8%
Bank of Sharjah	1,945	0.93	1.15	0.92	5.54	0.48	0.0%	0.0%	-4.5%	-14.3%	-16.6%
DAMAC Properties	5,294	0.88	2.52	0.87	7.31	0.37	NA	-33.2%	-33.2%	-57.5%	-63.4%
Dana Gas	6,114	0.87	1.21	0.73	NA	0.64	1.6%	-18.3%	4.7%	-16.8%	-18.3%
Deyaar Development	1,681	0.29	0.49	0.29	14.13	0.37	0.0%	-25.6%	-21.6%	-29.7%	-38.2%
Dubai Financial Market	5,240	0.66	1.12	0.65	47.72	0.67	0.0%	-21.1%	-20.5%	-25.1%	-39.4%
Dubai Investment	5,145	1.21	2.20	1.04	10.72	0.43	8.3%	-25.8%	-0.8%	-17.7%	-40.4%
Dubai Islamic Bank	32,223	4.89	5.41	4.66	6.75	1.41	7.2%	-4.7%	-5.0%	-8.4%	2.1%
DXB Entertainments	1,392	0.17	0.44	0.17	NA	0.39	0.0%	-30.7%	-27.5%	-47.7%	-54.0%
Emaar Dev	14,520	3.63	5.28	3.26	3.78	1.67	0.0%	-5.5%	-9.0%	-25.9%	-30.1%
Emaar Malls	22,645	1.74	2.20	1.43	10.22	1.31	5.7%	1.2%	-0.6%	-8.4%	-15.9%
Emaar Properties	29,427	4.11	5.90	3.85	4.83	0.59	3.4%	-17.3%	-11.8%	-14.0%	-22.3%
Emirates Integrated Tele	23,040	5.04	5.40	4.77	13.39	2.87	4.4%	-2.1%	-1.0%	0.8%	5.4%
Emirates NBD	60,024	10.80	12.10	8.25	6.09	1.09	3.7%	-9.6%	4.9%	18.7%	9.4%
Eshraq Properties	881	0.38	0.74	0.36	NA	0.61	NA	-27.7%	-12.9%	-35.7%	-48.1%
Etisalat	134,278	15.44	17.40	15.20	15.01	3.07	5.2%	-7.3%	-9.2%	-8.9%	-3.8%
First Abu Dhabi Bank	151,570	13.88	16.96	11.30	12.93	1.74	5.0%	-15.3%	-7.2%	-3.2%	21.8%
GFH	3,041	0.83	1.52	0.73	8.19	0.79	3.9%	-24.2%	-15.3%	-32.8%	-44.6%
Gulf Navigation Holding	734	0.80	1.17	0.72	NA	0.90	0.0%	-9.9%	0.6%	-27.4%	-21.7%
Gulf Pharmaceutical	1,830	1.58	2.30	1.44	NA	1.02	6.1%	0.0%	-0.6%	-24.8%	-25.1%
Marka	138	0.28	0.28	0.28	NA	NA	NA	0.0%	0.0%	0.0%	0.0%
Mashreqbank	13,563	76.40	80.00	68.05	6.49	0.68	5.2%	0.5%	6.1%	3.2%	4.7%
National Bank of Fujairah	8,843	4.78	4.78	2.22	14.81	1.89	1.4%	0.0%	12.0%	58.2%	102.9%
National Central Cooling Co	4,100	1.51	1.88	1.44	9.44	0.90	6.3%	-3.2%	-10.7%	-7.9%	-15.2%
RAK Bank	7,375	4.40	4.75	4.00	7.65	1.07	6.8%	3.5%	5.3%	5.8%	1.9%
RAK Properties	806	0.40	0.68	0.39	6.18	0.21	0.0%	-18.8%	-12.2%	-26.1%	-38.9%
Ras Al Khaimah	1,467	1.55	2.38	1.54	9.60	0.63	NA	-12.9%	-14.8%	-19.8%	-32.2%
SALAMA	570	0.47	0.76	0.38	331.46	0.77	0.0%	-20.7%	2.4%	-25.2%	5.8%
Sharjah Islamic Bank	3,199	1.09	1.28	1.05	6.11	0.60	0.0%	-6.0%	-8.4%	-7.6%	-12.1%
Takaful Emarat Insurance	228	1.52	2.70	1.28	18.71	1.46	5.4%	-5.6%	2.7%	-13.6%	-17.8%
TAQA	4,792	0.79	1.30	0.76	16.27	1.09	0.0%	-13.2%	-18.6%	-23.3%	-35.2%
Union Properties	1,265	0.30	0.85	0.28	NA	0.41	0.0%	-29.8%	-22.4%	-51.6%	-64.5%
United Arab Bank	2,558	1.24	1.48	1.00	45.21	1.00	0.0%	4.2%	3.3%	-0.8%	-16.2%

(Source: Bloomberg)

[^] current dividend yield based on last year dividend declaration

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