



Morning Report

09 July 2024

UAE news stories

Agthia Group Expands Regional Footprint with the Launch of state-of-the-Art Protein Manufacturing Facility in Saudi Arabia. Facility constructed with substantial investment of AED90mn in Jeddah Industrial City 1. Enhanced production capacity of more than 9000 tons, spanning over 9000sq.m. Strategically positions Agthia to meet current and future market demands. Agthia Group PJSC, one of the region's leading food & beverage companies, today the official opening of its new protein manufacturing facility at the Industrial City 1 in Jeddah, KSA. This strategic investment marks a significant step forward in Agthia's commitment to Saudi Vision 2030 to elevate the Kingdom's F&B market, and in line with the Group's long-term strategy of establishing itself as one of the leaders in the sector in the MENA region and beyond by 2025

Al Seer Marine shareholders approved electing the BoD members. Name of the elected board of directors for the upcoming three-year term are as follow: 1) Mr Readh Faraj Ahmed AlKindi 2) General Jasem Yousef Yaqoob Al Mansoori 3) Mr . Ali Rashed Mohammed Al Rashdi 4) Mr. Mohd loay T A Abdelfattah 5) Mr. Guy Neivens

Dubai real estate market records USD2.1bn in 2024 sales. Property prices in the Emirate are expected to rise by 5% to 7% annually in 2024 and 2025. DHG Properties, a leading real estate development company operating within DHG Holding, noted that price growth in Dubai's residential market accelerated with a notable increase from 20.30% in February 2024 to 20.70% last March. Property prices in the Emirate are expected to rise by 5% to 7% annually in 2024 and 2025, driven by surging demand that far outstrips available supply. This positive momentum is evidenced by the significant activity in the off-plan market which dominated 65.84% of total market transactions, valued at AED1.35bn out of a total transaction value of AED2.10bn.

Economic licences in Ajman rise 15% since beginning of 2024. The increase in these indicators confirms the sustainability and vitality of the business sector in the emirate. The report issued by the Department of Economic Development in Ajman (Ajman DED) recorded a significant growth in business activity during the first half of 2024, where the licence growth rate reached 15 percent compared to the first half of 2023, amounting to 37,755 active licences.

Ras Al Khaimah Government increases stake in RAK Properties. Statement says government has increased stake to 34%. The Government of Ras Al Khaimah has increased its stake in developer RAK Properties to 34% citing significant growth in revenue and net profit in 2023. The RAK Government is one of two major shareholders along well as Al Saqr United Group LLC according to Abu Dhabi Securities Exchange (ADX) records.

Source: ADX, DFM, Bloomberg, Reuters, Gulf News, The National, Arabian business

GCC news stories

Saudi Aramco has mandated banks for 10-, 30- and 40-year senior unsecured tranche debt sales, a document from one of the arranging banks showed on Tuesday. The banks will arrange investor calls commencing on Tuesday for the potential sale of benchmark-sized notes, according to the document. Citi, Goldman Sachs International, HSBC, J.P. Morgan, Morgan Stanley and SNB Capital have been appointed as joint active bookrunners.

Saudi regulator approves public offering of GIB Opportunistic Indian Equity Fund. The CMA said that approval should never be considered as a recommendation to subscribe to the fund

Saudi ASG Plastic Factory Co. to float over 10% of shares on Nomu. The final price will be determined after the book-building period. Yaqeen Capital Company, in its capacity as the financial advisor and lead manager on the potential offering, said in a statement on the Tadawul bourse on Monday that the company would sell 750,000 shares. The IPO offer will run from July 28 to August 5. The final price will be determined after the book-building period.

Qatar Islamic Bank backs out of bid to acquire Egypt's United Bank – report. The Egyptian central bank rejected QIB's submitted offer worth under USD400mn, a source said. The central bank had rejected QIB's submitted offer worth under USD400mn, according to an unnamed source to Shourouk News. Both QIB and Kuwait Finance House (KFH) had completed their due diligence on United Bank in December, but KFH has yet to submit an official offer for the bank.

Qatar National Bank, reported a 7% YoY increase in net profit for the six months ended 30 June 2024 to QAR8.2bn (USD2.2bn). Operating income was up 9% on year at QAR20.1bn, the lender said in a statement on the Qatar Stock Exchange. Total assets reached QAR1.26bn (USD346bn), an increase of 5% from the year-ago period mainly driven by good growth in loans and advances by 7% to reach QAR879bn.

Source: ADX, DFM, Bloomberg, Reuters, Gulf News, The National, Arabian business

Regional markets trading performance

| Indices | Close | Change | | | |
|-------------------|--------|--------|-----|-----|-----|
| | | 1D | 1M | YTD | 1Y |
| ADX | 9,133 | -0.1% | 2% | -5% | -5% |
| DFM | 4,082 | 0.3% | 3% | 1% | 3% |
| TASI (Saudi) | 11,718 | 0.3% | 1% | -2% | 1% |
| QSI (Qatar) | 10,157 | 0.3% | 7% | -6% | -1% |
| BKM (Kuwait) | 5,924 | 0.0% | -1% | 6% | 7% |
| MSX (Oman) | 4,687 | 0.0% | -2% | 4% | -2% |
| BHSEASI (Bahrain) | 2,005 | 0.1% | -1% | 2% | 2% |
| EGX (Egypt) | 28,412 | 0.0% | 8% | 14% | 66% |

Source: Reuters, IS Research.

UAE trading summary (AED mn)

| | Buy | Sell | Net |
|--------------|--------------|--------------|----------|
| ADX | 825 | 825 | 0 |
| Local | 530 | 554 | -23 |
| Foreign | 294 | 271 | 23 |
| Company | 683 | 679 | 4 |
| Individual | 142 | 146 | -4 |
| DFM | 252 | 252 | 0 |
| Local | 126 | 136 | -10 |
| Foreign | 126 | 116 | 10 |
| Company | 123 | 105 | 18 |
| Individual | 129 | 147 | -18 |
| Total | 1,077 | 1,077 | 0 |

| | | | |
|---------|-----|-----|-----|
| Local | 656 | 689 | -33 |
| Foreign | 421 | 387 | 33 |

Source: ADX and DFM

Global markets and commodities trends

Japan's Nikkei hit a record high on Tuesday, while investors elsewhere waited anxiously to see if Federal Reserve Chair Jerome Powell would sound supportive of rate cuts after evidence the U.S. labour market is cooling. Europe is set for a lower open, with EUROSTOXX 50 futures off 0.3% and FTSE flat. S&P 500 futures gained 0.2% and Nasdaq futures firmed 0.3%, after Wall Street equities inched higher to close at record highs on Monday. Nikkei index jumped 1.5% to a fresh record high thanks to gains in semiconductor shares, while MSCI's broadest index of Asia-Pacific shares outside Japan was last flat, having hit a two-year top a day earlier.

Taiwanese shares also hit a record high before running into profit-taking and were last down 0.3%. Chinese blue chips edged 0.1% higher and Hong Kong's Hang Seng index lost 0.3%. Powell is set to appear before Congress on Tuesday and Wednesday, as investors wagered a slew of soft labour market data has greatly increased the chance of a rate cut in September to about 80%.

| Indices | Close | Change | | | |
|----------------|--------|--------|-----|-----|-----|
| | | 1D | 1M | YTD | 1Y |
| DJI | 39,345 | -0.1% | 1% | 4% | 17% |
| S&P 500 | 5,573 | 0.1% | 4% | 17% | 27% |
| Nasdaq | 18,404 | 0.0% | 7% | 23% | 35% |
| FTSE | 8,193 | -0.1% | -1% | 6% | 13% |
| DAX | 18,472 | 0.0% | 0% | 10% | 18% |
| CAC40 | 7,627 | -0.6% | -5% | 1% | 7% |
| Nikkei225 | 40,781 | -0.3% | 5% | 22% | 26% |
| HIS | 17,443 | -0.5% | -5% | 3% | -5% |
| MSCI EM | 1,107 | 0.2% | 3% | 8% | 13% |
| MSCI Asia | 184 | -0.2% | 2% | 9% | 14% |
| US Futures | 5,638 | 0.2% | 5% | 17% | 27% |
| Europe Futures | 5,004 | -0.2% | -1% | 10% | 17% |

Source: Reuters, IS Research.

| Rates | Current | Change | | | |
|---------------|---------|--------|--------|-------|--------|
| | | 1D | 1W | 6M | 1Y |
| US 2yr Bond | 4.63% | 0.00% | -0.11% | 0.26% | -0.25% |
| US 10yr Bond | 4.28% | 0.00% | -0.15% | 0.27% | 0.31% |
| US 30yr Bond | 4.47% | 0.00% | -0.14% | 0.28% | 0.46% |
| EUR 2yr Bond | 2.89% | -0.02% | -0.02% | 0.28% | -0.43% |
| EUR 10yr Bond | 2.56% | 0.02% | -0.05% | 0.37% | -0.09% |
| EUR 30yr Bond | 2.72% | 0.02% | -0.08% | 0.30% | 0.06% |
| JPY 2yr Bond | 0.35% | 0.00% | 0.00% | 0.33% | 0.40% |
| JPY 10yr Bond | 1.08% | -0.01% | 0.00% | 0.49% | 0.63% |
| JPY 30yr Bond | 2.20% | 0.00% | -0.05% | 0.60% | 0.90% |

Source: Bloomberg, IS Research

Oil prices slipped on Tuesday, extending losses from the previous session, after a hurricane that hit a key U.S. oil-producing hub in Texas caused less damage than markets had expected, easing supply concerns. Brent futures to USD85.53 a barrel, while U.S. West Texas Intermediate crude fell to USD82.09. Although oil refining activity slowed and some production sites were evacuated, major refineries along the U.S. Gulf Coast appeared to see minimal impact from Hurricane Beryl, which weakened into a tropical storm after hitting the Texas coast.

Major oil-shipping ports around Corpus Christi, Galveston and Houston had been shut ahead of the storm. The Corpus Christi Ship Channel reopened on Monday and the Port of Houston was projected to resume operations on Tuesday afternoon. Several key refiners such as Marathon Petroleum were also preparing to restart their refining units.

| Commodities/ Bitcoin | Current | Price Change | | | |
|-----------------------|----------|--------------|-------|--------|--------|
| | | 1D | 1W | 6M | 1Y |
| Brent (USD/bbl) | 85.5 | -0.3% | -0.8% | 10.2% | 7.7% |
| WTI (USD/bbl) | 82.1 | -0.3% | -0.9% | 13.6% | 9.7% |
| Nat. Gas (USD/MMBtu) | 2.4 | 0.4% | -2.5% | -25.5% | -13.0% |
| Gold (USD/oz) | 2,368.4 | 0.4% | 1.7% | 16.7% | 22.6% |
| Silver | 31.0 | 0.6% | 4.9% | 34.7% | 33.9% |
| Copper (USD/lb) | 461.7 | -0.1% | 4.2% | 22.8% | 23.0% |
| Steel (USD/T) | 675.0 | 0.3% | 0.7% | -37.7% | -25.6% |
| Weat (USD/bu) | 572.3 | 3.5% | 1.9% | -6.2% | -11.9% |
| Corn (USD/bu) | 408.8 | 3.3% | 1.7% | -11.0% | -28.5% |
| Polyethylene (CNY/MT) | 8,365.0 | -1.5% | -2.0% | 5.5% | 3.9% |
| Bitcoin (USD) | 57,272.2 | 1.8% | -7.5% | 26.1% | 87.3% |

Source: Bloomberg, IS Research

UAE focus list ([Open full range data table](#))

| Company | MCAP (AEDm) | Price (AED) | Day (%) | Valuation TTM P/E | Div YLD (%)^ |
|--------------|-------------|-------------|---------|-------------------|--------------|
| IHC | 905,932 | 413.00 | -0.4% | 30.54 | - |
| TAQA | 323,811 | 2.88 | -0.3% | 45.28 | 1.4% |
| ADNOCGAS | 228,719 | 2.98 | -0.3% | 13.42 | 5.2% |
| EAND | 138,975 | 15.98 | -0.1% | 13.30 | 5.0% |
| FAB | 137,874 | 12.48 | -0.2% | 8.67 | 5.7% |
| Alpha Dhabi | 118,400 | 11.84 | 1.0% | 16.02 | - |
| DEWA | 116,000 | 2.32 | 0.4% | 15.25 | 5.3% |
| ENBD | 105,171 | 16.65 | 0.9% | 4.85 | 7.2% |
| Emaar Pro. | 70,534 | 7.98 | -0.2% | 6.22 | 6.3% |
| ADNOC Drill. | 69,760 | 4.36 | -0.5% | 17.44 | 3.8% |
| Borouge | 69,734 | 2.32 | -0.4% | 17.8 | 6.8% |
| ADCB | 58,779 | 8.03 | 0.9% | 7.34 | 7.0% |
| Aldar | 51,028 | 6.49 | 2.9% | 11.71 | 2.6% |
| Pure Health | 47,222 | 4.25 | -0.5% | 41.63 | - |
| Qholding | 47,080 | 2.88 | 1.1% | 43.18 | - |
| ADIB | 42,494 | 11.70 | 0.2% | 8.57 | 6.1% |
| DIB | 42,214 | 5.83 | -0.2% | 6.49 | 7.7% |
| ADNOC Dist. | 42,125 | 3.37 | -0.3% | 16.12 | 6.1% |

| | | | | | |
|------------|--------|-------|-------|-------|------|
| Emaar Dev. | 31,880 | 7.97 | -0.4% | 4.64 | 6.5% |
| ADNOCLS | 30,778 | 4.16 | -0.5% | 12.53 | 3.1% |
| Americana | 26,534 | 3.15 | 0.6% | 31.48 | 2.5% |
| Salik | 26,475 | 3.53 | 0.3% | 24.07 | 4.1% |
| DU | 26,064 | 5.75 | 0.5% | 13.72 | 5.9% |
| AD Ports | 25,246 | 4.96 | 0.2% | 23.92 | - |
| Multiply | 23,296 | 2.08 | 1.0% | - | - |
| NMDC | 22,457 | 27.22 | 0.6% | 9.01 | 2.8% |
| Fertiglobe | 19,176 | 2.31 | -0.9% | 15.85 | 9.1% |
| Empower | 15,500 | 1.55 | 0.6% | 16.33 | 5.5% |
| Burjeel | 14,522 | 2.79 | 1.1% | 30.40 | 1.1% |
| Presight | 13,405 | 2.39 | 5.3% | 20.70 | - |
| Air Arabia | 11,293 | 2.42 | 1.3% | 7.81 | 8.3% |
| Phoenix | 10,343 | 1.71 | -3.4% | 11.31 | - |
| DFM | 10,240 | 1.28 | 1.6% | 26.70 | 2.7% |

Source: Reuters, IS Research.

Upcoming corporate actions and events

| Date | Company | Event |
|--------|------------------|------------------|
| 09-Jul | Al Seer Marine | BoD/General |
| 09-Jul | RAKWCT | General Assembly |
| 10-Jul | Apex Investments | BoD/General |
| 10-Jul | NCTH | General Assembly |
| 11-Jul | BILDICO | BoD/General |
| 11-Jul | ADNIC | BoD/General |
| 22-Jul | Salama | General Assembly |
| 24-Jul | DSI | General Assembly |
| 24-Jul | Al Firdous | General Assembly |
| 11-Aug | Al Salam Bank | BoD/Result |
| 12-Aug | GFH | BoD/Result |

Source: ADX and DFM

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