



Morning Report

23 July 2024

UAE news stories

ADNOC L&S Joint Venture awards USD1.9bn in contracts for Very Large Ethane Carriers and Very Large Ammonia Carriers. AW Shipping awards contracts to Jiangnan Shipyard to build up to 13 new vessels with delivery from 2025. Nine Very Large Ethane Carriers to be deployed on 20- year charter contracts, generating revenues of approximately USD4bn

Emirates integrated telecommunications Company (DU) reported 2Q24 profit of AED580.8mn versus AED397.2mn year ago. DU 2Q24 revenue came in at AED3.59bn versus AED3.35bn year ago. Du 2Q24 capex was AED442mn. Du fixed customer base rose by 12.7% YoY to 630,000 subscribers. The Board also approved the distribution of the interim cash dividends of AED0.20 per share for the 1H24 subject to SCA approval

Sawaed Holding reported 2Q24 profit after tax of AED2.9mn against a loss of AED1.4mn in 2Q23. The company registered a revenue of AED45.2mn in 2Q24 against a revenue of AED31.9mn in 2Q23.

Phoenix group informed that it is launching a new mining facility with a capacity of 25 megawatts in Willamette, south Carolina, USA. This substantial expansion is set to boost both the top-line and bottom-line revenue of Phoenix Group's primary operations which include data centre capabilities and digital asset mining. It aligns with the long-term strategy of phoenix group to grow its main business, aiming to increase hash rate efficiency while reducing expenses.

GFH Financial Group informed that it has increased its stake in GFH Equities B.S.C. Closed (previously known as GBCorp B.S.C. Closed) in the month of July 2024 by 12.50%, giving them a majority stake of 76.63%. This Investment is expected to reflect positively on the Group's financials and increase its returns.

Salama shareholders resolved that the following candidates are elected to be Directors of the Company to continue the remaining tenure of the current Board term, which expires in April 2026: A. Mr. Fahad Abdulkader Qassim Abdulla Alqassim B. Mr. Ammar Ali Mohamed Jaber. Shareholders also approved the appointment of Mr. Mohamed Alsayed Alhashmi as a new member of the Board of Directors, replacing Mr. Ajit Joshi, who resigned on 11 March 2024. Mr. Alhashmi will serve until the end of the current term of the Board of Directors, which expires in April 2026.

e& UAE Chief Executive Officer Masood M. Sharif Mahmood confirmed that the remarkable growth in the subscriber base in the UAE, now exceeding 14.5mn subscribers, reflects the company's leadership and commitment to providing innovative services and products that meet customers' evolving needs

Air Arabia to add Maldives to its network from October. Air Arabia, the Middle East and North Africa's first and largest low-cost carrier (LCC) operator, on Monday announced the launch of its non-stop flights between Sharjah and the idyllic island of Maldives. New flights between Sharjah International Airport and Velana International Airport in Maldives will operate daily

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

GCC news stories

Saudi Aramco signs Lol with Spanish-Chinese JV for USD2.2bn gas compression project. The project will be located Jafurah unconventional gas field. Saudi Aramco has signed a non-binding letter of intent (Lol) with a joint venture between Spain's Técnicas Reunidas and China's Sinopec for the potential development of three gas compression plants at Jafurah, the largest unconventional gas field in the kingdom. The Lol relates to potential work to install a 230kV power connection at the gas plant substation area and upgrade the water pump system, the Spanish company said in a statement on Monday.

Saudi wealth fund PIF to increase stake in UK retailer Selfridges. PIF already owns a 10% stake in Selfridges properties. Saudi Arabia's Public Investment Fund (PIF) has made an offer to up its stake in luxury UK retailer Selfridges to 50% for a cash price of (USD1.3mn), Bloomberg reported citing documents.

Saudi Tadawul announces 56 per cent rise in profits, the net profit after zakat rose to USD44mn. Saudi Tadawul Group, the operator of Saudi Arabia's stock exchange, announces an increase in second-quarter earnings driven by heightened trading activity. During April to June this year, net profit after zakat, the obligatory charity donation, surged to USD44mn, marking a 56 per cent rise from USD27.9mn in the same period last year.

Saudi Ladun Investment Company Unit built industrial company signs project with ministry of municipalities and housing. The Project total value is SAR628.1mn .The project is to expand ministry's headquarters in Riyadh

Saudi Arabia's holdings of US Treasuries rise to highest since 2022. The kingdom retained its position in the 17th spot amongst the largest foreign holders of US Treasury securities. Saudi Arabia's holdings of US Treasuries rose to USD136.3bn in May 2024, indicating a 0.66% rise from the previous month's USD135.4bn, according to data released by the US Treasury.

Doha Bank said its net profit for the 1H24 rose 10.3% YoY to QAR432mn Qatari riyals (USD118.5mn) on higher loans and advances. Net loans and advances rise 6% to USD16.2bn. Net loans and advances reached QAR 59bn, up 5.7% YoY, the bank said in a filing on the Qatar Stock Exchange. Customer deposits surged 17% to QAR 51.6bn as of June 30, 2024, compared to QAR44.1bn last year.

Egypt's external debt has seen its biggest drop in history, decreasing by over USD14.17bn from USD168.03bn in December 2023 to USD153.86bn at the end of May, as per an emailed press release to Arab Finance. Egypt's net foreign reserves hit a record high of USD46.38bn in June 2024, rising by USD13.26bn since August 2022. These reserves now cover nearly 7.9 months of the country's merchandize imports, well above international safety standards.

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

Regional markets trading performance

Indices	Close	Change			
		1D	1M	YTD	1Y
ADX	9,279	0.4%	3%	-3%	-4%
DFM	4,179	0.0%	4%	3%	5%
TASI (Saudi)	12,175	-0.2%	6%	2%	4%
QSI (Qatar)	10,121	0.6%	4%	-7%	-3%
BKM (Kuwait)	6,006	1.6%	0%	8%	7%
MSX (Oman)	4,631	-1.1%	-1%	3%	-4%
BHSEASI (Bahrain)	1,980	1.0%	-3%	0%	0%
EGX (Egypt)	28,992	0.0%	10%	16%	65%

Source: Reuters, IS Research.

UAE trading summary (AED mn)

	Buy	Sell	Net
ADX	1,176	1,176	0
Local	636	707	-71
Foreign	540	469	71
Company	978	893	85
Individual	198	283	-85
DFM	332	332	0
Local	146	241	-95
Foreign	186	91	95
Company	160	114	46
Individual	172	218	-46
Total	1,508	1,508	0
Local	782	949	-167
Foreign	726	560	167

Source: ADX and DFM

Global markets and commodities trends

Asian stocks bounced from one-month lows on Tuesday, with Taiwan's market snapping a five-day losing streak as semiconductor shares took a lead from a Wall Street recovery, while sagging commodity prices weighed on the Aussie dollar. MSCI's broadest index of Asia-Pacific shares outside Japan which touched a one-month low on Monday, rose 0.55%.

Japan's Nikkei steadied thanks to stabilising chip stocks and the share average gained 0.3%. Overnight, the S&P 500 rose 1.1% and the tech-heavy Nasdaq went up 1.6% as stocks sold heavily in the last few days rebounded. Markets made little obvious reaction to the end of President Joe Biden's reelection bid. Investors are looking ahead to earnings at Tesla and Alphabet due after the New York close and both stocks advanced sharply on Monday. In Taiwan, the benchmark index was up about 1.7% in early trade and shares in chipmaker TSMC jumped 2%. Over the week to Monday, the company- the most valuable listed firm in Asia- lost about USD100bn in market value after U.S. presidential candidate Donald Trump sounded equivocal about protecting Taiwan and its chip industry in a magazine interview.

Markets have priced two U.S. rate cuts for the second half of this year which has started to weigh on the dollar, even if uncertainty over the U.S. election is keeping it from falling too far.

Indices	Close	Change			
		1D	1M	YTD	1Y
DJI	40,415	0.3%	3%	7%	15%
S&P 500	5,564	1.1%	2%	17%	23%
Nasdaq	18,008	0.0%	2%	20%	28%
FTSE	8,199	0.5%	0%	6%	7%
DAX	18,407	1.3%	1%	10%	14%
CAC40	7,622	1.2%	0%	1%	3%
Nikkei225	39,599	-1.2%	3%	18%	23%
HIS	17,620	-0.1%	-2%	3%	-8%
MSCI EM	1,085	-0.4%	0%	6%	7%
MSCI Asia	182	-0.7%	2%	7%	10%
US Futures	5,601	-0.2%	2%	16%	22%

Europe Futures	4,934	0.1%	0%	8%	12%
----------------	-------	------	----	----	-----

Source: Reuters, IS Research.

Rates	Current	Change			
		1D	1W	6M	1Y
US 2yr Bond	4.51%	-0.01%	0.09%	0.14%	-0.36%
US 10yr Bond	4.24%	-0.02%	0.08%	0.11%	0.35%
US 30yr Bond	4.46%	-0.02%	0.08%	0.09%	0.53%
EUR 2yr Bond	2.77%	-0.06%	0.00%	0.05%	-0.30%
EUR 10yr Bond	2.43%	-0.06%	0.00%	0.08%	0.04%
EUR 30yr Bond	2.62%	-0.05%	0.01%	0.09%	0.16%
JPY 2yr Bond	0.35%	0.01%	0.04%	0.31%	0.40%
JPY 10yr Bond	1.06%	0.01%	0.04%	0.39%	0.60%
JPY 30yr Bond	2.17%	0.00%	0.01%	0.41%	0.83%

Source: Bloomberg, IS Research

Oil prices steadied on Tuesday after falling for the past two sessions, as investors remained cautious amid expectations of plentiful supplies and weak demand, while brushing off the U.S. presidential campaign upheaval. Brent crude futures for September rose 2 cents to USD82.5 a barrel U.S. West Texas Intermediate crude for September dipped to USD78.4 per barrel. Traders mostly ignored U.S. President Joe Biden's decision to call off his reelection bid and endorse Vice President Kamala Harris on Sunday. The American Petroleum Institute, a trade group, is due to release its estimates for last week's oil inventories on Tuesday, while official U.S. government data is scheduled to land on Wednesday. The market is also watching developments in Russia. The Tuapse oil refinery, its biggest on the Black Sea, was damaged in a major Ukrainian drone attack overnight which sparked a fire, Russian officials said on Monday, though the extent of the damage was not immediately clear.

Commodities/ Bitcoin	Current	Price Change			
		1D	1W	6M	1Y
Brent (USD/bbl)	82.5	0.1%	-1.5%	3.7%	-1.4%
WTI (USD/bbl)	78.4	-1.7%	-2.9%	5.4%	-1.5%
Nat. Gas (USD/MMBtu)	2.2	-0.4%	2.5%	-8.5%	-17.9%
Gold (USD/oz)	2,398.2	0.1%	-2.9%	18.2%	22.0%
Silver	29.0	-0.4%	-7.1%	29.3%	17.5%
Copper (USD/lb)	421.1	0.7%	-5.2%	11.0%	7.9%
Steel (USD/T)	663.0	0.9%	0.5%	-38.0%	-22.7%
Weat (USD/bu)	547.0	-0.2%	3.1%	-8.3%	-28.0%
Corn (USD/bu)	399.0	-0.3%	0.8%	-10.6%	-28.4%
Polyethylene (CNY/MT)	8,333.0	0.2%	-0.1%	2.1%	2.5%
Bitcoin (USD)	67,189.7	-1.4%	3.9%	71.4%	129.9%

Source: Bloomberg, IS Research

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

Company	MCAP	Price	Valuation	Div
	(AEDm)	(AED)		
IHC	909,222	414.50	30.65	-
TAQA	309,194	2.75	43.24	1.4%
ADNOCGAS	245,605	3.20	14.42	4.9%

EAND	143,497	16.50	1.4%	13.74	4.8%
FAB	139,421	12.62	0.2%	8.77	5.6%
DEWA	118,500	2.37	1.7%	15.58	5.2%
Alpha Dhabi	114,000	11.40	0.0%	15.43	-
ENBD	110,540	17.50	-0.3%	4.91	6.9%
Emaar Pro.	73,539	8.32	-0.4%	6.48	6.0%
Borouge	73,040	2.43	0.4%	18.7	6.5%
ADNOC Drill.	69,920	4.37	-0.9%	17.48	3.8%
ADCB	62,586	8.55	1.9%	7.56	6.5%
Aldar	54,567	6.94	0.4%	12.52	2.4%
Qholding	48,387	2.96	-1.3%	44.38	-
Pure Health	45,889	4.13	0.5%	40.46	-
ADIB	44,528	12.26	0.5%	8.98	5.8%
ADNOC Dist.	43,875	3.51	-1.7%	16.79	5.9%
DIB	43,010	5.94	-0.3%	6.62	7.6%
ADNOCLS	34,255	4.63	0.9%	13.94	2.8%
Emaar Dev.	33,040	8.26	0.2%	4.81	6.3%
DU	27,152	5.99	0.3%	14.29	5.7%
AD Ports	26,672	5.24	-0.2%	25.27	-
Americana	26,366	3.13	1.3%	31.28	2.5%
Multiply	26,208	2.34	-1.3%	-	-
Salik	25,725	3.43	0.3%	23.39	4.3%
NMDC	22,803	27.64	0.5%	9.15	2.7%
Fertiglobe	20,338	2.45	-0.4%	16.81	8.6%
Empower	16,200	1.62	0.0%	17.07	5.2%
Presight	14,358	2.56	0.4%	22.18	-
Burjeel	13,898	2.67	-1.1%	29.09	1.1%
Air Arabia	11,900	2.55	-1.2%	8.23	7.8%
Phoenix	10,404	1.72	1.2%	11.37	-
DFM	10,240	1.28	0.0%	26.70	2.7%

Source: Reuters, IS Research.

Upcoming corporate actions and events

Date	Company	Event
23-Jul	DIB	BoD/Results
23-Jul	Sukoon	BoD/Results
24-Jul	ADIB	BoD/Results
24-Jul	CBD	BoD/Results
24-Jul	DSI	General Assembly
24-Jul	Al Firdous	General Assembly
24-Jul	Easy Lease	BoD/Results
24-Jul	NMDC	BoD/Results
24-Jul	FAB	BoD/Results
24-Jul	Manazel	BoD/General
24-Jul	Gulf Navigation	BoD/General
25-Jul	Phoenix	BoD/Results
25-Jul	NBF	BoD/Results
25-Jul	Apex	BoD/Results
25-Jul	UAB	BoD/Results

25-Jul	ASM	BoD/Results
25-Jul	Masq	BoD/Results
25-Jul	FBI	BoD/Results
25-Jul	DTC	BoD/Results
25-Jul	Salama	BoD/General
25-Jul	ESG	BoD/Results
26-Jul	Ghitha	BoD/Results
30-Jul	DRC	BoD/Results
30-Jul	Ooredoo	BoD/Results
06-Aug	Agthia	BoD/Results
11-Aug	Al Salam Bank	BoD/Results
12-Aug	GFH	BoD/Results

Source: ADX and DFM

This report has been issued by International Securities for informational purposes only. This report is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell any investment or subscribe to any investment management or advisory service. Recipients should not base their investment decisions on this report and should make their own investigations, and obtain independent advice, as appropriate. International Securities has based this document on information obtained from publicly available information, and sources it believes to be reliable without being independently verified for their accuracy or completeness. It makes no guarantee, representation or warranty as to its accuracy or completeness and accepts no responsibility or liability in respect thereof or for any reliance placed by any person on such information. All opinions expressed herein are subject to change without notice. This report may not be reproduced or circulated without the prior written consent of International Securities. International Securities owns the intellectual property rights and any other material contained in this report. International Securities is regulated by the United Arab Emirates Securities and Commodities Authority under license number 20200000017. International Securities is a member of the Abu Dhabi Securities Exchange, Dubai Financial Market and NASDAQ Dubai.

[Unsubscribe](#)