



Morning Report

25 July 2024

## UAE news stories

**FAB reported** 2Q24 group net profit of AED4.26bn versus AED4.21bn year ago. The Bank registered 2Q24 operating income of AED7.76bn versus AED6.83bn year ago. 2Q4 net interest income came in at AED4.91bn versus AED4.44bn year ago. 2Q24 net impairment charges were AED896mn

**NMDC** reported 2Q24 attributable profit of AED819.2mn against AED577.2mn in 2Q23. The company registered a revenue of AED6.8bn in 2Q24 against a revenue of AED3.6bn in 2Q23.

**Easy Lease** announced 2Q24 attributable profit of AED4.4mn against AED9.9mn in 2Q23. The company registered a revenue of AED92.4mn in 2Q24 versus a revenue of AED69.2mn in 2Q23.

**Emirates Drive** registered 2Q24 profit for the period of AED55.3mn against AED61.1mn in 2Q23. 2Q24 revenue came in at AED85.7mn versus AED80.6mn in 2Q23.

**ADIB reported** 2Q24 profit of AED1.58bn versus AED1.22bn year ago. ADIB 2Q24 total operating income of AED2.83bn versus AED2.23bn year ago.

**Commercial bank of Dubai** reported 2Q24 total operating income of AED1.34bn versus AED1.22bn year ago. 2Q24 net profit came in at AED751.5mn versus AED650.3mn year ago

**RAKBANK issued a USD600mn**, 5-year social bonds under its USD2bn Euro Medium Term Notes Programme, to which Moody's has assigned a Senior Unsecured (Foreign) rating of Baa1.

**Aldar launches** Iconic Office Tower on Sheikh Zayed road as part of Dubai Commercial Real Estate Strategy. Aldar to develop a unique Grade A office tower beside DIFC on Sheikh Zayed Road, with a net leasable area (NLA) of 88,000 sqm, which will also include a luxury boutique hotel and branded residences. Aldar also signed an agreement to acquire '6 Falak', a fully occupied Grade A office building in Dubai Internet City. These strategic investments, with a total commitment of AED1.8bn, broaden Aldar's presence in Dubai across key sectors, aligning with its strategy to deliver premium office spaces in key business districts

**Mashreq**, a leading financial institution has led a groundbreaking USD3.25bn Leverage Buyout Sustainability-linked financing for GEMS Education. Serving as the Lead Sustainability Coordinator, Initial Mandated Lead Arranger and Bookrunner, Account Bank, Global Agent, and Conventional Facility Agent, Mashreq has spearheaded this initiative. The banking consortium also included prominent regional banks such as Dubai Islamic Bank (DIB), Abu Dhabi Commercial Bank (ADCB), and First Abu Dhabi Bank (FAB).

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

## GCC news stories

**Saudi cement maker Yanbu** posts 12.75% rise in 2Q24 net profit. Producer reports growth despite higher admin, Zakat costs seasonal sales decline. Total net profit for the quarter ended June 30, 2024 reached SAR39.77mn, up from SAR35.27mn in the same period last year, the company said in a filing with the Saudi Stock Exchange (Tadawul) Wednesday.

**SEDCO Capital** will list and trade its multi asset traded fund on the main market of the Saudi Exchange (Tadawul) from today. The shares will trade under the symbol 4703, at a +/- 30% daily price fluctuation limit and +/- 10% static price fluctuation limit during the first three days of listing. The offering period attracted 351,428 subscribers, including institutional and individual investors from Saudi Arabia and the broader GCC, with a net subscription amount of SAR300mn (USD80mn) for 30mn units, the company said.

**Saudi Arabia's medical devices distributor Professional Medical Expertise Co.**, (ProMedEx), has secured credit facilities worth SAR25mn (USD6.7mn) from Al Rajhi Bank.

**Saudi firm Al Ashghal Al Moysra debuts** on parallel market Nomu. The company floated a 20% stake in an IPO. Shares of Saudi Arabian contractor Al Ashghal Al Moysra Co will list and start trading from today on the Nomu parallel market, according to a Tadawul disclosure. The stock will trade under the symbol 9608, with +/- 30% daily price fluctuation limits and +/- 10% static price fluctuation limits. The company floated a 20% stake or 480,000 shares to market in a public offering at a price per share of 50 Saudi Arabian riyals (USD13.33)

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

## Regional markets trading performance

Indices	Close	Change			
		1D	1M	YTD	1Y
ADX	9,263	0.3%	3%	-3%	-5%
DFM	4,229	0.3%	6%	4%	6%
TASI (Saudi)	12,101	0.0%	3%	1%	3%
QSI (Qatar)	10,137	0.0%	4%	-6%	-3%
BKM (Kuwait)	6,015	0.0%	2%	8%	8%
MSX (Oman)	4,654	0.1%	1%	3%	-3%
BHSEASI (Bahrain)	1,978	-0.1%	-3%	0%	0%
EGX (Egypt)	29,091	-0.4%	8%	17%	66%

Source: Reuters, IS Research.

UAE trading summary (AED mn)			
	Buy	Sell	Net
<b>ADX</b>	<b>999</b>	<b>999</b>	<b>0</b>
Local	640	669	-29
Foreign	359	330	29
Company	799	780	19
Individual	200	220	-19
<b>DFM</b>	<b>382</b>	<b>382</b>	<b>0</b>
Local	186	197	-11
Foreign	196	185	11
Company	203	164	38
Individual	179	218	-38
<b>Total</b>	<b>1,381</b>	<b>1,381</b>	<b>0</b>
Local	826	866	-40
Foreign	556	515	40

Source: ADX and DFM

## Global markets and commodities trends

**Asian shares** were hammered on Thursday as a slump in global tech stocks sent investors fleeing into less risky assets, including short-dated bonds, the yen and Swiss franc. Chinese stocks were given little support after the country's central bank sprang a surprise cut in longer-term rates, adding to a recent rush of stimulus measures. Chinese blue-chips pared earlier losses to be down 0.1%, although the Shanghai Composite index was still off 0.3%, hitting five-month lows.

**The sell-off** in stocks saw investors ramp up bets on rate cuts globally, with futures implying a 100% chance of a Federal Reserve easing in September. A spike in market volatility fuelled a vicious squeeze on carry trades which saw the dollar sink to 152.85 yen on Thursday. MSCI's broadest index of Asia-Pacific shares outside Japan lost 0.7%, while Japan's Nikkei tumbled 2.9% and South Korea's KOSPI dropped 2%. Taiwan's markets were closed for a second day due to a typhoon.

**On Wall Street**, the Nasdaq lost almost 4% the worst one-day fall since 2022 as lacklustre Alphabet and Tesla earnings undermined investor confidence in the already lofty valuations of the 'Magnificent Seven' stocks. In early Asian trade, Nasdaq futures rebounded 0.4% and S&P 500 stock futures rose 0.3%.

Indices	Close	Change			
		1D	1M	YTD	1Y
DJI	39,854	-1.3%	1%	6%	13%
S&P 500	5,427	-2.3%	0%	14%	19%
Nasdaq	17,342	-3.6%	-1%	16%	23%
FTSE	8,154	-0.2%	-2%	5%	6%
DAX	18,387	-0.9%	0%	10%	14%
CAC40	7,514	-1.1%	-3%	0%	1%
Nikkei225	39,155	-1.1%	1%	17%	20%
HIS	17,045	-1.5%	-4%	2%	-7%
MSCI EM	1,082	-0.4%	0%	6%	7%
MSCI Asia	183	-0.1%	2%	8%	10%
US Futures	5,483	0.2%	-1%	14%	19%
Europe Futures	4,859	-0.6%	-2%	8%	12%

Source: Reuters, IS Research.

Rates	Current	Change			
		1D	1W	6M	1Y
US 2yr Bond	4.39%	-0.04%	-0.08%	0.10%	-0.54%
US 10yr Bond	4.26%	-0.02%	0.06%	0.14%	0.26%
US 30yr Bond	4.53%	-0.01%	0.11%	0.16%	0.50%
EUR 2yr Bond	2.77%	0.11%	0.00%	0.15%	-0.33%
EUR 10yr Bond	2.43%	-0.01%	0.00%	0.14%	-0.04%
EUR 30yr Bond	2.62%	-0.04%	0.00%	0.13%	0.09%
JPY 2yr Bond	0.39%	0.03%	0.06%	0.33%	0.44%
JPY 10yr Bond	1.07%	0.00%	0.03%	0.33%	0.63%
JPY 30yr Bond	2.17%	-0.02%	0.01%	0.34%	0.86%

Source: Bloomberg, IS Research

**Oil prices** eased on Thursday as concerns over weak demand in China, the world's largest crude importer, and expectations of a nearing ceasefire deal in the Middle East overcame gains in the previous session after

draws in U.S. inventories. Brent crude futures for September fell to USD81.08 a barrel. U.S. West Texas Intermediate crude for September slid to USD76.96 per barrel. Both benchmarks settled higher on Wednesday, snapping consecutive sessions of declines after the Energy Information Administration said U.S. crude inventories fell by 3.7mn barrels last week. That compared with analysts' expectations in a Reuters poll for a 1.6-mn-barrel draw. This year, China's oil imports and refinery runs have trended lower than in 2023 on weaker fuel demand amid sluggish economic growth, according to government data.

Commodities/ Bitcoin	Current	Price Change			
		1D	1W	6M	1Y
Brent (USD/bbl)	81.1	-0.8%	-4.7%	-1.6%	-3.8%
WTI (USD/bbl)	77.0	-0.8%	-7.1%	-0.5%	-3.9%
Nat. Gas (USD/MMBtu)	2.1	0.2%	-0.2%	-17.5%	-14.9%
Gold (USD/oz)	2,374.4	-1.0%	-2.9%	17.5%	22.0%
Silver	27.9	-3.4%	-6.4%	21.9%	15.7%
Copper (USD/lb)	413.3	0.8%	-3.1%	6.8%	7.0%
Steel (USD/T)	663.0	0.8%	0.6%	-38.4%	-19.7%
Weat (USD/bu)	547.0	0.0%	2.2%	-10.7%	-23.3%
Corn (USD/bu)	402.5	-0.3%	2.9%	-10.9%	-24.5%
Polyethylene (CNY/MT)	8,286.0	0.3%	-0.7%	1.0%	1.0%
Bitcoin (USD)	64,269.0	-2.7%	0.7%	61.1%	120.5%

Source: Bloomberg, IS Research

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

Company	MCAP	Price	Valuation	Div	
	(AEDm)	(AED)			Day (%)
IHC	900,229	410.40	0.1%	30.34	-
TAQA	309,194	2.75	0.0%	43.24	1.4%
ADNOCGAS	243,302	3.17	0.6%	14.28	4.9%
EAND	147,672	16.98	1.3%	14.13	4.7%
FAB	140,084	12.68	0.3%	8.81	5.6%
DEWA	119,500	2.39	0.4%	15.71	5.2%
Alpha Dhabi	119,000	11.90	2.8%	16.11	-
ENBD	111,488	17.65	-1.1%	4.95	6.8%
Emaar Pro.	74,511	8.43	-0.1%	6.57	5.9%
Borouge	73,942	2.46	0.8%	18.9	6.4%
ADNOC Drill.	69,120	4.32	0.0%	17.28	3.8%
ADCB	62,952	8.60	1.5%	7.60	6.5%
Aldar	55,510	7.06	0.9%	12.74	2.4%
Qholding	47,897	2.93	0.3%	43.93	-
Pure Health	44,444	4.00	-2.0%	39.18	-
ADIB	44,383	12.22	0.7%	8.95	5.8%
ADNOC Dist.	43,500	3.48	0.3%	16.64	5.9%
DIB	43,155	5.96	-1.3%	6.53	7.6%
ADNOCLS	35,069	4.74	0.9%	14.27	2.7%
Emaar Dev.	33,760	8.44	1.7%	4.92	6.2%
DU	27,560	6.08	-0.2%	13.23	5.6%
AD Ports	26,468	5.20	-0.8%	25.08	-

Americana	26,450	3.14	-0.3%	31.38	2.5%
Salik	25,950	3.46	0.3%	23.59	4.2%
Multiply	25,648	2.29	-1.7%	-	-
NMDC	22,523	27.30	1.1%	9.04	2.7%
Fertiglobe	20,338	2.45	0.8%	16.81	8.6%
Empower	16,400	1.64	-0.6%	17.28	5.2%
Burjeel	14,002	2.69	0.7%	29.31	1.1%
Presight	13,910	2.48	-2.0%	21.48	-
Air Arabia	12,133	2.60	0.8%	8.39	7.7%
DFM	10,320	1.29	0.0%	26.91	2.7%
Phoenix	10,223	1.69	-0.6%	11.17	-

Source: Reuters, IS Research.

## Upcoming corporate actions and events

Date	Company	Event
25-Jul	Invictus	BoD/Results
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	Methaq Takaful	BoD/Results
26-Jul	DSI	BoD/Results
26-Jul	Ghitha	BoD/Results
26-Jul	BHM Capital	BoD/Results
29-Jul	Fujairah Cement	BoD/Results
29-Jul	Aldar Properties	BoD/Results
29-Jul	Multiply	BoD/Results
29-Jul	Yahsat	BoD/Results
29-Jul	DFM	BoD/Results
29-Jul	Alef	BoD/Results
29-Jul	Al Ansari	BoD/General
30-Jul	DRC	BoD/Results
30-Jul	Ooredoo	BoD/Results
30-Jul	DSI	General Assembly
06-Aug	Agthia	BoD/Results
09-Aug	Invictus	BoD/Results
11-Aug	Al Salam Bank	BoD/Results
12-Aug	GFH	BoD/Results

Source: ADX and DFM

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