

SHUAA Securities Morning Report

04 August 2020

Market Stats

Indices	Close	Change	1M Change	3M Change	1Y Change
ADX	4,324	0.5%	0.3%	5.3%	-17.3%
DFM	2,065	0.7%	0.2%	6.1%	-28.8%
TASI	7,459	0.0%	2.3%	8.3%	-15.8%
BHSEASI	1,291	0.1%	1.0%	-1.4%	-16.0%
EGX	10,599	0.3%	-1.4%	0.5%	-21.0%
Dow Jones	26,664	0.9%	3.2%	12.4%	0.7%
S&P 500	3,295	0.7%	5.3%	16.4%	12.4%
Nasdaq	10,903	1.5%	6.8%	26.7%	36.2%
FTSE 100	6,033	2.3%	-2.0%	4.7%	-18.6%
DAX	12,647	2.7%	0.9%	16.4%	6.5%
CAC40	4,876	1.9%	-2.6%	6.6%	-9.0%
Nikkei225	22,195	2.2%	-0.5%	13.1%	5.3%
HIS	24,458	-0.6%	-3.6%	-0.8%	-9.1%
US Futures	3,286	-0.1%	5.0%	16.3%	12.1%
Europe Future	3,246	-0.1%	-0.7%	13.9%	-1.9%

UAE Trading Summary

AEDm	BUY	SELL	Net
ADX	173	173	-
Local	57%	47%	10%
Foreign	43%	53%	-10%
Institution	60%	69%	-10%
Retail	40%	31%	10%
DFM	277	277	-
Local	47%	49%	-2%
Foreign	53%	51%	2%
Institution	17%	17%	0%
Retail	83%	83%	0%
Total	450	450	-
Local	51%	48%	3%
Foreign	49%	52%	-3%

Upcoming Corporate Actions & Events

Date	Company	Event
05-Aug	BOS	AGM
05-Aug	ADNIC	BoD/Results
05-Aug	ARMX	BoD/Results
05-Aug	WAZ	BoD/Results
06-Aug	REEM	BoD/Results
09-Aug	KHCB	BoD/Results
10-Aug	AIR ARABIA	BoD/Results
11-Aug	ADNH	BoD/Results
12-Aug	SALAM BAH	BoD/Results
13-Aug	ITHMAAR	BoD/Results
13-Aug	GFH	BoD/Results
26-Aug	SALAMA	AGM

KEY STORIES

UAE reported 164 new cases of COVID-19 on August 03, 2020, pushing the total cases in the country up to 61,163. No deaths was reported from Covid-19 while total deaths remain at 351. The health ministry has also revealed recovery of 248 patients, taking to 54,863 the total number of recovered patients

NMC Health has secured a USD 250mln financing facility which will allow it to continue to provide healthcare, its administrators Alvarez & Marsal said. The loan is conditional on a planned second-phase restructuring, Alvarez & Marsal said on Monday

Air Arabia Abu Dhabi has announced the introduction of two new destinations - Kabul and Dhaka with direct flights from Abu Dhabi commencing on August 7, 2020

Emirates REIT opening purchase of shares to all directors and employees and appoints Houlihan Lokey to advise the board on its ongoing strategic review of fund

Orient Insurance posted Q2 profit attributable AED 104.5mln vs AED 99.6mln year ago. Q2 gross written premiums AED 1.05bln vs AED 944.6mln year ago

BH Mubasher Financial Services posted Q2 profit AED 3.1mln vs loss of AED 0.06mln dirhams year ago

Azizi Developments has confirmed plans to channel AED 3.5bln over the next two to three years at multiple locations in Dubai

Saudi banks have lowered their purchases of government bonds during the first half of 2020 by 4.6% YoY or SAR 2.17bln. The Saudi lenders' investments in government bonds amounted to more than SAR 44.5bln in the period ended on 30 June 2020

Bahrain's private companies will be able to resume the process of hiring foreign workers this month as the kingdom reopens its economy and labour authority said it will begin accepting applications for new work permits from August 9

Egypt's FY 2020/21 investment budget stand at EGP 280.7bn, an increase of more than 35% over FY 2019/20

Lebanese foreign minister quits over slow reforms, Presidents' adviser takes over

Global passenger traffic declined by 91.3% YoY in May as a result of the ongoing Covid-19 pandemic compared to 94.4% YoY decline recorded in April

Key Global Trends/ Market Clues

Asian shares rose on Tuesday after strong U.S. manufacturing data and gains in tech stocks helped investors look past broader worries about the coronavirus and global economy. MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.9%, while shares in China nudged up 0.1%. Australian stocks gained 2% for the biggest intraday gain since July 21. Tokyo shares also jumped by more than 1%. However, U.S. stock futures were down slightly by 0.1% in Asia.

Oil prices fell in early trade on Tuesday on concerns about fuel demand growth as a fresh wave of COVID-19 infections around the world sparks tighter lockdowns just as major producers ramp up output. U.S. West Texas Intermediate (WTI) crude futures fell 22 cents, or 0.5% to USD 40.79 a barrel at 0132 GMT, while Brent crude futures fell 27 cents, or 0.6% to USD 43.88 a barrel.

Russian oil and gas condensate output increased to 9.8mln barrels per day (bpd) on Aug. 1-2 from 9.37mln bpd in July as the country eases production curbs under an OPEC+ deal, a source familiar with data said on

Monday. The Energy Ministry declined to comment. OPEC+ producers - which include members of the Organization of the Petroleum Exporting Countries and allies such as Russia - from Aug. 1 have agreed to slim their output cuts to 7.7mln barrels per day (bpd) from 9.7mln bpd.

UAE Stories

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Air Arabia Abu Dhabi, the capital's first low-cost carrier, has announced the introduction of two new destinations - Kabul in Afghanistan and Dhaka in Bangladesh with direct flights from Abu Dhabi commencing on August 7, 2020.

Emirates REIT opening purchase of shares to all directors and employees and appoints Houlihan Lokey to advise the board on its ongoing strategic review of fund. All directors and employees of both Equitativa and Emirates REIT will now be permitted to purchase shares of Emirates REIT.

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BH Mubasher Financial Services posted Q2 profit AED 3.1mln vs loss of AED 0.06mln dirhams year ago.

Azizi Developments has confirmed plans to channel AED 3.5bln over the next two to three years at multiple locations in Dubai. Some of these are part of already announced projects, such as the Riviera in Meydan. There, Azizi has now confirmed 36 additional buildings in phases 3 and 4.

GCC/ MENA

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Bahrain's private companies will be able to resume the process of hiring foreign workers this month as the kingdom reopens its economy. The Labour Market Regulatory Authority said it will begin accepting applications for new work permits from August 9, it said in a statement.

Egypt's current fiscal year (FY) 2020/21 is witnessing an unprecedented increase in government investments in various fields, according to Finance Minister Mohamed Maait. He said, in a statement on Sunday, that the government investments in the FY 2020/21 budget stand at EGP 280.7bn, including more than EGP 225bn from the public treasury and other sources. This is an increase of more than 35% over FY 2019/20.

Lebanon named the president's diplomatic adviser as new foreign minister on Monday after Nassif Hitti quit the post, blaming a lack of political will to enact reforms to halt a financial meltdown which he warned could turn Lebanon into a failed state.

Global passenger traffic declined by 91.3% YoY in May as a result of the ongoing Covid-19 pandemic, according to new data released by Airports Council International (ACI) World, the trade association of the world's airports. This is slightly above the worst decline of global passenger numbers in the history of the aviation industry of -94.4% which was recorded the previous month in April.

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 (%) ^A	1M%	3M%	6M%	12M%
ADCB	35,065	5.04	9.00	3.82	9.52	0.66	7.5%	(0.2)	16.9	(28.8)	(37.5)
ADIB	13,366	3.68	5.85	3.19	6.80	0.74	7.4%	(2.1)	7.6	(29.9)	(20.2)
ADNIC	1,796	3.15	3.70	2.60	5.06	0.88	9.5%	NA	(1.9)	5.0	14.5
ADNOC Dist	39,250	3.14	3.20	2.40	19.25	13.71	6.1%	5.7	12.9	4.1	23.7
Agthia	1,650	2.75	3.70	2.50	17.33	0.87	5.5%	(3.5)	(8.3)	(13.1)	(17.3)
Air Arabia	5,320	1.14	1.61	0.87	5.65	1.27	7.9%	(5.0)	4.6	(17.8)	9.9
Ajman Bank	1,243	0.59	0.98	0.50	33.64	0.50	0.0%	1.9	2.1	(32.7)	(36.4)
Al Waha Capital	1,828	0.94	1.08	0.62	NA	0.61	NA	40.3	25.3	2.5	(6.9)
Aldar Properties	13,366	1.70	2.37	1.35	7.72	0.56	8.5%	(6.1)	(1.7)	(15.8)	(15.4)
Amanat Holdings	2,038	0.82	0.98	0.56	33.94	0.79	2.7%	(8.2)	16.0	9.5	(12.8)
Amlak Finance	548	0.37	0.64	0.20	NA	0.76	0.0%	29.9	6.7	(18.5)	12.3
Arabtec	1,815	1.21	2.05	0.44	NA	2.30	0.0%	110.4	79.0	21.0	(28.8)
Aramex	4,832	3.30	4.31	2.00	10.57	1.81	5.0%	0.6	19.5	(3.2)	(19.6)
Bank of Sharjah	1,113	0.53	0.91	0.53	NA	0.36	0.0%	(13.8)	(12.4)	(34.2)	(39.5)
DAMAC Properties	5,312	0.88	0.98	0.36	NA	0.38	NA	22.3	48.3	27.2	(8.5)
Dana Gas	5,009	0.72	1.06	0.53	8.66	0.52	7.7%	12.6	2.1	(14.0)	(24.6)
Deyaar Development	1,653	0.29	0.43	0.18	23.50	0.36	0.0%	3.2	3.2	(19.0)	(13.3)
Dubai FiNacial Market	6,520	0.82	1.00	0.50	48.48	0.85	3.1%	1.6	15.9	(10.3)	(6.4)
Dubai Investment	4,932	1.16	1.39	0.98	7.50	0.41	NA	0.9	9.8	(2.2)	(6.6)
Dubai Islamic Bank	27,587	3.81	5.86	3.04	6.67	0.75	9.2%	(1.8)	7.9	(26.5)	(19.4)
DXB Entertainments	1,008	0.13	0.24	0.09	NA	0.35	0.0%	2.4	(16.0)	(33.0)	(41.4)
Emaar Dev	8,280	2.07	4.63	1.79	3.07	0.86	0.0%	-	(5.5)	(45.1)	(53.9)
Emaar Malls	16,788	1.29	2.04	0.98	7.34	0.91	0.0%	(7.9)	4.9	(27.5)	(34.5)
Emaar Properties	18,329	2.56	5.43	1.90	2.96	0.34	0.0%	(4.5)	(1.5)	(36.8)	(49.4)
Emirates Integrated Tele	23,027	5.08	6.35	4.33	16.59	2.79	6.7%	2.2	(0.8)	(5.1)	(1.6)
Emirates NBD	57,102	9.04	13.93	6.33	5.02	0.70	4.4%	1.6	9.6	(29.9)	(14.4)
Eshraq Investments	842	0.36	0.43	0.16	NA	0.60	NA	66.8	30.7	16.0	(11.7)
Etisalat	144,714	16.64	17.14	11.02	16.42	3.19	4.8%	0.1	11.5	9.0	8.3
First Abu Dhabi Bank	120,120	11.00	15.92	7.78	11.44	1.23	6.7%	(1.8)	(2.0)	(22.9)	(22.8)
GFH	2,082	0.58	0.93	0.45	6.62	0.52	5.9%	3.6	1.6	(28.4)	(31.6)
Gulf Navigation Holding	499	0.49	0.84	0.28	NA	0.84	0.0%	(2.6)	41.2	0.6	(38.0)
IHC	60,107	33.00	34.60	2.06	NM	15.40	NA	12.2	28.5	152.3	1,341.0
Julphar	1,248	1.08	1.54	0.54	NA	2.20	0.0%	(5.3)	65.7	27.4	(15.4)
Mashreqbank	12,072	68.00	86.80	62.00	8.76	0.57	5.9%	1.6	4.6	(3.4)	(15.0)
National Bank of Fujairah	9,536	4.98	4.98	3.75	NA	NA	1.9%	NA	NA	3.3	7.8
Tabreed	5,431	2.00	2.22	1.58	10.91	1.13	5.3%	2.0	(2.4)	(2.0)	12.4
RAK Bank	5,783	3.45	5.00	3.33	5.91	0.81	8.7%	(7.3)	(2.0)	(22.0)	(19.9)
RAK Properties	764	0.38	0.48	0.33	7.03	0.20	10.5%	9.1	8.5	(5.4)	(8.1)
RAK Ceramics	1,292	1.30	1.81	1.24	8.02	0.57	11.0%	(0.8)	(9.1)	(8.5)	(7.9)
SALAMA	754	0.62	0.70	0.30	12.22	0.95	NA	22.4	24.5	24.5	(2.9)
Sharjah Islamic Bank	3,451	1.12	1.29	0.95	6.82	0.46	4.3%	1.8	9.8	(5.2)	4.5
SHUAA Capital	1,420	0.56	1.04	0.40	933.33	0.97	NA	11.1	(4.3)	(32.1)	(42.3)
Takaful Emarat Insurance	216	1.44	1.46	0.97	NA	1.80	5.7%	7.5	0.7	2.1	1.4
TAQA	161,905	1.44	1.52	0.40	NA	4.72	0.0%	87.3	101.1	161.8	82.3
Union Properties	1,386	0.32	0.39	0.15	NA	0.51	0.0%	8.0	11.0	61.5	(6.4)
United Arab Bank	1,844	0.89	1.13	0.81	NA	1.04	0.0%	-	-	(0.2)	(20.9)

(Source: Bloomberg)

^A current dividend yield based on last year dividend declaration

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