

SHUAA Securities Morning Report

11 June 2019

Market Stats

Indices	Close	Change	1M Change	3M Change	1Y Change
ADX	4,998	0.8%	-1.1%	2.6%	5.6%
DFM	2,675	0.9%	0.1%	3.2%	-13.6%
TASI	8,849	1.7%	-0.1%	5.0%	7.3%
BHSEASI	1,451	0.4%	1.1%	3.2%	13.3%
EGX	14,149	1.7%	0.6%	-6.3%	-11.1%
Dow Jones	26,063	0.3%	0.5%	1.6%	2.9%
S&P 500	2,887	0.5%	0.2%	3.7%	3.8%
Nasdaq	7,823	1.0%	-1.2%	3.5%	2.1%
FTSE 100	7,376	0.6%	2.4%	3.4%	-4.7%
DAX	12,045	0.8%	-0.1%	5.1%	-5.6%
CAC40	5,383	0.3%	1.0%	2.2%	-1.7%
Nikkei225	21,191	0.3%	-0.7%	0.3%	-7.1%
HIS	27,789	0.8%	-2.7%	-2.5%	-10.5%

UAE Trading Summary

AEDm	Buy	Sale	Net
ADX	212	212	-
Local	23%	38%	-15%
Foreign	77%	62%	15%
Institution	87%	71%	16%
Retail	13%	29%	-16%
DFM	256	256	-
Local	37%	49%	-12%
Foreign	63%	51%	12%
Institution	52%	42%	10%
Retail	48%	58%	-10%
Total	469	469	-
Local	31%	44%	-13%
Foreign	69%	56%	13%

Upcoming Corporate Actions & Events

Date	Company	Event
12-Jun	Depa	General Assembly
13-Jun	NBF	Board Meeting
19-Jun	Emirates REIT	AGM & EGM
24-Jun	ENBD REIT	General Assembly
27-Jun	Sudatel	General Assembly
30-Jun	Julphar	General Assembly

KEY STORIES

Dubai Islamic Bank board resolved to recommend shareholders to consider acquisition of Noor Bank's entire shares after obtaining all necessary approvals. DIB assets post-acquisition to reach nearly AED 275 billion and Noor Bank's operations will be integrated and consolidated

Emirates REIT posted IQ19 net profit of USD1.6mn compared to USD10.1mn in IQ18 and net loss of USD8.7mn in 4Q18. YoY decline was due to unrealised loss of USD0.7mn (unrealized gain of USD6.6mn in IQ18) and 22.9% YoY hike in finance costs. Emirates REIT proposed USD0.04 per share dividend for 2H18, taking FY18 dividend to USD0.08 per share, flat compared to FY17. IQ19 FFO clocked in at USD3.3mn compared to USD3.5mn in IQ18 and USD3.1mn in 4Q18. IQ19 NAV per share stands at USD1.70 compared to USD1.73 in IQ19 and USD1.74 in 4Q18

Emaar signs deal to push sales in China

Emirates NBD hires Mizuho to arrange \$200mln syndicated loan- LPC

Fitch affirmed credit ratings for various banks in UAE. Abu Dhabi Islamic Bank at 'A+'; outlook stable. Mashreqbank at 'A'; outlook stable. Al Hilal Bank at 'A+'; outlook stable. Commercial Bank of Dubai at 'A-' outlook stable. National Bank of Ras Al-Khaimah at 'BBB+'; outlook stable. Emirates Islamic Bank at 'A+'; outlook stable. Noor Bank at 'A-'; outlook stable.

Waha Capital parts ways with CEO Michael Raynes. The company appointed Mohamed Hussain Al Nowais as Managing Director, who will lead the company pending the appointment of a new CEO, which is currently being finalized

Enoc secures \$690m loan from Chinese banks

UAE gives green light for \$3.1bn Uber-Careem deal

Saudi's Malath Insurance renews vehicle insurance contract with ANB

Saudi's Middle East Healthcare announces completion of construction work of Saudi German Hospital in Dammam

Saudi's Taiba Investments Completes Acquisition Of Stake in Aqeeq and ARAC

Muscat capital says Saudi's Al Mashaar REIT signs 500mln riyals sharia-compliant credit facility with Riyadh Bank

Bahrain's Investcorp Bank announces acquisition of 11 US multifamily properties for approximately \$370mln

Bahrain's transport ministry explores plans for second airport

Egypt's annual urban consumer price inflation increased to 14.1% in May from 13% in April - CAPMAS

Egypt Aluminum changes FY 2019-2020 loss forecast to profit of EGP 107mln due to electricity pricing

Egypt's Raya Holding unit Aman Micro Enterprise Services intends to increase credit portfolio to about EGP 500mln by end of year 2019

Key Global Trends/ Market Clues

Asian stocks made modest gains on Tuesday after the Trump administration shelved plans for tariffs against Mexico, lifting Wall Street, however, fresh U.S. trade threats against China are expected to limit any major investor sentiment boost. MSCI's broadest index of Asia-Pacific shares outside Japan gained 0.2%. Australian stocks rose 0.9%, South Korea's KOSPI added 0.15% and Japan's Nikkei edged up 0.05%.

Oil prices stabilized on Tuesday on expectations that producer group OPEC and its allies will keep withholding supply to prevent prices from tumbling amid a broad economic slowdown which has started eating away at fuel demand growth. Front-month Brent crude futures were at \$62.36 at 0023 GMT, 7 cents, or 0.1%, above Friday's close.

Demand for natural gas, particularly from big consumers such as China, will cool over the next five years because of slower economic growth, according to the IEA. China, the world's largest importer of natural gas, will see its demand growth slow to 8 per cent in 2024, from 18 per cent in 2018, according to the Gas 2019 report by the agency.

UAE Stories

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Emaar Hospitality Group has signed a deal to boost sales across China. The sales and marketing partnership has been agreed with Youli Hospitality Consulting and will see Emaar's Address Hotels + Resorts and Vida Hotels and Resorts promoted throughout China, including Beijing and Shanghai.

Emirates NBD, Dubai's largest bank, has mandated Japan's Mizuho Bank to arrange a \$200 million loan, according to Loan Pricing Corporation (LPC). The loan has tranches with three- and five-year maturities and a \$200 million greenshoe option, meaning the final size could rise to as much as \$400 million.

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Waha Capital has appointed Mohamed Hussain Al Nowais as Managing Director. The appointment follows a decision by the Board of Waha Capital to part ways with Michael Raynes (CEO). Mr. Al Nowais, who is a Director of Waha Capital, will lead the company pending the appointment of a new CEO, which is currently being finalized.

Emirates National Oil Company (Enoc) said on Monday it has secured a five-year \$690 million loan from a Chinese consortium of banks that will allow it to finance its growth plans.

UAE gives green light for \$3.1bn Uber-Careem deal.

GCC/ MENA

Saudi's Malath Cooperative Insurance renews vehicle insurance contract with Arab National Bank. The contract to provide 1-year insurance cover for vehicles sold by the bank under financial leasing program. Malath expects annual premiums to exceed 5 pct of total sales of company.

Saudi's Middle East Healthcare announces completion of construction work of Saudi German Hospital in Dammam. The company will announce hospital's actual operation date, financial impact after getting final approval from ministry of health.

Saudi's Taiba Investments completes acquisition of all shares of minority shareholders in Al Aqeeq Real Estate Development. The company also completes acquisition of majority shares of minority shareholders in Arab Resort Areas. Taiba Investments now owns 100 % in Aqeeq and 99.53% in ARAC and financial impact of acquisition will appear in Q2 2019.

Muscat capital says Saudi's Al Mashaar REIT signs 500mln riyals sharia-compliant credit facility with Riyad Bank. Financing period 5 years and full amount is payable at end of fifth year.

Bahrain's Investcorp Bank announces acquisition of 11 US multifamily properties for approximately \$370mln. Acquisition marks Investcorp's largest US real estate portfolio acquisition completed in past decade.

Bahrain is currently building a new passenger terminal building at Bahrain International Airport, which will double its capacity, but there are now plans to expand its aviation offering even further. A potential new airport in the kingdom is high up on the agenda of the country's Transportation and Telecommunications Minister Kamal Ahmed. He is quoted as saying: "The current airport (after the modernisation project) has limitations and by 2030, if we succeed in making Bahrain a thriving country, increasing the growth and development, then by 2034 we should be ready with the new airport.

Egypt's annual urban consumer price inflation increased to 14.1% in May from 13% in April, official statistics agency CAPMAS said on Monday. Egypt is approaching the end of an IMF-backed economic reform programme that saw inflation rise to a high of 33 percent in 2017.

Egypt Aluminum changes FY 2019-2020 loss forecast to profit of EGP 107mln due to electricity pricing.

Egypt's Raya Holding unit Aman Micro Enterprise Services intends to increase credit portfolio to about EGP 500mln by end of year 2019.

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	60,529	8.70	10.26	7.00	9.87	1.62	5.3%	0.6%	-4.6%	8.1%	16.0%
ADIB	16,526	4.55	4.95	3.46	7.64	1.33	6.0%	-0.2%	0.2%	15.8%	24.2%
ADNIC	1,275	3.40	4.00	3.32	9.97	0.62	8.8%	-5.6%	-8.1%	-11.7%	-11.7%
Agthia	2,190	3.65	5.00	3.25	10.75	1.17	4.1%	5.8%	-3.4%	-5.2%	-24.6%
Air Arabia	4,900	1.05	1.13	0.90	NA	1.00	NA	1.9%	13.6%	6.1%	-7.1%
Ajman Bank	1,932	0.92	1.03	0.82	9.52	0.79	0.0%	4.5%	3.0%	6.7%	-10.7%
Al Waha Capital	1,915	0.99	2.02	0.89	NA	0.60	7.6%	-7.9%	-31.1%	-42.1%	-44.7%
Aldar Properties	14,389	1.83	2.14	1.43	8.26	0.61	7.7%	8.9%	-1.6%	20.4%	-13.7%
Amanat Holdings	2,525	1.01	1.35	0.92	51.12	1.00	1.5%	-1.0%	5.2%	-8.2%	-24.6%
Amlak Finance	432	0.29	0.85	0.25	NA	0.37	0.0%	-10.0%	-18.6%	-18.4%	-65.9%
Arabtec	2,385	1.59	2.41	1.37	11.23	1.45	3.1%	-18.5%	-26.7%	-16.3%	-30.6%
Aramex	6,296	4.30	5.01	3.80	12.64	2.55	3.8%	-6.5%	-1.1%	2.9%	6.2%
Bank of Sharjah	1,945	0.93	1.14	0.92	5.54	0.48	0.0%	0.0%	-0.3%	-10.1%	-15.0%
DAMAC Properties	5,627	0.93	2.50	0.84	7.77	0.40	NA	-13.1%	-32.1%	-44.3%	-62.3%
Dana Gas	6,855	0.98	1.21	0.73	NA	0.72	1.4%	1.6%	13.8%	14.1%	-10.1%
Dar AL Takaful	84	0.56	0.93	0.41	14.46	0.67	0.0%	2.2%	0.4%	26.3%	-19.1%
Deyaar Development	1,895	0.33	0.48	0.29	15.92	0.42	0.0%	-4.7%	-6.8%	-4.1%	-31.5%
Dubai Financial Market	5,800	0.73	1.09	0.65	52.82	0.75	0.0%	-3.5%	-6.7%	-4.6%	-33.5%
Dubai Investment	5,570	1.31	2.20	1.04	11.61	0.47	7.6%	-0.8%	2.3%	0.8%	-39.9%
Dubai Islamic Bank	33,739	5.12	5.41	4.66	7.07	1.47	6.8%	-0.2%	0.4%	0.2%	-1.3%
DXB Entertainments	1,680	0.21	0.41	0.17	NA	0.47	0.0%	-2.3%	-14.6%	-18.3%	-48.3%
Emaar Dev	15,680	3.92	5.28	3.26	4.08	1.80	0.0%	9.8%	3.2%	-12.7%	-24.5%
Emaar Malls	25,508	1.96	2.20	1.43	11.51	1.48	5.1%	21.7%	12.0%	14.0%	-9.3%
Emirates Integrated Tele	23,086	5.05	5.40	4.86	13.41	2.88	4.4%	-1.0%	-0.4%	2.2%	2.2%
Emirates NBD	63,359	11.40	12.10	8.25	6.43	1.15	3.5%	-0.9%	22.6%	28.1%	14.0%
Eshraq Properties	953	0.41	0.73	0.36	NA	0.66	NA	-6.8%	-6.0%	-17.8%	-43.1%
Etisalat	141,235	16.24	17.40	15.20	15.79	3.23	4.9%	2.4%	-3.3%	-4.5%	-5.0%
First Abu Dhabi Bank	162,708	14.90	16.96	11.80	13.88	1.87	4.7%	-4.5%	9.4%	7.8%	18.3%
GFH	3,450	0.94	1.51	0.73	9.29	0.90	3.4%	-6.1%	-2.2%	-16.3%	-37.1%
Gulf Navigation Holding	744	0.81	1.17	0.72	NA	0.91	0.0%	-4.8%	3.1%	-18.4%	-18.0%
Gulf Pharmaceutical	1,830	1.58	2.30	1.44	NA	1.52	6.3%	0.0%	-1.3%	-24.8%	-26.9%
Marka	138	0.28	0.28	0.28	NA	NA	NA	0.0%	0.0%	0.0%	0.0%
Mashreqbank	13,235	74.55	80.00	68.05	6.33	0.66	5.4%	-6.8%	-6.8%	3.5%	0.7%
National Bank of Fujairah	7,974	4.31	4.78	2.31	13.35	1.71	1.5%	-9.8%	1.0%	24.0%	86.5%
National Central Cooling Co	4,345	1.60	1.88	1.44	10.01	0.95	5.9%	5.3%	-5.9%	6.0%	-8.6%
RAK Bank	7,962	4.75	4.75	4.00	8.25	1.16	6.3%	0.0%	10.2%	17.0%	9.4%
RAK Properties	868	0.43	0.68	0.39	6.66	0.23	0.0%	-1.4%	-4.4%	-8.4%	-34.2%
Ras Al Khaimah	1,457	1.54	2.36	1.54	9.53	0.63	NA	-8.3%	-20.0%	-14.9%	-31.8%
SALAMA	720	0.60	0.76	0.38	418.72	0.97	0.0%	11.0%	29.1%	14.4%	33.7%
Sharjah Islamic Bank	3,228	1.10	1.28	1.05	6.17	0.60	0.0%	-2.7%	0.0%	-1.8%	-12.0%
SHUAA Capital	990	0.93	1.12	0.60	NA	1.22	0.0%	-5.8%	39.2%	9.2%	-15.5%
Takaful Emarat Insurance	240	1.60	2.70	1.28	19.69	1.54	5.2%	4.6%	-1.2%	-5.3%	-20.0%
TAQA	5,581	0.92	1.26	0.71	18.95	1.27	0.0%	8.2%	-4.2%	-7.1%	-22.7%
Union Properties	1,493	0.35	0.82	0.28	NA	0.48	0.0%	-2.5%	-5.9%	-16.3%	-57.3%
United Arab Bank	2,558	1.24	1.30	1.00	45.21	1.00	0.0%	21.6%	7.8%	-0.8%	0.0%

(Source: Bloomberg)

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

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