

General News

Egypt's inflation to level up by 2.5%-3.5% in Q3

Egypt's inflation is expected to increase by a range from 2.5% and 3.5% during the third quarter of the current fiscal year, according to a report released by Beltone Research. The increase in inflation will come in tandem with the lift of subsidies on fuel, water, and electricity, the report added. The average inflation rate will reach 13.7% in the second six months of 2019, supported by a strong Pound, Beltone's data showed.

(Mubasher Info)

Egypt on track to achieve comprehensive financial, economic reforms: Standard C

Egypt is on the right track to achieve comprehensive financial and economic reforms, and spending-led growth estimated at 5 percent of GDP, Britain's Standard Chartered Bank said Sunday. In a recent report, Standard Chartered said the Egyptian government in its reform program, in cooperation with IMF, is lowering its debts by 16 percent points, to hits 86.3 percent by June 2019, down from 103.5 percent in 2017.

(Arab Finance)

Egypt to invest EGP 200m to finalise industrial complexes

Egyptian trade minister Amr Nassar stated on Tuesday that the government would allocate EGP 200 million to install utilities required for the planned industrial complexes. The finance required for the industrial complexes in the governorates of Alexandria, Hurghada, and the Red Sea will be transferred by the government, the minister added. On top of the priorities of President Abdul Fattah El-Sisi is the development of the industrial sector in Egypt, Nassar noted.

(Mubasher Info)

Export opportunities to Italy exceeds €8M in 5 months

The Egyptian Commercial Representative office in Milan provided over the past five months export opportunities worth more than €8 million, including €6.1 million during the month of May, First Undersecretary of the Ministry of Commerce and Industry and Head of the Commercial Representation Authority Ahmed Antar said. Antar added Monday that the Milan Office held fruitful meetings with Italian companies to find out their import needs of different products in light of the competitive

(Arab Finance)

Car prices to go down in Egypt

Car prices are expected to decline by 4% in the coming period in tandem with the decline in the exchange rates of the US dollar against the Egyptian Pound, an expert said. The Egyptian pound's exchange rate against the USD increased by 5.83%, or EGP 1.042, year-to-date at the Central Bank of Egypt (CBE). Meanwhile, the Ministry of Finance has set the exchange rate of the customs dollar against the EGP at EGP 16 and EGP 16.86 for essential and non-essential commodities, respectively, during June.

(Mubasher Info)

Corporate News

Orascom Investment's losses decline 35% in Q1

Orascom Investment Holding (OIH) posted a 35.1% year-on-year drop in its consolidated losses for the first quarter of 2019. Net losses amounted to EGP 78.86 million in Q1-19, compared to EGP 121.52 million in Q1-18, according to the company's filing to the Egyptian Exchange (EGX) on Tuesday. The Cairo-based firm owned by billionaire Naguib Sawiris generated EGP 408.98 million in revenues during the first three months of 2019, versus EGP 409.52 million in the same.

(Mubasher Info)

Heliopolis Housing targets net profits of EGP 1.128B for 2019/2020

Heliopolis Housing (HELI) declared, in a statement sent to EGX on Tuesday, the decisions of the ordinary general meeting (OGM) that was held on June 1. The OGM approved the estimated budget of the fiscal year 2019/2020, which revealed targeting net profit of EGP 1.128 billion.

(Arab Finance)

Lift Slab's new capital project nears completion

Egyptian for Developing Building Materials (Lift Slab) announced that the delivery of its minarets project in the New Administrative Capital is near completion. The company has sealed EGP 22 million contracts since the beginning of the project, according to a statement to the Egyptian Exchange (EGX). Moreover, the company is working on the decoration project at the new parliament building located in the new capital, which was signed in February 2019.

(Mubasher Info)

Palm Hills Developments profit ebbs to EGP 141M ending March 2019

Palm Hills Developments S.A.E. (PHDC) announced in a statement sent to EGX, the audited financial results for the fiscal period starting January 1, 2019, and ending March 31, 2019. The company posted consolidated net profits of EGP 141,160,894, versus net profits of EGP 224,151,179 in the same period a year ago, taking into account the minority rights. Moreover, it posted standalone net profits of EGP 26,481,716, versus net profits of EGP 41,272,627 in the same period last

(Arab Finance)

Egyptian Resorts sells, reserves EGP 181m units at Bay Village

Egyptian Resorts Company (EGTS) has announced that the sales and reservations of its Bay Village project have reached EGP 181 million. Around 56% of the project's units were sold and reserved, according to a bourse statement released on Tuesday. The project's total cost amounted to EGP 200 million, according to a filing to the Egyptian Exchange (EGX). The project covers an area of 11,000 square meters with a built-up area of 21,400 square meters, and it is close to Tawaya project.

(Mubasher Info)

Global Indices		
Index	Value	Change %
Dow 30	26,049	↓0.05
S&P 500	2,886	↓0.03
DAX	12,158	↑0.93
Nikkei 225	21,167	↓0.18

Arab Indices		
Index	Value	Change %
Egypt (EGX 20 Capped)	17,579	↑1.94
Egypt (EGX 30)	14,206	↑0.40
Egypt (EGX 70)	605	↑0.59
Egypt (EGX 100)	1,545	↑0.78
Abu Dhabi (ADX)	4,998	↑0.84
Dubai (DFM)	2,675	↑0.02
Saudi Arabia (TASI)	8,990	↑1.59
Kuwait (Premier Market)	6,439	↑1.05
Kuwait (Main Market PR)	4,793	↑0.53
Kuwait (All Share)	5,881	↑0.75
Jordan (Index)	1,807	↑0.04
Qatar (QE General)	10,584	↑0.77
Qatar (FTSE NASDAQ Qatar 10)	7,047	↑1.04

Government bonds and treasury bills (Egypt)		
Duration of the bond	Average yield (%)	Issue Date
T-Bills 91 days	17.69	#N/A
T-Bills 182 days	17.621	#N/A
T-Bills 273 days	17.551	#N/A
T-Bills 364 days	17.299	#N/A
T-Bills 364 days (\$)	3.877	10/6/2019
T-Bills 364 days (€)	1.75	12/11/2018
Government bonds 3 years	16.022	#N/A
Government bonds 5 years	16.131	#N/A
Government bonds 7 years	16.09	#N/A
Government bonds 9 years	16.086	#N/A

(CBE) & (Ministry Of Finance)

Official Exchange Rates (EGP)		
Currency	Buy	Sell
US Dollar	16.68	16.80
Euro	18.86	18.99
Pound Sterling	21.17	21.33
Saudi Riyal	4.45	4.48
Kuwaiti Dinar	54.88	55.28
UAE Dirham	4.54	4.57

Global Exchange Rates (US\$)		
Currency	Price (US\$)	Change %
EUR/USD	1.122	↑0.07
USD/JPY	111.445	↓0.26
USD/CAD	1.337	↓0.08
GBP/USD	1.305	↑0.1
USD/TRY	5.634	↑0.16

Top Cryptocurrencies		
Name	Price (US\$)	Change %
Holidays - Wednesday, June 12, 2019	days - Wednesday, June 12, 2/s - Wednesday, June 1	
#REF!	#REF!	#REF!
#REF!	#REF!	#REF!
#REF!	#REF!	#REF!
EUR		↑

Commodities		
Name	Price (US\$)	Change %
Gold	1337.35	↑0.46
Crude Oil WTI	52.33	↓1.76
Silver	14.79	↑0.32
Natural Gas	2.39	↓0.46
US Wheat	517.75	↓0.07

Macroeconomic Indicator		
Indicator	Note	Change %
Inflation Rates	For Month : May 2019	7.830%

Global interest rates

Central Banks	Interest Rates (%)
FED	2.50
ECB	0.00
BOE	0.75
SNB	-0.75
PBOC	4.35
BOJ	-0.10

(investing.com)

Gold price in Egypt

Unit	Egyptian Pound	US dollars
24K Gold prices "g"	715.38	42.68
22K Gold prices "g"	655.77	39.12
21K Gold prices "g"	625.97	37.34
18K Gold prices "g"	536.54	32.01
14K Gold prices "g"	417.31	24.90
12K Gold prices "g"	357.69	21.34
9K Gold prices "g"	268.27	16.00
Gold Prices"OZ"	22,248	1,327.00
Gold Pounds	5,008	298.76
Prices of gold "Kg"	715,377	42,678.00

(egypt.gold-price-today.com)

Macroeconomic Indicator

Indicator	FY18A	FY19E
Total External Debt (mn\$)	92,460.46	105,574.36
Medium & Long Term External Debt / Total External Debt	87.39	86.14
Short-term External Debt / Total External Debt	12.61	13.86
Short-term External Debt / Net International Reserves	23.76	30.31
Net International Reserves (mn\$)	44,459.00	56,326.00
NIR in months of merchandise imports	8.50	9.55
Gross Domestic Debt (mn EGP)	3,645,716.00	4,087,632.74
Net Foreign Direct Investment (mn\$)	7,942.37	8,666.72
FDI Inflows (mn\$)	13,538.34	14,049.79
FDI Outflows (mn\$)	(5,595.97)	(5,383.08)
Trade Balance (mn\$)	(37,248.22)	(36,607.06)
Exports proceeds (mn\$)	25,699.06	27,604.19
Import payments (mn\$)	(62,947.28)	(64,211.25)

(Tycoon Research) & (CBE)

Top Countries in Interest Rate






Country	Interest Rates (%)
Argentina	60.00
Turkey	24.00
Venezuela	18.24
Ukraine	17.50
Ghana	17.00
Angola	16.50

(Tycoon Research) & (investing.com)




Market Comment

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Stock Picks

Company Name	symbol	Last Price	WACC	DCF TP	Up side (%)	multiple valuation	Up side (%)	W.Avg TP	Up side (%)	Recommendation
Alexandria Mineral Oils Company	AMOC.CA	4.57	17.1%	8.07	76.7%	10.78	135.9%	8.89	94.4%	
Ezz Steel	ESRS.CA	11.75	13.9%	24.43	#####	25.67	118.5%	24.80	111.1%	
Sidi Kerir Petrochemicals	SKPC.CA	12.10	19.6%	25.48	#####	25.44	110.3%	25.47	110.5%	
ELSWEDY CABLES	SWDY.CA	14.09	16.5%	19.61	39.2%	17.43	23.7%	18.95	34.5%	
Oriental Weavers	ORWE.CA	10.35	14.9%	15.25	47.3%	15.15	46.4%	15.22	47.0%	

Recommendation is based on following scale

Underweight Upside<-15%	Equal-weight 15%>Upside>-15%	Overweight Upside>15%
		

Elsayd Ayoub		Corporate Calendar		
Managing Director		Company	Date	Event <small>?</small>
sayoub@tycoonsecurities.com		Remas	26-Jun-2019	Reviewing Agenda Items
(+202) 2690 8078		Global Telecom	26-Jun-2019	Approving Capital Increase
Mahmoud Amin		Egytrans	27-Jun-2019	Distribution of cash dividends
Research Department		Faisal Islamic Bank of Egypt	27-Jun-2019	Reviewing Agenda Items
mamin@tycoonsecurities.com		#N/A	#N/A	#N/A
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Ahmed Saad, CFTE, CETA		#N/A	#N/A	#N/A
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Adel Abdel Samie		#N/A	#N/A	#N/A
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(+202) 2690 8079		#N/A	#N/A	#N/A
Hassan Hussein		#N/A	#N/A	#N/A
E-Trading Officer		#N/A	#N/A	#N/A
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(+2) 01026088288		#N/A	#N/A	#N/A

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