

# RESEARCH REPORT

STRATEGY

MAY  
2021

Q1

## Q2 | MOROCCO | QUARTERLY AGR Confidence Index

Q3

Q4

### CONFIDENCE TOWARD EQUITY MARKET AT 5-YEAR HIGH

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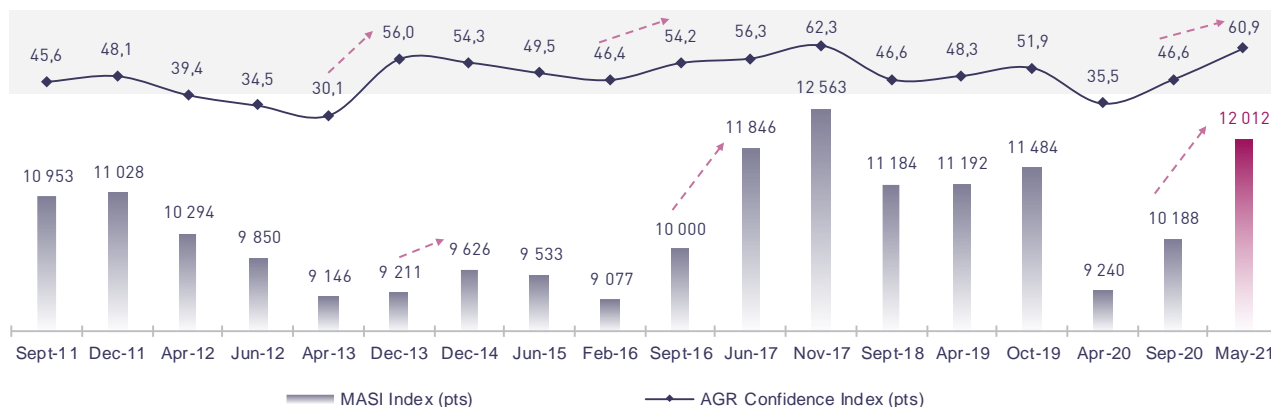
Attijari  
Global Research

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## WORK SUMMARY - MAY 2021

For this edition, we note a significant improvement in investor confidence toward the Equity market. In more detail, AGR Confidence Index stood at 60.9 pts, up +14.3 pts in comparison to the previous edition. On the one hand, this score is considered a 5-year high (i.e. since November 2017). On the other hand, it's the largest increase of investor's confidence since December 2013.

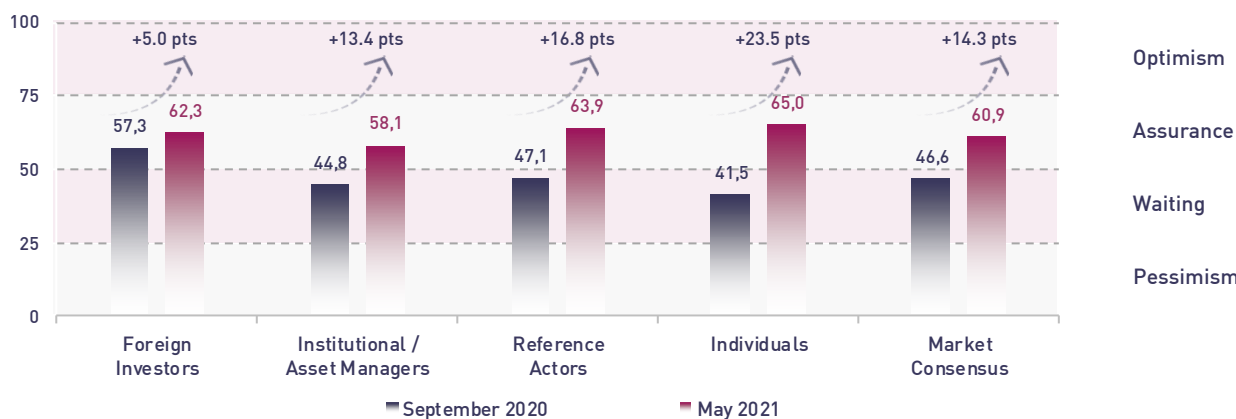
### MAROC : AGR CONFIDENCE INDEX Vs. MASI INDEX SINCE SEPTEMBER 2011 (IN PTS)



By crossing up the threshold of 50 pts, AGR Confidence Index has integrated the "Insurance" phase. By analyzing the results by investor category, we note a general recovery in confidence investors:

- The Index related to **individual** investors posted the strongest increase, i.e. +23.5 pts to 65.0 pts;
- The index related to "**Reference Actors**" investors has improved by +16.8 pts to 63.9 pts;
- The index related to "**domestic institutional**" investors recorded an increase of +13.4 pts to 58.1 pts;
- Finally, the **foreign** investors index recorded the lowest appreciation, i.e. +5.0 pts to 62.3 pts.

### MOROCCO : AGR CONFIDENCE INDEX BY INVESTORS CATEGORIES (IN PTS)



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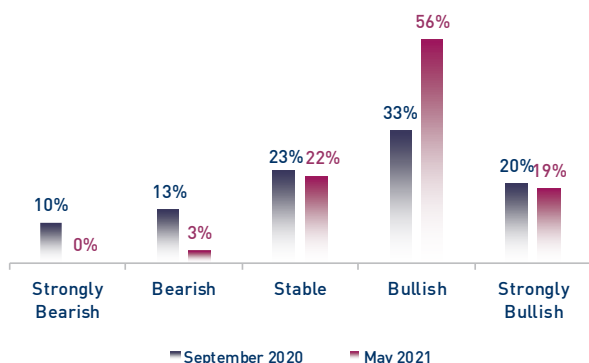
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Sources : AGR Survey & Computations

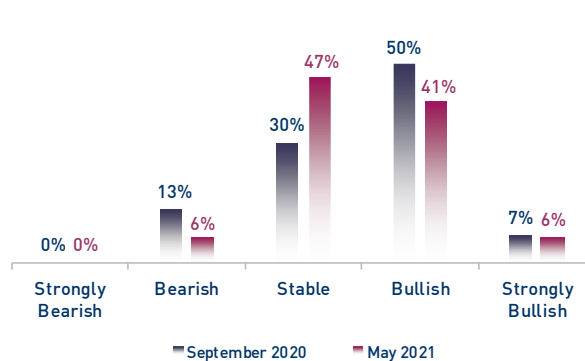
## RESULTS' DETAIL - INVESTORS' PERCEPTION FOR THE NEXT 3 MONTHS

- 56.0% of investors surveyed forecast a recovery of the MASI index over the next three months against 33.0% in the previous edition ;
- 47.0% of investors anticipate a stability in traded volumes over the next three months against 30.0% previously.

WHAT ARE YOUR OUTLOOK REGARDING THE MASI INDEX EVOLUTION FOR THE NEXT 3 MONTHS ?

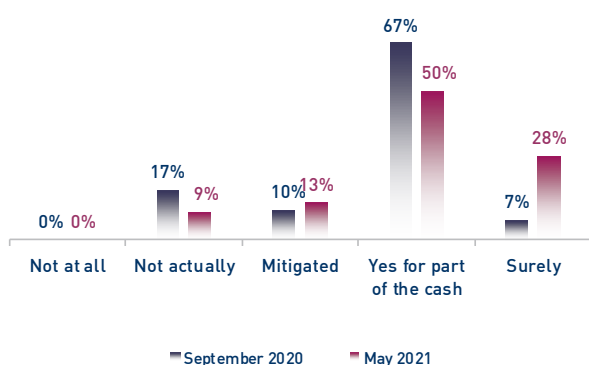


WHAT ARE YOUR OUTLOOK REGARDING VOLUMES ON THE EQUITY MARKET FOR THE NEXT 3 MONTHS ?

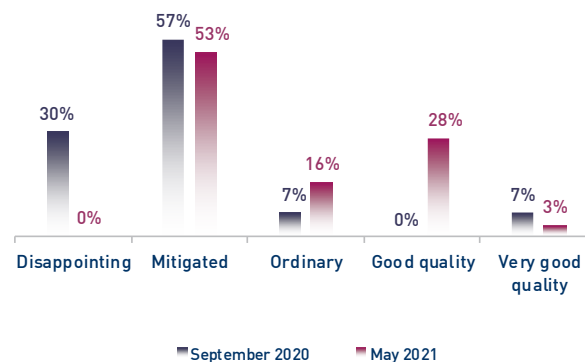


- 50.0% of investors surveyed are willing to allocate a part of their cash to the equity market against 67.0% previously;
- 53.0% of investors consider that the H1-2021 achievements of listed companies are mitigated compared to 57.0% in the previous edition.

WOULD YOU OPT FOR THE EQUITY MARKET FOR AN INVESTMENT WITH A MATURITY ABOVE 5 YEARS ?



WHAT ARE YOUR ESTIMATES REGARDING H1-2021 ACHIEVEMENTS OF THE LISTED COMPANIES ?

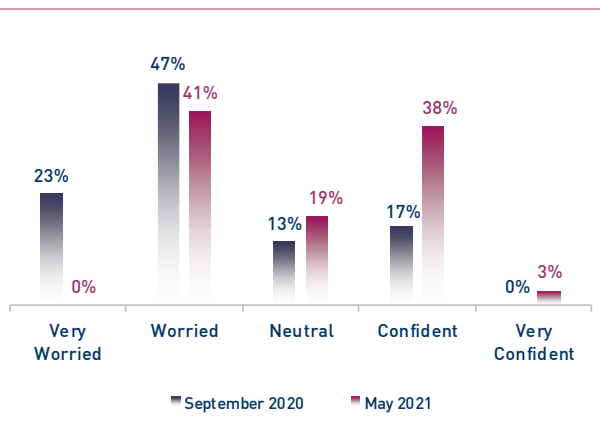


Sources : AGR Survey & Computations

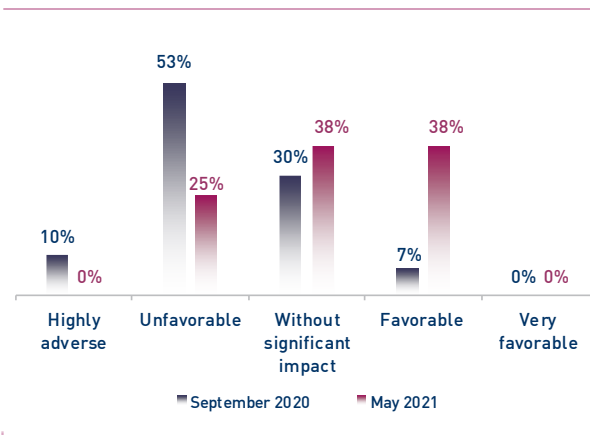
## RESULTS' DETAIL - INVESTORS' PERCEPTION FOR THE NEXT 3 MONTHS

- 41.0% of individuals surveyed are worried toward the evolution of the general economic climate over the next three months, against 47.0% in the previous edition;
- 38.0% of individuals surveyed anticipate a favorable impact of the socio-political context on the equity market during the next three months compared to 7.0% previously.

WHAT ARE YOUR OUTLOOK OF MOROCCO'S ECONOMIC CLIMATE FOR THE NEXT 3 MONTHS ?

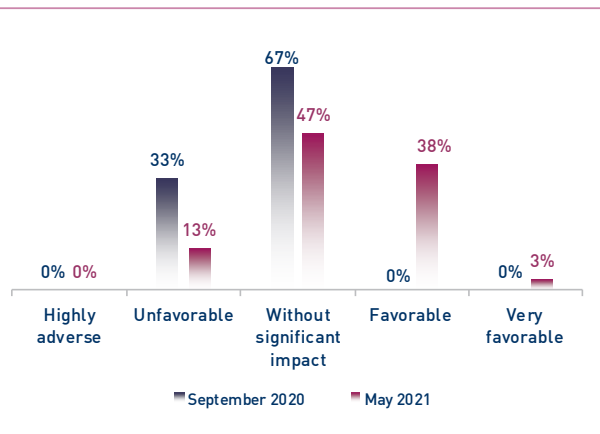


WHAT IS THE IMPACT OF MOROCCO'S SOCIO-POLITICAL CONTEXT ON THE EQUITY MARKET FOR THE NEXT 3 MONTHS ?

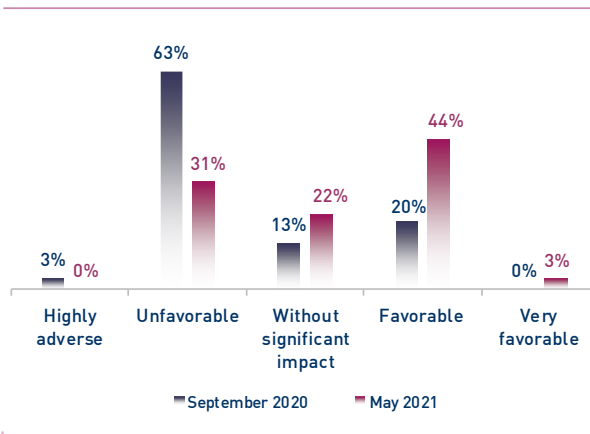


- 47.0% of investors surveyed believe that the geopolitical context will have a neutral impact on the equity market over the next three months compared to 67.0% previously;
- 44.0% of individuals surveyed anticipate a favorable impact of the international context on the equity market during the next three months compared to 20.0% previously.

WHAT IS THE IMPACT OF THE GEOPOLITICAL CONTEXT ON THE EQUITY MARKET FOR THE NEXT 3 MONTHS ?



WHAT IS THE IMPACT OF THE INTERNATIONAL CONTEXT ON THE EQUITY MARKET FOR THE NEXT 3 MONTHS ?



Sources : AGR Survey & Computations

## PRESENTATION OF THE AGR CONFIDENCE INDEX

AGR financial investor confidence index, developed by Attijari Global Research, evaluates the future perception of investors toward the African capital markets: Morocco, Tunisia, WEMUA, CEMAC and Egypt.

This index has a psychological dimension since it ensures the measurement and the monitoring of investors confidence level, supported by a quarterly survey.

## INTERPRETATION

AGR Confidence Index is a summary of opinions and evolutions of the feelings of financial investors different profiles. These variations should be seen neither as a sign of recovery / decline of financial markets, nor the economy, but as an improvement or a deterioration in investors' confidence level in the future.

Technically, the index evolves in a closed interval from 0 to 100 points. This interval is subdivided into four zones, each reflecting a different feeling. The evolution of the index allows, on one hand, to point out investors' confidence level with respect to different phases, and on the other hand, to assess its evolution over time.

Interval	Interpretation
[ 00-25 [	Pessimism
[ 25-50 [	Waiting
[ 50-75 [	Assurance
[ 75-100 ]	Optimism

## METHODOLOGY

The computation of AGR financial investor confidence index is based on responses from a survey sent to the most representative actors of the financial market. The proposed responses to surveyed individuals are divided into five choices ranging from "very pessimistic" to "very optimistic". The questions asked are divided into five main categories, namely: Equity Market, Economy, Politics, Geopolitics and International.

Our investors sample includes a minimum of 34 participants, representing four major categories: **(1)** Institutional/UCITS, **(2)** Reference Actors, **(3)** Private Individuals and **(4)** Foreign investors. Each category has a different weighting depending on several criteria: its intervention level, influence on the market and our own assessment. The category of "Reference Actors" includes investors with a deep knowledge of the equity market allowing them to transcribe faithfully investors sentiment.

In the case of Morocco, the weightings used to compute the financial investor confidence index are as follows:

Institutional & UCITS	Reference Actors	Foreigners	Individuals
50%	20%	15%	15%

## FREQUENCY OF PUBLICATIONS

The release dates of AGR Confidence Index were selected in key periods during which the volatility of the market is characterized by significant fluctuations. Indeed, the selected dates are just prior to the publication of companies mid term and annual achievements as well as key macro-economic figures. Therefore, we chose a quarterly publication.

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