

Egypt stocks plunges 8.85 pct as OCI tanks

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The Egyptian Stock Exchange reported that Egypt's main stock index .CASE30 plunged 8.85 percent on Wednesday, following Gulf Arab markets lower as heavyweight Orascom Construction Industries OCIC.CA plummeted

The benchmark CASE 30 index .CASE30 last traded at 5,112.29 points, led by double-digit drops in two heavyweight firms with GDR shares traded in London.

"Heavyweights are down heavily," said Mariam Abou el-Dahab of Borak Securities, adding that the Egyptian market was tracking global markets. "Sentiment is way too bearish."

Orascom Construction, the most heavily traded share by turnover, ended 12.17 percent lower at 213 Egyptian pounds (\$38.10). Investment bank EFG-Hermes HRHO.CA lost 15.22 percent to 23.40 pounds.

Overall, the widely watched Hermes index .HRMS lost 8.4 percent to 460.34 points while the broader CIBC index .CIBC ended 9.1 percent lower at 266.26.

"People want to see if there is a bottom," said Mohamed Radwan of Pharos Securities, adding that there was a lack of appetite among institutional investors in Egyptian shares.

Among the top stock decliners was property developer Talaat Moustafa TMGH.CA, which lost 19.95 percent to a fresh year-low of 3.41 pounds. Heavyweight Orascom Telecom ORTE.CA dropped 10.96 percent to a year-low of 29 pounds.

Tourism company and landowner Egyptian Resorts EGTS.CA, shed 12.73 percent to 1.92 pounds, while Commercial International Bank COMI.CA dipped 5.59 percent to 31.10 pounds.

El Sewedy Cables SWDY.CA, which said it would delay a smelter project on the Red Sea coast citing market conditions, lost 16.77 percent to 68.79 pounds.

The firm has also said it would enter the wind energy sector and build wind turbines in Egypt with sales of 434.6 million euros by 2011.

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