



Monthly Cement Dispatches Saudi Cement Sector | June 2024



Eqity Analyst

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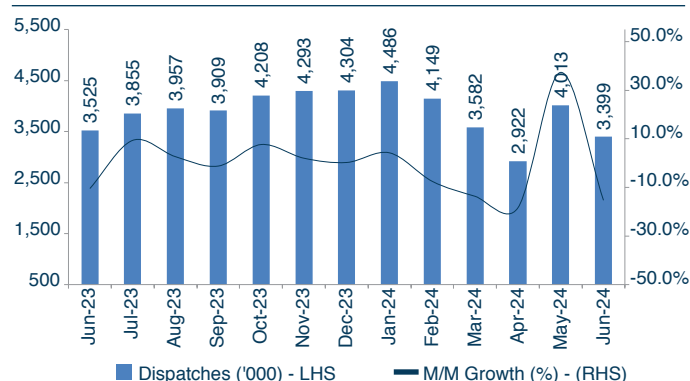
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Cement Dispatches for June 2024

H1-24 local sales post a marginal decline of 1.7% Y/Y, inventory levels reach a new high: Domestic cement dispatches for the month of June-24 stood at 3.40mn tonnes, posting a 3.6%Y/Y decline from June-23 level of 3.53mn tonnes. Dispatches decreased by 15.3% M/M; due to seasonal impact. Total export dispatches stood at 606k tonnes compared to 541k tonnes in June-23, recording an increase of 12.0% on Y/Y basis. Clinker inventories stood at 43.88mn tonnes in June-24; showing an increase by 13.8%Y/Y and by 1.8% M/M, recording yet a new high. In H1-24, local sales declined by 1.7%, reaching to 22.55mn tonnes, compared to 22.94mn tonnes in H1-23. Meanwhile, export sales in H1-24 reached 3.13mn tonnes, a decrease of 24% from the 4.11mn tonnes recorded of H1-23. Sales/clinker production ratio stood at 89% during June-24, where Riyadh Cement registered the highest ratio at 137%.

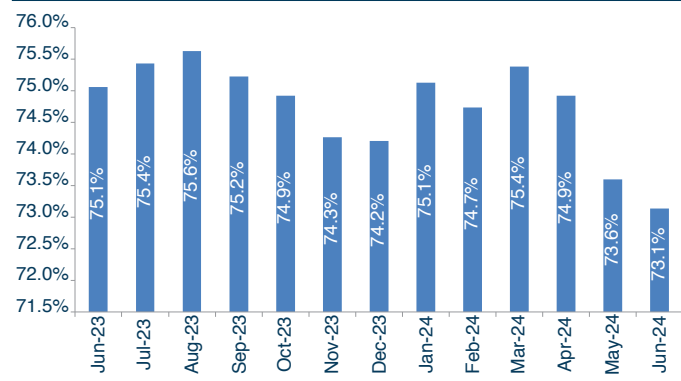
Change in Cement Dispatches (Domestic Sales)



Source: Yamama Cement, AlJazira Capital

Domestic cement dispatches decreased by 3.6%Y/Y, and by 15.3% on monthly basis in June 2024.

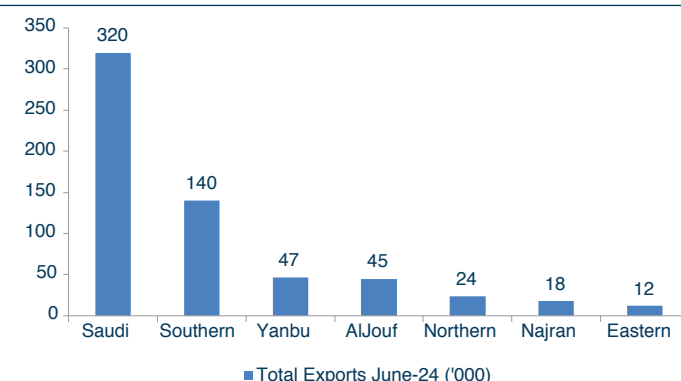
Utilization Rate (TTM)



Source: Yamama Cement, AlJazira Capital

The total utilization rate (TTM) of the cement sector in Saudi Arabia stood at 73.1%, a decrease by 45.7bps M/M, and a decrease by 192.5bps compared to June-23.

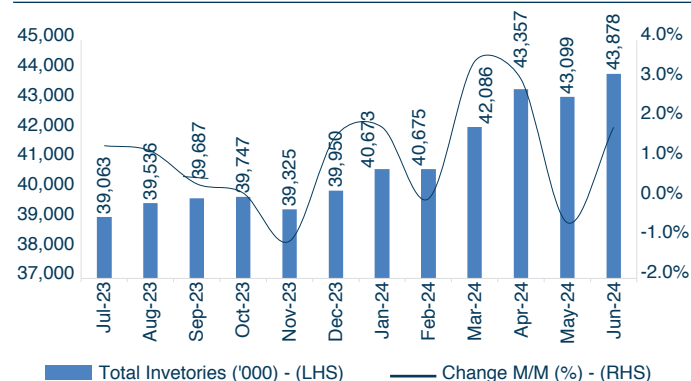
Cement and Clinker Exports for June-24



Source: Yamama Cement, AlJazira Capital

Cement and clinker exports reached to 606k tonnes in June-24 compared to 541k tonnes in June-23, recording a 12.0% increase on Y/Y basis.

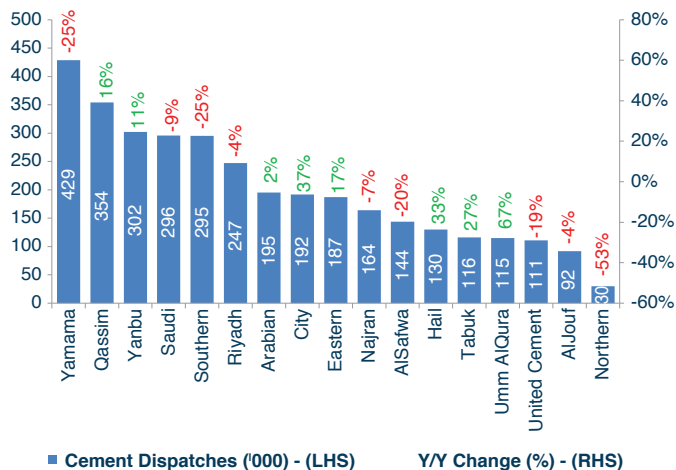
Change in Clinker Inventories



Source: Yamama Cement, AlJazira Capital

At the end of June-24, clinker inventories stood at 43.88mn tonnes, recording an increase of 13.8%Y/Y, and a 1.8% M/M increase.

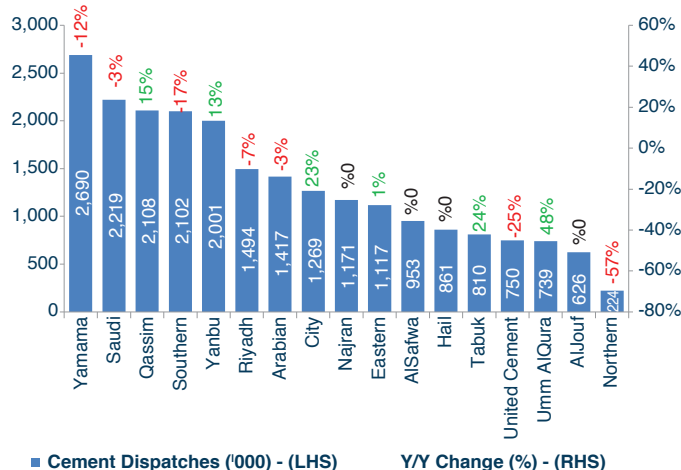
Cement and Clinker Dispatches for June-24 (Domestic Sales)



Source: Yamama Cement, AlJazira Capital

Umm AlQura Cement and City Cement recorded the highest increases in dispatches by 67.0%Y/Y and 37.0%Y/Y, respectively. On the other hand, Northern Cement and Yamama Cement recorded the largest declines of 53.0%Y/Y and 25.4%Y/Y, respectively.

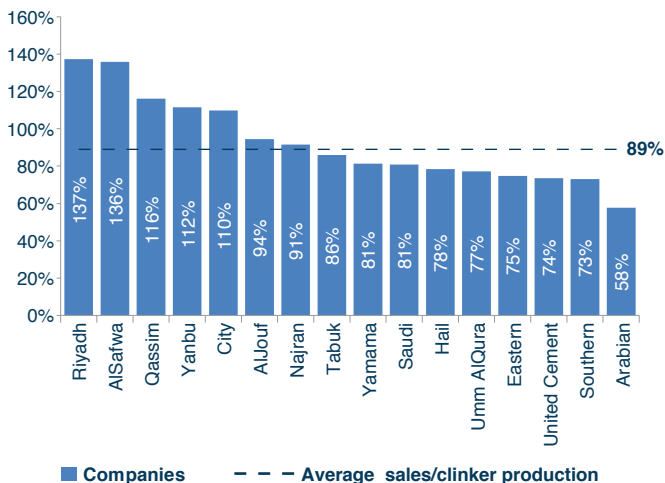
Cement and Clinker Dispatches for H1-24 (Domestic Sales)



Source: Yamama Cement, AlJazira Capital

For H1-24, Umm AlQura Cement and Tabuk Cement recorded the highest increase in dispatches by 48.0%Y/Y and 24.0%Y/Y, respectively. Meanwhile, Northern Cement and United Cement posted declines of 57.0% Y/Y and 25.0%Y/Y, respectively.

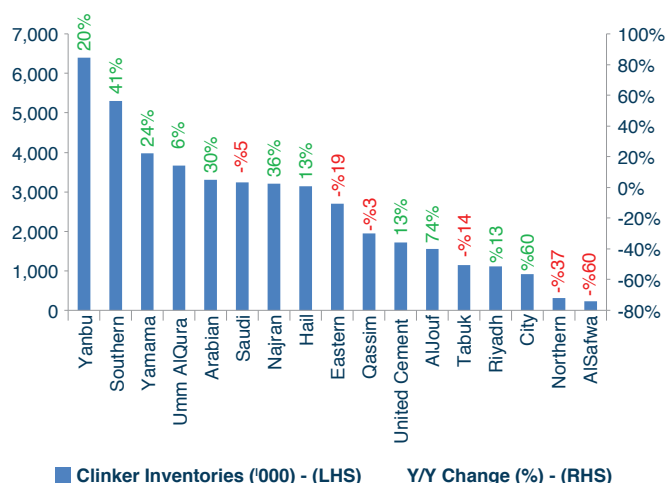
Sales / Clinker Production for June-24



Source: Yamama Cement, AlJazira Capital

Riyadh Cement and AlSafwa Cement showed the highest sales/clinker production ratios of 137% and 136%, respectively. On the other hand, Arabian Cement and Southern Cement recorded the lowest sales/clinker production ratios of 58% and 73%, respectively.

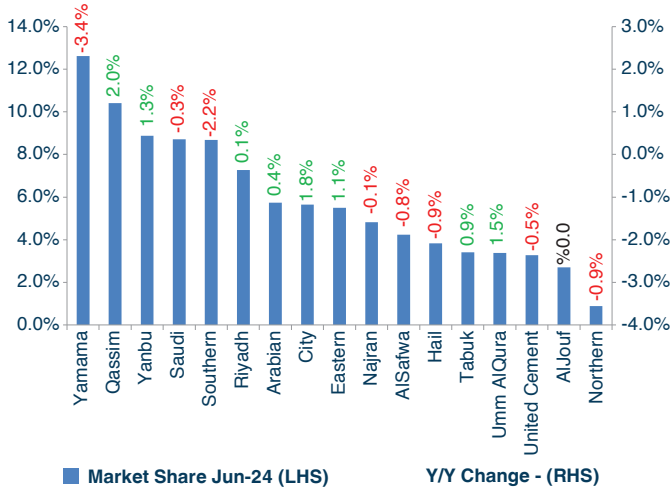
Clinker Inventories – June-24



Source: Yamama Cement, AlJazira Capital

Inventory levels of AlSafwa Cement and Northern Cement declined by 60%Y/Y, 37%Y/Y respectively. On the other hand, AlJouf Cement and City Cement both posted the highest increase in their inventory levels of 74%Y/Y and 60%, respectively.

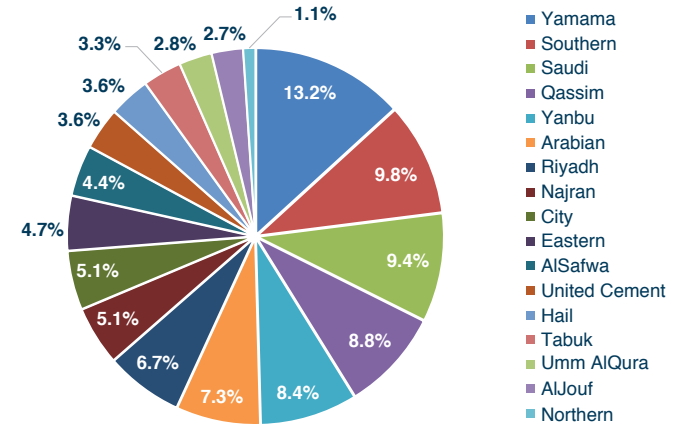
Market Share – June -24 (Domestic Sales)



Source: Yamama Cement , AlJazira Capital

Yamama Cement and Qassim Cement recorded the highest market share in June-24 of 12.6% and 10.4%, respectively. Meanwhile, Northern Cement bottomed the list with market share of 0.9%, followed by AlJouf and United with a market share of 2.7% and 3.3%; respectively. Yamama Cement's market share decreased by 336.9pbs Y/Y while Qassim Cement's market share increased by 196.1pbs Y/Y.

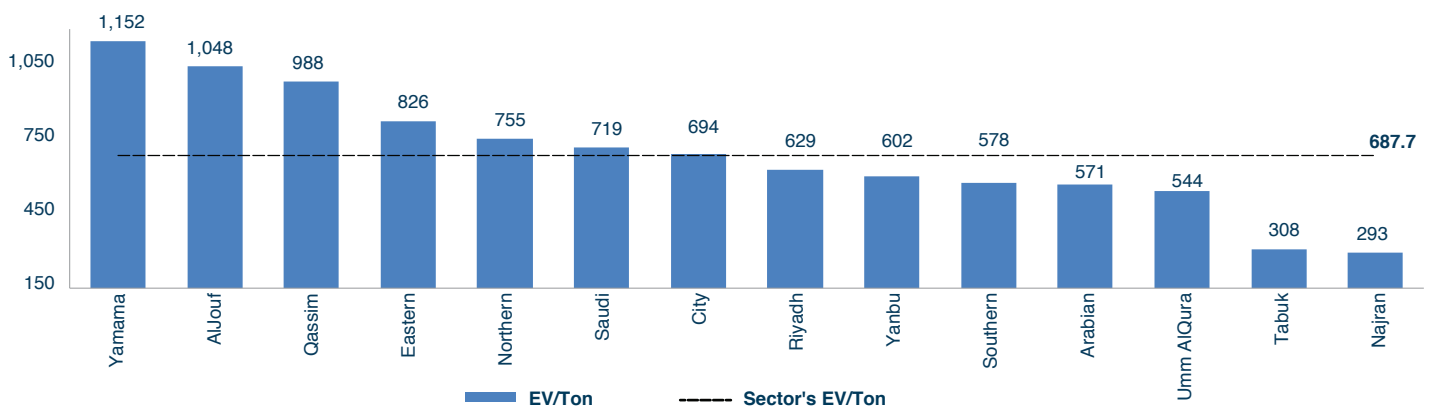
Market Share TTM



Source: Yamama Cement , AlJazira Capital

On a TTM basis, Yamama and Southern Cement recorded the highest market share of 13.2% and 9.8%, respectively. Followed by Saudi Cement with a market share of 9.4%.

EV / Tonne (SAR)



Source: Bloomberg, Yamama Cement , AlJazira Capital

Yamama Cement recorded the highest EV/Ton of SAR 1,152, followed by AlJouf Cement with an EV/Ton of SAR 1,048. Meanwhile, Najran Cement and Tabuk Cement both recorded the lowest EV/Ton of SAR 293 and 308, respectively.



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4. **Suspension of rating or rating on hold (SR/RH):** This basically implies suspension of a rating pending further analysis of a material change in the fundamentals of the company.

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