

April 2025



# Oil & Petrochemicals Monthly Report

## March | 2025



Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

[j.aljabran@aljaziracapital.com.sa](mailto:j.aljabran@aljaziracapital.com.sa)



## Urea, Ammonia and EDC prices dropped; EVA, DAP, VAM gained in March; propane and butane prices unchanged for April by Aramco

- **Naphtha, propane and butane prices declined in March:** Naphtha prices decreased 3.7% M/M to USD 645 per ton in March. Propane and butane prices decreased 3.1% M/M and 3.2% M/M, to USD 615 per ton and USD 605 per ton, respectively. Aramco kept the prices of propane and butane for April unchanged at USD 615 per ton and USD 605 per ton, respectively.
- **Prices of most of the products declined in March:** Urea prices decreased 18.4% M/M to USD 355 per ton, impacted by the absence of Indian tender and anticipated increase in Iran's production amid resumption of gas supply. **Ammonia** prices fell 12.2% M/M to USD 325 per ton due to subdued demand in the industrial applications. **EDC** prices dropped 6.3% M/M to USD 225 per ton owing to weaker demand. **EVA** prices gained 6.3% M/M to USD 1,275 per ton, driven by restocking activities in China. **DAP** prices rose 4.9% M/M to USD 640 per ton amid firm supply due to suspension of exports by China. **VAM** prices increased 1.2% M/M to USD 820 per ton due to slight tightening of supply.
- **Petchem Spreads Trend:** PP-propane spread expanded to USD 453 per ton in March from USD 440 per ton in February. PP-butane spread rose to USD 461 per ton in March from USD 448 per ton in February. HDPE-naphtha spread rose to USD 245 per ton in March from USD 208 per ton in February.

## Tariff concerns weighed on oil prices in March but balanced by tighter supply amid expectations of lower Iranian and Venezuelan supplies; aggressive tariffs severely hit crude oil prices in early April

- **Oil prices ended almost flat in March:** Oil prices dropped early March due to concerns over US tariffs on China, Canada and Mexico. Later in the month, new US sanctions on Iranian supply, tariffs by the US on buyers of Venezuelan crude and fall in US oil inventories supported a partial recovery in prices, ending slightly lower M/M. In early April, oil prices plunged, as aggressive tariffs announced by the US on a broader set of countries and retaliatory tariffs by China on US increased trade war and global oil demand concerns. Brent increased by 0.6% M/M, while WTI fell 0.6% M/M in March, ending at USD 73.6/bbl and USD 69.4/bbl, respectively. Natural gas prices at Henry Hub rose 6.0% M/M to USD 4.1/mn Btu.
- **Manufacturing activity contracted in the US but improved in China; Eurozone remains in contraction zone:** Manufacturing activity in the US deteriorated; ISM manufacturing PMI fell into contraction territory to 49.0 in March from 50.3 in February. China continued the expansion with the Caixin manufacturing PMI rising to 51.2 in March from 50.8 in February. Eurozone's manufacturing PMI rose to 48.6 in March from 47.6 in February but still indicated a contraction in activity.

**Table 1: Petchem Prices – March FY25**

Name	Price (USD per ton)	M/M %	Q/Q %	Y/Y %	YTD %
Naphtha	645	-3.7%	0.0%	-8.5%	0.0%
Saudi Propane	615	-3.1%	-3.1%	-2.4%	-3.1%
Saudi Butane	605	-3.2%	-4.0%	-5.5%	-4.0%
Ethylene	820	-4.1%	-1.8%	-8.9%	-1.8%
Propylene-Asia	800	-3.0%	-2.4%	-1.2%	-2.4%
HDPE	890	0.6%	0.0%	-5.8%	0.0%
LDPE	1,120	-1.3%	-1.3%	8.7%	-1.3%
LLDPE	930	0.0%	-1.6%	0.5%	-1.6%
PP-Asia	940	-1.1%	6.2%	4.4%	6.2%
Styrene-Asia	970	-7.2%	-4.9%	-14.9%	-4.9%
Polystyrene-Asia	1,140	-5.0%	-5.8%	-10.9%	-5.8%
PET - Asia	795	-1.2%	0.0%	-10.7%	0.0%
PVC-Asia	695	-3.5%	-6.1%	-12.0%	-6.1%
MEG (Asia)	530	-3.6%	-2.8%	1.0%	-2.8%
Methanol-China	295	0.0%	-4.8%	0.0%	-4.8%
DAP-Gulf	640	4.9%	2.4%	7.6%	2.4%
Urea-Gulf	355	-18.4%	0.0%	7.6%	0.0%
Ammonia-Gulf	325	-12.2%	-26.1%	14.0%	-26.1%
MTBE-Asia	735	-3.3%	3.5%	-25.0%	3.5%
EDC	225	-6.3%	-21.1%	-34.8%	-21.1%
MEG (SABIC)	760	-1.3%	-2.6%	-6.2%	-2.6%
PC	1,635	-2.1%	-3.0%	-9.4%	-3.0%
Acetic Acid-AA	440	-4.3%	1.1%	-7.4%	1.1%
EVA	1,275	6.3%	9.0%	-2.3%	9.0%
Vinyl Acetate Monomer-VAM	820	1.2%	4.5%	-16.8%	4.5%

Note: Prices as of March 30, 2025

Source: Argaam, Reuters Eikon, Aljazira Capital Research

**Table 2: Economic Calendar**

Date	Country	Event
Apr 16,23,30	US	Weekly Petroleum Status Report
17-Apr	US	US Initial Jobless Claims
23-Apr	US	S&P Global US Manufacturing PMI
30-Apr	US	GDP Annualized QoQ
30-Apr	KSA	M3 Money Supply YoY
30-Apr	KSA	SAMA Net Foreign Assets SAR
1-May	KSA	GDP Constant Prices YoY
2-May	US	Unemployment Rate
5-May	KSA	S&P Global Saudi Arabia PMI
6-May		EIA Short-term Energy Outlook
6-May	US	Trade Balance
14-May		OPEC Monthly Oil Market Report
15-May		IEA Oil Market Report
15-May	KSA	CPI YoY
29-Jun	KSA	Current Account Balance

Source: Bloomberg, EIA, OPEC, IEA

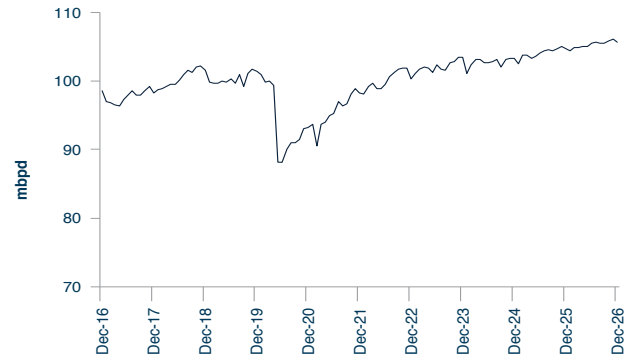
## Key comments from international energy agencies

### Crude oil supply

#### Global supply

- Global supplies of crude oil and liquid fuels are expected to rise by 1.3 mbpd to 104.1 mbpd in FY25 (0.1 mbpd lower than previous estimate) and by 1.3 mbpd to 105.8 mbpd in FY26 (0.4 mbpd lower than previous estimate), as per EIA. Non-OPEC supply is forecast to grow 1.3 mbpd to 71.6 mbpd in FY25 and 1.1 mbpd to 72.7 mbpd in FY26.
- Global oil supply rose by 0.6 mbpd in March to 103.6 mbpd, led by non-OPEC+, according to IEA.
- Global refining throughputs are expected to average 83.2 mbpd in FY25, according to IEA.

Figure 1: World Oil Production



Source: Bloomberg, AlJazira Capital Research

#### OPEC Supply

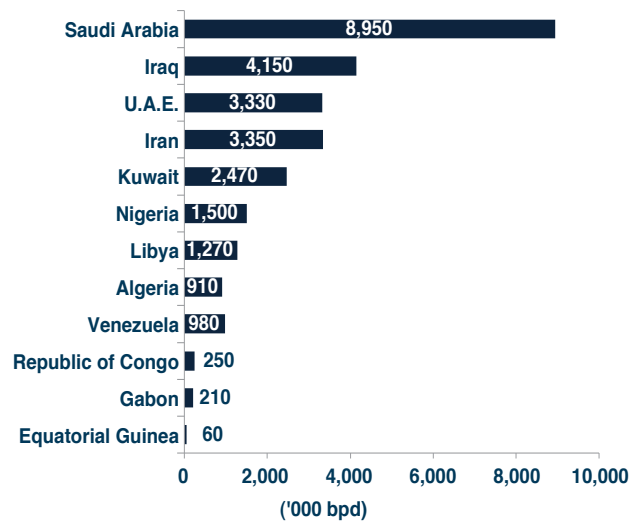
- OPEC crude oil production decreased 80,000 bpd M/M in March to an average of 26.8 mbpd, as per OPEC's secondary sources.
- On average, OPEC members are estimated to produce 26.7 mbpd of crude oil in Q2-25 (vs 27.0 mbpd in Q1-25), as per EIA.
- OPEC's average crude production is estimated at 26.7 mbpd in FY25 and at 26.8 mbpd in FY26, according to EIA.
- OPEC's unplanned oil supply disruptions averaged 1.24 mbpd in March (vs. 1.10 mbpd in February), as per EIA

Table 3: OPEC Oil Production ('000 bpd; excl. Angola)

Prod. ('000 bpd)	Cap.	Dec 2024	Jan 2025	Feb 2025	Mar 2025	% M/M Chg.
Equatorial Guinea	80	70	40	70	60	-14.3%
Gabon	230	220	230	200	210	5.0%
Republic of Congo	300	250	250	240	250	4.2%
Venezuela	980	850	900	980	980	0.0%
Algeria	1,060	900	890	910	910	0.0%
Libya	1,290	1,230	1,210	1,290	1,270	-1.6%
Nigeria	1,600	1,560	1,520	1,550	1,500	-3.2%
Kuwait	2,820	2,430	2,490	2,470	2,470	0.0%
Iran	3,830	3,320	3,320	3,370	3,350	-0.6%
U.A.E.	4,650	3,200	3,230	3,300	3,330	0.9%
Iraq	4,800	4,120	4,010	4,190	4,150	-1.0%
Saudi Arabia	12,000	8,950	8,940	8,970	8,950	-0.2%
<b>Total OPEC</b>	<b>33,640</b>	<b>27,100</b>	<b>27,030</b>	<b>27,540</b>	<b>27,430</b>	<b>-0.4%</b>

Source: Bloomberg

Figure 2: OPEC March Oil Production ('000 bpd)



Source: Bloomberg

## Crude oil demand

### Global

- OPEC estimates a 1.3 mbpd increase in global consumption in FY25 (lower than the previous month's estimate of 1.4 mbpd increase) and grow further by 1.3 mbpd in FY26. IEA estimates global oil demand to increase by 0.7 mbpd growth in FY25 (vs. 1.0 mbpd earlier), reaching 103.5 mbpd. As per EIA, global consumption of petroleum and liquid fuels is forecasted to increase by 0.9 mbpd Y/Y in FY25 (vs. 1.3 mbpd earlier) and 1.0 mbpd Y/Y in FY26 (vs. 1.2 mbpd earlier).
- Global demand for petroleum and liquid fuels stood at 103.3 mbpd in March, up 1.4% Y/Y, as per EIA.
- DoC (countries participating in the Declaration of Cooperation) crude demand for FY25 is forecasted to grow 0.3 mbpd Y/Y to 42.6 mbpd (unchanged from the previous month's estimate), according to OPEC. The DoC demand is estimated to increase to 42.8 mbpd in FY26 (0.1 mbpd lower than previous estimate), up by around 0.2 mbpd Y/Y.

## Inventory

- Global oil inventories rose 21.9 mb in February to 7,647 mb, as per IEA.
- EIA forecasts OECD inventories at 2.79bn barrels by end-FY25 and 2.85bn by end-FY26.
- Natural gas inventories in the US are estimated to be at 3,660 bn cu.ft. by October 2025; 3% below the five-year average.

Figure 3: OECD Monthly Oil Inventories



Source: US EIA, AlJazira Capital Research

## Price outlook

- Brent spot prices are forecasted to average USD 68 per barrel in FY25 and at USD 61 per barrel in FY26, as per EIA.
- Goldman Sach forecasts Brent prices to average USD 63 per barrel for the rest of FY25 and average at USD 58 per barrel in FY26. UBS lowered its Brent forecast for FY25 by USD 12 per barrel to USD68 per barrel. EIA expects natural gas prices at Henry Hub to average USD 4.30/mn Btu in FY25 and USD 4.60/mn Btu in FY26.

Table 4: World Oil Demand and Supply

(mbpd)	FY24				FY25E				FY24	FY25E	FY26E
World Crude Oil & Liq. Fuels Supply	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
OPEC Supp.	32.40	32.48	32.33	32.34	32.68	32.43	32.37	32.42	32.39	32.47	32.64
Non-OPEC Suppl.	69.81	70.35	70.37	70.93	70.64	71.30	72.10	72.45	70.37	71.63	72.71
<b>Total World Supply</b>	<b>102.21</b>	<b>102.83</b>	<b>102.69</b>	<b>103.27</b>	<b>103.33</b>	<b>103.72</b>	<b>104.47</b>	<b>104.87</b>	<b>102.75</b>	<b>104.10</b>	<b>105.35</b>
World Crude Oil & Liq. Fuels Cons.											
OECD Cons.	44.82	45.60	46.19	46.08	45.73	45.08	45.83	45.88	45.68	45.63	45.62
Non-OECD Cons.	57.13	57.24	56.82	57.07	57.77	58.10	57.96	58.22	57.06	58.01	59.06
<b>Total World Cons.</b>	<b>101.95</b>	<b>102.84</b>	<b>103.01</b>	<b>103.15</b>	<b>103.50</b>	<b>103.17</b>	<b>103.78</b>	<b>104.10</b>	<b>102.74</b>	<b>103.64</b>	<b>104.68</b>
OECD Comm. Inventory (mn barrels)	2,757	2,834	2,796	2,742	2,718	2,769	2,791	2,792	2,742	2,792	2,854
OPEC Surplus Crude Oil Prod. Cap.	1.47	1.39	1.55	1.31	1.20	n/a	n/a	n/a	1.43	n/a	n/a

Source: EIA STEO April 2025, AlJazira Capital Research

- The gap between crude consumption and supply is estimated to increase to 0.55 mbpd in Q2-25 (higher supply than consumption) from 0.17 mbpd in Q1-25 (higher consumption than supply).
- OECD's crude inventories are expected to be at 2.77bn barrels in Q2-25 compared to 2.72bn barrels in Q1-25.

## Petrochemical sector news

- **Sahara International Petrochemical Co.'s (Sipchem)** board of directors decided to stop operations at Sipchem Chemical Co.'s ethyl acetate plant, until further notice. The company said the decision comes in line with Sipchem's strategy to improve profitability and performance efficiency. The relevant financial impact will appear in Q2-25. (Source: Tadawul)
- **Nama Chemicals Co.** started a scheduled turnaround at the Epoxy Plant and Hassad Project, operated by its subsidiary Jubail Chemical Industries Co. beginning April 14, for an expected period of 24 days to carry out planned maintenance activities. The impact will be reflected in the financial results of Q2-25. (Source: Argaam)
- **Saudi Basic Industries Corp.'s (SABIC)** shareholders approved the transactions and contracts concluded by SABIC Industrial Investments Co., which is wholly owned by SABIC, and Saudi Arabian Mining Co. (Maaden). SABIC Industrial Investments sold its 20.62% stake in Bahrain's Alba Co., to Maaden for approximately SAR 3.61bn. (Source: Argaam)
- **Saudi Industrial Investment Group (SIIG)** obtained the approval of CMA on its request to cut capital from SAR 7.5bn to SAR 6.7bn. If approved, SIIG's share capital will also decrease from 755.0mn to 679.0mn shares. (Source: Argaam)
- **Saudi Kayan Petrochemical Co.** signed a Murabaha refinancing deal worth SAR 8.1bn with several local banks. The refinancing agreement includes replacing the existing debt with new financing. The loan has a 10-year tenor with a grace period until the end of FY25. (Source: Tadawul)
- **National Industrialization Co.'s (Tasnee)** board of directors recommended initiating the necessary regulatory procedures to repurchase 66.9mn of its ordinary shares and retain them as treasury shares. (Source: Tadawul)
- **Saudi Aramco** is in talks to invest in two proposed refineries in India, as per a Reuters report. Aramco is in talks to invest in Bharat Petroleum Corp.'s (BPCL) planned refinery in the southern state of Andhra Pradesh and a proposed Oil and Natural Gas Corp.'s (ONGC) refinery in western Gujarat state. (Source: Reuters)
- **Saudi Aramco** completed the acquisition of a 50.0% stake in the Jubail-based Blue Hydrogen Industrial Gases Co. (BHIG), a wholly owned subsidiary of Air Products Qudra (APQ). (Source: Argaam)

**Table 5: KSA Petrochemical Companies Key Metrics**

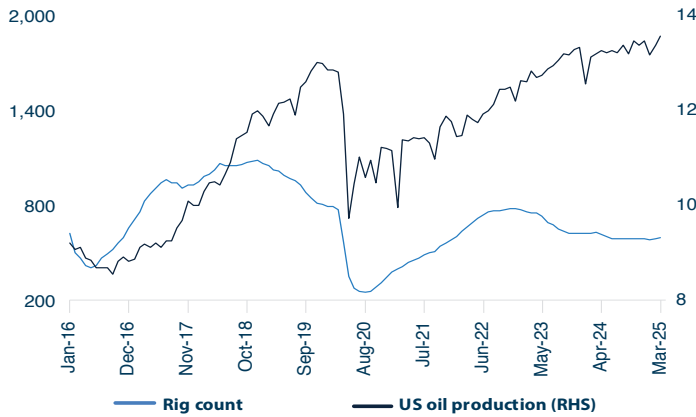
Company	Net profit (TTM; SAR mn)	P/E (Adjusted)	P/B	EV/ EBITDA	DPS (SAR) TTM	Dividend Yield (2024)	YTD returns
SABIC	1,538.5	High	1.2x	12.2x	3.40	5.5%	-8.5%
TASNEE	102.8	19.1x	0.6x	-	-	-	-11.4%
YANSAB	420.3	47.4x	1.7x	11.7x	2.00	5.9%	-10.6%
SABIC Agri-Nutrients	3,327.2	14.8x	2.7x	10.8x	6.00	5.8%	-7.4%
Sipchem	426.1	High	1.0x	12.6x	1.00	5.1%	-21.5%
Advanced	-128.9	High	2.7x	High	-	-	-3.7%
KAYAN	-1,803.7	NEG	0.8x	13.7x	-	-	-13.7%
SIIG	201.2	High	1.2x	-	0.50	3.2%	-5.9%
Nama Chemical	11.7	NEG	2.8x	-	-	-	1.4%
Chemanol	-272.6	NEG	1.2x	-	-	-	-29.2%
ALUJAIN	-50.7	High	0.8x	11.1x	-	-	-1.6%

Source: Bloomberg, Tadawul, Argaam, Aljazira Capital Research; Data as of April 15, 2025



## US oil and gas developments

Figure 4: US Oil Production versus Rig Count

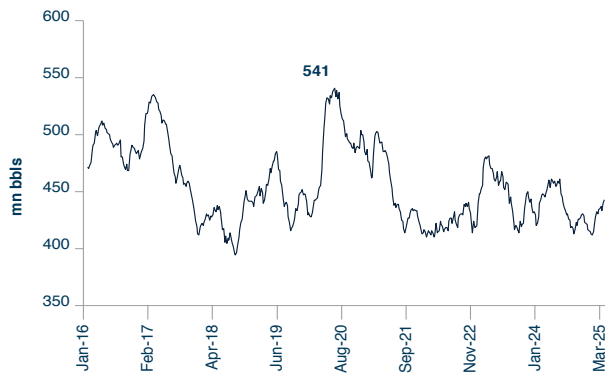


Source: US EIA, AlJazira Capital Research

US oil production averaged 13.55 mbpd in March 2025. Production increased 1.5% M/M and increased 2.9% Y/Y from 13.17 mbpd in March 2024.

In the week ended March 28, the rotary rig count in the US stood at 592 (down 1 W/W). The average number of rigs rose 0.4% M/M in March vis-à-vis a rise of 1.3% in February. The average rig count was down 5.2% Y/Y in March. As of April 11, of the total 583 rigs, 480 (down 9 W/W) were used to drill for oil and 97 (up 1 W/W) for natural gas. In the US, oil exploration decreased 5.1% Y/Y, while gas exploration declined 11.0% Y/Y.

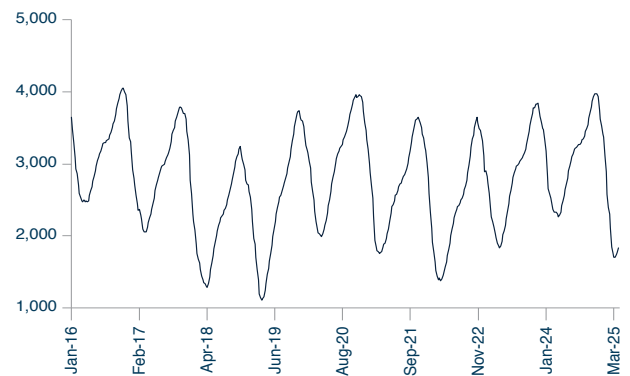
Figure 5: US Weekly Oil Inventories



- US weekly oil inventories increased 1.4% W/W to 439.8mn barrels for the week ended March 28. On M/M basis, inventories rose 1.4%.

Source: US EIA, AlJazira Capital Research

Figure 6: US Weekly Natural Gas Storage

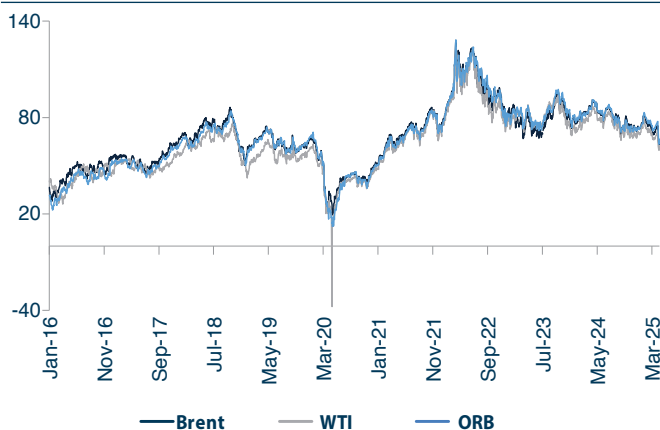


- US weekly natural gas storage increased 1.7% W/W to 1.773 bcf in the week ended March 28. On M/M basis, natural gas storage rose 0.7%.

Source: US EIA, AlJazira Capital Research

## Price Trend: Oil, Natural Gas & Petrochemicals Products

Figure 7: Oil Price Trends (USD / Barrel)



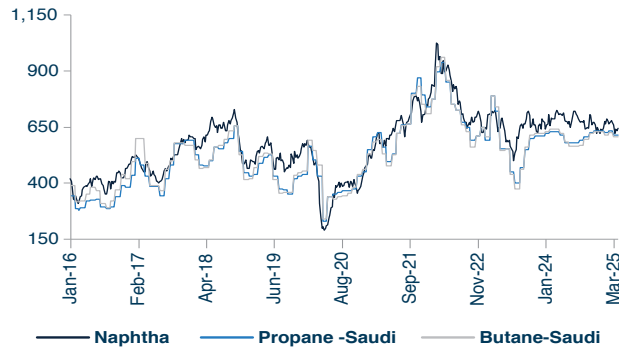
Source: Reuters Eikon, AlJazira Capital Research

Figure 8: Henry Hub Natural Gas (USD / MMBTu)



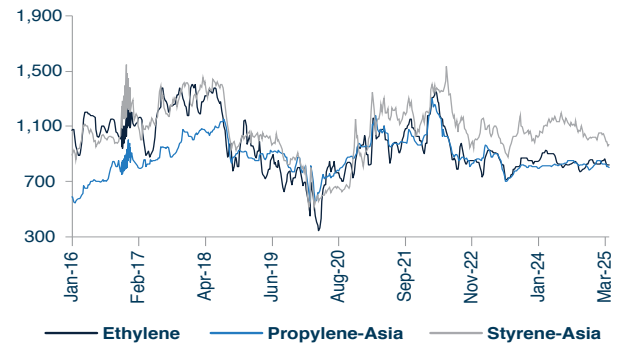
Source: OPEC, AlJazira Capital Research

Figure 9: Feedstock Price Trends (USD / Ton)



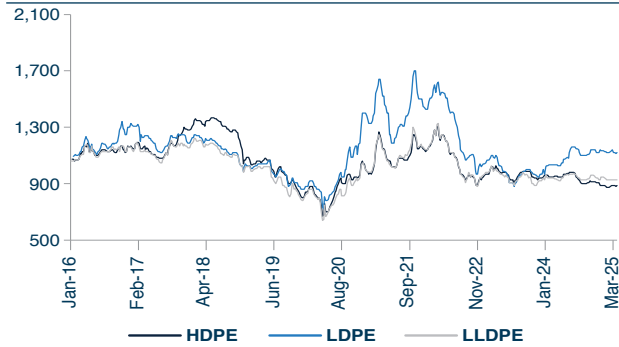
Source: Argaam, AlJazira Capital Research

Figure 10: Basic Petchem Price Trends (USD / Ton)



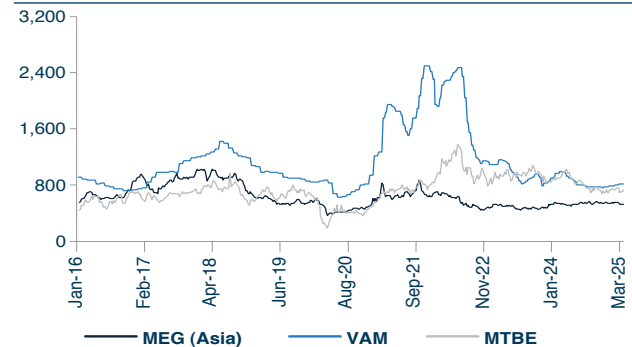
Source: Argaam, AlJazira Capital Research

Figure 11: Polyethylene Price Trends (USD / Ton)



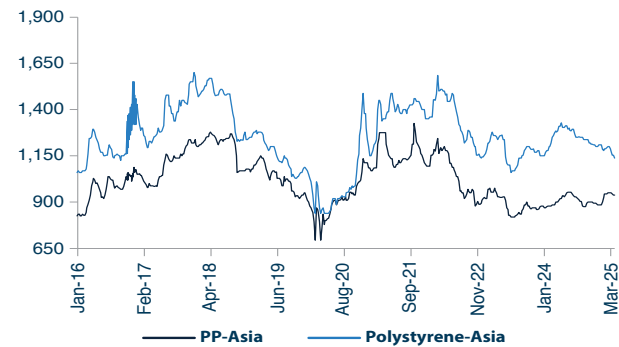
Source: Argaam, AlJazira Capital Research

Figure 12: Intermediates Price Trends (USD / Ton)



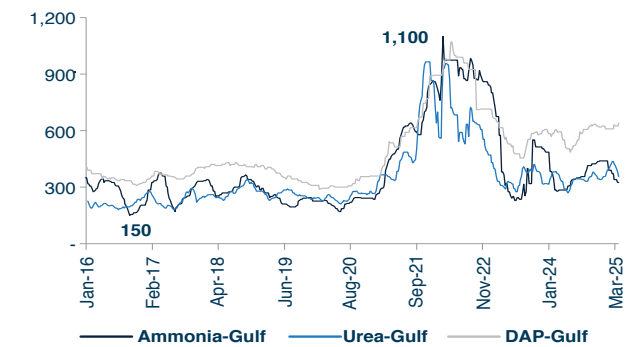
Source: Argaam, AlJazira Capital Research

Figure 13: Polypropylene & Polystyrene



Source: Argaam, AlJazira Capital Research

Figure 14: Ammonia, Urea & DAP



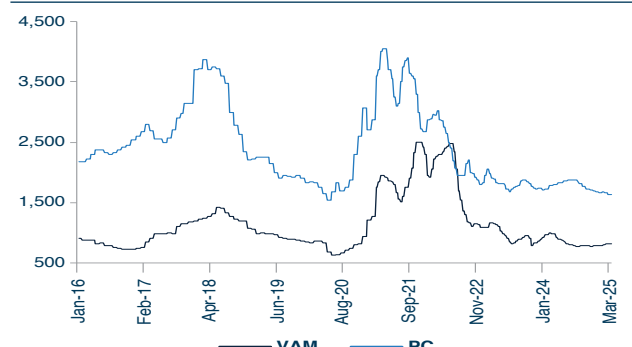
Source: Argaam, AlJazira Capital Research

Figure 15: Methanol-China (USD / Ton)



Source: Argaam, AlJazira Capital Research

Figure 16: PC-VAM

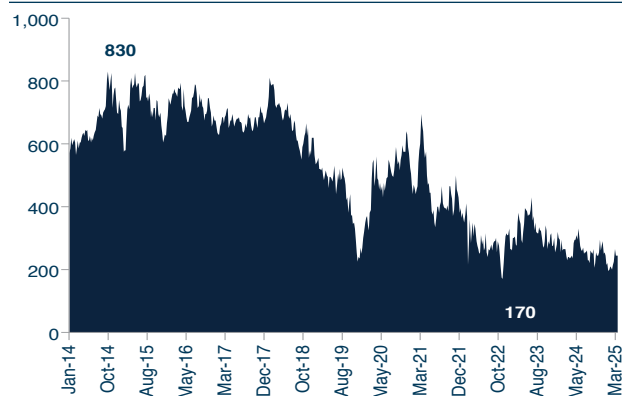


Source: Argaam, AlJazira Capital Research

## Petchem Spreads Trend

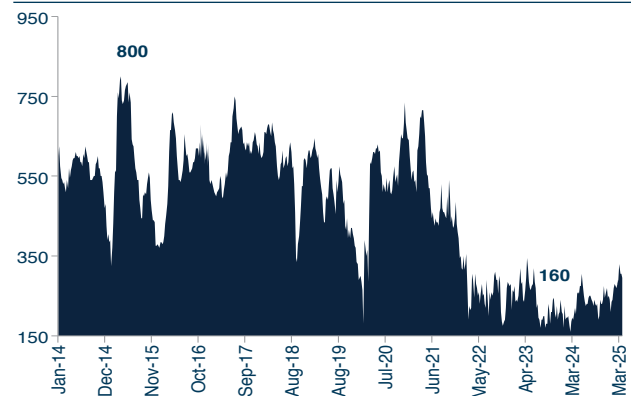
- Naphtha prices averaged USD 640 per ton in March, down from USD 671 per ton in February.
- Polypropylene average prices inched down to USD 945 per ton in March from USD 948 per ton in February.
- The HDPE-naphtha spread increased to USD 245 per ton in March from USD 208 per ton in February.
- The PP-naphtha spread rose to USD 305 per ton from USD 276 per ton during the previous month.
- The PP-propane spread expanded to USD 453 per ton in March from USD 440 per ton in February.
- The PVC-EDC spread fell slightly to USD 490 per ton in March from USD 493 per ton in February.
- The polystyrene-benzene spread widened to USD 324 per ton in March compared to USD 281 per ton in February.
- The HDPE-ethylene spread jumped to USD 53 per ton in March from USD 33 per ton in February.
- PP-butane spread rose to USD 461 per ton in March from USD 448 per ton in February.
- LDPE-naphtha spread widened by 6.2% M/M to USD 483 per ton, while LDPE-ethylene spread increased 3.9% M/M to USD 291 per ton in March.
- LLDPE-naphtha spread gained 12.2% to USD 289 per ton and LLDPE-ethylene surged 17.6% M/M to USD 97 per ton in March.

Figure 17: Naphtha- HDPE



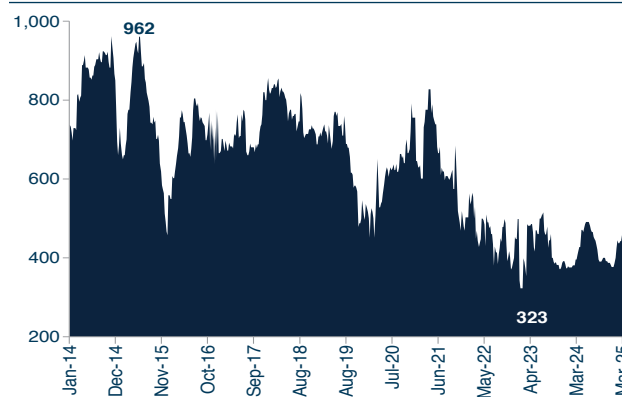
Source: Argaam, AlJazira Capital Research

Figure 18: Naphtha- PP



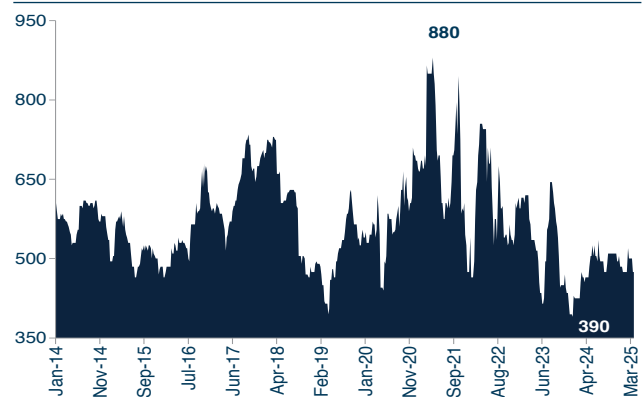
Source: Argaam, AlJazira Capital Research

Figure 19: Propane (Saudi) - PP



Source: Argaam, AlJazira Capital Research

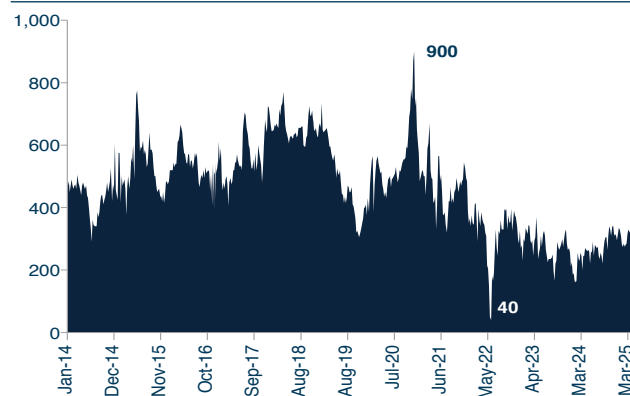
Figure 20: EDC- PVC



Source: Argaam, AlJazira Capital Research

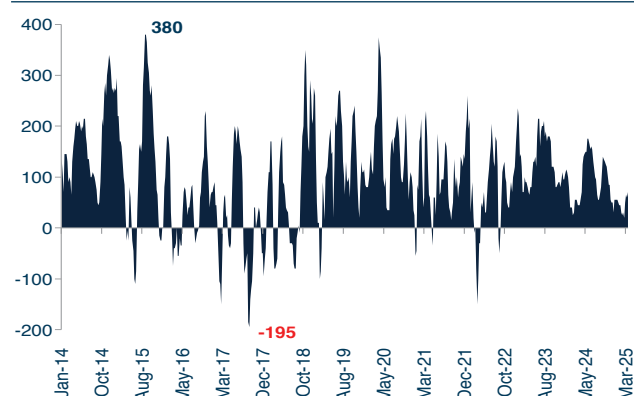


Figure 21: Benzene- Polystyrene



Source: Argam, AlJazira Capital Research

Figure 22: Ethylene- HDPE



Source: Argam, AlJazira Capital Research

Table 6: Petrochemical Products by Saudi Petrochemical Companies

Company	Finished Products
<b>SABIC</b>	Polyethylene, polypropylene, poly styrene, ethylene glycol (MEG), methyl tert-butyl ether (MTBE), benzene, urea, ammonia, PVC, and PTA
<b>SABIC Agri- Nutrients</b>	Urea, ammonia
<b>YANSAB</b>	Polyethylene, polypropylene, MEG, MTBE, and benzene
<b>Tasnee</b>	Polyethylene, polypropylene, and propylene (TiO2)
<b>Saudi Kayan</b>	Polyethylene, polypropylene, MEG, polycarbonate, and bisphenol A
<b>Petro Rabigh</b>	Polyethylene, polypropylene, propylene oxide, and refined petroleum products
<b>Sahara Petrochemicals (Sipchem)</b>	Polyethylene, polypropylene, Methanol, butanol, acetic acid, and vinyl acetate monomer
<b>Saudi Group</b>	Styrene, benzene, cyclohexene, propylene, polyethylene, polypropylene, and polystyrene
<b>Advanced</b>	Polypropylene
<b>Alujain</b>	Polypropylene
<b>CHEMANOL</b>	Formaldehyde – improvers concrete
<b>NAMA</b>	Epoxy resin, hydrochloric acid, liquid caustic soda, and soda granule
<b>MAADEN</b>	Ammonia and DAP

Source: Argam Plus



RESEARCH  
DIVISION

Head of Sell-Side Research  
- Director  
Jassim Al-Jubran  
+966 11 2256248  
j.aljabran@aljaziracapital.com.sa

RESEARCH  
DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

RATING  
TERMINOLOGY

1. **Overweight:** This rating implies that the stock is currently trading at a discount to its 12 months price target. Stocks rated "Overweight" will typically provide an upside potential of over 10% from the current price levels over next twelve months.
2. **Underweight:** This rating implies that the stock is currently trading at a premium to its 12 months price target. Stocks rated "Underweight" would typically decline by over 10% from the current price levels over next twelve months.
3. **Neutral:** The rating implies that the stock is trading in the proximate range of its 12 months price target. Stocks rated "Neutral" is expected to stagnate within +/- 10% range from the current price levels over next twelve months.
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.

## Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Investment Banking | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068