



Monthly Cement Dispatches Saudi Cement Sector | January 2024



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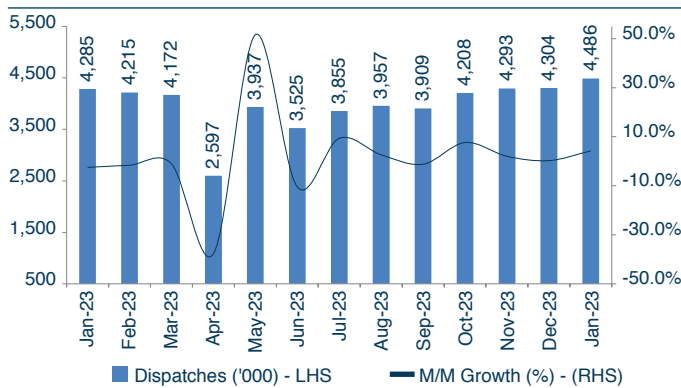
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Cement Dispatches for January 2024

Local sales posts the first Y/Y rise in 6 months, but inventories surpassed 40MT: Domestic cement dispatches for the month of January-24 stood at 4.48mn, posting an increase from January-23 level of 4.28mn tonnes by 4.7%Y/Y, for the first time since July-23, and increased by 4.2% M/M. Total export dispatches stood at 524k tonnes compared to 638k tonnes in January-23, recording a decrease of 17.8% on Y/Y basis. Clinker inventories stood at 40.67mn tonnes in January-24; showing an increase by 16%Y/Y and 1.8% M/M, surpassing the 40MT level for the first time since Sep-20. In FY23, local dispatches decreased by 8.8%, reaching to 47.57mn tonnes, compared to 52.18mn tonnes in FY22. Meanwhile, export sales in FY23 reached 8.5mn tonnes, a decrease of 5.4% from the level recorded during FY22. Sales/clinker production ratio stood at 95.7% during January-24, where Northern Cement registered the highest ratio at 209%.

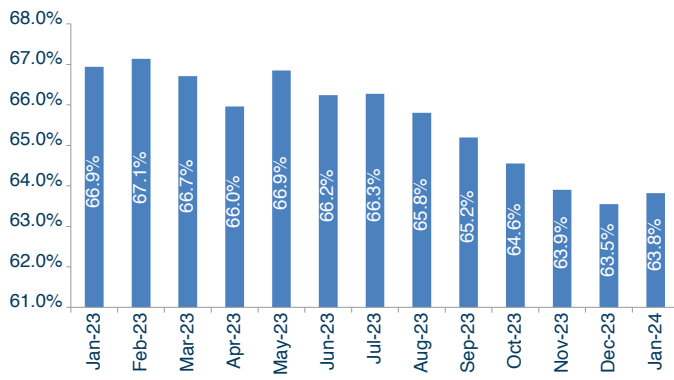
Change in Cement Dispatches (Domestic Sales)



Source: Yamama a Cement, AlJazira Capital

Domestic cement dispatches increased by 4.7%Y/Y, and increased by 4.2% on monthly basis in January 2024.

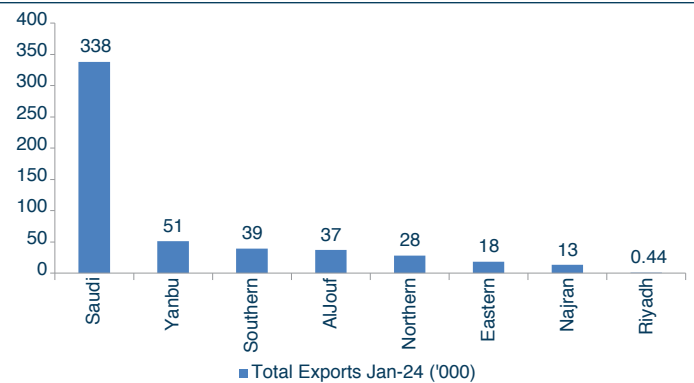
Utilization Rate



Source: Yamama Cement, AlJazira Capital

The total utilization rate of the cement sector in Saudi Arabia stood at 63.8%, an increase by 27bps M/M, and a decrease by 312.2bps compared to January-23.

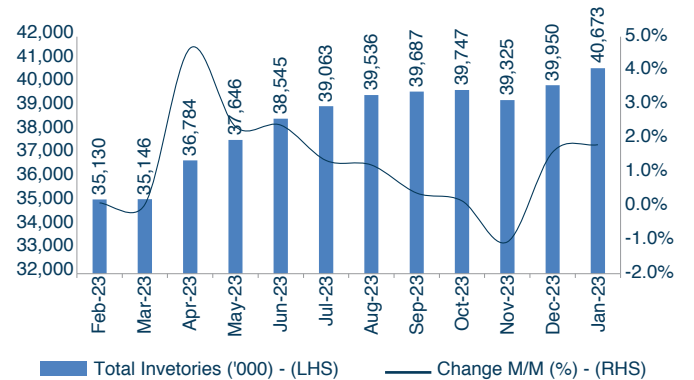
Cement and Clinker Exports for January-24



Source: Yamama Cement, AlJazira Capital

Cement and clinker exports reached to 524k tonnes in January-24 compared to 638k tonnes in January-23, recording a 17.8% decline on Y/Y basis.

Change in Clinker Inventories



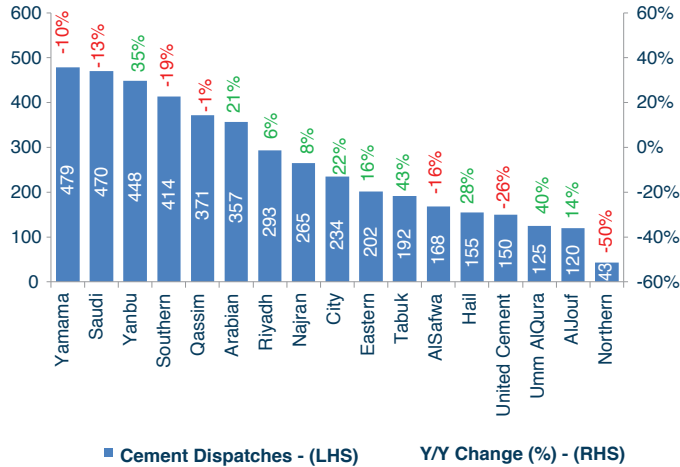
Source: Yamama Cement, AlJazira Capital

At the end of January-24, clinker inventories stood at 40.7mn tonnes, recording an increase of 16%Y/Y, and an increase of 1.8% on monthly basis.





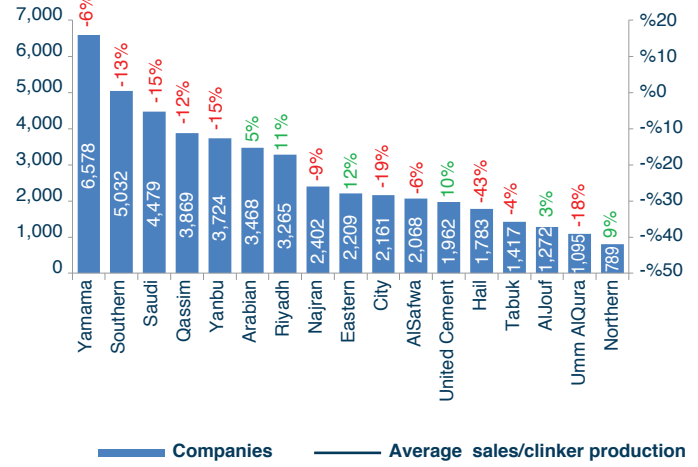
Cement and Clinker Dispatches for January-24 (Domestic Sales)



Source: Yamama Cement, AlJazira Capital

Tabuk Cement and Umm AlQura Cement recorded the highest increases in dispatches by 43%Y/Y and 40%Y/Y respectively. On the other hand, Northern Cement and United Cement recorded the largest declines of 50% Y/Y and 26%Y/Y, respectively.

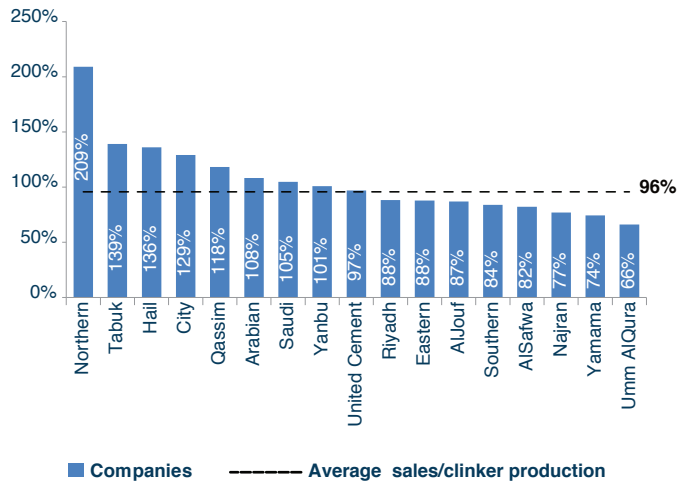
Cement and Clinker Dispatches for 2023 (Domestic Sales)



Source: Yamama Cement, AlJazira Capital

For FY23, Eastern Cement and Riyadh Cement recorded the highest increase in dispatches by 11.6%Y/Y and 11.1%Y/Y, respectively. Meanwhile, Hail Cement and City Cement posted declines of 42.6% Y/Y and 18.7%Y/Y, respectively.

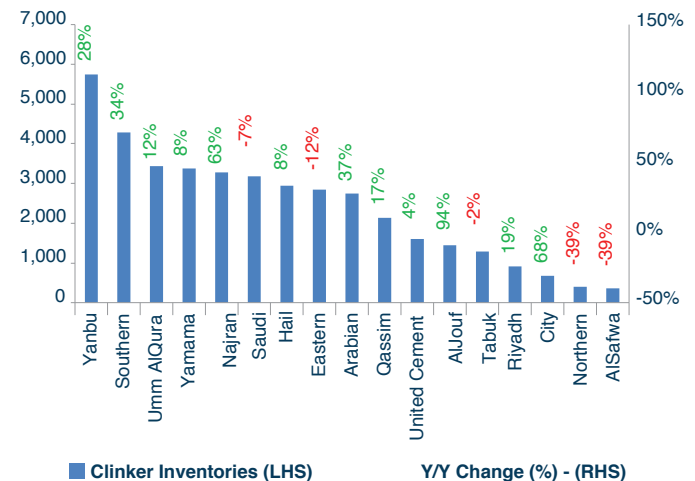
Sales / Clinker Production for January-24



Source: Yamama Cement, AlJazira Capital

Northern Cement and Tabuk Cement showed the highest sales/clinker production ratios of 209% and 139%, respectively. On the other hand, Umm AlQura Cement and Yamama Cement recorded the lowest sales/clinker production ratios of 66% and 74% respectively.

Clinker Inventories – January-24

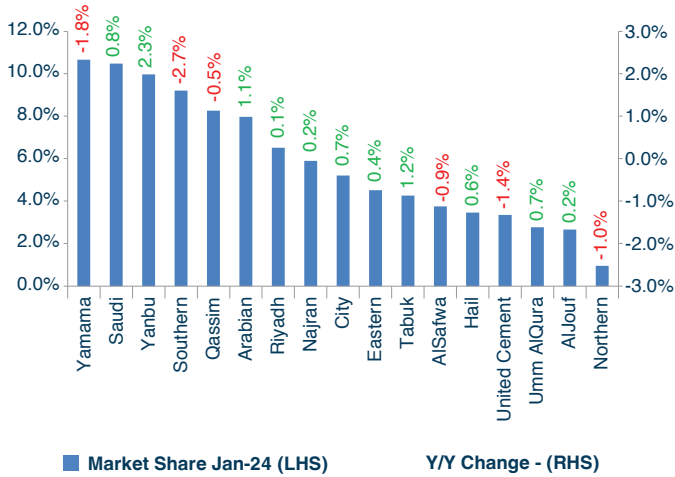


Source: Yamama Cement, AlJazira Capital

Inventory levels of AlSafwa Cement and Northern Cement declined by 39%Y/Y, each. On the other hand, AlJouf Cement and City Cement both posted the highest increase in their inventory levels of 94%Y/Y and 68%, respectively.



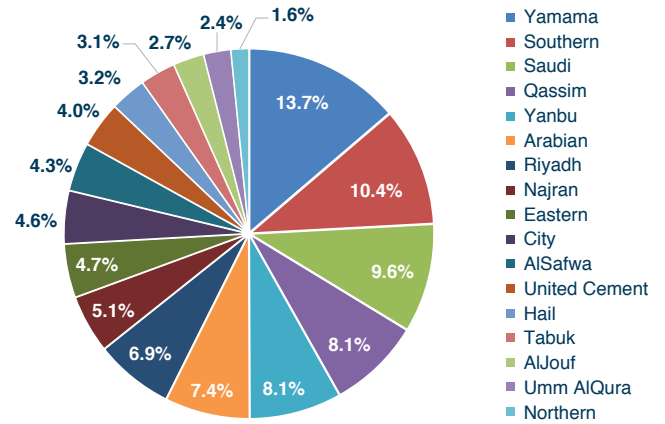
Market Share – January-24 (Domestic Sales)



Source: Yamama Cement , AlJazira Capital

Yamama Cement and Saudi Cement recorded the highest market share in January-24, of 10.7% and 10.5%, respectively. Meanwhile, Northern Cement bottomed the list with market share of 1.0%, followed by AlJouf and Umm AlQura with a market share of 2.7% and 2.8%; respectively. Yanbu Cement increased its market share by 226.2bps Y/Y while Southern Cement market share decreased by 267.3bps Y/Y.

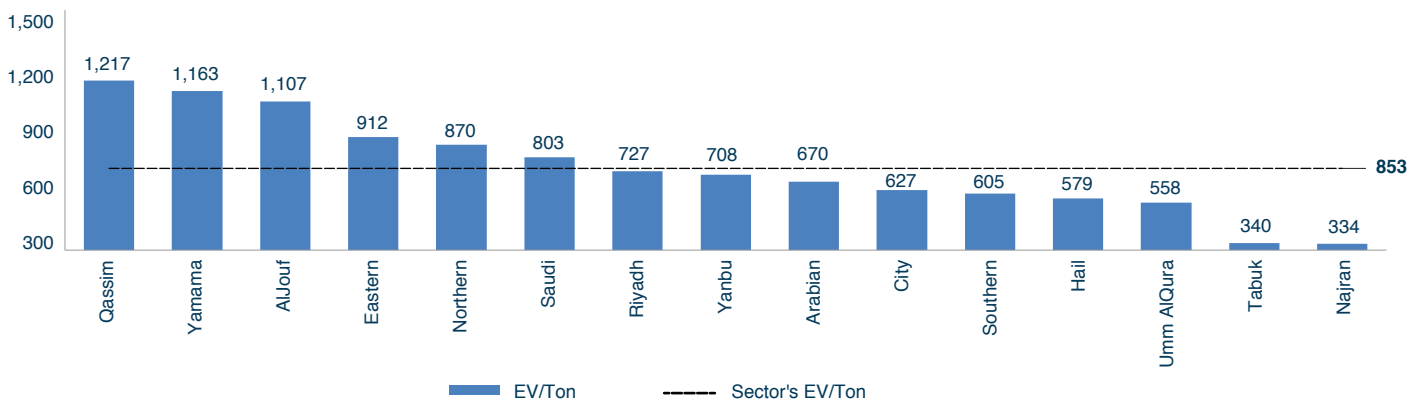
Market Share TTM



Source: Yamama Cement , AlJazira Capital

On a TTM basis, Yamama and Southern Cement recorded the highest market share of 13.7% and 10.4%, respectively. Followed by Saudi Cement with a market share of 9.6%.

EV / Tonne (SAR)



Source: Bloomberg, Yamama Cement , AlJazira Capital

Qassim Cement recorded the highest EV/Ton of SAR 1,217 followed by Yamama Cement with an EV/Ton of SAR 1,163. Meanwhile, Najran Cement recorded the lowest EV/Ton of SAR 334.



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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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