

Saudi & Global Markets Review Monthly Report | June 2024

AJC Research Team



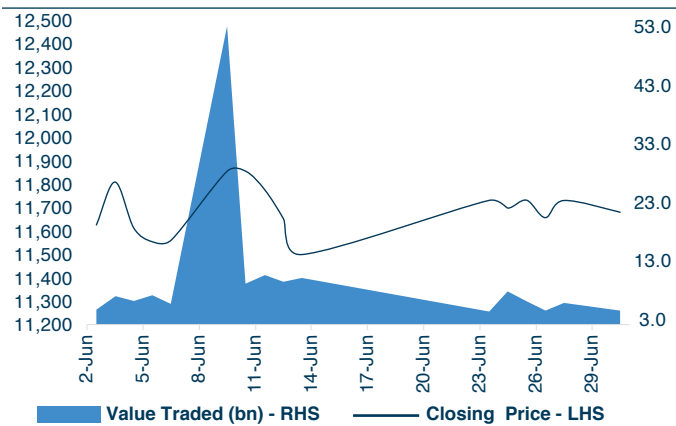
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TASI ended June 2024 at 11,680 points, representing an increase of 1.53% from last month's close. With an average daily value traded of SAR 10.6bn, the total value traded in June aggregated to SAR 170.3bn; representing an increase of 23.3% M/M from May's SAR 138.2bn in total value traded. The Energy and Banks sectors accounted for 50.6% of the total value traded during the month. Of TASI's 21 sectors, 15 sectors recorded M/M gains in June; Transportation increased the most by 12.3% M/M followed by Commercial Service at 8.2% M/M. On the other end, Utilities and Energy both recorded a decline of 9.4% and 3.6% respectively. Miahona was the best performing stock for the month, recording a 147.4% increase from IPO price, followed by Rasan 83.8% gains from IPO price as well. On the losing side of the monthly performance leaderboards, Atheeb Telecom and Thimar bottomed the list with a drawdown of 16.7%, and 13.9% M/M, respectively. ACIG traded as the market's lowest P/E (TTM) at a multiple of 6.7x by June's end, followed by SAICO, at a P/E (TTM) of 6.9x, compared to TASI's P/E of 26.1x (excluding Aramco). The free-float ownership from qualified foreign investors (QFIs) in the Kingdom made up a concentration of 9.80% of the total free-float ownership in the market for the month of June 2024, Up from May's 9.38% ownership.

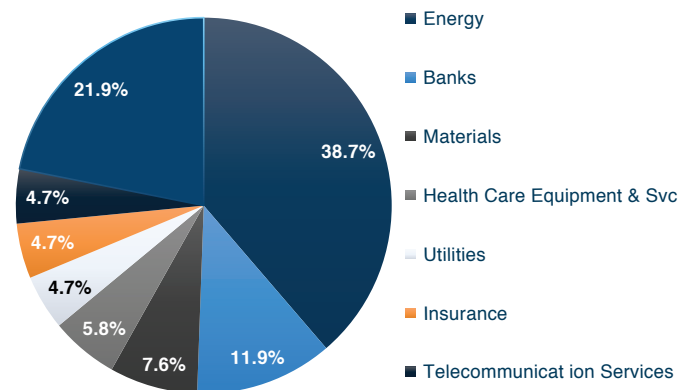
TASI Movement in June



Source: TADAWUL, Aljazira Capital

TASI started the month closing at 11,625 points and ended at 11,680 with an average daily value traded of SAR 10.6bn.

Share of Total Traded Value by Sector (%)



Source: TADAWUL, Aljazira Capital

Energy and Banks sectors represent a 50.6% of the total traded values for all sectors, accounting for 38.7% and 11.9%, respectively, of the total value traded in June.

Sectors Performance

Sector	M/M	Sector	YTD
TASI	1.5%	TASI	-2.4%
Transportation	12.3%	Insurance	29.1%
Commercial Service	8.2%	Capital goods	26.5%
Insurance	8.0%	Utilities	25.6%
Healthcare	7.9%	Transportation	23.6%
Capital goods	7.0%	Diversified Financials	16.8%
Software & Services	6.8%	Media	12.7%
Telecom	6.4%	Real Estate	9.2%
Food & Beverages	5.8%	Healthcare	7.9%
Banks	4.5%	Food & Beverages	7.5%
Media	4.1%	Consumer Durables	6.5%
Consumer Services	3.0%	Consumer Services	4.2%
Pharma & Bio Tech	2.0%	Software & Services	2.0%
Real Estate	1.9%	Telecom	-1.9%
Diversified Financials	1.6%	Pharma & Bio Tech	-2.9%
Consumer Durables	0.6%	Consumer Staples Ret	-4.6%
Consumer Staples Ret	-0.3%	Banks	-5.8%
Consumer Discretionary Ret	-0.5%	Commercial Service	-8.0%
REITs	-0.6%	Materials	-9.5%
Materials	-1.3%	REITs	-11.7%
Energy	-3.6%	Consumer Discretionary Ret	-13.2%
Utilities	-9.4%	Energy	-15.1%

Source: TADAWUL, Aljazira Capital

By June's end, TASI was up by 54 points. The index decreased by 2.4% YTD but increased 1.5% M/M in June.

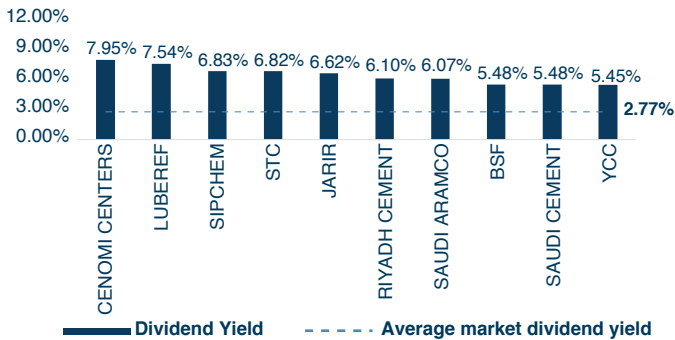
Out of TASI's 21 sectors, 15 sectors posted a positive performance during June.

June's M/M leaderboard was topped by Transportation, which increased 12.3% M/M, followed by Commercial Service, which had an increase of 8.2% M/M. On the losing side of June's M/M leaderboard was Utilities, which decreased 9.4% M/M, followed by

As per June's YTD performance, Insurance (29.1%) and Capital Goods (26.5%) topped the sectors' leaderboards.

Out of 21 sectors, 12 sectors registered a positive performance. At the other end of June's leaderboards was the Energy and Consumer Discretionary Ret sectors which declined by 15.1% and 13.2% YTD respectively.

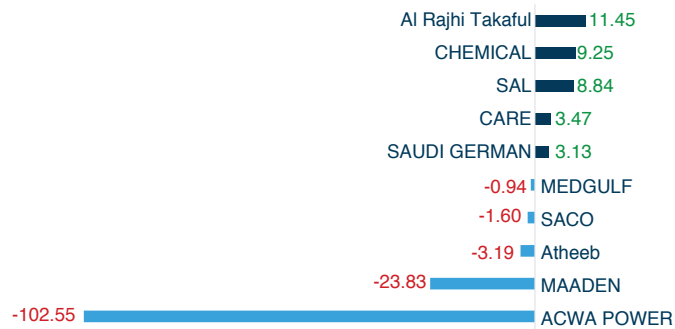
Top 10 Companies by Dividend Yield (FY2023)



Source: Argaam, Aljazira Capital, as of 30th of June 2024

Cenomi Centers and Luberef offered the highest dividend yields to their shareholder in FY2023, at 7.9% and 7.5%, respectively. SIPCHEM and STC followed at dividend yields of 6.8% each. Then followed by Jarir and Riyadh Cement at 6.6% and 6.1% respectively. The average dividend yield of the market stood at 2.77%.

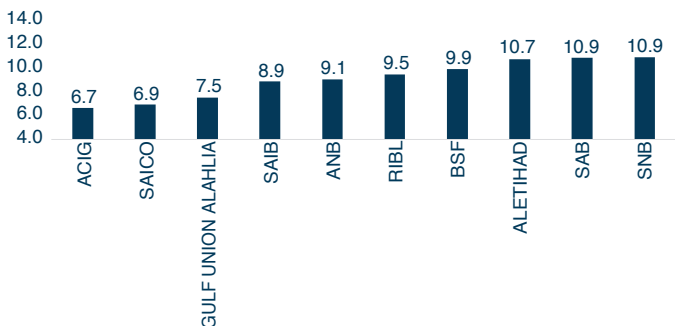
Best/Worst Contributors to TASI (by Points – June 2024)



Source: Bloomberg, Aljazira Capital

Al Rajhi Takaful and CHEMICAL were the most to upwardly support the index, together contributing a c.20.7 points towards the index by June's end. However, heavyweight such as Acwa Power weighed the index downwards by 102.5 points.

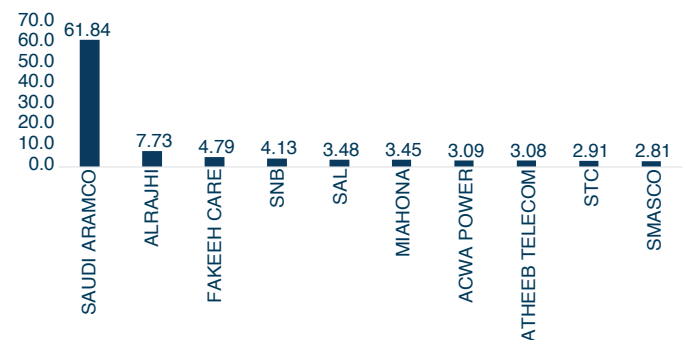
Companies with the Lowest P/E (TTM)



Source: Argaam, Aljazira Capital, as of 30th of June 2024

ACIG and SAICO traded as the market's lowest P/E (TTM) by June's end at multiples of 6.7x and 6.9x, respectively. Followed by Gulf Union and SAIB which offered P/E multiples of 7.5x and 8.9x, respectively.

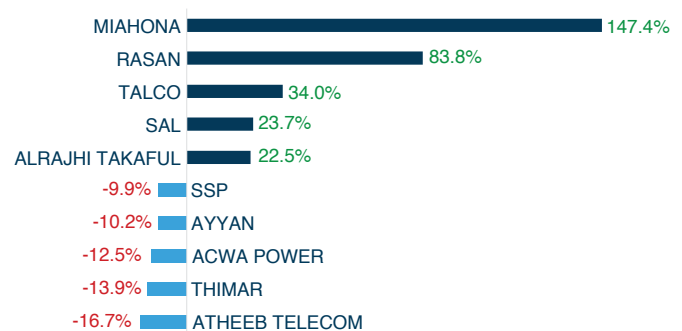
Top 10 Companies in Total Value Traded (in SAR bn)



Source: TADAWUL, Aljazira Capital

Saudi Aramco topped the market with the highest total value traded by the end of June at SAR 61.84bn. Followed by Al Rajhi and Fakeeh Care, at SAR 7.73bn and 4.79bn, respectively. SNB and SAL both made the top five leaderboards as they recorded SAR 4.13bn and SAR 3.48bn, respectively for the month.

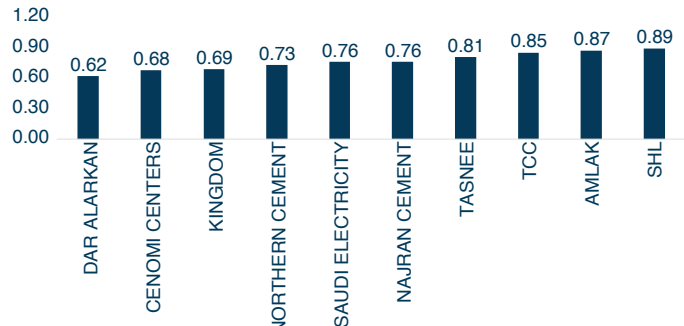
Gainers/Losers of the Month (June 2024)



Source: TADAWUL, Argaam, Aljazira Capital

Miahona topped June's M/M performances within KSA's equities universe at a 147.4% since its listing in the month; followed Rasan increase of 83.8%, which was also listed during June. However, Atheeb Telecom and Thimar decreased the most both at 16.7%, and 13.9% M/M, respectively.

Companies with the Lowest P/B



Source: Argaam, Aljazira Capital, as of 30th of June 2024

Dar Alarkan and Cenomi Centers traded at the lowest P/B ratios in June at 0.62x and 0.68x, respectively. Followed by Kingdom and Northern Cement which traded at 0.69x and 0.73x, respectively.

Regional and International Performance

- By the end of June, majority of the regional markets posted positive performances. Qatar, Egypt, Abu Dhabi and Dubai indices increased by 7.0% M/M, 3.1% M/M, 2.2% M/M and 1.3% M/M, respectively. On the other hand, Oman and Kuwait indices decreased by 3.3% M/M and 0.8% M/M, respectively.
- Nasdaq, S&P and Dow Jones increased by 6.2% M/M, 3.5% M/M and 1.1% M/M, respectively. Virtually majority of the monitored international indices demonstrated a negative performance. For the European markets, France CAC 40 and German index DAX 30 decreased by 6.4% M/M and 1.4% M/M, respectively. Majority of the Asian market indices ended June at a increase, India's Sensex increased the most at 6.9% M/M, followed by South Korea's KOSPI and Japan Nikkei 225 at 6.1% M/M and 2.8% M/M, respectively. On the other hand, China's Shanghai Composite and Hong Kong Hang Seng decreased by 3.9% M/M and 2.0% M/M, respectively.
- The MSCI World index tracking 23 developed markets increased by 1.9% M/M, while MSCI's EM increased by 3.6% M/M in June.

Regional Markets

Market	Close	M/M	YTD	P/E
Dubai (DFM)	4,030	1.3%	-0.7%	7.9
Abu Dhabi (ADX)	9,061	2.2%	-5.4%	18.2
Kuwait (KSE)	5,912	-0.8%	6.2%	15.6
Qatar (QE)	9,968	7.0%	-8.0%	11.2
Oman (MSM)	4,687	-3.3%	2.3%	12.5
Egypt (EGX30)	27,766	3.1%	11.5%	7.9

International Markets

Global Indices	Close	M/M	YTD	P/E
Dow Jones	39,119	1.1%	3.8%	22.4
Nasdaq	19,683	6.2%	17.0%	34.7
S&P 500	5,460	3.5%	14.5%	25.6
FTSE 100	8,164	-1.3%	5.6%	14.6
Germany DAX 30	18,235	-1.4%	8.9%	16.1
France CAC 40	7,479	-6.4%	-0.8%	13.0
Japan Nikkei 225	39,583	2.8%	18.3%	25.4
Russia MOEX	3,123	-2.9%	0.8%	4.5
Hong Kong Hang Seng	17,719	-2.0%	3.9%	9.9
South Korea KOSPI	2,798	6.1%	5.4%	16.5
China Shanghai Composite	2,967	-3.9%	-0.3%	14.0
Australia ASX 200	7,767	0.9%	2.3%	19.6
India Sensex	79,033	6.9%	9.4%	24.6
MSCI EM	1,086	3.6%	6.0%	15.7
MSCI World	3,512	1.9%	10.8%	22.0

Source: Bloomberg, Aljazeera Capital, as of 30th of June 2024

Commodities Performance

Commodity Name	Price	M/M	3M	Y/Y	YTD	3 Yrs	5 Yrs	LOW_52WEEK	HIGH_52WEEK
Light Crude (\$/bbl)	88.1	3.0%	-0.3%	12.4%	9.9%	17.4%	31.0%	75.8	102.8
Brent Crude (\$/bbl)	86.4	5.6%	-1.2%	15.4%	12.2%	15.0%	29.8%	72.3	97.7
Texas crude (\$/bbl)	81.5	4.7%	-2.0%	15.4%	13.8%	11.0%	39.5%	67.7	95.0
Natural Gas (\$/mn Btu)	2.6	1.1%	47.5%	-7.0%	3.5%	-28.7%	12.7%	1.5	3.6
GOLD (\$/oz)	2,326.8	-0.7%	4.3%	21.2%	12.8%	31.4%	65.1%	1,810.5	2,450.1
Silver (\$/oz)	29.1	-6.5%	16.7%	28.0%	22.5%	11.5%	90.3%	20.7	32.5
Steel (\$/ton)	674.0	-12.7%	-21.6%	-23.5%	-40.6%	-62.8%	25.7%	669.0	1,155.0
Lead (\$/ton)	2,189.1	-1.9%	7.7%	4.2%	7.1%	-3.3%	13.7%	1,971.3	2,327.5
Zinc (\$/ton)	2,890.4	-4.6%	20.2%	21.1%	9.4%	-2.7%	13.6%	2,260.0	3,153.3
Aluminum (\$/ton)	2,524.5	-6.6%	8.0%	17.3%	5.9%	0.0%	40.3%	2,109.0	2,799.0
Copper (\$/ton)	9,599.0	-5.3%	8.3%	15.4%	12.2%	2.4%	60.2%	7,856.0	11,104.5
Iron Ore (CNY/MT)	828.0	-6.8%	5.3%	-6.5%	-20.6%	-40.0%	-12.4%	743.0	1,154.5
Wheat (\$/bu)	573.5	-18.4%	-3.0%	-18.7%	-12.6%	-23.7%	-23.7%	550.0	794.3
Cocoa (\$/ton)	7,729.0	-16.5%	-20.9%	132.9%	84.2%	227.5%	215.5%	3,230.0	12,261.0
Sugar (\$/lb)	20.3	11.7%	-9.8%	-11.3%	-1.3%	15.2%	64.9%	18.0	28.1
SMP (EUR/MT)	2,424.0	-0.3%	4.3%	-0.7%	-5.9%	-6.7%	17.5%	2,230.0	2,660.0
Coffee (\$/lb)	229.0	-1.7%	21.2%	42.2%	21.6%	43.7%	111.5%	143.7	253.7

Source: Bloomberg, Aljazeera Capital, as 30th of June 2024

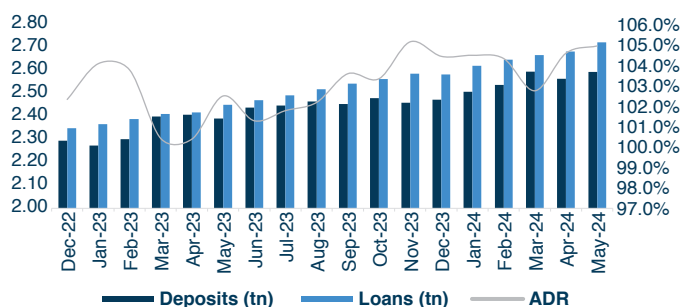
Brent Crude, Texas Crude and Light Crude increased by 5.6% M/M, 4.7% M/M and 3.0% M/M, respectively. In addition, Natural Gas increased by 1.1% M/M. All of the metals demonstrated a negative performance, with Steel decreasing the most by 12.7% M/M, followed by Iron Ore at 6.8% M/M. Aluminum and Silver decreased by 6.6% M/M and 6.5% M/M, respectively. Meanwhile, Copper, Zinc and Lead decreased by 5.3% M/M, 4.6% M/M, and 1.9% M/M, respectively. As for foods, only Sugar recorded a positive performance by 11.7% M/M. Wheat, Cocoa, Coffee and SMP decreased by 18.4% M/M, 16.5% M/M, 1.7% M/M and 0.3% M/M, respectively.

Economic Data

Macro Economic Data		Q/Q	Y/Y	
GDP (Q1-24)	NA	1.4%	-1.7%	
Reserve Assets (Q1-24)	SAR 1707.4 bn	4.2%	3.8%	
Public Debt (Q1-24)	SAR 1115.8 bn	6.2%	16.0%	
Public Debt/GDP (2023)	26.2%	-	-	
Consumer spending	May-24	M/M	Y/Y	
ATM Withdrawals	SAR 49.25bn	8.57%	9.61%	
Point of Sales	SAR 56.49bn	6.68%	13.43%	
Total Spending (ATM & POS)	SAR 121.96bn	7.78%	13.51%	
No. of ATMs	15.76K	-0.39%	-1.91%	
No. of ATM Transactions	129.81K	6.15%	-5.55%	
No. of POS Terminal	1805.94K	0.59%	13.50%	
Inflation Rate (May-24)	1.6%			
Repo Rate (June 24)	6.0%			
	1-Month	3-Months	6-Months	12-Months
Saudi Arabia (SAIBOR)	5.85	6.23	6.01	5.87
US (SOFR)	5.34	5.32	5.25	5.04
Region	Rate	M/M (bps)	YTD (bps)	Y/Y (bps)
Saudi Arabia (SAIBOR-3M)	6.230	-0.294	4.698	26.96
UAE (EIBOR-3M)	5.298	-9.774	-2.999	10.484
Bahrain (BHIBOR-3M)	6.349	1.31	-17.39	-19.23

Source: Gastat, SAMA, Aljazira Capital, Bloomberg

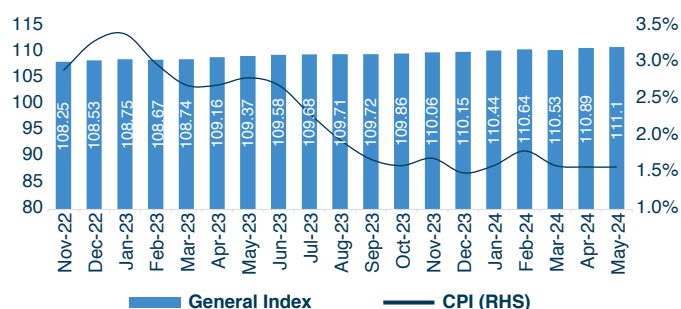
Deposit & Loans (May 2024)



Source: SAMA, Aljazira Capital

Deposit base increased by 1.2% M/M in May to SAR 2.60tn (+8.5% Y/Y). Additionally, loans increased by 1.5% M/M to SAR 2.72tn (+11.1% Y/Y). Consequently the ADR increased to 105.0%, up 34bps M/M.

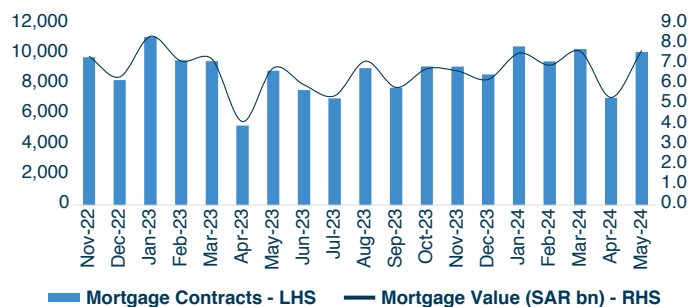
CPI (Inflation Rate) (May 2024)



Source: SAMA Aljazira Capital

(CPI)-Inflation for May-2024 increased by 1.6% Y/Y (unchanged M/M), as compared to 1.6% Y/Y (-2bps M/M) in April 2024. This was led by a 8.7% Y/Y increase in housing, water, electricity, gas, and other fuels. Point of Sales (POS) increased by 13.4% Y/Y to SAR 56.5bn, while the number of transactions increased 18.9% Y/Y to 894.5mn.

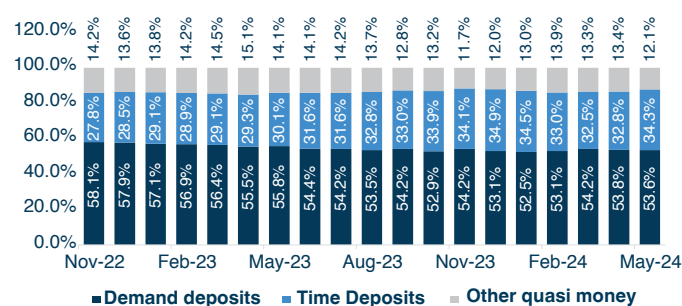
Mortgage Contracts & Value (May 2024)



Source: SAMA, Aljazira Capital

Mortgage contracts increased by 42.9 M/M (a 13.9% increase Y/Y) during May 2024 standing at 10.12K. Mortgage value increased as well by 43.7% M/M to SAR 7.7bn (increased 12.8% Y/Y).

Deposits Composition (SAR tn) (May 2024)



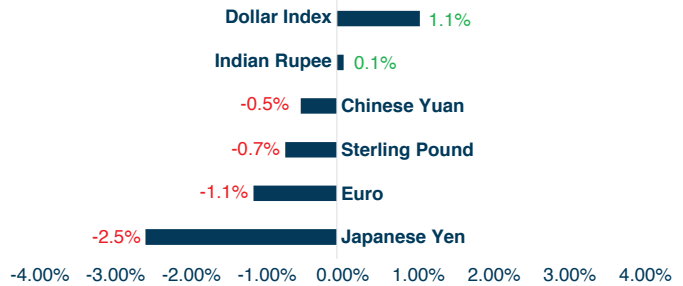
Source: SAMA, Aljazira Capital

Demand deposits share in total deposits decreased by 20bps M/M, while Time and Savings deposits share increased by 140bps M/M. Decrease in weight of demand deposit was due to reduction in both government and private demand deposits, while the increase in share of Time and saving deposits was mainly driven by increase in private time & savings deposits. Other Quasi Money deposit's share decreased by (130bps M/M).

Exchange Rate

The Dollar Index ended June with an increase of 1.1% M/M, likely supported by 25bps interest rate cuts by both the ECB and Bank of Canada. The majority of our monitored currencies depreciated against the Dollar, JPY/USD falling the most to levels at its weakest since 1989. The Euro ended June at a 1.1% depreciation against the dollar with the GBP at a depreciation of 0.7% thereafter.

Monthly change against the US Dollar (%)

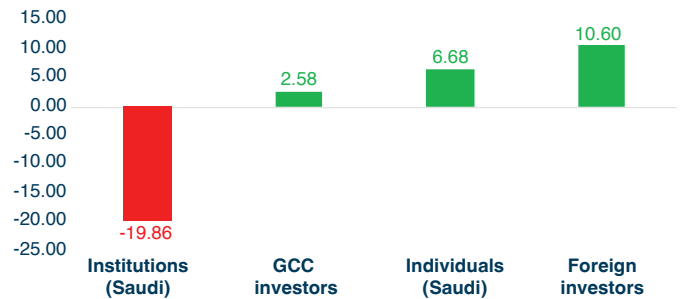


Source: Bloomberg, Aljazira capital

Foreign Investors Activity in KSA (June 2024)

Trading activities by Foreign investors, Saudi individual and GCC investors drove a net inflow of SAR 10.6bn, SAR 6.68bn and SAR 2.58bn, respectively during June 2024. While on the other hand of those trades were Saudi institutions drove a net outflow of SAR 19.86bn.

Net Value Traded (SAR bn)



Source: TADAWUL, Aljazira capital

Top Increases/Decreases in Foreign Ownership (%) During June 2024

Symbol	Company	Change
6014	ALAMAR	3.63%
8150	ACIG	2.72%
2320	ALBABTAIN	2.70%
7040	ATHEEB TELECOM	2.46%
2240	ZAMIL INDUST	1.76%
2110	SAUDI CABLE	1.46%
4263	SAL	1.46%
8260	GULF GENERAL	1.36%
4322	RETAL	1.33%
2160	AMIANIT	1.16%

Symbol	Company	Change
1214	SHAKER	-1.87%
2001	CHEMANOL	-1.41%
2230	CHEMICAL	-1.01%
6060	SHARQIYAH DEV	-0.96%
2030	SARCO	-0.82%
2200	APC	-0.80%
1302	BAWAN	-0.67%
4240	CENOMI RETAIL	-0.65%
4170	TECO	-0.63%
8250	GIG	-0.62%

Source: Tadawul, Aljazira Capital

ALAMAR saw the largest percentage change in its foreign ownership inflow for the month of June at 3.63% M/M, while **SHAKER** experienced the largest negative QFIs ownership percentage change for the month, shedding 1.87% of its foreign ownership by the end of June.

Top Increases/ Decrease in Foreign Ownership by Turnover Value* During June 2024 (SAR million)

Symbol	Company	Turnover Value (SAR mn)
2222	SAUDI ARAMCO	13081.3
4263	SAL	332.3
7020	ETIHAD ETISALAT	125.1
1120	ALRAJHI	124.9
2382	ADES	120.2
1080	ANB	119.9
1060	SAB	102.0
7040	ATHEEB	81.9
6014	ALAMAR	73.2
4322	RETAL	68.8

Symbol	Company	Turnover Value (SAR mn)
1180	SNB	(441.63)
2010	SABIC	(426.93)
7010	STC	(426.07)
1150	ALINMA	(377.91)
4013	SULAIMAN ALHABIB	(262.33)
2020	SABIC AGRI-NUTRIENTS	(249.02)
1010	RIBL	(187.88)
7202	SOLUTIONS	(153.46)
7203	ELM	(118.86)
2310	SIPCHEM	(110.61)

Source: Tadawul, Aljazira Capital *AJC Estimates (excluding IPOs) | *As of 30th of June 2024

SAUDI ARAMCO and **SAL** ended the month as the most stocks traded by QFIs turnover value at an inflow (by an estimated SAR 13.1bn and SAR 323.3mn respectively). **SNB** and **SABIC** came at the other end of that leaderboard at an outflow of SAR 441.6mn and SAR 426.9mn, respectively from QFIs.



Corporate Events – Saudi Stock Market

Date	Company	Event
3-Jul	AME	Cash Dividend Distribution
	MAYAR	Extraordinary general meeting
	IOUD	Extraordinary general meeting
4-Jul	SABIC AGRI	Eligibility for Cash Dividend
	NCLE	Extraordinary general meeting
	TANMIAH	Cash Dividend Distribution
	VIEW	Cash Dividend Distribution
7-Jul	TAWUNIYA	Cash Dividend Distribution
	MODERN MILLS	Cash Dividend Distribution
	AL HOKAI MEDICAL GROUP	Start of IPO
	SSP	Cash Dividend Distribution
	KEIR	Cash Dividend Distribution
	NETWORKERS	Cash Dividend Distribution
	CMCER	Cash Dividend Distribution
8-Jul	AYYAN	Extraordinary general meeting
	GASCO	Eligibility for Cash Dividend
10-Jul	APC	Extraordinary assembly meeting
	AL HOKAI MEDICAL GROUP	End of IPO
	AQASEEM	Eligibility for Cash Dividend
11-Jul	SIPCHEM	Cash Dividend Distribution
	SEDCO CAPITAL REIT	Cash Dividend Distribution
	ALRASHID INDUSTRIAL	Cash Dividend Distribution
14-Jul	BAAZEEM	Extraordinary general meeting
15-Jul	ETIHAD ETISALAT	Cash Dividend Distribution
	ALAMAR	Cash Dividend Distribution
16-Jul	TCC	Cash Dividend Distribution
	NGDC	Cash Dividend Distribution
	EIC	Extraordinary general meeting
	SURE	Cash Dividend Distribution
	NOFOTH	Cash Dividend Distribution
17-Jul	AL HOKAI MEDICAL GROUP	Start of offering
18-Jul	NGC	Extraordinary general meeting
21-Jul	AL HOKAI MEDICAL GROUP	Close of offering
	ALDAWLIAH	Cash Dividend Distribution
22-Jul	GASCO	Cash Dividend Distribution
	SABIC AGRI	Cash Dividend Distribution
23-Jul	AL HOKAI MEDICAL GROUP	Final Allocation Date
24-Jul	MARAFIQ	Eligibility for Cash Dividend
25-Jul	AL HOKAI MEDICAL GROUP	Surplus Refund Date
31-Jul	YANSAB	Eligibility for Cash Dividend
	KINGDOM	Eligibility for Cash Dividend

Source: Argaam, Aljazira capital



Global Economic Calendar

Date	Country	Event
3-Jul	USA	ISM Services PMI
	USA	FOMC Minutes
	China	Caixin Services PMI
	Euro Area	HCOB Services PMI
	USA	Initial Jobless Claims
	USA	S&P Global Composite & Services PMI
	USA	Factory Orders
5-Jul	USA	Non-Farm Payrolls
	USA	Unemployment Rate
	Euro Area	Retail Sales
9-Jul	USA	Fed Chair Powell Testimony
10-Jul	China	Inflation Rate, PPI
	USA	Core Inflation Rate
11-Jul	Japan	Machinery Orders
	USA	Inflation Rate
12-Jul	USA	PPI
13-Jul	China	Balance of Trade
15-Jul	China	GDP Growth
	China	Industrial Production
	China	Retail Sales
	China	Unemployment Rate
	Euro Area	Industrial Production
16-Jul	USA	Retail Sales
	USA	Building Permits
	Euro Area	Balance of Trade
17-Jul	Euro Area	Inflation Rate
	USA	Housing Starts
	USA	Industrial Production
18-Jul	Japan	Balance of Trade
	Euro Area	Deposit Facility Rate
	Euro Area	ECB Interest Rate Decision
	Euro Area	ECB Press Conference
19-Jul	Japan	Inflation Rate

Source: Trading economics, Aljazira Capital



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RESEARCH
DIVISION

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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.

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