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Forecasts Report
Saudi Stock Market | Q1-2024

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Forecasts Q1-24: MA'ADEN, Banks and Cement sector to drive Y/Y growth; positive net income for Petrochemicals to support sequential surge in profits

We present Q1-24 forecast for our coverage of 51 companies across multiple sectors. The combined result of these companies (excluding Aramco) is estimated to increase 5.2% Y/Y to SAR 16.3bn. The Y/Y growth in earnings would be led by a significant improvement in net profit of MAADEN (+75% Y/Y) and growth in our banking universe (+11.8% Y/Y), further supported by Cement sector growth (+32.8% Y/Y). The earnings for Petrochemical (-18.5% Y/Y) and Telecom (-11.9% Y/Y) sectors are expected to fall. For our banking universe, growth is likely to be driven by NIM as well as balance sheet expansions. MAADEN is expected to benefit from an increase in gold prices and the start of commercial production at two new gold mines, partially offset by a sharp decline in ammonia prices. Cement sector earnings would benefit from higher selling prices, while the impact of feedstock price hikes will be limited this quarter. On the other hand, the Y/Y decline in Telecom sector earnings would mainly be attributable to higher base in Q1-23 due to one-off gains from the tower deal of Zain KSA. For Petrochemicals, a Y/Y decrease would be led by multiple plant shutdowns during the quarter and higher feedstock costs. On a sequential basis, earnings of the companies under our coverage are forecast to jump 26.6%, primarily due to the Petrochemical sector returning to profit, as the previous quarter included one-off loss for SABIC related to different impairments, provisioning, and write-offs worth SAR 1.9bn.

Crude oil prices bounced back in Q1-24, rising 13.6% from Q4-23 end. On a Y/Y basis, oil gained 9.7% Y/Y. The prices were supported by an improved demand outlook amid signs of strength in US and China economy. Additionally, extension of voluntary cuts by Saudi Arabia and Russia until the end of Q2-24 is likely to keep the supply tight. Ongoing conflicts in the Middle East kept the supply disruption concerns alive. The crude oil prices fell to a low of USD 75.9 per barrel and remained under pressure during February anticipated delay in interest rate cuts and weak demand outlook. However, oil gained momentum in March as the demand outlook improved, ending the quarter at high of USD 87.5 per barrel. Saudi oil output rose slightly to 8.96 mbpd in January from 8.94 mbpd in December, while oil exports were stable at 6.30 mbpd in January compared to 6.31 mbpd in the previous month.

Saudi Arabia's GDP contracted 4.3% Y/Y in Q4-23 (vs. a decrease of 3.2% Y/Y in Q2-23) with oil GDP falling by 16.2% Y/Y. However, non-oil GDP grew 4.2%, while a growth of 3.1% was seen in government activities. For FY23, GDP declined 0.8%. Financial, Insurance and Business Services activities achieved the highest annual growth rates during Q4-23 (+10.6% Y/Y), followed by Wholesale and Retail Trade, Restaurants and Hotels activities (+7.5% Y/Y). The manufacturing Purchasing Managers' Index (PMI) increased to 57.2 in February, indicating continued strength in the Saudi non-oil private sector. The companies saw higher production due to stronger consumer demand and a tourism boost. The Industrial Production Index declined 8.8% in January led by weakness in mining and quarrying. Money supply rose 1.3% M/M and 10.0% Y/Y in February 2024. Total deposits increased 10.0% Y/Y, while demand deposits grew ~3% Y/Y in February. On M/M basis, time and saving deposits as percentage of total deposits decreased to 34.9% in February from 36.1% in January due to improvement in government deposits. Consumer spending increased 16.0% Y/Y, as the value of POS transactions surged 20.0% Y/Y in February. Inflation increased 1.8% in February from 1.6% in January primarily driven by increases in housing rents but remained at comfortable levels. On an M/M basis, consumer prices were up 0.2% in February and 0.3% in January.

Saudi equity market (Tasi) moved up in the first quarter of the year by 3.63% and by 5.5% YTD (as of April 03, 2024). Media sector with an increase of 30.1% YTD was the top gainer among TASI's sectors, followed by Utilities (+29.4% YTD). On the other hand, Energy (-7.7%) and Comm & Prof Svc (-4.0%) led the laggards during the same period. There was some shifting from small and mid-caps stock to blue chips such as petrochemicals and banks was seen in recently. The market movement was mainly driven by mixed global sentiments surrounding economic growth and interest rate cuts. The US Federal Reserve kept interest rates unchanged in March for the fifth straight meeting. However, the FOMC said that it expects three rate cuts in FY24 despite sticky inflation.

Banking: NIMs expansion and robust balance sheet growth to drive profitability in Q1-24; banks under our coverage to post earnings growth of 11.8% Y/Y in Q1-24

The US Federal reserve kept federal funds rate range unchanged at 5.25-5.5% in Q1-24, as it believes that current rates are enough to bring inflation down to their 2% inflation goal. SAMA, given the pegged exchange rate regime, also maintained repo and reverse repo rates at 6.00% and 5.50% in Q1-24. According to latest FOMC economic projections, interest rates are mostly likely going to be cut by 75bps in 2024 and another 75bps in 2025, more over (according to CME Fed watch) there is a 45% probability that rate cuts would begin in July-2024.

For our banking universe (Alrajhi, Alinma and Albilad), our estimate for loan growth in Q1-24 is 6.3% Y/Y (0.9% Q/Q) with Alinma leading at 16.0% Y/Y and 2.3% Q/Q increase in loans. We expect AlRajhi to post a loan growth of 3.5% Y/Y and 0.5% Q/Q respectively, due to moderation in new mortgage issuances (down 6.6% Y/Y in Jan-Feb 2024). On a cumulative basis deposit growth for banks under our coverage is expected at 7.7% Y/Y and 1.3% Q/Q. Alinma will lead on the deposits front as well, with a 20.2% Y/Y (2.3% Q/Q) increase in deposits, followed by Albilad and AlRajhi at 8.0% Y/Y (1.0% Q/Q) and 4.1% Y/Y (1.0% Q/Q) respectively.

In terms of profitability, we expect **Alinma** to outperform its peers with a 38.9% Y/Y increase in bottom-line in Q1-24, to SAR 1,347mn. The increase is owed to the robust balance sheet expansion (total deposits up 20.2% Y/Y in Q1-24) and 17bps Y/Y increase in NIMs. We forecast **AlBilad** to post net income growth of 10.0% Y/Y in Q1-24 to SAR 616mn. For **AlRajhi** we estimate a 5.7% Y/Y growth in net profit in Q1-24 to SAR 4,380mn, as a result of deposit growth of 1.1% Y/Y, and 14bps Y/Y increase in NIMs.

Saudi Petrochemical Sector: Expected to post positive net income with SABIC returning to profit after multiple one-off items; multiple shutdowns to weigh on earnings, Red Sea conflict to delay shipments and increase shipping costs

Saudi Petrochemical sector is forecasted to register a net income of SAR 963.0mn in Q1-24 compared to a net loss of SAR 1.3bn in Q4-23. The net income is expected to fall 18.5% Y/Y. On a Q/Q basis, improvement in the earnings would mainly be driven by SABIC posting profit compared to losses in the previous quarter due to one-off items worth SAR 1.9bn. However, multiple shutdowns during the quarter are expected to weigh on topline and earnings. Moreover, this will be the first quarter after feedstock price hikes by Aramco. We do not expect the impact of hike to be reflected completely in Q1-24 due to existing average low cost inventories. The sector is expected to see the impact of delays in shipments during the quarter due to the Red Sea issue and it is likely to affect the topline. Also, an increase in shipping costs is expected. Overall, we see sector margins to remain under pressure sequentially.

Manufacturing activity in China continued to improve during the quarter reaching the highest level in more than a year. The US also showed some improvement lately recording first expansion in several month. However, Eurozone manufacturing sector continues to struggle. The Caixin manufacturing PMI for China rose to 51.1 in March from 50.9 in February, while US ISM manufacturing PMI increase to 50.3 from 47.8. Eurozone remained in contraction zone with manufacturing PMI of 46.1 in March.

Crude oil (Brent) prices rose 13.6% in Q1-24. Average prices of feedstock naphtha increased 3.8% Q/Q in Q1-24 to USD 685/tonne. LPG feedstock average prices also followed the same trend, as propane and butane prices gained 2.7% Q/Q and 3.0% Q/Q to USD 627/tonne and USD 637/tonne, respectively.

Average quarterly prices of Urea fell 1.7% Q/Q in Q1-24, while ammonia prices plunged 32.8% Q/Q. Urea prices improved in January and February on account of restocking activity in some regions and short covering. However, the average prices for the quarter remained below the previous quarter. Ammonia prices were impacted by lack of demand. The average prices of VAM increased 9.5% Q/Q aided by tightening of supply and slight improvement in demand. Average prices of EVA declined by 2.6% Q/Q. Acetic acid (AA) prices were under pressure (-5.3% Q/Q) due to upcoming additional supplies. Polycarbonate (PC) prices edged down by 2.0% Q/Q; demand from China remained weak while supply was abundant. MEG (Asia) increased 12.0% Q/Q on expectations of recovery in demand from China amid reduction in MEG inventory at East coast of China. However, MEG (SABIC) decreased 4.9% Q/Q. MTBE prices inched lower by 0.9% Q/Q due to flattish demand during the quarter. Methanol prices gained 3.6% Q/Q in Q1-24 attributable to tight supply due to delay in start-up of Methanex facility and shutdown at some other plants. Among PE grades, average LDPE prices rose 5.5% Q/Q, while LLDPE and HDPE prices increased 2.6% and 0.4%, respectively. PP-Asia prices rose 1.2% Q/Q.

SABIC is estimated to post a net profit of SAR 424mn in Q1-24 vs. a loss of 1.7bn in Q4-23, as the previous quarter included a one-off loss of SAR 1.9bn related to different impairments, provisioning, and write-offs. Also, there was an impact of plant shutdown in the last quarter. **SABIC Agri-Nutrients'** earnings are expected to decrease 9.5% Q/Q to SAR 885mn, as the bottom line will bear an impact from plunge in ammonia prices and slight decline in Urea prices coupled with shutdown at Plant 3. **YANSAB** is forecast to post better results with net income growing to SAR 37.1mn (+101% Q/Q) primarily driven by ramp up in production post maintenance. However, we expect the ramp up to be slow. The company's top line is anticipated to be affected by delays in shipments amid the Red Sea problem, given its location in the west. Moreover, YANSAB will also see some impact of feedstock price increase. **KAYAN** is estimated to slightly reduce its losses to SAR 597.9mn in Q1-24 from a loss of SAR 622.1mn in Q4-23, as we see slight improvement in margin. Nevertheless, the company's production is still suffering from a fire incident that occurred in an operating unit of the Bisphenol Plant (total impact of ~SAR 443mn – spanned from Q3-23 to H1-24). **Sipchem's** net profit is estimated to decrease 4.6 Q/Q to SAR 151.3mn mainly due to a 22days plant shutdown at Al Waha plant. However, the company will witness some positive momentum from improvement in prices of key products such as VAM and methanol. **Advanced Petrochemical** is likely to register a dop of 87.8% Q/Q in net profit to SAR 2.8mn due to plant maintenance of almost one month and higher losses from associate SK Advanced (estimated at SAR 25.5mn) on account of higher feedstock costs. The company's margins are likely to remain stable Q/Q. **Alujain** is forecasted to post a net profit of SAR 3.6mn vs. net loss of SAR 132.8mn in the previous quarter, as the company delayed shipping of 40,000 tons last quarter that may be recognized in Q1-24. It will also benefit from an increase in PP prices in Europe. **Tasnee's** net income is estimated at SAR 57.3mn compared to a loss of SAR 17.1mn, as the previous quarter included one-off expenses worth ~SAR 94mn. However, the company's earnings will be curtailed by feedstock price increase and plant maintenance.

Telecom Sector: Moderate revenue growth; net income to decline due to higher base owing to one-off gains in Zain KSA in Q1-23

The earnings for the telecom sector are estimated to decline 11.9% Y/Y in Q1-24 as earnings for Q1-23 include a one-off gain worth SAR 566mn on sale of tower assets by Zain KSA. Excluding the one-off, net profit for the sector is expected to grow 2.1% Y/Y. The sector's topline is expected to grow 3.7% Y/Y, slowing down a bit due to pressure in STC Enterprise business unit. Whereas Mobily and Zain KSA are expected to see growth in the B2B segment. The GP margin for the sector is likely to remain steady at 53.1% compared with 53.0% in Q1-23. **STC** is forecast to register a net income of SAR 3.0bn, down 3.6% Y/Y with revenue growth of 3.0% Y/Y, higher operating expenses and finance expenses are estimated to weigh on the bottom line. **Mobily's** net income is expected to jump 26.0% Y/Y to SAR 586mn driven revenue growth of 5.2% Y/Y and improved operating efficiency. **Zain KSA's** net profit is estimated to drop to SAR 60mn (-89.3% Y/Y), as Q1-23 results included one-off gains worth SAR 566mn from sale of tower assets. The company's revenue is forecasted to grow 6.5% Y/Y but the increase in OPEX due to expenses related to leaseback of towers and higher finance cost are likely to exert pressure on net income. On a Q/Q basis, the telecom sector is expected to register a 9.9% growth in net income driven by 31.8% Q/Q growth in STC's net income from a weaker Q4-23 in terms of revenue and margins, partially offset by decline in Mobily (-21.5% Q/Q; due to positive impact of reversal of contingent liabilities in Q4-23) and Zain KSA (-79.6% Q/Q; due to gains related to sale of towers and stake in tower company).

Cement Sector: stronger top-line amid higher ASP, added to a diluted impact of feedstock on margins are expected to drive a strong growth of 32.8% Y/Y in earnings

We expect companies under our coverage to post combined revenues of SAR 2.15bn, an increase of 9.0% Y/Y, and a combined net profit of SAR 694.9mn, an increase of 32.8% Y/Y and 74.6 Q/Q. This Y/Y expected improvement in earnings is mainly due to the higher average selling prices (ASP). Selling prices are expected to average around SAR 211 per tonne during Q1-24 for the sector, an increase of 17% Y/Y and 32% Q/Q. As the impact of feedstock hikes on the companies in the sector is expected to be diluted by the accumulated inventories produced at lower cost; we expect to see a marginal impact with a gradually increasing production costs in the coming quarters. **Yamama Cement** is expected to post a net profit of SAR 131.0mn, an increase of 16.6% Y/Y; due to a strong margin resulting from higher ASP, despite the decline a 23% decline in volume sales. ASP are expected to come around SAR 211.4 per tonne, while GP margin is expected to be as high as 54.3%. **Qassim Cement** is estimated to post a net profit of SAR 87.4mn, an increase of 59.1% Y/Y, mainly due to a higher top-line amid improved ASP. Meanwhile, the GP margin is expected to reach around 44%; thanks to the higher ASP. **Yanbu Cement** is expected to post a net profit of SAR 72.7mn, an increase of 41.6% Y/Y; due to higher top-line and stronger margins. Yanbu's GP margin is expected to expand by 528bps Y/Y, as a result of the higher ASP, higher local sales and lower contribution from exports. **Arabian Cement** is expected to post a SAR 84.0n net income in Q1-24, a significant increase of 70.9%% Y/Y, mainly due to higher ASP. Cost per tonne is expected to be lower on yearly basis, due to the inflated base. We expect **Southern Cement** to be a main beneficiary of eased competition and improved ASP in the sector, and to post earnings of SAR 69mn, up 41.5% Y/Y. We estimate a GP margin for Southern at 34.8% compared to 23.7% in Q1-23.

Retail: Profitability to remain strong with exception of SACO which are likely to report losses in Q1-24

The POS sales increased 15.5% Y/Y in Jan-Feb 2024 to SAR 107.5bn, while the POS transactions increased 23.8% Y/Y to 1,635.9mn. E-commerce sales using MADA cards were up 23.92% Y/Y. **Leejam** is expected to post earnings of SAR 83.8mn (+33.7% Y/Y) in Q1-24 compared to SAR 62.7mn in Q1-23. Revenue is expected to grow by 19.4% Y/Y in Q1-24, due to the opening of new facilities. **AlOthaim's** net profit is expected to increase by 24.8% Y/Y in Q1-24 to SAR 149.8mn, due to stronger margins and higher topline on account of store expansions. **Bindawood** would see a 52.0% Y/Y growth in Q1-24 net income to SAR 79.4mn due to an 8.8% Y/Y increase in revenues and 200bps expansion gross margins due to increase in religious tourism and better negotiations with suppliers. **Extra** is forecasted to record a 22.5% increase in net income supported by 5.6% Y/Y growth in revenues driven by an increase in Tasheel loan book and e-commerce sales. **Americana** would continue to be impacted by the issue in the Middle East and report a 39.4% Y/Y drop in net profits despite lower selling, distribution and admin expenses, due to 16.1% Y/Y decline in revenues. **SACO** is estimated to record a loss of SAR 16.8mn in Q1-24 as compared to net loss of SAR 16.5mn in same period last year, decline is owed to continued pressure on gross margins and slower demand due to which revenues are expected to drop by 7.4% Y/Y.

Healthcare Sector: Seasonality in favor of the sector, patient volumes remain upbeat, cost-cutting and efficiency initiatives butting heads with expansions cost

Healthcare providers are expected to record a revenue growth of 13.3% Y/Y and a net increase of 15.7% Y/Y, as a result of increased patient volumes, healthcare inflation, and capacity expansions over the same period last year. **HMG** is forecasted record a net income of SAR 552.8mn (up 5.3% Q/Q and 13.0% Y/Y) with a slight contraction in GP margins as HMG faces a total of 6 greenfield and brownfield expansions in FY24 with Jeddah launching end of Q1-24. **Care** is expected to record a bottom line of SAR 70.0mn (up 10.3% Q/Q and 24.4% Y/Y) as their capacity increased since Q1-23 with an exposure in Makkah; which we expect should experience supportive volumes during the final stretch of the quarter as a result of the Holy Month of Ramadan. We expect **Dallah** to be positioned to record a net income of SAR 109.1mn (down 4.0% Q/Q and up 15.3% Y/Y) as it maintains its momentum in patient volumes. We are watching over increased professional fees ahead of two potential acquisitions and an increase in capital. Our net income forecast for **MEH** is SAR 70.4mn, a 92.8% growth Q/Q and 40.5% Y/Y. While late collections pressured the previous quarter's cost profile, we expect MEH to edge towards normality as payments were collected early in the quarter. Hiring and financial costs remain a theme for this quarter on MEH, along with operational efficiency initiatives at play. **Mouwasat's** bottom line is expected to reach SAR 207.6mn (up 12.7% Q/Q and 24.6% Y/Y) while revenue edges down sequentially lower, slightly. **Hammadi's** lackluster revenue attraction is expected to carry forward for the quarter to punctuate at a net income of SAR 75.5mn (up 15.8% Y/Y and down 7.3% Q/Q).

Software & Services, and Media: S&S sector to maintain its growth over the last year; segment exposures to vary sequential results among the sectors. AlArabia to kick off a key project, reshaping its financials

Elm is forecasted to reach a bottom line of SAR 377.7mn, growing by 16.7% Q/Q and 17.1% Y/Y as Elm comes off an OPEX heavy previous quarter and into a Q1-24 with more favorable GP and OPEX margins. As for **Solutions** we forecast a bottom line of SAR 353.5mn up 16.4% Y/Y and 118.2% Q/Q as we do not consider the one-off effect of the previous quarter a running theme at Solutions. Giza's contribution momentum is expected to remain in effect. **2P** is also expected to record a net income of SAR 32.4mn (+23.7% Y/Y and -16.4% Q/Q) due to an expanded backlog, while margins are expected to remain at normal levels while the firm kicks off its new business lines. As for the media sector, **AlArabia** is forecasted to post SAR 89.7mn, recording a growth of 13.0% Q/Q and a decline of 1.2% Y/Y as a result of the Riyadh project taking place for a full Q1-24.

Tourism and Transportation Sectors: Robust top line and bottom line growth driven by growing air traffic and tourist activity

The miscellaneous sector's combined net profit is estimated to grow 18.4% Y/Y to SAR 496mn in Q1-24 from SAR 419mn in Q1-23. The net income growth would be led by strong growth expected in SAL, SGS and Catrion. The revenue growth is forecasted to be at 18.8% Y/Y driven by ongoing momentum in no. of visitors and air traffic. **Catering's** earnings are expected to jump 30.4% Y/Y to SAR 74.5mn in Q1-24 attributable to revenue growth of 10.1% Y/Y, higher operating margin, and finance income. **SGS** is estimated to post 36.6% growth in net profit to SAR 54.7mn on the back of 15.0% Y/Y growth in revenue. **Seera's** net income is expected to witness a 10.1% growth to SAR 61.1mn in Q1-24, mainly led by robust growth in Ticketing as well as Tourism segment revenue, further helped by Transportation. **Theeb's** net profit is estimated to decline 19.0% Y/Y to SAR 34.3mn, despite an 11.3% increase in topline due to pressure on gross margin owing to short term fleet utilization, higher OPEX and increased finance cost. **Budget Saudi's** net profit is expected to edge up by 1.6% Y/Y to SAR 70.4mn, as revenue growth of 18.1% Y/Y is likely to be partially offset by lower GP margin. **Lumi** is estimated to see a modest growth of 5.5% Y/Y in net profit to SAR 53.2mn with a topline growth of 15.0% Y/Y, as general and administrative and finance expenses are expected to be higher. **SAL** is expected to deliver 41.9% Y/Y growth in earnings to SAR 148.1mn due to healthy revenue growth of 15.6% and better margin on account of higher pricing amid the impact of the Red Sea Issue. On a Q/Q basis, sector earnings are estimated to fall 18.0% majorly due to a decline in Seera and SAL's bottom line, as Seera recorded one-off gain SAR 97mn in Q4-23 and SAL's gross margins were exceptionally high in Q4-23.

Code	Company Name	Forecasted-Revenue Q1-24	Forecasted-Net Profit Q1-24	Forecasted-EPS Q1-24	Forecasted- Q/Q growth	Forecasted- Y/Y growth	Forecasted-EPS FY24	Prospective PE-FY24
				Banks				
1120	Bank Alrajhi	5,691	4,380	1.10	5.0%	5.7%	4.77	17.7
1150	Bank Alinma	2,107	1,347	0.67	2.0%	38.9%	2.61	16.8
1140	Bank Albilad	1,045	616	0.62	1.5%	10.0%	2.58	18.5
				Telecommunication Services				
7010	STC	18,725	2,998	0.60	31.8%	-3.6%	2.60	14.8
7020	Mobily	4,262	586	0.76	-21.5%	26.0%	3.30	15.9
7030	Zain	2,580	60	0.07	-79.6%	-89.3%	0.33	38.8
				Consumer Staple				
4001	Al Othaim	2,872	149.8	0.17	-7.3%	24.8%	0.48	26.5
4161	Bindawood	1,503	79.4	0.07	-33.5%	54.2%	0.26	34.6
				Consumer Discretionary				
4190	Jarir	2,898	261.4	0.22	-4.3%	5.5%	0.86	17.0
4008	SACO	223	(16.8)	-0.47	NM	NM	0.33	HIGH
4003	Extra	1,519	103.5	1.36	-17.3%	22.5%	5.80	17.0
6015	Americana	1,855	132.1	0.02	7.5%	-39.4%	0.26	13.2
				Materials				
2010	SABIC	36,095	424	0.14	NM	-35.4%	2.77	31.1
2060	TASNEE	954	57.3	0.09	NM	-30.2%	0.59	25.2
2290	YANSAB	1,497	37.1	0.07	100.7%	NM	1.05	38.6
2020	SABIC AGRI-NUTRIENTS	2,633	885.0	1.86	-9.5%	-9.7%	6.71	18.5
2310	Sipchem	1,832	151.3	0.21	-4.6%	-67.8%	1.46	23.9
2330	Advanced	462	2.8	0.01	-87.0%	-93.0%	1.36	33.0
2350	Saudi KAYAN	2,062	(597.9)	-0.40	NM	NM	-0.60	NEG
2170	ALUJAIN	514	3.6	0.05	NM	NM	1.38	31.3
1211	MA'ADEN	7,418	734.5	0.20	-17.5%	75.1%	0.78	HIGH
				Cement				
3020	Yamamah Cement	287	131.0	0.65	148.4%	16.6%	2.30	15.0
3030	Saudi Cement	460	140.8	0.92	35.7%	13.7%	3.51	13.4
3050	Southern Cement	261	69.2	0.49	-6.8%	41.5%	2.04	19.8
3040	Qassim Cement	211	87.4	0.97	113.7%	59.1%	3.39	17.4
3010	Arabian Cement	263	84.0	0.84	156.4%	70.9%	2.48	13.2
3060	Yanbu Cement	247	72.3	0.46	368.3%	41.6%	1.68	17.7
3003	City Cement	135	48.6	0.35	89.2%	76.3%	1.08	19.2
3080	Eastern Cement	289	61.6	0.72	23.6%	10.8%	2.43	14.5
3092	Riyadh Cement	192	81.6	0.68	NM	NM	2.54	40.6
				Health Care				
4007	Hammadi	293	75.5	0.47	15.8%	-7.3%	2.15	30.0
4002	Mouwasat	760	207.6	1.04	12.7%	24.6%	3.50	36.0
4005	Care	317	70.0	1.56	10.3%	24.4%	5.65	36.5
4004	Dallah	812	109.1	1.12	-4.0%	15.3%	2.75	HIGH
4013	Sulaiman Al Habib	2,615	552.8	1.58	5.3%	13.0%	6.39	HIGH
4009	Saudi German	740	70.2	0.76	92.5%	40.1%	2.66	40.6
				Consumer Services				
1810	SEERA	999	61.1	0.20	-44.0%	10.1%	0.89	31.9
1830	Leejam	331	83.8	1.60	-34.8%	33.7%	8.24	26.1
				Food & Beverage				
2280	AlMarai	5,249	618.4	0.62	66.0%	-2.6%	2.46	23.0
				Transportation				
4260	Budget	353	70.4	0.99	6.5%	1.6%	4.05	20.6
4261	Theeb	293	34.3	0.80	-3.5%	-19.0%	3.47	19.4
4262	Lumi	315	53.2	0.97	107.5%	5.5%	4.18	21.5
4263	SAL	393	148.1	1.85	-18.0%	41.9%	7.91	31.1
4031	Saudi Ground Services	648	54.7	0.29	-11.2%	36.6%	1.21	41.2
				Commercial & Professional Services				
6004	Catering	575	74.5	0.91	7.2%	30.4%	3.52	37.2
1833	Al Mawarid Manpower	353	24.2	1.6	14.2%	9.4%	6.6	19.1
				Software & Services				
7203	Elm	1,559	377.7	4.72	16.7%	17.1%	21.30	HIGH
7202	Solutions	3,012	353.5	2.95	118.2%	16.4%	11.10	33.0
7204	2P	311	32.4	0.22	-16.3%	23.7%	1.22	26.6
				Media and Entertainment				
4071	ALARABIA	446	89.7	1.80	13.0%	-1.2%	9.00	23.4

Source: AlJazira Capiral, Tadawul. Prices as of 3rd of April 2024, NM: Not meaningful

الجزيرة كابيتال
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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