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Forecasts Report
Saudi Stock Market | Q3-2024

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Forecasts Q3-24: Earnings (ex-Aramco) to surge 42.1% Y/Y with Petrochemicals, MA'ADEN, and Banks being key contributors; Retail and Telecom sectors to lead Q/Q improvement

We present Q3-24 forecast for our coverage of **58 companies** across multiple sectors. The combined result of these companies (ex-Aramco) is estimated to surge 42.1% Y/Y to SAR 20.2bn backed by Petrochemicals and MAADEN returning to profit, and growth in our banking universe (+13.9% Y/Y). Petrochemicals sector is expected to record net profit in Q3-24, as compared to the loss recorded in Q3-23 driven by losses from SABIC's Hadeed sale and asset impairments; while MAADEN would be back in profit due to increase in prices of gold, ammonia and DAP. For our banking universe, the earnings growth is likely to be driven by healthy loan growth along with margin expansion. On the other hand, Telecom sector's earnings are anticipated to fall 24.8% Y/Y due to one-off gains in STC and Zain KSA a year ago. On a sequential basis, earnings of the companies under our coverage (ex-Aramco) are forecasted to marginally rise by 0.9%, mainly due to 65.3% growth in Retail and 5.6% growth in Telecom, and despite a fall of 18.6%Q/Q in Petrochemical.

In Q3-24, crude oil prices were consistently under pressure as brent crude declined 16.9% from Q2-24's end. On a Y/Y basis, oil plunged 24.7%. During the quarter, sluggish demand outlook, specifically weakening demand from China, weighed on the prices. Moreover, expectations of increase in supply post OPEC+'s announcement to roll back productions cuts gradually starting from December 2024 added to the pressure. However, heightening of geopolitical tensions amid ongoing conflicts in the Middle East and the US Fed announcing its first rate cut in four years provided occasional support to the oil prices but that was not sufficient to hold the prices from falling further. Thus, prices declined from above USD 87 per barrel in July to as low as below USD 70 per barrel in September. On average, brent crude prices stood at USD 78.7 per barrel in Q3-24, down 7.4% from USD 85.0 per barrel in Q2-24.

Saudi Arabia's GDP contracted 0.3% Y/Y in Q2-24 (vs. a decrease of 1.7% Y/Y in Q1-24) mainly due to 8.9% decline in oil GDP amid lower production. However, accelerated growth in non-oil GDP (4.9% in Q2-24 vs. 3.4% in Q1-24) supported the economy; government activities also rose 3.6% compared to 2.0% in Q1-24. The manufacturing Purchasing Managers' Index (PMI) increased to 54.8 in August from 54.4 in July. Although PMI numbers for July and August showed slowing momentum vis-à-vis recent trends, it indicated continued expansion in non-oil private businesses with healthy job creation. The Industrial Production Index rose 1.6% in June, first increase this year, led by growth in manufacturing and utilities. Money supply rose 1.3% M/M and 8.7% Y/Y in August 2024. Total deposits increased 8.7% Y/Y driven by 9.0% Y/Y growth in demand deposits in August. On a M/M basis, time and saving deposits as percentage of total deposits decreased to 34.7% in August from 35.2% in July due to increase in proportion of demand deposits. Consumer spending increased 4.8% Y/Y with the value of POS transactions growing 7.1% Y/Y in August. Consumer inflation in Saudi Arabia was at 1.6% in August, slightly higher than 1.5% July.

Saudi equity market gained 4.7% Q/Q in Q3-24 with TASI ending the quarter at 12,226. Utility sector topped the quarterly leaderboards with the highest gain recorded in Q3-24 at 31.4% Q/Q; followed by Software & Services (+23.3%). On the other hand, Insurance sector (-3.8%) and Transportation (-2.7%) recorded the largest losses for the quarter. The US Federal Reserve started its monetary easing with the first rate cut in 4 years and Saudi Central Banks followed the same route by slashing 50 bps cut in September. Equity valuations were supported by the interest rate cut and expectations of more cuts going forward. Moreover, continuously improving non-oil sector activity is likely to have eased pressure on equities due to weakening oil outlook.

Energy: Lower oil prices and impact of offshore rig suspensions to drag earnings

The combined net income of Energy sector companies under our coverage is estimated to decline 7.4% Q/Q to SAR 98.5bn mainly driven by decline in **Aramco's** bottom line. We expect Aramco's net profit to fall to SAR 98.2bn (-7.5% Q/Q) on account of 7.6% decline in average crude oil prices in the quarter. Moreover, refining margins are also anticipated to remain under pressure. **ADES's** net income is estimated to fall 4.1% Q/Q to SAR 190mn due to 1.7% Q/Q decrease in revenue impacted by rig suspensions, and higher finance expenses. **Arabian Drilling** would register net profit of SAR 104mn in Q3-24 compared to SAR 20mn in Q2-24, as the previous quarter included one-off impairment worth SAR 105mn. One additional suspension of an offshore rig in Q3-24 is expected to impact the company's revenue (-7.4% Q/Q) and earnings.

Banking: Balance sheet expansion and margin improvement to drive 13.9% Y/Y growth in earnings in Q3-24 for banks under our coverage:

The US Federal reserve cut federal funds rate range by 50bps to 4.75-5.0 in Q3-24, the decision was taken on the back of moderating inflation and weakening of the labour market. SAMA, given the pegged exchange rate system, also slashed repo and reverse repo rates by 50bps to 5.5% and 5.0% in Q3-24. According to CME FedWatch, there is a 97% probability of 25bps cut in November policy meeting.

For our banking universe (ALRAJHI, ALINMA and ALBILAD), our estimate for loan growth in Q3-24 is 7.2% Y/Y (+0.9% Q/Q) with Alinma leading at 13.0% Y/Y and 0.6% Q/Q increase in loans. We expect **AlRajhi** to post a loan growth of 6.3% Y/Y and 1.0% Q/Q respectively, due to improvement in mortgage financing business (new average mortgage issuances increased by 8.8%Y/Y in July-Aug24). On a cumulative basis deposit growth for banks under our coverage is expected at 11.2% Y/Y and 0.9% Q/Q. **Alinma** will lead on the deposits front, with a 14.6% Y/Y (0.6% Q/Q) increase in deposits, followed by Alrajhi and Albilad at 11.2% Y/Y (1.0% Q/Q) and 5.8% Y/Y (0.6% Q/Q) respectively.

In terms of profitability, we expect **AlRajhi** to outperform its peers with a 15.9% Y/Y increase in bottom-line in Q3-24, to SAR 4,818mn. The increase is owed to the robust balance sheet expansion (total deposits up 11.2% Y/Y in Q3-24), improvement in NIMs. We forecast **Albilad** to post net income growth of 10.1% Y/Y in Q3-24 to SAR 678mn. For **Alinma** we estimate a 9.2% Y/Y growth in net profit in Q3-24 to SAR 1,446mn.

Saudi Petrochemical Sector: Lower product prices and margins along with certain one-offs in the last quarter to lead to a decline in earnings

Saudi Petrochemical sector's earnings in Q3-24 are forecasted to fall by 18.6% Q/Q to SAR 2,518mn. The Q/Q drop in the bottom line would be driven by lower prices for most of the products and reduction in margin, as feedstocks were relatively steady with propane unchanged Q/Q and butane falling by 2.3% Q/Q. Moreover, the previous quarter included positive effects from one-offs for SABIC, YANSAB and KAYAN. The decline in the sector's earnings will be led by **SABIC**. On the other hand, **SABIC Agri-Nutrients** and **Sipchem** are expected to register sequential growth in earnings, while **KAYAN** would reduce its losses slightly.

Manufacturing activity in major economies was subdued during Q3-24. China's manufacturing activity deteriorated after showing some positive signs in the previous quarter. On the other hand, US and Eurozone continued to show contraction in manufacturing sector. The Caixin manufacturing PMI for China fell to 49.3 in September from 50.4 in August with new orders declining the most in the past two years, while US ISM manufacturing PMI was unchanged M/M at 47.2. Eurozone remained in a contraction zone with the manufacturing PMI of 45.0 in September vs. 45.8 in August, a 9-month low.

Crude oil (Brent) prices plunged 16.9% in Q3-24. Average prices of feedstock naphtha fell by 1.8% Q/Q in Q3-24 to USD 676/tonne. Among LPG feedstocks, average prices of propane were unchanged Q/Q at USD 592/tonne, while average butane prices fell 2.3% Q/Q to USD 577/tonne.

Average quarterly prices of **Urea** jumped 11.5% Q/Q in Q3-24, as demand from India and production cuts in Egypt kept the prices firm. However, overall global demand dynamics remained sluggish. **Ammonia** prices were up 19.8% Q/Q due to tight supply amid natural gas supply curtailments in some regions. The average prices of **VAM** declined further by 10.9% Q/Q due to persistent weak demand and ample supply. Average prices of **EVA** also fell 6.6% Q/Q on lack of any pickup in demand. **Acetic acid (AA)** prices fell 3.1% Q/Q amid weak downstream demand. **Polycarbonate (PC)** prices averaged slightly higher in Q3-24, rising 0.7% Q/Q. **MEG (Asia)** prices rose 4.6% Q/Q, gaining support from limited supply in Asia and stimulus package in China. However, **MEG (SABIC)** inched down 1.2% Q/Q. **MTBE** prices slipped 14.3% Q/Q, impacted by weaker gasoline demand despite peak driving season. **Methanol** prices decreased 3.9% Q/Q weighed down by weak seasonal demand and muted industrial activity in China affecting downstream demand. Among PE grades, average **LDPE** prices rose 3.7% Q/Q, while **HDPE** and **LLDPE** prices decreased 4.0% and 1.1%, respectively. **PP-Asia** prices fell 2.4% Q/Q due to subdued demand in Asia, particularly in India amid the Monsoon season.

SABIC's net profit is estimated to decline 33.6% Q/Q to SAR 1,450mn in Q3-24, as previous quarter included reversal of zakat provisions worth SAR 545mn. Moreover, lower product prices as well as margin are also likely to weigh on the company's earnings. **SABIC Agri-Nutrients'** earnings are expected to jump 24% Q/Q to SAR 874mn driven by increase in prices of Urea and Ammonia, even though volumes are anticipated to be lower sequentially because Q2-24 included volumes from delayed shipments in Q1-24. **YANSAB** is estimated to post net income of SAR 178mn (-21.0% Q/Q), as margins are expected to be under pressure and previous quarter had a positive effect from zakat adjustments worth SAR 24.5mn. **KAYAN's** losses are estimated to reduce slightly to SAR 248mn in Q3-24 from a loss of SAR 250mn in Q2-24, as positive impact of 2 PC lines being fully operational will be offset by one-off gain of SAR 130mn from insurance claims in Q2-24. **Sipchem's** net profit is anticipated to increase 44% Q/Q to SAR 175mn, despite lower product prices, primarily on account of higher volumes after three plant shutdowns in the previous quarter. **Advanced Petrochemical** is likely post 29%Q/Q drop in net profit to SAR 29.5mn due to decline in PP prices coupled with lower margin. However, SK Advanced is estimated to reduce losses to SAR 28.5mn.

Telecom Sector: Earnings to decline as Q3-23 included one-off gains for STC and Zain KSA, GP margin under pressure partially offset by controlled OPEX

The earnings for the Telecom sector are estimated to declined 24.8% Y/Y in Q3-24 to SAR 4.3 bn. The sector's topline is expected to increase 6.1% Y/Y on account of ongoing healthy expansion of B2B business amid digitization across large corporates and SMEs, and growing demand in Consumers segment. The GP margin for the sector is anticipated to remain under pressure with a contraction of ~360 bps to 54.0% , as compared to 57.5% in Q3-23, as STC's low margin subsidiary business and Zain KSA and Mobily's growing contribution from B2B segments are likely to weigh in on GP margin. **STC's** net income is estimated to decrease 26.8% to SAR 3.6bn, as Q3-23 results included SAR 1.3bn gain from sale of land. The company's revenue growth is estimated at 6.0% Y/Y, while lower GP margin would be offset by a decrease in OPEX. Higher finance expenses are also likely to impact the bottom line. **Mobily** is forecasted to post a 20.6% Y/Y growth in net income to SAR 632mn driven by 8.0% Y/Y jump in revenue and steady operating margin despite narrowing GP margin. Furthermore, a drop in finance expenses will also assist the net income expansion. **Zain KSA's** net profit is estimated to decline to SAR 75mn (-73.5% Y/Y), as Q3-23 included a one-off gain worth SAR 139mn from tower sales and leaseback agreements. Excluding the one-off, earning are anticipated to be affected by higher OPEX. On a Q/Q basis, the telecom sector is expected to register an increase of 5.6% attributable to better GP as well as operating margins.

Cement Sector: To post 85%Y/Y growth in net income during Q3-24, supported by improved volumetric sales and average selling prices.

We expect companies under our coverage to post revenues of SAR 2.27bn, an increase of 37.5% Y/Y, and a combined net profit of SAR 571mn, posting an increase of 85% Y/Y and an increase of 15.0% Q/Q. driven by improved volumetric sales and average selling prices. Cement companies recorded volumetric sales of 8.2MT in the first two months of Q3-24, growing by 4.7%Y/Y due to improved construction activities. Furthermore, The Y/Y projected increase in average selling prices (ASP) was a response to the feedstock cost hikes, and the low price base in Q3-23 caused by price wars. Average selling prices in the sector are expected to average around SAR 186.4 per tonne during Q3-24, compared to SAR 191.6 in Q2-24 due to the seasonal impact, but above SAR 175.1/tonne recorded in Q3-23. **Qassim Cement** is expected to post a net profit of SAR 103.0mn, compared to SAR 8.0mn in Q3-23; due to stronger margins resulting from higher average prices, and the acquisition of Hail cement. Average prices for Qassim cement are expected to come around SAR 188 per tonne, while GP margin is expected to be as high as 36.3%, up from 11.8% in Q3 2023. **Yamama Cement** is estimated to post a net profit of SAR 97.5mn, a significant increase of 139% Y/Y, mainly due to a higher top-line amid improved average price, despite the expected drop in volumes by 22.3%. **Eastern Cement** is expected to post a net profit of SAR 60.9mn, an increase of 49% Y/Y; due to better margins caused by improved pricing. **City Cement** is expected to post a SAR 36.1mn net income compared to SAR 4.4mn in Q3-23, mainly due to improvement in volume sales and average selling prices. We expect **Southern Cement** to be the only Y/Y laggard in our coverage, posting a net income decline of 15% to SAR 44.9mn, as we expect volumes to decline, despite margins enhancement.

Retail: Expansions to support double digit earnings growth in Saudi retail sector in Q3-24; however, SACO is likely to post small loss

The POS sales increased 7.1% Y/Y in Aug 2024 to SAR 58.5bn, while the POS transactions increased 13.6% Y/Y to 899.2mn. E-commerce sales using MADA cards were up 22.0% Y/Y. **Leejam** is expected to post earnings of SAR 112.4mn (+21.9% Y/Y) in Q3-24 compared to SAR 92.2mn in Q3-23. Revenue is expected to grow by 11.1% Y/Y in Q3-24, due to Saudi national day offers and new branch openings, however gross margins are expected to edge down 130bps Y/Y to 44.6% as new centers will take time to ramp up. **Extra** is forecasted to record a net income of SAR 121.6mn (2.8%Y/Y growth), supported by 10.7% Y/Y growth in revenues driven by an increase in Tasheel loan book and e-commerce sales. **Almarai** is expected to post earnings growth of 20.1% Y/Y in Q3-24, on the back of 6.9% Y/Y increase in revenues from poultry and dairy & juice segment and improved gross margins. **Almunajem** is forecasted to deliver a net income of SAR 72.7mn up 18.9% Y/Y driven by 5.3% Y/Y growth in revenues and margin expansion. **AlOthaim's** net profit is expected to drop by 14.5% Y/Y in Q3-24 to SAR 71.4mn, driven by 5.8% Y/Y increase in revenue on the back of the robust store expansions. **Bindawood** is estimated to see a 10.8% Y/Y increase in Q3-24 net income to SAR 38.7mn owed to 60bps Y/Y improvement in gross margins; revenue growth is expected remain stagnant in Q3-24. **Americana** would continue to be impacted by the issue in the Middle East and is forecasted to report a 22.9% Y/Y drop in net profits, due to 7.9% Y/Y decline in revenues, despite lower selling, distribution and admin expenses.

Healthcare Sector: Supported Q/Q by seasonal factors; hospital expansion ramp ups remain at play across the sector

Healthcare providers are expected to face a more favorable quarter as compared to Q2 which was burdened by Eid holidays, Ramadan, and summer school breaks. **HMG** is forecasted to report a net income of SAR 577.8mn (up 6.1% Y/Y and 4.1% Q/Q), while it ramps up Jeddah and Riyadh's new facilities at the cost of margin pressures. **Dallah** is expected to record a net income of SAR 125.9mn (up 27.3% Y/Y and 12.5% Q/Q), supported by gradual operational expansions in Namar, as well as patient volumes. **MEH** is forecasted to recording a bottom line of SAR 52.7mn (down 1.1% Y/Y, and 13.8% Q/Q as it compares to a previous period with one off capital gain). MEH is expected to face heightened finance costs from its Sukuk issuance. **Care** expected to record a net income of SAR 69.7mn; down -5.0% Y/Y from a period supported by ECL reversals, and up only 0.3% Q/Q as Q2 came with Zakat reversals. Minor support from mental health facility expected, along with increased professional fees. **Hammadi** is expected to record a bottom line of SAR 63.4mn; down 15.4% Y/Y, and 46.2% Q/Q as the previous quarter benefited from a non-recurring income from its land sale. Hammadi's GP margin challenges are expected to carry onto the quarter, with minor improvements in patient volumes. **Mouwasat** is forecasted to report a bottom line of SAR 163.8mn (up 4.7% Y/Y and 7.3% Q/Q) as it ramps up its new Madinah long term care facility. **Fakeeh** is expected to record a net income for the quarter of SAR 62.3mn (down 21.8% Y/Y, and up 31.2% Q/Q) as it ramps up its Riyadh facility with the absence of finance income.

Software & Services, and Media: S&S sector to benefit from more activity in H2-24. While AlArabia comes off a seasonally burdened Q2.

Elm is forecasted to reach a bottom line of SAR 454.5mn; up 36.0% Y/Y, and down 6.5% Q/Q as the previous quarter benefited by one offs. As for **Solutions** we forecast a bottom line of SAR 400.8mn (up 3.7% Y/Y, and down 11.5% Q/Q as the previous quarter was supported by gains of a sell-off of one of its non-core businesses). Results are expected to be driven by delayed project conversions from government clients, as well as its backlog. **2P** is expected to record a net income of SAR 49.2mn (up 46.4% Y/Y and down 16.4% Q/Q) supported by contract awarding activates, and a SAR 7.5mn income from a compensation from an expropriated property. **AlArabia's** is forecasted to record SAR 65.0mn (up 3.3% Y/Y and 37.4% Q/Q) as it comes off a seasonally burdened Q2.

Tourism and Transportation Sectors: Rising air traffic, number of tourists, and cargo volumes, along with Budget Saudi's inorganic expansion to drive Y/Y growth

The Tourism and Transportation sector's combined net profit is forecasted to surge 23.9% Y/Y to SAR 536mn in Q3-24. The net income growth is likely to be fueled by SAL and SGS, followed by Seera and Budget Saudi. The revenue growth is forecasted to be at 21.7% Y/Y bolstered by ongoing momentum in Saudi tourism and transportation sector leading to growing demand across the related businesses. **Catrion's** earnings are expected to decline 11.7% Y/Y to SAR 81.6mn in Q3-24 mainly due to lower other income and higher G&A. The revenue growth is estimated at 6.5% Y/Y driven by an increase in the number of flights but partially offset by a decline in non-airline business amid loss of a few contracts. **SGS** is estimated to post 35.7% growth in net profit at SAR 81.3mn, increased number flights would drive revenue, while GP margin expansion and lower finance expenses would further assist earnings growth. **Seera's** net income is forecasted to jump 76.0% Y/Y to SAR 42.2mn in Q3-24, supported by a top line growth of 26.3% Y/Y. Moreover, GP margin contraction is expected to be offset by better operating efficiencies. **Theeb's** net profit is estimated to increase 29.8% Y/Y to SAR 44.6mn due to revenue growth of 13.8% Y/Y amid momentum in vehicle leasing and expansion of margin with expectation better utilization of fleet. **Budget Saudi's** net profit is expected to rise 24.4% Y/Y to SAR 89.0mn, as integration of newly acquired AutoWorld will boost revenue growth to 57.8% Y/Y. However, lower GP and operating margins and higher finance owing to addition of AutoWorld's debt would restrict the earnings growth. Lumi is estimated to post a net profit of SAR 37.9mn (+8.5% Y/Y) on the back of a revenue growth of 28.6% Y/Y but GP margin is likely to be under pressure due to lower margins on used vehicles sold and the post-IPO organizational structure along with the scaling of administrative functions to cater growing operations are increasing operating expenses. **SAL's** net income is forecasted to surge 37.9% Y/Y to SAR 159.9mn attributable to a robust revenue growth of 20.0% and margin expansion with anticipated higher cargo volume.

Code	Company Name	Forecasted-Revenue 3-24	Forecasted-Net Profit Q3-24	Forecasted-EPS Q3-24	Forecasted- Q/Q growth	Forecasted- Y/Y growth	Forecasted-EPS FY24	Prospective PE-FY24
				Energy				
2222	Saudi ARAMCO	430,895	98,249	0.41	-7.5%	-20.5%	1.66	16.3
2381	Arabian Drilling	870	104	1.17	414.1%	-25.9%	4.23	26.2
2382	ADES	1,499	190	0.17	-4.1%	126.8%	0.70	28.8
				Banks				
1120	Bank Alrajhi	6,103	4,818	1.20	2.5%	15.9%	4.77	17.6
1150	Bank Alinma	2,167	1,446	0.58	2.1%	9.2%	2.21	12.6
1140	Bank Albilad	1,120	678	0.54	1.1%	10.1%	2.16	17.5
				Telecommunication Services				
7010	STC	19,192	3,590	0.72	8.6%	-26.8%	2.64	16.1
7020	Mobily	4,428	632	0.82	-4.5%	20.6%	3.34	15.3
7030	Zain	2,626	75	0.08	-28.4%	-73.5%	0.32	33.6
				Consumer Staple				
4001	Al Othaim	2,581	71.4	0.08	65.0%	14.5%	0.53	22.0
4161	Bindawood	1,354	38.7	0.03	-46.7%	10.8%	0.26	29.1
4162	ALMUNAJEM	853	72.7	1.21	13.9%	18.9%	5.77	19.8
				Consumer Discretionary				
4190	Jarir	2,850	306.9	0.26	79.4%	3.6%	0.75	17.2
4008	SACO	229	(4.2)	-0.12	NM	NM	-0.45	NEG
4003	Extra	1,607	121.6	1.52	14.0%	2.8%	5.80	16.2
6015	Americana	2,265	236.8	0.03	21.6%	-22.9%	0.10	27.1
				Materials				
2010	SABIC	34,928	1,450	0.48	-33.6%	NM	1.92	38.6
2060	TASNEE	1,004	45.4	0.07	-14.1%	-42.0%	0.21	HIGH
2290	YANSAB	1,632	177.5	0.32	-21.0%	NM	1.32	31.9
2020	SABIC AGRI-NUTRIENTS	2,616	874.4	1.84	24.0%	-16.7%	6.59	18.0
2310	SIPCHEM	1,937	174.9	0.24	44.0%	-25.0%	0.93	30.9
2330	Advanced Petro	629	29.5	0.11	-29.0%	-34.6%	0.29	HIGH
2350	Saudi KAYAN	2,335	(248.1)	-0.17	NM	NM	-0.75	NEG
2170	ALUJAIN*	434	14.4	0.21	-1.7%	-9.8%	1.06	39.8
1211	MA'ADEN	7,483	1,070.7	0.29	4.6%	NM	1.11	45.2
				Cement				
3020	Yamamah Cement	293	97.5	0.48	15.2%	139.1%	2.01	15.1
3030	Saudi Cement	404	80.7	0.53	-7.6%	18.2%	2.41	17.1
3050	Southern Cement	228	44.9	0.32	49.7%	-15.7%	1.36	24.9
3040	Qassim Cement	319	103.0	0.93	41.4%	1180.7%	3.27	16.1
3010	Arabian Cement	227	30.3	0.30	5.0%	2.0%	1.52	16.4
3060	Yanbu Cement	197	30.0	0.19	-24.5%	93.0%	1.15	20.2
3003	City Cement	132	36.1	0.26	29.9%	716.7%	1.01	17.0
3080	Eastern Cement	280	60.9	0.71	0.7%	49.1%	2.90	11.1
3092	Riyadh Cement	190	87.3	0.73	35.6%	NA	2.44	10.9
				Health Care				
4007	Hammadi	277	63.4	0.40	-46.2%	-15.4%	1.88	22.5
4002	Mouwasat	715	163.8	0.82	7.3%	4.7%	3.65	26.3
4005	Care	332	69.7	1.55	0.3%	-5.0%	6.92	28.3
4004	Dallah	819	125.9	1.29	12.5%	27.3%	4.56	34.2
4013	Sulaiman Al Habib	2,744	577.8	1.65	4.1%	6.1%	6.28	45.6
4009	Saudi German	740	52.7	0.57	-13.8%	-1.1%	2.60	27.3
4017	FAKEEH CARE	710	62.3	0.27	31.2%	-21.8%	0.97	HIGH
				Consumer Services				
1810	SEERA	1,011	42.2	0.14	-22.5%	76.0%	0.69	33.0
1830	Leejam	387	112.4	2.15	54.1%	21.9%	8.27	24.3
				Food & Beverage				
2280	AlMarai	5,129	585.0	0.59	-5.6%	20.1%	2.29	24.0
2284	Modern Mills	241	50.5	0.62	13.4%	10.2%	2.54	18.5

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				Transportation				
4260	**Budget**	582	89.0	1.14	26.8%	24.4%	3.94	20.8
4261	**Theeb**	328	44.6	1.04	-0.1%	29.8%	4.01	18.9
4262	**Lumi**	375	37.9	0.69	-17.6%	8.5%	3.11	25.4
4263	**SAL**	439	159.9	2.00	2.9%	37.9%	9.19	30.1
4031	**Saudi Ground Services**	711	81.3	0.43	3.6%	35.7%	1.63	30.1
				Commercial & Professional Services				
6004	**Catering**	603	81.6	0.99	11.5%	-11.7%	3.75	28.5
1833	**Al Mawarid Manpower**	422	26.6	1.8	14.5%	16.0%	7.0	16.3
				Software & Services				
7203	**Elm**	1,861	454.5	5.68	-6.5%	36.0%	21.52	HIGH
7202	**Solutions**	3,105	400.8	3.34	-11.5%	3.7%	13.40	20.2
7204	**2P****	312	49.2	0.16	-16.4%	46.4%	0.68	21.9
				Utilities				
2081	**Alkhorayef**	546	91.5	2.62	19.1%	117.9%	10.20	15.4
				Media and Entertainment				
4071	**ALARABIA**	430	65.0	1.30	37.4%	3.3%	9.00	21.4
				Capital Goods				
4142	**Riyadh Cables**	2,197	169.2	1.13	6.1%	27.5%	4.50	22.1

Source: AlJazira Capital, Tadawul. Prices as of 3th of October 2024, NM: Not meaningful, NA: Not Available *ALUJAIN: Including a non-cash losses of SAR 13.6mn for amortization **2P: Including a compensation from an expropriated property of SAR 7.5mn.

RESEARCH DIVISION

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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