



# Monthly Cement Dispatches

## Saudi Cement Sector | May 2024



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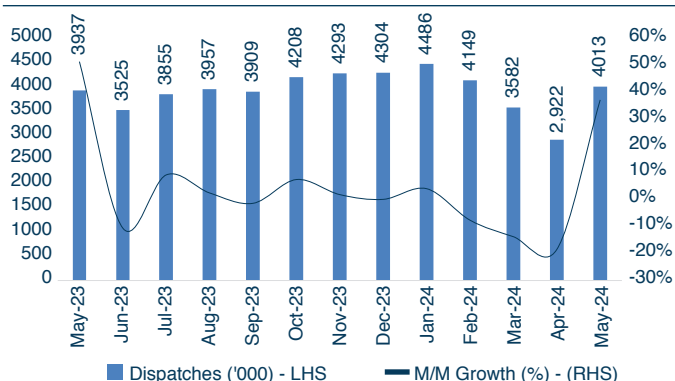
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## Cement Dispatches for May 2024

**May-24 sales posted a marginal increase of 2% Y/Y, and a significant increase of 37.3% M/M due to seasonality impact, inventory posts the first M/M decline in FY24:** Domestic cement dispatches for the month of May-24 stood at 4.01mn tonnes, posting a 2%Y/Y increase from May-23 level of 3.94mn tonnes. Dispatches increased by 37.3% M/M due to seasonality impact in the previous month. Total export dispatches stood at 528k tonnes compared to 663k tonnes in May-23, recording a decrease of 20.4% on Y/Y basis. Clinker inventories stood at 43.10mn tonnes in May-24; showing an increase by 14.5%Y/Y and a marginal decrease by 0.6% M/M, recording the first monthly decline since Nov-23. In 5M-24, local sales declined marginally by 1%, reaching to 19.15mn tonnes, compared to 19.34mn tonnes in 5M-23. Meanwhile, export sales in 5M-24 reached 2.52mn tonnes, a decrease of 29.4% from the 3.57mn tonnes recorded of 5M-23. Sales/clinker production ratio stood at 111% during May-24, where AlJouf Cement registered the highest ratio at 163%.

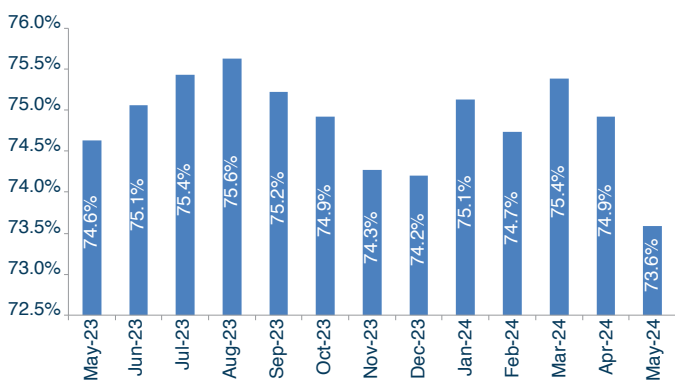
### Change in Cement Dispatches (Domestic Sales)



Source: Yamama Cement, AlJazira Capital

Domestic cement dispatches increased marginally by 2.0%Y/Y, and increased by 37.3% on monthly basis in May 2024.

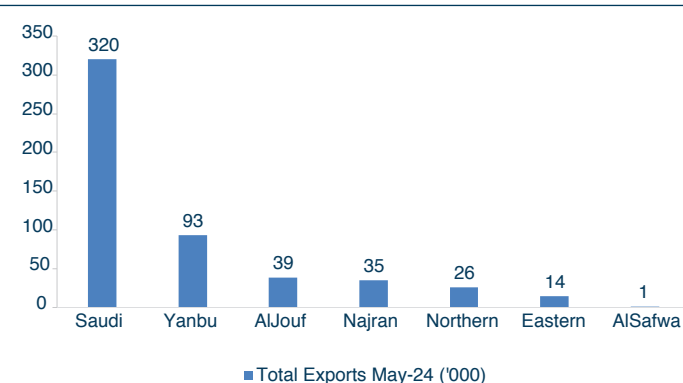
### Utilization Rate (TTM)



Source: Yamama Cement, AlJazira Capital

The total utilization rate (TTM) of the cement sector in Saudi Arabia stood at 73.6%, a decrease by 133bps M/M, and a decrease by 104bps compared to May-23.

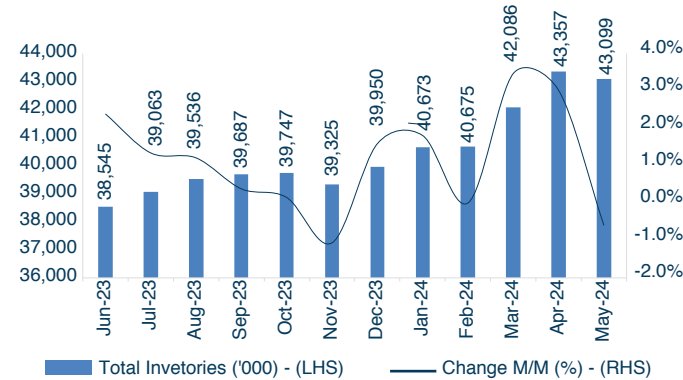
### Cement and Clinker Exports for May-24



Source: Yamama Cement, AlJazira Capital

Cement and clinker exports reached to 528k tonnes in May-24 compared to 663k tonnes in May-23, recording a 20.4% decline on Y/Y basis.

### Change in Clinker Inventories

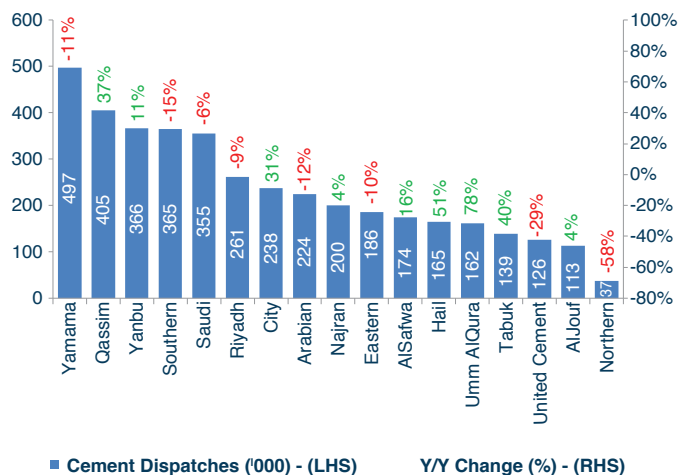


Source: Yamama Cement, AlJazira Capital

At the end of May-24, clinker inventories stood at 43.1mn tonnes, recording an increase of 14.5%Y/Y, and a decrease of 0.6% M/M.



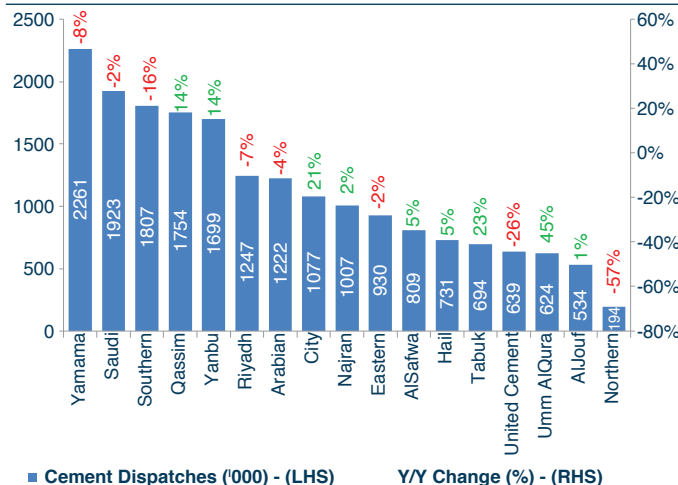
### Cement and Clinker Dispatches for May-24 (Domestic Sales)



Source: Yamama Cement, AlJazira Capital

Umm AlQura Cement and Tabuk Cement recorded the highest increases in dispatches by 78.0%Y/Y and 40.4%Y/Y, respectively. On the other hand, Northern Cement and United Cement recorded the largest declines of 58.4%Y/Y and 29.2%Y/Y, respectively.

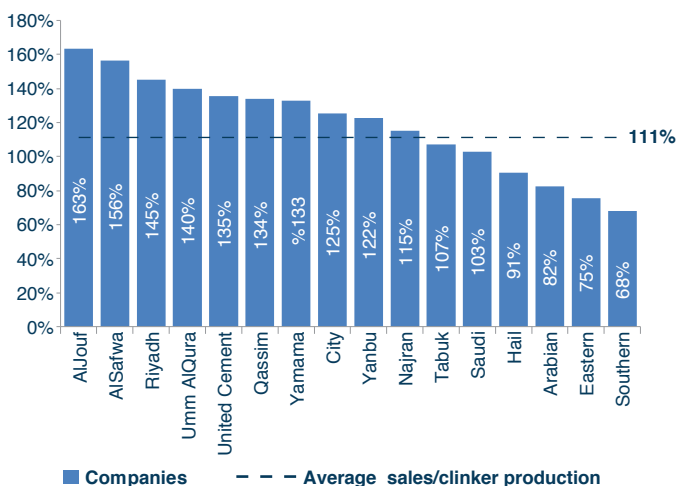
### Cement and Clinker Dispatches for 5M-24 (Domestic Sales)



Source: Yamama Cement, AlJazira Capital

For 5M-24, Umm AlQura Cement and Tabuk Cement recorded the highest increase in dispatches by 45.1%Y/Y and 23.5%Y/Y, respectively. Meanwhile, Northern Cement and United Cement posted declines of 57.3% Y/Y and 26.1%Y/Y, respectively.

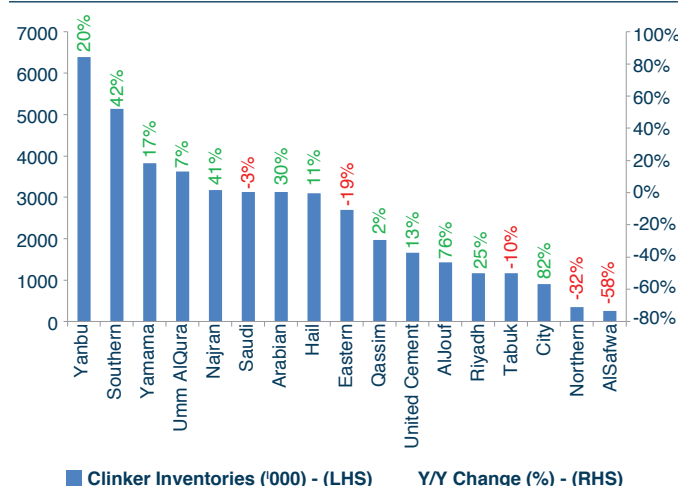
### Sales / Clinker Production for May-24



Source: Yamama Cement, AlJazira Capital

AlJouf Cement and AlSafwa Cement showed the highest sales/clinker production ratios of 163% and 156%, respectively. On the other hand, Southern Cement and Eastern Cement recorded the lowest sales/clinker production ratios of 68% and 75%, respectively.

### Clinker Inventories – May-24

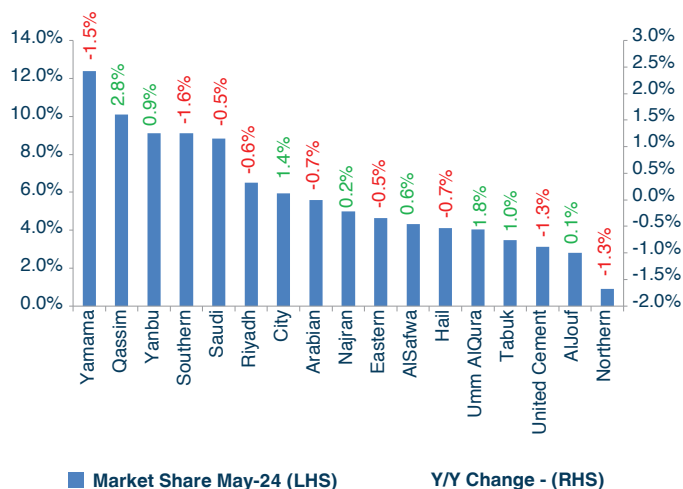


Source: Yamama Cement, AlJazira Capital

Inventory levels of AlSafwa Cement and Northern Cement declined by 58%Y/Y, 32%Y/Y respectively. On the other hand, City Cement and AlJouf Cement both posted the highest increase in their inventory levels of 82%Y/Y and 76%, respectively.



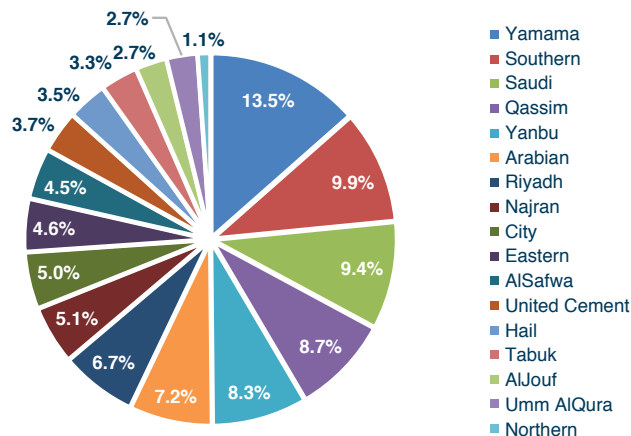
**Market Share – May-24 (Domestic Sales)**



Source: Yamama Cement , AlJazira Capital

Yamama Cement and Qassim Cement recorded the highest market share in May-24 of 12.4% and 10.1%, respectively. Meanwhile, Northern Cement bottomed the list with market share of 0.9%, followed by AlJouf and United with a market share of 2.8% and 3.1%; respectively. Southern Cement’s market share decreased by 159.6bps Y/Y while Qassim Cement’s market share increased by 275.75bps Y/Y.

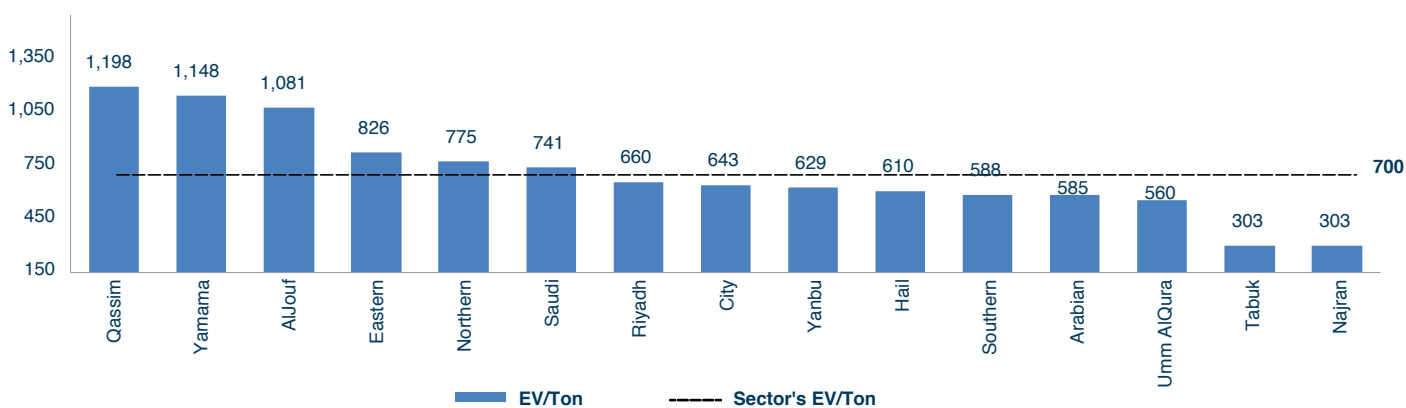
**Market Share TTM**



Source: Yamama Cement , AlJazira Capital

On a TTM basis, Yamama and Southern Cement recorded the highest market share of 13.5% and 9.9%, respectively. Followed by Saudi Cement with a market share of 9.4%.

**EV / Tonne (SAR)**



Source: Bloomberg, Yamama Cement , AlJazira Capital

Qassim Cement recorded the highest EV/Ton of SAR 1,198 followed by Yamama Cement with an EV/Ton of SAR 1,148. Meanwhile, Najran Cement and Tabuk Cement both recorded the lowest EV/Ton of SAR 303.



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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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