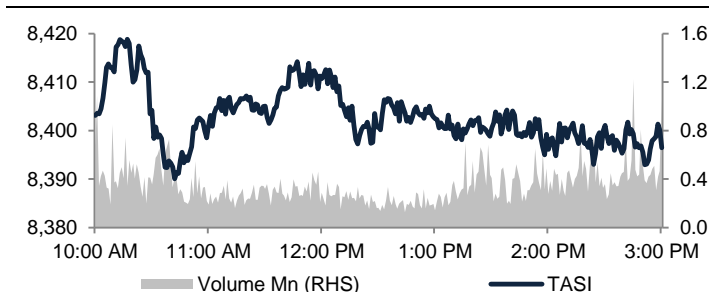


Saudi Stock Exchange

Index	Closing	High	Low	Daily Change %	YTD %
TASI	8,400	8,420	8,389	(0.1)	16.2
NOMU	2,772	2,772	2,763	0.1	(11.7)

TASI movement during session



Index	Close	Daily Change %	% YTD	PE (TTM)
Energy	5,102	0.9	19.2	17.3
Materials	6,045	0.3	19.6	22.3
Capital Goods	3,955	(1.8)	(8.9)	-29.1
Commercial Service	4,560	0.4	8.4	19.6
Transportation	3,939	(1.2)	(1.8)	18.7
Consumer Durables	3,858	(0.5)	(6.8)	-18.8
Consumer Services	3,477	(0.5)	(5.6)	15.1
Media	12,747	2.8	64.8	525.2
Retailing	6,174	(0.4)	9.6	20.2
Food & Staples	6,616	(0.2)	17.9	19.6
Food & Beverages	4,447	0.1	(9.2)	27.0
Healthcare	4,878	(1.0)	9.8	22.2
Pharma & Bio Tech	4,334	(0.2)	9.1	26.0
Banks	7,328	0.2	33.2	13.8
Diversified Financials	3,850	0.1	(4.5)	-36.3
Insurance	4,091	(0.7)	(13.4)	33.1
Telecom	5,243	(2.2)	23.3	31.5
Utilities	4,431	(1.1)	(2.9)	78.7
REITs	3,918	(0.2)	(15.4)	57.7
Real Estate	3,734	(0.8)	(20.5)	30.3

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,434	8,434	8,364	3.11

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000 shares)
Current Week	12.7	496.8	346.9
Previous week	14.8	558.8	447.8

Top Gainers

Company	Price	Change%
SRMG	106.00	3.1
Bahri	29.40	2.4
SABB	34.05	2.4
SCC	48.90	1.7
Sipchem	23.00	1.6

Top Losers

Company	Price	Change%
BONYAN REIT	9.00	-10.0
SCC	7.21	-10.0
SACO	86.70	-10.0
SIECO	231.60	-10.0
Ethiad Etisalat	18.50	-7.8

Top Weighted Companies

Company	Price	Change%
Al Rajhi	89.70	1.0
SABIC	129.80	0.3
NCB	47.45	-0.7
SAMBA	33.10	1.2
STC	87.50	-0.7

Major Economic News

- According to Reuters, Saudi Basic Industries (SABIC) engaged banks for an international bond offering. The timing and nature of the trade is yet to be announced. (Source: Argaam)
- According to the National Program to Support the Management of Projects in Public Entities, a comprehensive study on the difficulties facing Saudi Arabia's contracting sector was submitted to the Saudi High Commission to improve the sector's efficiency and promote its role. The study was prepared with the participation of the Bureau of Experts at the Council of Ministers and the Saudi Contractors Authority. (Source: Argaam)
- S&P Dow Jones Indices (S&P DJI) is planning to upgrade KSA to emerging market status in 2019 from a standalone market. Earlier, S&P Dow Jones estimated that the Kingdom will have 2.57% weightage in its emerging benchmark index. (Source: Argaam)

Major Corporate News

- Southern Province Cement Co.'s net profit fell 31.0% YoY to SAR 138.0mn for 1H2018, led by weak sales, despite lower cost of sales. The Saudi cement producer's net profit for 2Q2018 fell 62.11% YoY to SAR 36.0mn due to a reduction in sales on muted demand in the holy month of Ramadan. (Source: Argaam)
- According to Sahara Petrochemical Co.'s CEO, the planned merger of the company with Saudi International Petrochemical Co. (Sipchem) is expected to be concluded by year-end, supported by the strong results of both companies. The merger process is ensuing as scheduled. Moreover, all requirements of the Capital Market Authority and other regulatory entities are likely to be fulfilled. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 8,399.8 on Wednesday. The value traded stood at SAR 2.7bn (down 11.8% over previous day), while the advance-decline ratio stood at 63/110. The parallel market index increased 0.1% to 2,771.7 points. The value traded stood at SAR 2.1mn (up 62.8% over previous day). Most sectors in the main market ended in the red. Media and Energy (up 2.8% and 0.9% respectively) advanced the most; Telecom and Capital Goods (down 2.2% and 1.8%, respectively) led the laggards.

Regional Markets

Market	Close	Daily Change %	MTD %	YTD %
Dubai (DFM)	2,945	0.6	4.4	-12.6
Abu Dhabi (ADX)	4,830	1.1	5.9	9.8
Kuwait (KSE)	4,970	0.1	2.2	**NA
Qatar (QE)	9,614	0.0	6.5	12.8
Oman (MSM)	4,375	-0.7	-4.3	-14.2
Bahrain (BSE)	1,363	-0.3	4.0	2.3
Egypt (EGX30)	15,186	-1.9	-7.1	1.1

International Markets

Index	Close	Daily Change %	MTD %	YTD %
Dow Jones	25,414	0.7	4.7	2.8
Nasdaq	7,509	1.4	6.6	17.4
S&P 500	2,846	0.9	4.7	6.5
FTSE 100	7,658	-0.7	0.3	-0.4
Germany DAX 30	12,579	-0.9	2.2	-2.6
France CAC 40	5,426	-0.1	1.9	2.1
Japan Nikkei 225	22,614	0.5	1.4	-0.7
Hong Kong Hang Seng	28,921	0.9	-0.1	-3.3
China Shanghai Composite	2,904	-0.1	2.0	-12.2
Australia ASX 200	6,248	-0.3	0.9	3.0
India Sensex	36,858	0.1	4.1	8.2

Commodity Markets

Commodity	Price	Daily Change %	MTD %	YTD %
Arab Light Crude (\$/bbl)	73.8	1.1	-4.8	13.3
Brent Crude (\$/bbl)	73.9	0.7	-6.9	10.6
Texas crude (\$/bbl)	71.1	0.5	-4.0	17.6
Natural Gas (\$/mmbtu)	2.78	1.6	-5.1	-6.0
Gold (\$/oz)	1,231	0.6	-1.7	-5.5
Silver (\$/oz)	15.6	0.8	-3.3	-8.2
Steel (\$/ton)	891	-2.7	-2.1	34.6
Iron Ore (CNY/MT)	472	2.1	8.3	-3.4
Wheat (\$/bu)	543	6.4	9.1	27.1
Corn (\$/bu)	359	2.1	2.6	2.4
Sugar (\$/lb)	11.2	0.0	-5.6	-26.2
SMP* (EUR/MT)	1,480	-5.0	0.7	6.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change (bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.335	0.0	-0.1	64.1
Saudi Arabia (SAIBOR)	2.609	0.0	1.5	71.3
UAE (EIBOR)	2.520	-1.3	9.0	72.5
Kuwait (KIBOR)	2.063	0.0	6.3	18.8
Qatar (QIBOR)	2.620	0.0	-2.1	-2.7
Bahrain (BHIBOR)	3.500	0.0	0.0	77.5

* Three-month Interbank rate **NA: Not Available

Data Sources: Tadawul, Bloomberg, Reuters

Updated as of July 26, 2018

Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.6% and 1.1%, respectively. Kuwait increased 0.1%, while Oman, Bahrain and Egypt decreased 0.7%, 0.3% and 1.9%, respectively. Meanwhile, Qatar remained flat.
- According to the Energy Information Administration (EIA), oil inventories in the US declined 6.1mn barrels (prior: up 5.8mn) to 404.9mn in the week ended July 20. Distillate inventories declined 0.1mn barrels (prior: down 0.4mn) to 121.2mn, while gasoline inventories decreased 2.3mn barrels (prior: down 3.2mn) to 233.5mn. (Source: Econoday)
- The US New Home Sales fell 5.3% to 631,000 in June (consensus: 668,000) from 666,000 in May. It fell despite price concessions, as the median declined 2.5% MoM to USD 302,100; on YoY basis, it fell 4.2% against a 2.4% rise for sales. However, supply increased 1.7% to 301,000 new homes. (Source: Econoday)
- Oil prices increased 0.7% on Wednesday after data showed that domestic crude inventories declined to their lowest since February 2015, easing tensions regarding oversupply, which led to a decline in markets in the past weeks.
- Gold prices increased 0.6% on Wednesday, as the decline in the US dollar continued to support the yellow metal and investors foresee trade talks between the US and the European Union.

Forex / Currency

Currency	Close	Daily Change %	MTD %	YTD %
Dollar Index	94.4	-0.3	-0.3	2.4
Euro	1.17	0.4	0.4	-2.2
Japanese Yen	111.0	-0.2	0.3	-1.5
Sterling Pound	1.32	0.3	-0.2	-2.4
Chinese Yuan	6.77	-0.4	2.2	4.0
Indian Rupee	68.7	-0.3	0.4	7.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.30	-0.3	-0.1	0.3
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	-0.1	-0.1	0.2
Egyptian Pound	17.85	0.0	0.1	0.7

Corporate Calendar

Date	Company	Event
26 th July	Al Rajhi	Cash Dividend Distribution
26 th July	Saudi Industrial	OGM
29 th July	Sagr Insurance	EGM
30 th July	ALKHODARI	EGM
31 st July	Extra	Cash Dividend Distribution
31 st July	Al Rajhi REIT	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Head of Research

Talha Nazar

+966 11 2256250

t.nazar@aljazaracapital.com.sa

Analyst

Sultan Al Kadi, CAIA

+966 11 2256374

s.alkadi@aljazaracapital.com.sa

Analyst

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljazaracapital.com.sa

Analyst

Waleed Al-Jubayr

+966 11 2256146

W.aljubayr@aljazaracapital.com.sa

Analyst

Muhanad Al-Odan

+966 11 2256115

m.alodan@aljazaracapital.com.sa

General Manager - Brokerage Division

Mr. Ala'a Al-Yousef

+966 11 2256000

a.yousef@aljazaracapital.com.sa

Regional Manager - West and South Regions

Mansour Hamad Al-Shuaibi

+966 12 6618443

m.alshuaibi@aljazaracapital.com.sa

AGM-Head of international and institutional brokerage

LuayJawad Al-Motawa

+966 11 2256277

lalmutawa@aljazaracapital.com.sa

Sales And Investment Centers Central Region Manager

Sultan Ibrahim AL-Mutawa

+966 11 2256364

s.almutawa@aljazaracapital.com.sa

Area Manager –Qassim & Eastern Province

Abdullah Al-Rahit

+966 16 3617547

aalrahit@aljazaracapital.com.sa

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.

Disclaimer:

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by AlJazira Capital from sources believed to be reliable, but AlJazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. AlJazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in AlJazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at AlJazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with AlJazira Capital. Funds managed by AlJazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. AlJazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of AlJazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of AlJazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of AlJazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.