



Major Economic News

- Saudi banks' investments in treasury bonds increased by SAR 24.4bn Y/Y to SAR 408.1bn in Q1-20. The treasury bond holdings grew by SAR 7.9bn M/M in March. (Source: Argaam)

Major Corporate News

- ACWA Power-led consortium, including Gulf Investment Corporation and Al Bawani Water & Power Co., signed a water purchase agreement with the Saudi Water Partnership Company for a greenfield sea water reverse osmosis desalination project in Jubail. With an investment of USD 650mn, the Jubail 3A Independent Water Plant will have a capacity of 600,000 cu.m. of potable water per day. (Source: Argaam)
- Dallah Healthcare Co. announced the extension of MoU with Kingdom Holding Co.'s subsidiary, Kingdom Investment and Development Co., to acquire a stake in Care Shield Holding Co. through share swap and cash consideration, for 15 days until May 14, 2020. (Source: Argaam)
- Saudi Paper Manufacturing Co. said it will halt operations at its plant and subsidiaries in Dammam Industrial City II for 4 days starting May 03. The step is in line with the government's decision to apply additional measures to isolate the Industrial City II in Dammam and prevent entries or exits. (Source: Argaam)
- Halwani Bros.' operations were not impacted by the COVID-19 crisis, and suppliers have committed to maintain a steady flow of raw materials, as per CEO Thamer Temairik. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 7.4% to 6,585.6 on Sunday. The value traded stood at SAR 5.5bn (down 4.3% over previous day), while the advance-decline ratio stood at 1/194. The parallel market index decreased 7.6% to 6,631.1 points. The value traded stood at SAR 32.0mn (up 84.7% over previous day). All sectors in the main market ended in the red. Transportation and Software & Services (down 10.0% and 9.9%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q1-20	Q1-19	Y/Y %	Q4-19	Q/Q %
Saudi Basic Industries Corp.	-950.0	3,410.0	NM	-790.0	NM
Maharah Human Resources Co.	57.3	54.0	6.0	66.0	-13.2
Advanced Petrochemical Company	104.3	161.9	-35.6	192.0	-45.7

**NA: Not Meaningful

Top Gainers

Company	Price	Change%
HB	45.95	9.9

Top Losers

Company	Price	Change%
NORTHERN	9.09	-10.0
ALKATHIRI	84.60	-10.0
ACC	24.30	-10.0
SPCC	48.15	-10.0
TCC	10.62	-10.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	6,586	6,727	6,575	(7.4)	(21.5)	18.5
NomuC	6,631	6,987	6,475	(7.6)	(7.6)	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,563	(5.7)	(16.2)	18.2
Materials	3,885	(8.2)	(24.8)	41.2
Capital Goods	3,261	(9.5)	(24.7)	Neg
Commercial Service	3,377	(8.9)	(29.2)	12.7
Transportation	3,187	(10.0)	(27.5)	14.3
Consumer Durables	2,908	(7.7)	(17.1)	Neg
Consumer Services	2,933	(9.5)	(25.9)	23.4
Media	6,843	(8.3)	(27.2)	20.0
Retailing	6,361	(6.4)	(17.4)	19.3
Food & Staples	7,340	(8.7)	10.9	36.6
Food & Beverages	4,428	(5.2)	1.7	35.8
Healthcare	3,242	(8.0)	(13.1)	22.1
Pharma & Bio Tech	3,296	(7.5)	(8.3)	Neg
Banks	5,936	(8.0)	(26.8)	11.0
Diversified Financials	2,715	(9.1)	(17.8)	High
Insurance	3,976	(8.4)	(11.9)	26.5
Telecom	5,834	(4.1)	(9.9)	18.1
Utilities	3,470	(7.4)	(21.1)	45.1
REITs	3,502	(4.6)	(16.6)	22.1
Real Estate	2,517	(9.2)	(19.7)	High
Software & Services	5,483	(9.9)	11.1	11.0

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
6,879	6,748	6,800	5.53

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.5	305.7	246.2
Previous week	25.9	1,308.7	1,123.2

Top Weighted Companies

Company	Price	Change%
Al Rajhi	52.60	-8.0
Saudi Aramco	30.00	-5.2
NCB	34.65	-6.7
SABIC	69.00	-7.9
STC	88.20	-2.6



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 4.0% and 2.9%, respectively. Egypt, Kuwait and Qatar declined 3.4%, 1.3% and 0.9%, respectively; while Oman remained flat. Meanwhile, Bahrain remained closed.
- US President Donald Trump said that he was confident that a coronavirus vaccine would be available by the end of FY20, contradicting public health officials' projections that a vaccine could take between a year to 18 months. (Source: CNBC)
- US ISM PMI decrease to 41.5 in April, a 11-year low, from 49.1 in March (consensus: 36.9). The new orders slumped to 27.1 in April from 42.2 in March and the production index dropped to 27.5 from 47.7. (Source: RTT News)
- China's Caixin manufacturing PMI decreased to 49.4 in April (consensus: 50.3) from 50.1 in March. New orders dropped for the third consecutive month due to lower foreign demand. Export orders slid at the fastest rate since December 2008. (Source: RTT News)
- The euro area's real GDP could remain well below the FY19 level until the end of FY22 under severe situation, according to the European Central Bank. The bank estimates that the economy could shrink as much as 12% in severe scenario. (Source: RTT News)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	99.1	0.0	0.1	2.8
Euro	1.10	0.0	0.3	-2.0
Japanese Yen	106.9	0.0	-0.2	-1.5
Sterling Pound	1.25	0.0	-0.7	-5.7
Chinese Yuan	7.06	0.0	0.0	1.4
Indian Rupee	75.7	0.0	0.9	6.2
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.4
Kuwaiti Dinar	0.31	0.0	0.0	2.0
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.2
Egyptian Pound	15.70	0.0	0.0	-1.9

Corporate Calendar

Date	Company	Event
04 th May	Albilad	Cash Dividend Distribution
04 th May	EIC	EGM
04 th May	Al Ahlia	OGM
05 th May	Saudi Cement	Cash Dividend Distribution
05 th May	BJAZ	Cash Dividend Distribution
05 th May	SABB	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	1,946	-4.0	-4.0	-29.6	4.9
Abu Dhabi (ADX)	4,106	-2.9	-2.9	-19.1	10.5
Kuwait (KSE)	4,173	-1.3	-1.3	-15.0	10.7
Qatar (QE)	8,688	-0.9	-0.9	-16.7	13.3
Oman (MSM)	3,538	0.0	0.0	-11.1	7.8
Bahrain (BSE)	1,311	0.0	0.0	-18.6	9.8
Egypt (EGX30)	10,200	-3.4	-3.4	-26.9	7.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	23,724	0.0	-2.6	-16.9	17.7
Nasdaq	8,718	0.0	-3.1	-0.2	27.0
S&P 500	2,831	0.0	-2.8	-12.4	20.5
FTSE 100	5,763	0.0	-2.3	-23.6	13.8
Germany DAX 30	10,862	0.0	0.0	-18.0	16.4
France CAC 40	4,572	0.0	0.0	-23.5	16.9
Japan Nikkei 225	20,194	0.0	6.7	-14.6	16.8
Hong Kong Hang Seng	24,644	0.0	0.0	-12.6	10.6
China Shanghai Composite	2,860	0.0	0.0	-6.2	11.9
Australia ASX 200	5,246	0.0	-5.0	-21.5	14.6
India Sensex	33,718	0.0	0.0	-18.3	18.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	20.6	0.0	-21.7	-70.1
Brent Crude (\$/bbl)	25.3	0.0	0.0	-61.7
Texas crude (\$/bbl)	18.8	0.0	-8.0	-69.2
Natural Gas (\$/mmbtu)	1.89	0.0	-3.0	-13.7
Gold (\$/oz)	1,699	0.0	1.1	12.0
Silver (\$/oz)	14.9	0.0	-0.5	-16.2
Steel (\$/ton)	468	0.0	-11.2	-20.4
Iron Ore (CNY/MT)	691	0.0	1.3	-0.6
Wheat (\$/bu)	522	0.0	-1.6	-6.7
Corn (\$/bu)	312	0.0	0.0	-19.7
Sugar (\$/lb)	11.0	0.0	5.6	-18.3
SMP* (EUR/MT)	1,850	0.0	-1.3	-28.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.556	-13.1	0.0	-135.2
Saudi Arabia(SAIBOR)	1.220	-1.4	-1.4	-101.1
UAE (EIBOR)	1.376	-17.4	-17.4	-83.3
Qatar (QIBOR)	1.200	-8.3	-8.3	-105.0
Bahrain (BHIBOR)	1.967	0.0	0.0	-70.0

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of May 3, 2020



RESEARCH DIVISION

AGM-Head of Research
Talha Nazar
+966 11 2256250
t.nazar@aljaziracapital.com.sa

Senior Analyst
Jassim Al-Jubran
+966 11 2256248
j.aljabran@aljaziracapital.com.sa

Analyst
Abdulrahman Al-Mashal
+966 11 2256374
A.Almashal@Aljaziracapital.com.sa

Analyst
Faisal Alsuwelimy
+966 11 2256115
F.alsuweilmy@aljaziracapital.com.sa

BROKERAGE AND INVESTMENT CENTERS DIVISION

General Manager – Brokerage Services & sales
Alaa Al-Yousef
+966 11 2256060
a.yousef@aljaziracapital.com.sa

AGM-Head of international and institutions
Ahmad Salman, CFA
+966 11 2256201
a.salman@aljaziracapital.com.sa

AGM-Head of Qassim & Eastern Province
Abdullah Al-Rahit
+966 16 3617547
aalrahit@aljaziracapital.com.sa

AGM-Head of Central & Western Region
Investment Centers
Sultan Ibrahim AL-Mutawa
+966 11 2256364
s.almutawa@aljaziracapital.com.sa

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

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 Al-Jazira Capital from sources believed to be reliable, but Al-Jazira 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. Al-Jazira 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 Al-Jazira 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 Al-Jazira 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 Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira 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 Al-Jazira 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 Al-Jazira 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 Al-Jazira 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.

Asset Management | Brokerage | Corporate Finance | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068