



Major Economic News

- Saudi Arabia imposed a complete lockdown and curfew across the Kingdom during Eid Al-Fitr holiday from May 23 to May 27, while maintaining the necessary precautionary measures to combat the COVID-19 pandemic. For the period from May 14 until the end May 22, the commercial activities will be allowed. (Source: Argaam)
- Saudi Arabia's Index of Industrial Production declined 3.3% Y/Y to 121.5 points in March 2020. The mining and quarrying activity index fell 0.4% by the end of March. Similarly, the manufacturing industry activity declined 11.5%, while electricity, water & gas index increased 4.3%. (Source: Argaam)

Major Corporate News

- Saudi Aramco's Fadhili gas plant increased its processing capacity to 2bn cu. ft. per day in Q1-20 from 1.5bn cu. ft. per day by the end of FY19. The plant is expected to reach full capacity of 2.5bn cu. ft. per day by the end of FY20. (Source: Argaam)
- Saudi Aramco's planned acquisition of a 70% stake in giant petrochemical producer SABIC from the Public Investment Fund is on track to close in Q2-20. (Source: Argaam)
- Takween Advanced Industries Co. signed an agreement to reschedule the remaining part of SAR 429.4mn Murabaha facilities from a total of SAR 1.3bn with Arab National Bank, Samba Financial Group and Bank Albilad. (Source: Argaam)
- Zahrat Al Waha Trading Company signed a SAR 33.5mn loan facility with Saudi Industrial Development Fund to finance the company's working capital. The duration of the facility is 12 months. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 1.2% to 6,684.4. The value traded stood at SAR 4.1bn (down 8.9% over previous day), while the advance-decline ratio stood at 143/38. The parallel market index decreased 0.8% to 7,064.3 points. The value traded stood at SAR 18.0mn (up 4.4% over previous day). Most sectors in the main market ended in the green. Materials and Software & Services (up 3.0% each) advanced the most; Pharma & Bio Tech and Retailing (down 2.0% and 0.4%, respectively) were the only laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q1-20	Q1-19	Y/Y %	Q4-19	Q/Q %
Al Rajhi Bank	2,380.0	2,568.0	-7.3	2,152.0	10.6
Sadara Chemical Company	-1,276.3	-1,254.3	NM	-10,606.8	NM
Middle East Specialized	0.3	-10.6	NM	-7.8	NM
Saudi Advanced Industries	8.4	4.1	102.2	-3.5	NM

**NA: Not Meaningful

Top Gainers

Company	Price	Change%
PETROCHEM	22.00	10.0
GACO	11.22	10.0
TADCO	15.02	10.0
SISCO	17.40	6.1
SIIG	19.00	5.6

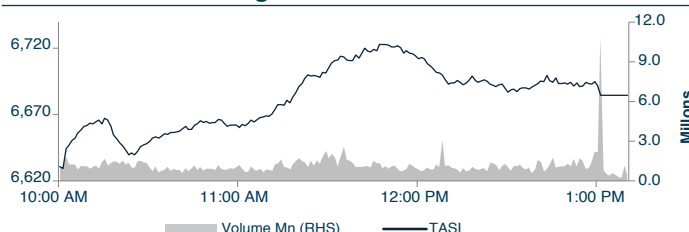
Top Losers

Company	Price	Change%
ATAA	34.00	-3.7
SAUDI CE	27.85	-3.1
EXTRA	45.10	-2.6
AXA	25.30	-2.3
ZAMIL IND	14.54	-2.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	6,684	6,725	6,623	1.2	(20.3)	19.2
NomuC	7,064	7,118	7,037	(0.8)	(1.6)	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,746	1.3	(12.8)	19.0
Materials	4,090	3.0	(20.8)	44.0
Capital Goods	3,337	0.2	(23.0)	Neg
Commercial Service	3,378	0.2	(29.2)	12.7
Transportation	3,186	1.3	(27.5)	14.3
Consumer Durables	3,134	2.6	(10.6)	Neg
Consumer Services	2,948	0.1	(25.5)	23.3
Media	6,793	0.0	(27.7)	19.8
Retailing	5,833	(0.4)	(24.2)	17.6
Food & Staples	7,556	1.5	14.2	37.8
Food & Beverages	4,425	0.5	1.6	35.9
Healthcare	3,516	0.2	(5.7)	24.1
Pharma & Bio Tech	3,575	(2.0)	(0.6)	Neg
Banks	5,929	0.5	(26.9)	10.9
Diversified Financials	2,777	1.0	(15.9)	High
Insurance	4,084	0.9	(9.5)	27.3
Telecom	5,997	1.8	(7.3)	18.7
Utilities	3,497	1.6	(20.5)	45.6
REITs	3,536	0.3	(15.8)	22.2
Real Estate	2,393	1.0	(23.6)	High
Software & Services	6,100	3.0	23.6	11.6

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
6,656	6,745	6,718	4.27

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	11.3	594.1	549.7
Previous week	22.8	1,187.3	1,054.0

Top Weighted Companies

Company	Price	Change%
Al Rajhi	53.30	0.4
Saudi Aramco	31.30	1.3
NCB	33.10	0.0
SABIC	76.00	4.1
STC	91.20	1.7



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.5% and 0.3%, respectively. Egypt and Qatar rose 2.8% and 0.3%, respectively; while Bahrain and Oman declined 1.1% and 0.4%, respectively. Meanwhile, Kuwait remained flat.
- Gilead Sciences has signed a licensing agreement with five generic drugmakers to make antiviral drug Remdesivir in 127 countries, not including the US. Drugmakers Mylan, Cipla, Ferozsons Laboratories, Hetero Labs and Jubilant Lifesciences will manufacture Remdesivir for distribution in different countries. (Source: CNBC)
- US CPI increased 0.3% Y/Y in April (consensus: 0.5%) versus a rise of 1.5% in March. CPI declined by 0.8% M/M in April (in line with consensus), largest decline since December 2008, compared to a fall of 0.4% in March. The decline was majorly led by energy which has dropped 10.1% in April. (Source: Econoday, RTT News)
- Oil prices increased 1.2% driven by hopes of global output cuts, as KSA, UAE, Kuwait announced additional cuts for June.
- Gold prices rose 0.4%, in anticipation of buying of ETFs of bonds from US Fed as its next step in fight against COVID-19.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	99.9	-0.3	0.9	3.7
Euro	1.08	0.4	-1.0	-3.2
Japanese Yen	107.1	-0.5	0.0	-1.4
Sterling Pound	1.23	-0.6	-2.6	-7.5
Chinese Yuan	7.08	-0.2	0.3	1.7
Indian Rupee	75.0	-1.1	-0.1	5.2
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.4	0.1	0.4
Kuwaiti Dinar	0.31	0.0	0.0	2.0
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.1	0.0	0.2
Egyptian Pound	15.70	0.0	0.0	-1.9

Corporate Calendar

Date	Company	Event
13 th May	Chemanol	EGM
13 th May	BSFR	EGM
13 th May	Chubb Arabia	EGM
13 th May	Bawan	OGM
13 th May	Jabal Omar	EGM
13 th May	Aseer	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	1,892	0.5	-6.6	-31.6	4.7
Abu Dhabi (ADX)	4,134	0.3	-2.3	-18.6	11.0
Kuwait (KSE)	4,081	0.0	-3.4	-16.9	10.3
Qatar (QE)	8,892	0.3	1.5	-14.7	13.6
Oman (MSM)	3,451	-0.4	-2.5	-13.3	7.9
Bahrain (BSE)	1,239	-1.1	-5.5	-23.1	9.1
Egypt (EGX30)	10,588	2.8	0.3	-24.2	7.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	23,765	-1.9	-2.4	-16.7	18.6
Nasdaq	9,112	-2.0	1.2	4.3	29.0
S&P 500	2,870	-2.1	-1.5	-11.2	21.5
FTSE 100	5,995	0.9	1.6	-20.5	14.5
Germany DAX 30	10,820	-0.1	-0.4	-18.3	17.0
France CAC 40	4,473	-0.4	-2.2	-25.2	17.8
Japan Nikkei 225	20,366	-0.1	7.7	-13.9	17.7
Hong Kong Hang Seng	24,246	-1.4	-1.6	-14.0	10.5
China Shanghai Composite	2,892	-0.1	1.1	-5.2	12.0
Australia ASX 200	5,403	-1.1	-2.2	-19.2	15.4
India Sensex	31,371	-0.6	-7.0	-24.0	17.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	21.0	-4.2	2.2	-69.5
Brent Crude (\$/bbl)	30.0	1.2	18.6	-54.6
Texas crude (\$/bbl)	25.8	6.8	36.8	-57.8
Natural Gas (\$/mmbtu)	1.72	-5.8	-11.7	-21.4
Gold (\$/oz)	1,702	0.4	1.3	12.2
Silver (\$/oz)	15.4	-0.9	2.6	-13.6
Steel (\$/ton)	472	-0.2	0.9	-19.7
Iron Ore (CNY/MT)	687	0.0	-0.6	-1.2
Wheat (\$/bu)	522	-0.6	-1.5	-6.6
Corn (\$/bu)	324	1.6	3.9	-16.5
Sugar (\$/lb)	10.3	1.3	-1.3	-23.6
SMP* (EUR/MT)	1,950	1.8	5.4	-24.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.434	-0.1	-12.3	-147.5
Saudi Arabia(SAIBOR)	1.129	-1.1	-10.6	-110.3
UAE (EIBOR)	0.912	7.6	-63.7	-129.6
Qatar (QIBOR)	1.216	-4.9	-6.6	-103.4
Bahrain (BHIBOR)	2.300	1.7	33.3	-36.7

Data Sources: Tadawul, Bloomberg, Reuters

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

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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.

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