



Major Economic News

- The second tranche of the fifth phase of Saudi Arabia's inclusion in FTSE Russell Emerging Market Index will start on June 22, 2020. The fifth phase has been divided into 2 tranches; the first will be with an inclusion factor of 25%, while the second will be effective in June 2020 with an inclusion factor of 75%. (Source: Argaam)

Major Corporate News

- Jabal Omar Development Co. decided to suspend rental payment from May to November 2020, amounting to SAR 270mn, due to force majeure resulting from COVID-19 pandemic. The developer said that the decision was due to the lack of revenues from hotels and retail space rented from Alinma Makkah Fund from the date of implementing precautionary measures by the government to prevent spread of coronavirus. (Source: Argaam)
- The negative impact of the coronavirus pandemic on Al Kathiri Holding Co.'s cement and concrete sales is expected to end before the beginning of Q3-20, according to the company CEO, Meshal Al Kathiri. (Source: Argaam)
- Saudi Basic Industries Corp. raised the Asian Contract Price for monoethylene glycol (MEG) for June to USD 560 per ton, a USD 20 increase compared to the previous month. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 1.8% to 7,044.6. The value traded stood at SAR 5.4bn (up 6.7% over previous day), while the advance-decline ratio stood at 134/51. The parallel market index decreased 0.8% to 7,145.3 points. The value traded stood at SAR 30.2mn (down 48.5% over previous day). Most sectors in the main market ended in the green. Energy and Retailing (up 2.8% and 2.4%, respectively) advanced the most; Insurance (down 0.1%) was the only laggard.

Earnings update (Net Profit) (SAR mn)

Company	Q1-20	Q1-19	Y/Y %	Q4-19	Q/Q %
Electrical Industries Co.	0.8	-4.2	NM	-32.8	NM
Saudi Investment Bank	150.7	281.4	-46.4	-69.2	NM
Jazan Energy & Dev. Co.	0.5	-5.2	NM	-0.4	NM
Saudi Airlines Catering	15.6	103.5	-84.9	101.3	-84.6
Al Abdullatif Industrial Inv,	-7.7	3.4	NM	-24.5	NM

**NA: Not Meaningful

Top Gainers

Company	Price	Change%
WAFRAH	34.10	10.0
SFICO	21.56	10.0
APC	13.90	6.9
SAMBA	22.78	4.9
JADWA REIT	10.68	4.3

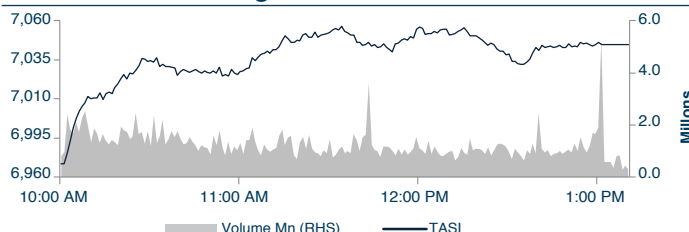
Top Losers

Company	Price	Change%
DALLAH	44.80	-4.1
AXA	27.40	-3.5
ACIG	20.50	-2.4
MEDGULF	20.18	-2.3
SIIG	18.74	-2.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,045	7,058	6,962	1.8	(16.0)	20.4
NomuC	7,145	7,175	7,097	(0.8)	(0.5)	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,044	2.8	(7.3)	20.2
Materials	4,289	1.8	(17.0)	46.6
Capital Goods	3,412	0.1	(21.2)	Neg
Commercial Service	3,570	0.7	(25.2)	13.4
Transportation	3,406	1.2	(22.5)	15.5
Consumer Durables	3,108	0.3	(11.4)	Neg
Consumer Services	3,114	1.6	(21.3)	24.6
Media	7,036	1.4	(25.2)	20.5
Retailing	6,190	2.4	(19.6)	18.7
Food & Staples	8,972	0.9	35.6	44.5
Food & Beverages	4,690	1.8	7.7	38.2
Healthcare	3,543	0.1	(5.0)	24.4
Pharma & Bio Tech	3,536	0.6	(1.7)	Neg
Banks	6,254	1.9	(22.9)	11.6
Diversified Financials	2,836	0.7	(14.1)	High
Insurance	4,334	(0.1)	(4.0)	29.0
Telecom	6,417	1.8	(0.9)	20.2
Utilities	3,686	0.1	(16.2)	48.1
REITs	3,609	0.9	(14.0)	22.6
Real Estate	2,450	1.2	(21.8)	High
Software & Services	6,133	1.3	24.3	12.1

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
6,846	6,748	6,759	4.32

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	14.6	671.0	607.8
Previous week	18.7	944.7	918.0

Top Weighted Companies

Company	Price	Change%
Al Rajhi	56.70	1.3
Saudi Aramco	33.35	3.1
NCB	36.70	2.2
SABIC	82.00	3.1
STC	99.4	1.6



Regional and International Markets

- Among other regional markets, Dubai increased 0.6%, while Abu Dhabi rose 0.3%. Egypt, Kuwait, Qatar and Bahrain rose 0.8%, 0.6%, 0.4% and 0.2%, respectively, while Oman declined 1.0%.
- The US housing starts plunged 30.2% to an annual rate of 891,000 (consensus: 927,000) in April, after falling 18.6% to the revised rate of 1.276mn in March. (Source: Econoday, RTT News)
- Vaccine experts indicated that the information made available on trials of Moderna's Covid-19 vaccine candidate was not sufficient to conclude if the vaccine is effective or not. (Source: CNBC)
- Japan's GDP contracted a seasonally adjusted 0.9% Q/Q in Q1-20 following a 1.8% decline in Q4-19. On an annualized basis, GDP was down 3.4% (consensus: a fall of 4.6%) compared to a downwardly revised 7.3% decrease in Q4-19. (Source: RTT News)
- Oil prices decreased 0.5% due to subdued economic outlook despite recovery in demand and output cuts.
- Gold prices rose 0.7%, as Trump administration officials admitted a probable loss to government from risky loans disbursed during the pandemic.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	99.4	-0.3	0.4	3.1
Euro	1.09	0.1	-0.3	-2.6
Japanese Yen	107.7	0.3	0.5	-0.9
Sterling Pound	1.23	0.5	-2.7	-7.6
Chinese Yuan	7.10	-0.1	0.5	2.0
Indian Rupee	75.6	-0.1	0.7	6.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.0	0.5	0.8
Kuwaiti Dinar	0.31	-0.1	-0.2	1.9
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	-0.1	0.1
Egyptian Pound	15.74	0.0	0.3	-1.6

Corporate Calendar

Date	Company	Event
20 th May	Savola Group	Cash Dividend Distribution
20 th May	SACO	OGM
21 st May	Al Jouf	Cash Dividend Distribution
01 st Jun	Jazira Takaful	OGM
01 st Jun	BCI	OGM
01 st Jun	Sagr Insurance	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	1,931	0.6	-4.7	-30.2	4.9
Abu Dhabi (ADX)	4,074	0.3	-3.7	-19.7	10.9
Kuwait (KSE)	4,121	0.6	-2.5	-16.1	10.3
Qatar (QE)	8,802	0.4	0.4	-15.6	13.5
Oman (MSM)	3,394	-1.0	-4.1	-14.8	7.8
Bahrain (BSE)	1,257	0.2	-4.1	-21.9	9.1
Egypt (EGX30)	10,357	0.8	-1.9	-25.8	7.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	24,207	-1.6	-0.6	-15.2	18.9
Nasdaq	9,299	-0.4	3.3	6.5	29.1
S&P 500	2,923	-1.0	0.4	-9.5	21.7
FTSE 100	6,002	-0.8	1.7	-20.4	14.7
Germany DAX 30	11,075	0.1	2.0	-16.4	17.3
France CAC 40	4,458	-0.9	-2.5	-25.4	17.7
Japan Nikkei 225	20,433	1.5	8.0	-13.6	18.2
Hong Kong Hang Seng	24,388	1.9	-1.0	-13.5	10.6
China Shanghai Composite	2,899	0.8	1.3	-5.0	12.0
Australia ASX 200	5,560	1.8	0.7	-16.8	15.5
India Sensex	30,196	0.6	-10.4	-26.8	16.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	27.9	0.2	35.7	-59.5
Brent Crude (\$/bbl)	34.7	-0.5	37.1	-47.5
Texas crude (\$/bbl)	32.5	2.1	72.5	-46.8
Natural Gas (\$/mmbtu)	1.83	2.6	-6.1	-16.4
Gold (\$/oz)	1,744	0.7	3.8	15.0
Silver (\$/oz)	17.4	1.3	15.8	-2.4
Steel (\$/ton)	474	0.0	1.3	-19.4
Iron Ore (CNY/MT)	688	-8.5	-0.4	-1.0
Wheat (\$/bu)	499	0.4	-5.9	-10.7
Corn (\$/bu)	321	0.2	3.1	-17.2
Sugar (\$/lb)	10.9	0.5	4.4	-19.2
SMP* (EUR/MT)	2,000	-2.4	8.1	-22.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.377	-0.4	-18.0	-153.2
Saudi Arabia(SAIBOR)	1.097	-0.1	-13.7	-113.4
UAE (EIBOR)	0.893	-8.9	-65.6	-131.5
Qatar (QIBOR)	1.189	-8.6	-9.4	-106.1
Bahrain (BHIBOR)	2.300	0.0	33.3	-36.7

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of May 19, 2020



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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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