



Major Economic News

- Saudi Arabia is suspending the cost of living allowance as of June 2020 and raising the value added tax from 5% to 15% as of July 2020, as part of measures aimed at shoring up state finances, battered by low oil prices and a severe coronavirus-driven slowdown. The impact of the approved measures is ~SAR 100bn, as per Minister of Finance, Mohammed Al-Jadaan. (Source: Reuters, Argaam)
- Saudi Arabia's trade balance surplus dropped by 34% Y/Y to around SAR 24.6bn in February 2020, from SAR 37.2bn in February 2019. Total exports in February declined 15% Y/Y to SAR 66.2bn, while imports increased by 3% Y/Y to SAR 41.6bn. (Source: Argaam)
- King Salman directed the disbursement of SAR 1.9bn as Ramadan aid for social security beneficiaries. Each head of family will receive SAR 1,000 while each dependent is entitled to SAR 500, provided the aid is not from an account of Zakat funds. (Source: Argaam)
- The aggregate sales of 17 Saudi cement producers declined 29% Y/Y to 2.9mn tons in April 2020, compared to 4.0mn tons in April 2019. Clinker production grew by 14% Y/Y to 3.9mn tons. However, clinker inventories reached 40.4mn tons by the end of April, down 0.5% Y/Y. (Source: Argaam)

Major Corporate News

- Saudi Steel Pipe Co.'s facilities in Dammam Industrial City II will operate at 30% capacity until further notice in line with the government's decision to apply additional measures to isolate the industrial city and prevent entries or exits to contain spread of COVID-19. (Source: Argaam)
- Saudi Paper Manufacturing Co. submitted a request to increase capital through a SAR 100mn rights issue to the Capital Market Authority. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.8% to 6,682.9 on Sunday. The value traded stood at SAR 2.7bn (down 24.8% over previous day), while the advance-decline ratio stood at 101/81. The parallel market index increased 3.4% to 7,208.5 points. The value traded stood at SAR 27.0mn (up 205.1% over previous day). Most sectors in the main market ended in the green. Software & Services and Consumer Durables (up 3.5% and 2.1%, respectively) advanced the most; Food & Staples and Retailing (down 2.8% and 0.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
FARM SUPERSTORES	23.10	10.0
GULF UNION	12.98	10.0
BAAZEEM	45.00	6.4
SAUDI CERAMICS	29.65	5.9
ALHAMMADI	19.90	5.9

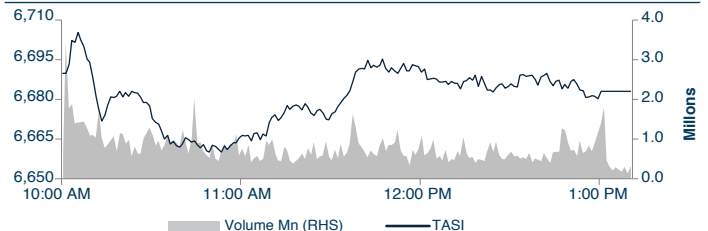
Top Losers

Company	Price	Change%
ARAB SEA	28.70	-5.1
SFICO	36.10	-4.8
A.OTHAIM	93.80	-3.4
ZAMIL IND	15.18	-3.3
HERFY	41.00	-2.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	6,683	6,707	6,658	0.8	(20.3)	19.1
NomuC	7,209	7,237	7,042	3.4	0.4	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,720	0.5	(13.3)	18.9
Materials	3,969	1.3	(23.2)	42.4
Capital Goods	3,401	1.8	(21.5)	Neg
Commercial Service	3,413	0.7	(28.5)	12.8
Transportation	3,240	0.1	(26.3)	14.6
Consumer Durables	3,077	2.1	(12.2)	Neg
Consumer Services	3,003	0.7	(24.1)	23.8
Media	6,974	0.5	(25.8)	20.4
Retailing	6,229	(0.9)	(19.1)	18.8
Food & Staples	7,614	(2.8)	15.1	38.4
Food & Beverages	4,450	0.6	2.2	35.9
Healthcare	3,551	1.9	(4.8)	24.3
Pharma & Bio Tech	3,674	2.0	2.2	Neg
Banks	6,007	1.3	(25.9)	11.1
Diversified Financials	2,784	0.4	(15.7)	High
Insurance	4,085	0.2	(9.5)	27.3
Telecom	5,867	0.3	(9.4)	18.3
Utilities	3,427	1.2	(22.1)	44.5
REITs	3,557	0.4	(15.3)	22.3
Real Estate	2,437	(0.8)	(22.2)	High
Software & Services	5,933	3.5	20.3	11.4

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
6,655	6,767	6,728	4.26

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	2.7	148.1	144.8
Previous week	22.8	1,187.3	1,054.0

Top Weighted Companies

Company	Price	Change%
Al Rajhi	53.90	0.6
Saudi Aramco	31.15	0.5
NCB	33.90	0.0
SABIC	71.70	1.3
STC	88.90	0.6



Regional and International Markets

- Among other regional markets, Dubai decreased 1.1%, while Abu Dhabi increased 1.4%. Qatar and Egypt rose 1.2% and 0.8%, respectively; while Bahrain, Kuwait and Oman declined 0.9%, 0.8% and 0.4%, respectively.
- The White House is considering additional coronavirus aid and has begun informal talks with Republicans and Democrats in Congress about what to include in another round of coronavirus relief legislation, as more jobs losses are expected in future. (Source: Reuters)
- US consumer credit fell by USD 12.1bn (consensus: an increase of USD 15bn) in March after rising by a downwardly revised USD 20.0bn in February. The decrease was due to decline of USD 28.2bn in revolving credit. (Source: RTT News)
- The UK government has initiated a tentative process to slowly reopen society and the economy. From May 11, citizens who cannot work from home are being "actively encouraged" to go back to work but avoid using public transport if possible. (Source: Reuters)
- The Bank of England kept key interest rate at a record low and maintained the existing quantitative easing, as the economic outlook remains uncertain. The central bank governor said that doors are open for further easing. (Source: RTT News)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	99.7	0.0	0.7	3.5
Euro	1.08	0.0	-1.0	-3.3
Japanese Yen	106.7	0.0	-0.5	-1.8
Sterling Pound	1.24	0.0	-1.5	-6.4
Chinese Yuan	7.07	0.0	0.2	1.6
Indian Rupee	75.5	0.0	0.6	5.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.0	0.1	0.4
Kuwaiti Dinar	0.31	0.0	0.0	2.1
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.2	0.4
Egyptian Pound	15.70	0.0	0.0	-1.9

Corporate Calendar

Date	Company	Event
11 th May	STC	Cash Dividend Distribution
11 th May	Saudi Aramco	OGM
12 th May	Aldrees	Cash Dividend Distribution
12 th May	SABIC	Cash Dividend Distribution
13 th May	Chemanol	EGM
13 th May	BSFR	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	1,902	-1.1	-6.2	-31.2	4.8
Abu Dhabi (ADX)	4,119	1.4	-2.6	-18.9	10.7
Kuwait (KSE)	4,103	-0.8	-2.9	-16.4	10.4
Qatar (QE)	8,907	1.2	1.6	-14.6	13.5
Oman (MSM)	3,469	-0.4	-2.0	-12.9	7.7
Bahrain (BSE)	1,268	-0.9	-3.2	-21.2	9.2
Egypt (EGX30)	10,258	0.8	-2.8	-26.5	7.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	24,331	0.0	-0.1	-14.7	18.7
Nasdaq	9,220	0.0	2.4	5.6	28.7
S&P 500	2,930	0.0	0.6	-9.3	21.5
FTSE 100	5,936	0.0	0.6	-21.3	14.4
Germany DAX 30	10,904	0.0	0.4	-17.7	16.6
France CAC 40	4,550	0.0	-0.5	-23.9	18.1
Japan Nikkei 225	20,179	0.0	6.7	-14.7	17.3
Hong Kong Hang Seng	24,230	0.0	-1.7	-14.0	10.5
China Shanghai Composite	2,895	0.0	1.2	-5.1	12.0
Australia ASX 200	5,391	0.0	-2.4	-19.3	15.4
India Sensex	31,643	0.0	-6.2	-23.3	17.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	22.0	0.0	7.0	-68.0
Brent Crude (\$/bbl)	31.0	0.0	22.6	-53.1
Texas crude (\$/bbl)	24.7	0.0	31.3	-59.5
Natural Gas (\$/mmbtu)	1.82	0.0	-6.5	-16.7
Gold (\$/oz)	1,701	0.0	1.2	12.1
Silver (\$/oz)	15.5	0.0	2.9	-13.3
Steel (\$/ton)	479	0.0	2.4	-18.5
Iron Ore (CNY/MT)	687	0.0	-0.7	-1.2
Wheat (\$/bu)	530	0.0	0.0	-5.2
Corn (\$/bu)	319	0.0	2.4	-17.7
Sugar (\$/lb)	10.3	0.0	-1.0	-23.3
SMP* (EUR/MT)	1,915	0.0	3.5	-25.5

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.435	0.0	-12.2	-147.4
Saudi Arabia(SAIBOR)	1.151	-1.7	-8.3	-108.0
UAE (EIBOR)	0.673	-19.0	-87.6	-153.6
Qatar (QIBOR)	1.232	2.2	-5.0	-101.8
Bahrain (BHIBOR)	2.283	5.0	31.7	-38.3

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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