



## Major Economic News

- Saudi Arabia's Ministry of Energy directed Saudi Aramco to reduce its crude production for June by extra voluntary amount of 1mn bpd, in addition to the reduction committed by the Kingdom under the latest OPEC+ deal on April 12. Accordingly, the total output cut will stand at nearly 4.8mn bpd, compared to the April production level and the country's production for June will stand at 7.5mn bpd. (Source: Argaam)

## Major Corporate News

- Saudi Aramco is planning to restructure its deal to acquire a controlling stake in petrochemicals maker Saudi Basic Industries Corp. The move comes after a more than 40% drop in SABIC's value following a slump in oil prices during the coronavirus pandemic. (Source: Argaam)
- Alkhabeer Capital Co., the fund manager of Alkhabeer REIT Fund, said that the fund's board of directors decided not to proceed with the acquisition of property located in the Eastern region under the current circumstances. (Source: Argaam)
- Allianz Saudi Fransi Cooperative Insurance Co. announced the publication of its rights issue prospectus. The insurer plans to issue 40mn rights issue shares at SAR 10 per share to raise its capital to SAR 600mn from SAR 200mn. (Source: Argaam)
- Tabuk Agricultural Development Co. received the ownership of agriculture land in Plot 1 and Plot 2 from the Ministry of Environment, Water and Agriculture. (Source: Argaam)
- Fitaihi Holding Group's board of directors approved the resignation of the CEO of Fitaihi Retail Company, Dr. Mohammed Ahmed Hassan Fitaihi, from his position as CEO of the retail sector at Fitaihi Holding Group. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 1.2% to 6,604.0. The value traded stood at SAR 4.5bn (up 63.2% over previous day), while the advance-decline ratio stood at 31/160. The parallel market index decreased 1.2% to 7,121.7 points. The value traded stood at SAR 17.3mn (down 35.9% over previous day). Most sectors in the main market ended in the red. Utilities and Telecom (up 0.5% and 0.4%, respectively) were the only gainers; Retailing and Transportation (down 6.0% and 2.9%, respectively) led the laggards.

## Earnings update (Net Profit) (SAR bn)

Company	Q1-20	Q1-19	Y/Y %	Q4-19	Q/Q %
Saudi Aramco	62.5	83.3	(25.0%)	75.0	(16.7%)

\*\*NA: Not Meaningful

## Top Gainers

Company	Price	Change%
TADCO	13.66	10.0
JAZADCO	10.28	10.0
GACO	10.20	9.8
ALJOUF	24.00	8.8
SHARQIYAH DEV	59.90	2.2

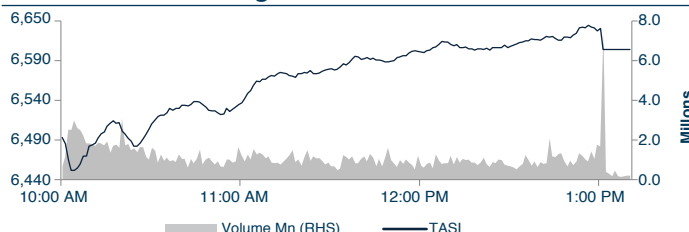
## Top Losers

Company	Price	Change%
ALHOKAIR	16.12	-9.9
EXTRA	46.30	-9.9
FARM SUP.	21.14	-8.5
ALMRAKEZ	19.22	-6.7
ALKHALEEJ	12.14	-5.9

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	6,604	6,635	6,449	(1.2)	(21.3)	18.9
NomuC	7,122	7,149	6,956	(1.2)	(0.8)	High

## TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,687	(0.7)	(13.9)	18.8
Materials	3,970	0.0	(23.2)	42.6
Capital Goods	3,329	(2.1)	(23.2)	Neg
Commercial Service	3,372	(1.2)	(29.3)	12.7
Transportation	3,144	(2.9)	(28.5)	14.1
Consumer Durables	3,054	(0.8)	(12.9)	Neg
Consumer Services	2,946	(1.9)	(25.6)	23.3
Media	6,791	(2.6)	(27.8)	19.8
Retailing	5,855	(6.0)	(23.9)	17.7
Food & Staples	7,446	(2.2)	12.5	37.4
Food & Beverages	4,401	(1.1)	1.1	35.7
Healthcare	3,511	(1.1)	(5.9)	24.0
Pharma & Bio Tech	3,648	(0.7)	1.5	Neg
Banks	5,900	(1.8)	(27.2)	10.9
Diversified Financials	2,749	(1.3)	(16.8)	High
Insurance	4,047	(0.9)	(10.3)	27.0
Telecom	5,890	0.4	(9.0)	18.4
Utilities	3,442	0.5	(21.8)	44.8
REITs	3,526	(0.9)	(16.0)	22.1
Real Estate	2,370	(2.8)	(24.3)	High
Software & Services	5,922	(0.2)	20.0	11.4

\*\*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	4.29

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	7.2	371.2	357.7
Previous week	22.8	1,187.3	1,054.0

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	53.10	-1.5
Saudi Aramco	30.90	-0.8
NCB	33.10	-2.4
SABIC	73.00	1.8
STC	89.70	0.9



## Regional and International Markets

- Among other regional markets, Dubai decreased 1.0%, while Abu Dhabi remained flat. Egypt rose 0.4%. Bahrain, Kuwait, Qatar and Oman declined 1.2%, 0.6%, 0.5% and 0.1%, respectively.
- US President Donald Trump said that he is not interested in renegotiating the US-China "Phase 1" trade deal after a Chinese state-run newspaper reported some government advisers in Beijing were urging fresh talks and possibly invalidating the agreement. (Source: Reuters)
- China's CPI increased 3.3% Y/Y in April (consensus: 3.7%) compared with 4.3% in March. On a M/M basis, CPI fell by 0.9% in April compared to a decline of 1.2% in March. (Source: Econoday)
- China's auto sales increased 4.4% to 2.1mn units in April, first time since mid-2018, in April as the government relaxed coronavirus containment measures. Sales had fallen 43% in March. (Source: Econoday)
- Oil prices decreased 4.3%, as uncertainty over oil demand increased amid fears of second wave of COVID-19.
- Gold prices fell 0.3%, as the US dollar continued to weigh on demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	100.2	0.5	1.2	4.0
Euro	1.08	-0.3	-1.4	-3.6
Japanese Yen	107.7	0.9	0.5	-0.9
Sterling Pound	1.23	-0.6	-2.0	-7.0
Chinese Yuan	7.10	0.3	0.5	1.9
Indian Rupee	75.9	0.5	1.0	6.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	-0.4	-0.3	0.0
Kuwaiti Dinar	0.31	-0.1	0.0	2.0
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	-0.2	-0.1	0.1
Egyptian Pound	15.70	0.0	0.0	-1.9

## Corporate Calendar

Date	Company	Event
12 <sup>th</sup> May	Aldrees	Cash Dividend Distribution
12 <sup>th</sup> May	Astra Indust	EGM
12 <sup>th</sup> May	Albilad	EGM
13 <sup>th</sup> May	Chemanol	EGM
13 <sup>th</sup> May	BSFR	EGM
13 <sup>th</sup> May	Chubb Arabia	EGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	1,884	-1.0	-7.1	-31.9	4.8
Abu Dhabi (ADX)	4,121	0.0	-2.6	-18.8	10.7
Kuwait (KSE)	4,079	-0.6	-3.5	-16.9	10.4
Qatar (QE)	8,864	-0.5	1.1	-15.0	13.5
Oman (MSM)	3,466	-0.1	-2.1	-12.9	7.7
Bahrain (BSE)	1,252	-1.2	-4.4	-22.2	9.2
Egypt (EGX30)	10,296	0.4	-2.4	-26.3	7.2

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	24,222	-0.4	-0.5	-15.1	18.7
Nasdaq	9,299	0.9	3.3	6.5	28.7
S&P 500	2,930	0.0	0.6	-9.3	21.5
FTSE 100	5,940	0.1	0.7	-21.2	14.4
Germany DAX 30	10,825	-0.7	-0.3	-18.3	16.5
France CAC 40	4,490	-1.3	-1.8	-24.9	17.8
Japan Nikkei 225	20,391	1.0	7.8	-13.8	17.6
Hong Kong Hang Seng	24,602	1.5	-0.2	-12.7	10.6
China Shanghai Composite	2,895	0.0	1.2	-5.1	12.0
Australia ASX 200	5,461	1.3	-1.1	-18.3	15.6
India Sensex	31,561	-0.3	-6.4	-23.5	17.4

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	21.9	-0.3	6.7	-68.1
Brent Crude (\$/bbl)	29.6	-4.3	17.3	-55.1
Texas crude (\$/bbl)	24.1	-2.4	28.1	-60.5
Natural Gas (\$/mmbtu)	1.83	0.2	-6.3	-16.6
Gold (\$/oz)	1,696	-0.3	0.9	11.8
Silver (\$/oz)	15.6	0.6	3.5	-12.8
Steel (\$/ton)	473	-1.3	1.1	-19.6
Iron Ore (CNY/MT)	687	0.1	-0.6	-1.2
Wheat (\$/bu)	525	-0.9	-0.9	-6.1
Corn (\$/bu)	319	-0.2	2.2	-17.9
Sugar (\$/lb)	10.1	-1.7	-2.6	-24.6
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)	1.140	-1.1	-9.4	-109.1
UAE (EIBOR)	0.836	16.3	-71.3	-137.3
Qatar (QIBOR)	1.266	3.3	-1.7	-98.5
Bahrain (BHIBOR)	2.283	0.0	31.7	-38.3

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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