



Major Economic News

- Saudization rate in private sector rose to 20.4% in Q1-20 compared to 20.2% during Q1-19. The number of Saudi employees from the private sector in Q1-20 stood at 1.7mn, with males representing 66.8% and females accounting for 33.2%. (Source: Argaam)
- CITC will lower the cap on termination rates for local mobile and fixed calls. Local mobile termination rates will be reduced by 60% to SAR 0.022, from SAR 0.055, while fixed termination rates will be cut by 48% to SAR 0.011, from SAR 0.021. (Source: Argaam)
- SAMA allowed the extension of working hours for money remittance centers, affiliated to banks. The central bank also permitted them to work throughout the week, including on Fridays and Saturdays, starting 7:00 a.m. until 5:30 p.m. (Source: Argaam)
- The General Customs Authority said that the fees hike implementation is yet to be put into effect. It added that the date and targeted commodities will be announced in a timely manner. (Source: Argaam)

Major Corporate News

- Middle East Paper Co. signed a framework agreement with Al Masirah International Industrial Investment Co. to buy natural corn starch for industrial use through purchase orders. The agreement has a 5-year term and the value of annual deals is expected to be >1% of the company's revenue. (Source: Argaam)
- Saudi Arabian Airlines announced that it will resume domestic flights between Jeddah and Hail airports starting from June 15, 2020. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.2% to 7,309.8 on Thursday. The value traded stood at SAR 5.3bn (down 2.4% over previous day), while the advance-decline ratio stood at 72/108. The parallel market index increased 6.9% to 8,221.8 points. The value traded stood at SAR 31.0mn (up 11.2% over previous day). Most sectors in the main market ended in the green. Pharma & Bio Tech and Healthcare (up 4.3% and 2.7%, respectively) advanced the most; Food & Beverages and Banks (down 1.5% and 1.0%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q1-20	Q1-19	Y/Y %	Q4-19	Q/Q %
Ataa Educational Co.	12.3	12.0	2.8	17.3	-28.6
Saudi Public Transport	-39.9	-10.7	NM	-40.5	NM
Al-Babtain Power	14.2	19.8	-28.3	24.4	-41.8
Tabuk Agricultural Dev.	-5.9	-23.5	NM	-33.3	NM
Dar Alarkan Real Estate	12.4	25.5	-51.3	69.3	-82.1
Al Alamiya for Coop. Ins.	3.4	7.8	-55.8	3.2	7.8

**NA: Not Meaningful

Top Gainers

Company	Price	Change%
ACIG	25.55	9.9
HB	54.40	8.6
SULAIMAN ALHABIB	68.00	4.9
SISCO	19.60	4.5
SPIMACO	30.25	4.3

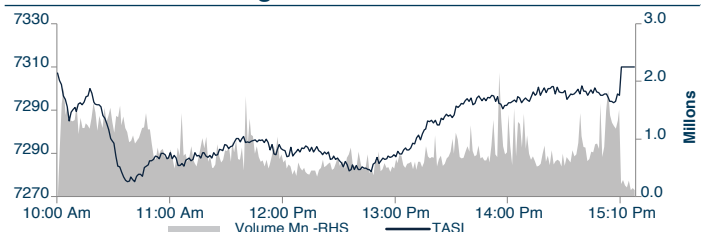
Top Losers

Company	Price	Change%
ALLIANZ SF	27.25	-3.0
MEDGULF	21.16	-2.9
SHARQIYAH	69.00	-2.8
MALATH	9.97	-2.6
BSFR	31.35	-2.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,310	7,310	7,255	(0.2)	(12.9)	20.1
NomuC	8,222	8,292	7,612	6.9	14.5	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,937	0.2	(9.3)	19.6
Materials	4,574	0.4	(11.5)	50.0
Capital Goods	3,757	0.1	(13.3)	Neg
Commercial Service	3,671	(0.2)	(23.1)	13.7
Transportation	3,595	0.5	(18.2)	16.2
Consumer Durables	3,225	(0.3)	(8.0)	Neg
Consumer Services	3,280	0.7	(17.1)	25.7
Media	7,460	0.1	(20.6)	21.8
Retailing	6,499	1.7	(15.6)	19.6
Food & Staples	9,000	0.0	36.0	44.8
Food & Beverages	5,187	(1.5)	19.2	42.2
Healthcare	3,796	2.7	1.8	26.0
Pharma & Bio Tech	3,991	4.3	11.0	Neg
Banks	6,526	(1.0)	(19.5)	12.1
Diversified Financials	3,031	0.2	(8.2)	High
Insurance	4,511	(0.6)	(0.1)	30.1
Telecom	6,539	0.1	1.0	20.4
Utilities	3,508	(0.2)	(20.3)	45.6
REITs	3,614	0.0	(13.9)	22.6
Real Estate	2,469	(0.2)	(21.2)	High
Software & Services	6,075	1.3	23.1	12.1

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,307	7,275	7,053	5.50

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	25.9	1,264.5	1,256.7

Top Weighted Companies

Company	Price	Change%
Al Rajhi	59.20	-0.3
Saudi Aramco	32.35	0.2
NCB	38.50	-1.5
SABIC	89.00	0.5
STC	99.20	-0.3



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 1.0% and 0.8%, respectively. Kuwait and Qatar rose 1.0% and 0.5%, respectively; while Egypt, Oman and Bahrain declined 0.9%, 0.3% and 0.2%, respectively.
- AstraZeneca Plc has inked an agreement with four European Union nations to distribute a coronavirus vaccine. The Netherlands, Germany, France, and Italy concluded a contract with the company to provide 300mn to 400mn doses of a possible vaccine in stages starting from the end of 2020. (Source: Bloomberg)
- US initial jobless claims fell to 1.5mn (consensus: 1.6mn), a fall of 355,000 from the previous week's revised level of 1.9mn. (Source: Econoday)
- According to Baker Hughes, North America's rig count decreased to 300 in the week ended June 12 from 305 earlier. The rig count fell to 279 from 284 in the US, while remained unchanged in the Gulf of Mexico and Canada at 13 and 21, respectively. (Source: Econoday)
- Oil prices rose 0.5% on Friday, recovering slightly from sharp decline witnessed a day before.
- Gold prices increased 0.2%, as investors resorted to the safe haven metal amid fears of second wave of COVID-19 in the US.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.3	0.6	-1.0	1.0
Euro	1.13	-0.4	1.4	0.4
Japanese Yen	107.3	0.5	-0.4	-1.2
Sterling Pound	1.25	-0.5	1.6	-5.4
Chinese Yuan	7.08	0.2	-0.8	1.7
Indian Rupee	76.0	0.1	0.6	6.6
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	-0.1	0.8	0.9
Kuwaiti Dinar	0.31	0.2	-0.1	1.6
Omani Rial	0.38	-0.1	-0.1	0.0
Bahraini Dinar	0.38	-0.2	-0.1	0.0
Egyptian Pound	16.13	0.0	1.7	0.8

Corporate Calendar

Date	Company	Event
14 th Jun	Saudi Industrial	OGM
14 th Jun	Wafrah	OGM
15 th Jun	Budget Saudi	OGM
15 th Jun	Ataa Educational	OGM
15 th Jun	UCA	OGM
16 th Jun	Saudi Electric.	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting
*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,103	-1.0	8.1	-23.9	6.3
Abu Dhabi (ADX)	4,295	-0.8	3.7	-15.4	11.8
Kuwait (KSE)	4,242	1.0	2.2	-13.6	10.8
Qatar (QE)	9,233	0.5	4.4	-11.4	14.1
Oman (MSM)	3,514	-0.3	-0.9	-11.7	8.1
Bahrain (BSE)	1,280	-0.2	0.8	-20.5	9.1
Egypt (EGX30)	10,832	-0.9	6.0	-22.4	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	25,606	1.9	0.9	-10.3	20.6
Nasdaq	9,664	0.8	1.1	10.7	31.2
S&P 500	3,041	1.3	-0.1	-5.9	22.3
FTSE 100	6,105	0.5	0.5	-19.1	16.4
Germany DAX 30	11,949	-0.2	3.1	-9.8	19.9
France CAC 40	4,839	0.5	3.1	-19.0	19.3
Japan Nikkei 225	22,305	-0.7	2.0	-5.7	20.8
Hong Kong Hang Seng	24,301	-0.7	5.8	-13.8	10.9
China Shanghai Composite	2,920	0.0	2.4	-4.3	12.1
Australia ASX 200	5,848	-1.9	1.6	-12.5	17.3
India Sensex	33,781	0.7	4.2	-18.1	18.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	34.0	-4.4	18.7	-50.6
Brent Crude (\$/bbl)	38.7	0.5	9.6	-41.3
Texas crude (\$/bbl)	36.3	-0.2	2.2	-40.7
Natural Gas (\$/mmbtu)	1.73	-4.5	-6.4	-20.9
Gold (\$/oz)	1,730	0.2	0.2	14.0
Silver (\$/oz)	17.4	-1.5	-2.2	-2.2
Steel (\$/ton)	511	0.2	-0.4	-13.1
Iron Ore (CNY/MT)	784	-5.1	1.0	12.8
Wheat (\$/bu)	502	0.6	-3.6	-10.2
Corn (\$/bu)	330	0.1	1.3	-14.9
Sugar (\$/lb)	11.9	-0.6	8.8	-11.5
SMP* (EUR/MT)	2,165	0.0	-0.1	-15.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.321	0.8	-2.3	-158.8
Saudi Arabia(SAIBOR)	1.036	-0.4	-4.7	-119.6
UAE (EIBOR)	0.749	5.9	14.5	-146.0
Qatar (QIBOR)	1.212	-4.8	-6.5	-103.8
Bahrain (BHIBOR)	2.183	0.0	-3.3	-48.3

Data Sources: Tadawul, Bloomberg, Reuters
* Three-month Interbank rate **NA: Not Available
Updated as of June 11, 2020



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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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