



Major Economic News

- Mortgage loans provided to retail and corporate clients by commercial banks in Saudi Arabia saw an increase of 33% Y/Y to SAR 329.3bn in Q1-20. Loans to retail clients, representing 68% of the total mortgage loans, jumped 49% Y/Y to SAR 225.1bn in Q1-20. Corporate mortgage loans grew by 7% Y/Y to SAR 104.2bn. (Source: Argaam)

Major Corporate News

- Saudi Aramco announced its domestic gasoline prices for June, effective June 11. The company increased Octane 91 price to SAR 0.90 per liter for June 2020 from SAR 0.67 per liter in May. It also raised Octane 95 prices to SAR 1.08 per liter from SAR 0.82 per liter in May. (Source: Argaam)
- Bupa Investments Overseas Limited signed an agreement with Nazer Group to acquire 4% of its holding in Bupa Arabia for SAR 504mn, or SAR 105 per share, raising its stake from 39.25% to 43.25%. (Source: Argaam)
- CMA extended its approval for floating and listing Amlak International for Real Estate Finance Co.'s shares until June 15. (Source: Argaam)
- GEMS Education is set to open its first proprietary school in Dhahran. The new school has a total capacity of 3,100 students. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange remained flat at 7,328.1. The value traded stood at SAR 5.4bn (up 3.2% over previous day), while the advance-decline ratio stood at 104/77. The parallel market index decreased 5.9% to 7,694.6 points. The value traded stood at SAR 27.9mn (up 22.8% over previous day). Most sectors in the main market ended in the green. Pharma & Bio Tech and Food & Beverages (up 1.8% and 1.1%, respectively) advanced the most; Food & Staples and Banks (down 1.2% and 0.6%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q1-20	Q1-19	Y/Y %	Q4-19	Q/Q %
Saudi Vitrified Clay Pipes	5.4	1.6	238.1	5.1	6.3
Wafrah for Ind. and Dev.	1.3	0.5	148.7	-23.6	NM
Jarir Marketing Co.	251.7	233.7	7.7	276.9	-9.1
Taiba Investments Co.	50.6	31.3	61.6	23.5	115.5
CHUBB Arabia Coop. Ins.	4.1	10.6	-61.8	12.9	-68.6
Malath Cooperative Ins.	4.0	6.6	-39.3	16.7	-76.1
Allianz Saudi Fransi	-15.0	11.2	NM	15.3	NM
Bawan Co.	15.2	15.0	1.1	5.3	186.9

**NA: Not Meaningful

Top Gainers

Company	Price	Change%
TADCO	17.90	8.6
SHARQIYAH DEV	71.00	6.0
DUR	24.98	5.1
CHEMICAL	22.30	4.3
UACC	19.58	4.3

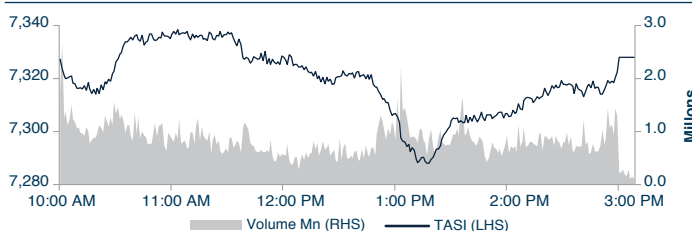
Top Losers

Company	Price	Change%
MEFIC RE	6.14	-3.9
GULF GEN.	11.20	-3.5
SWICORP	6.20	-3.0
SAICO	10.32	-2.8
ALAHLIA	9.52	-2.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,328	7,339	7,287	0.0	(12.6)	20.1
NomuC	7,695	8,176	7,562	(5.9)	7.2	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,928	0.1	(9.5)	19.6
Materials	4,557	0.2	(11.8)	49.8
Capital Goods	3,753	1.1	(13.4)	Neg
Commercial Service	3,679	(0.1)	(22.9)	13.7
Transportation	3,578	(0.4)	(18.6)	16.2
Consumer Durables	3,235	(0.1)	(7.7)	Neg
Consumer Services	3,259	0.9	(17.7)	25.7
Media	7,454	0.8	(20.7)	21.8
Retailing	6,387	0.3	(17.0)	19.3
Food & Staples	8,998	(1.2)	36.0	44.8
Food & Beverages	5,266	1.1	21.0	42.8
Healthcare	3,697	0.8	(0.9)	25.2
Pharma & Bio Tech	3,826	1.8	6.4	Neg
Banks	6,590	(0.6)	(18.7)	12.2
Diversified Financials	3,024	0.1	(8.4)	High
Insurance	4,536	(0.2)	0.5	30.3
Telecom	6,535	0.9	1.0	20.4
Utilities	3,516	0.0	(20.1)	45.8
REITs	3,616	(0.4)	(13.9)	22.6
Real Estate	2,474	0.1	(21.0)	High
Software & Services	5,999	0.0	21.6	12.0

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,287	7,249	7,019	5.52

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	20.6	1,030.4	998.4
Previous week	30.1	1,521.6	1,381.3

Top Weighted Companies

Company	Price	Change%
Al Rajhi	59.40	0.2
Saudi Aramco	32.30	0.0
NCB	39.10	-0.6
SABIC	88.60	-0.1
STC	99.50	0.3



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained flat. Bahrain rose 0.1%, while Egypt, Kuwait and Qatar declined 1.2%, 0.9% and 0.8%, respectively. Meanwhile, Oman remained flat.
- US Federal Reserve maintained interest rates near zero and expected that the rate would remain at the same level through FY22. The central bank forecasted US GDP to contract by 6.5% in FY20, but recover back to grow 5% in FY21. (Source: CNBC)
- US CPI fell 0.1% M/M in May (consensus: 0.0%) versus decline of 0.8% in April. On a Y/Y basis, CPI increased 0.1% in May (consensus: 0.2%) compared with rise of 0.3% in April. (Source: Econoday)
- According to EIA, oil inventories in the US increased 5.7mn barrels (prior: down 2.1mn) to 538.1mn in the week ended June 05. Distillate inventories rose 1.6mn barrels (prior: up 9.9mn) to 175.8mn, and gasoline inventories increased 0.9mn barrels (prior: up 2.8mn) to 258.7mn. (Source: EIA, Econoday)
- Oil prices increased 1.3% despite EIA data showing increase in crude oil inventories in the US.
- Gold prices rose 1.3% aided by expectation of US Fed continuing with easy monetary policy.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	96.0	-0.4	-2.4	-0.4
Euro	1.14	0.3	2.4	1.4
Japanese Yen	107.1	-0.6	-0.6	-1.4
Sterling Pound	1.27	0.1	3.2	-3.9
Chinese Yuan	7.06	-0.2	-1.0	1.4
Indian Rupee	75.6	0.2	0.0	6.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.9	0.9	0.9
Kuwaiti Dinar	0.31	-0.1	-0.3	1.4
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.1	0.1
Egyptian Pound	16.14	0.0	1.8	0.9

Corporate Calendar

Date	Company	Event
11 th Jun	Pharmaceutical	Cash Dividend Distribution
11 th Jun	Yanbu Cement	Cash Dividend Distribution
11 th Jun	Maadaniyah	EGM
14 th Jun	Saudi Industrial	OGM
14 th Jun	Wafrah	OGM
15 th Jun	Budget Saudi	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,125	0.0	9.2	-23.1	6.4
Abu Dhabi (ADX)	4,331	0.0	4.6	-14.7	11.8
Kuwait (KSE)	4,202	-0.9	1.2	-14.4	10.7
Qatar (QE)	9,186	-0.8	3.9	-11.9	14.2
Oman (MSM)	3,525	0.0	-0.6	-11.5	8.1
Bahrain (BSE)	1,283	0.1	1.0	-20.3	9.1
Egypt (EGX30)	10,934	-1.2	7.0	-21.7	8.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	26,990	-1.0	6.3	-5.4	20.6
Nasdaq	10,094	1.3	5.6	15.6	31.2
S&P 500	3,190	-0.5	4.8	-1.3	22.3
FTSE 100	6,329	-0.1	4.2	-16.1	16.4
Germany DAX 30	12,530	-0.7	8.1	-5.4	19.9
France CAC 40	5,053	-0.8	7.6	-15.5	20.1
Japan Nikkei 225	23,125	0.1	5.7	-2.2	20.8
Hong Kong Hang Seng	25,050	0.0	9.1	-11.1	10.9
China Shanghai Composite	2,944	-0.4	3.2	-3.5	12.1
Australia ASX 200	6,148	0.1	6.8	-8.0	17.3
India Sensex	34,247	0.9	5.6	-17.0	18.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	35.0	-6.2	22.3	-49.1
Brent Crude (\$/bbl)	41.2	0.9	16.6	-37.6
Texas crude (\$/bbl)	38.9	2.0	9.7	-36.3
Natural Gas (\$/mmbtu)	1.77	-1.2	-4.4	-19.3
Gold (\$/oz)	1,714	1.2	-0.7	13.0
Silver (\$/oz)	17.6	-1.5	-1.4	-1.3
Steel (\$/ton)	518	0.6	1.0	-11.9
Iron Ore (CNY/MT)	792	-0.6	2.0	13.9
Wheat (\$/bu)	505	-1.4	-3.1	-9.7
Corn (\$/bu)	328	-1.9	0.5	-15.5
Sugar (\$/lb)	12.0	0.5	10.0	-10.6
SMP* (EUR/MT)	2,138	0.0	-1.4	-16.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.315	0.5	-2.9	-159.4
Saudi Arabia(SAIBOR)	1.040	-0.1	-4.3	-119.1
UAE (EIBOR)	0.690	-20.9	8.6	-151.9
Qatar (QIBOR)	1.260	2.9	-1.6	-99.0
Bahrain (BHIBOR)	2.183	0.0	-3.3	-48.3

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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