



## Major Economic News

- The Ministry of Hajj decided to allow a "very limited number" of pilgrims, from different nationalities, in the Kingdom to perform Hajj this year. (Source: Argaam)
- The sales of 17 Saudi cement firms increased by 16% Y/Y to 4.0mn tons in the 12 months ending March 2020. Clinker exports stood at 1.1mn tons, or around 87% of total clinker sales in Q1-20, a plunge of 45% Y/Y. Clinker inventory stood at 39.6mn tons by the end of March, declining 5% Y/Y. (Source: Argaam)
- The second and final tranche of the fifth phase of Saudi Arabia's inclusion in FTSE Russell Secondary Emerging Markets Index started on June 22, based on closing prices on June 18. (Source: Argaam)

## Major Corporate News

- Zahrat Al Waha Trading Co. renewed a Shariah-compliant bank facility agreement worth SAR 75.6mn with The Saudi Investment Bank. The loan tenure extends from June 22, 2020 until March 31, 2021 and is guaranteed by a promissory note. (Source: Argaam)
- Anaam International Holding Group aims to acquire income-generating assets, such as hotels following the capital hike. It is also eyeing investments in the healthcare sector and olive cultivation industry, as per CEO Hassan Yamani. (Source: Argaam)
- United Wire Factories Co. will vote on a 20% capital cut to SAR 351mn from SAR 438.8mn on having a capital surplus, during the extraordinary general meeting scheduled for July 15. (Source: Argaam)
- United International Transportation Co. Ltd. said it will pay cash dividend for H2-19 on July 1, 2020. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 1.2% to 7,260.1. The value traded stood at SAR 5.2bn (up 7.5% over previous day), while the advance-decline ratio stood at 36/150. The parallel market index decreased 0.9% to 8,028.0 points. The value traded stood at SAR 11.8mn (down 58.8% over previous day). Most sectors in the main market ended in the red. Media (up 2.8%) was the only gainer; Pharma & Bio Tech and Real Estate (down 3.0% and 2.0%, respectively) led the laggards.

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

Company	Q1-20	Q1-19	Y/Y %	Q4-19	Q/Q %
Al Gassim Inv. Holding Co.	0.7	9.4	-92.4	-30.2	NM
Kingdom Holding Co.	-50.1	171.4	NM	18.4	NM

## Top Gainers

Company	Price	Change%
WATANIYA	25.75	10.0
ALBAHA	14.66	7.3
ALALAMIYA	17.42	3.7
SRMG	63.80	2.9
NADEC	29.30	2.8

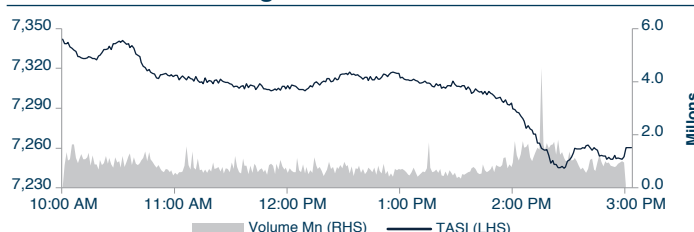
## Top Losers

Company	Price	Change%
ALLIANZ SF	17.26	-6.8
MOBILY	27.05	-5.8
ALHOKAIR	14.36	-4.3
BATIC	22.36	-4.1
S. CABLE	12.68	-3.9

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,260	7,342	7,245	(1.2)	(13.5)	24.8
NomuC	8,028	8,092	7,699	(0.9)	11.8	High

## TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,993	(0.3)	(8.3)	19.9
Materials	4,580	(1.7)	(11.4)	50.0
Capital Goods	3,729	(1.6)	(13.9)	Neg
Commercial Service	3,723	(0.7)	(22.0)	13.9
Transportation	3,615	(0.7)	(17.7)	16.3
Consumer Durables	3,258	(0.4)	(7.1)	Neg
Consumer Services	3,331	(1.2)	(15.9)	26.3
Media	7,707	2.8	(18.0)	22.5
Retailing	6,602	(1.1)	(14.2)	19.9
Food & Staples	9,071	(1.7)	37.1	45.0
Food & Beverages	5,220	(0.5)	19.9	42.5
Healthcare	3,851	(1.3)	3.3	26.7
Pharma & Bio Tech	3,826	(3.0)	6.4	Neg
Banks	6,389	(1.2)	(21.2)	11.8
Diversified Financials	3,136	(0.2)	(5.0)	High
Insurance	4,546	(0.2)	0.7	30.8
Telecom	6,418	(1.9)	(0.9)	20.1
Utilities	3,534	(0.7)	(19.7)	46.0
REITs	3,615	(0.4)	(13.9)	22.7
Real Estate	2,406	(2.0)	(23.2)	High
Software & Services	6,033	(1.1)	22.3	12.1

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,317	7,314	7,235	21.96

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	10.1	520.5	521.2
Previous week	291.9	3,726.2	1,366.8

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	58.70	-0.2
Saudi Aramco	32.80	-0.3
NCB	37.40	-0.7
SABIC	89.50	-2.3
STC	98.70	-0.6



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.6% and 0.3%, respectively. Bahrain rose 0.3%, while Egypt, Oman and Qatar declined 0.8%, 0.4% and 0.3%, respectively. Meanwhile, Kuwait remained flat.
- White House trade advisor Peter Navarro said that the US-China phase one trade deal is not over, clarifying the confusion over his statement earlier. (Source: CNBC)
- US President Donald Trump will block the entry of foreign workers on H-1B visas for skilled workers and L-1 visas for workers being transferred within a company through the end of the year, as per a senior administration official. (Source: CNBC)
- US existing home sales declined for the third straight month, by 9.7% M/M to an annual rate of 3.9mn (consensus: 4.3mn) in May, after falling by 17.8% to a rate of 4.3mn in April. Existing home sales were down by 26.6% Y/Y. (Source: Econoday, RTT News)
- Oil prices rose 2.1% driven by drawdown in the US oil inventories, partly offset by rising COVID-19 cases.
- Gold prices increased 0.7%, as fears of second wave of COVID-19 in the US and other countries kept the demand for the yellow metal high.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.0	-0.6	-1.3	0.7
Euro	1.13	0.7	1.4	0.4
Japanese Yen	106.9	0.0	-0.8	-1.6
Sterling Pound	1.25	0.8	0.9	-6.0
Chinese Yuan	7.07	0.0	-0.9	1.5
Indian Rupee	75.8	-0.6	0.3	6.2
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.0	0.5	0.5
Kuwaiti Dinar	0.31	0.0	-0.2	1.6
Omani Rial	0.38	0.1	0.0	0.0
Bahraini Dinar	0.38	0.1	0.0	0.1
Egyptian Pound	16.13	0.0	1.7	0.8

## Corporate Calendar

Date	Company	Event
23 <sup>rd</sup> Jun	Gulf Union	OGM
24 <sup>th</sup> Jun	Chemanol	OGM
24 <sup>th</sup> Jun	Jarir	Cash Dividend Distribution
24 <sup>th</sup> Jun	Al-Etihad Insurance	OGM
25 <sup>th</sup> Jun	Saudi Cement	Cash Dividend Distribution
25 <sup>th</sup> Jun	ADC	EGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,091	1.6	7.5	-24.4	6.3
Abu Dhabi (ADX)	4,347	0.3	5.0	-14.4	11.8
Kuwait (KSE)	4,185	0.0	0.8	-14.8	10.5
Qatar (QE)	9,261	-0.3	4.7	-11.2	14.2
Oman (MSM)	3,510	-0.4	-1.0	-11.8	8.1
Bahrain (BSE)	1,279	0.3	0.7	-20.6	9.1
Egypt (EGX30)	10,742	-0.8	5.1	-23.1	7.9

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	26,025	0.6	2.5	-8.8	19.6
Nasdaq	10,056	1.1	6.0	12.1	31.4
S&P 500	3,118	0.6	2.4	-3.5	21.6
FTSE 100	6,245	-0.8	2.8	-17.2	16.8
Germany DAX 30	12,263	-0.5	5.8	-7.4	19.2
France CAC 40	4,949	-0.6	5.4	-17.2	19.8
Japan Nikkei 225	22,437	-0.2	2.6	-5.2	20.2
Hong Kong Hang Seng	24,511	-0.5	6.7	-13.0	10.7
China Shanghai Composite	2,965	-0.1	4.0	-2.8	12.1
Australia ASX 200	5,945	0.0	3.3	-11.1	16.7
India Sensex	34,911	0.5	7.7	-15.4	19.3

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	36.4	-1.6	27.0	-47.2
Brent Crude (\$/bbl)	43.1	2.1	21.9	-34.7
Texas crude (\$/bbl)	40.5	1.8	14.0	-33.8
Natural Gas (\$/mmbtu)	1.66	-0.3	-10.0	-24.0
Gold (\$/oz)	1,754	0.7	1.6	15.7
Silver (\$/oz)	17.8	1.3	-0.1	-0.1
Steel (\$/ton)	499	-0.4	-2.7	-15.1
Iron Ore (CNY/MT)	796	-1.3	2.5	14.5
Wheat (\$/bu)	485	0.8	-6.9	-13.2
Corn (\$/bu)	328	-1.3	0.8	-15.3
Sugar (\$/lb)	11.9	-1.1	9.3	-11.2
SMP* (EUR/MT)	2,190	0.0	1.0	-14.8

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.305	-0.1	-3.9	-160.3
Saudi Arabia(SAIBOR)	1.004	-0.3	-7.9	-122.7
UAE (EIBOR)	0.575	-4.8	-2.9	-163.4
Qatar (QIBOR)	1.257	2.8	-1.9	-99.3
Bahrain (BHIBOR)	2.267	1.7	5.0	-40.0

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of June 22, 2020



RESEARCH DIVISION

AGM-Head of Research

**Talha Nazar**

+966 11 2256250  
t.nazar@aljaziracapital.com.sa

Analyst

**Faisal Alsuwelimy**

+966 11 2256115  
F.alsuwelimy@aljaziracapital.com.sa

Senior Analyst

**Jassim Al-Jubran**

+966 11 2256248  
j.aljabran@aljaziracapital.com.sa

Analyst

**Abdulrahman Al-Mashal**

+966 11 2256374  
A.Almashal@Aljaziracapital.com.sa

BROKERAGE AND INVESTMENT CENTERS DIVISION

General Manager – Brokerage Services & sales

**Alaa Al-Yousef**

+966 11 2256060  
a.yousef@aljaziracapital.com.sa

AGM-Head of international and institutions

**Ahmad Salman, CFA**

+966 11 2256201  
a.salman@aljaziracapital.com.sa

AGM-Head of Qassim & Eastern Province

**Abdullah Al-Rahit**

+966 16 3617547  
aalrahit@aljaziracapital.com.sa

AGM-Head of Central & Western Region

Investment Centers

**Sultan Ibrahim AL-Mutawa**

+966 11 2256364  
s.almutawa@aljaziracapital.com.sa

RESEARCH DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

RATING TERMINOLOGY

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.

## Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Corporate Finance | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068