



Major Economic News

- Saudi King Salman issued a royal decree on extending some government initiatives to mitigate the fallout of the coronavirus pandemic on economic activities and the private sector. These initiatives include supporting Saudi employees through "Saned" program, suspending recruitment penalties, deferring collection of fees, exemptions, and tax returns. (Source: Argaam)
- Insurance companies in Saudi Arabia are expected to report robust overall underwriting results in H1-20, as per S&P Global Ratings report. The report added that the strong performance is driven by a sharp fall in motor and medical claims due to the COVID-19-related lockdown. (Source: Argaam)
- The Royal Commission for Al-Ula said that the second phase of development of Al-Ula airport was complete in cooperation with the General Authority for Civil Aviation. The second phase included the renovation of the main terminal and the expansion of the aircraft ramp and the airport's capacity to 400,000 passengers annually from 100,000. (Source: Argaam)
- Saudi Customs Authority's governor, Ahmed AlHakbani said that duties collection is postponed for 30 days from the clearance date. He added that importers of all categories can benefit from the initiative by providing a bank guarantee.

Major Corporate News

- Mobile Telecommunications Company Saudi Arabia signed a MoU with Etihad Etisalat Company to form a joint committee, that will prepare and offer a request for proposal (within 30 days from the date of signing) with the options of purchasing the telecommunications towers owned by the two companies, merging them into one company with other investors or operating them on their behalf. (Source: Argaam)
- Citigroup is planning to appoint more bankers in Saudi Arabia for its direct custody business, as per the group's Europe, Middle East and Africa head, David Livingstone. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.8% to 7,312.2 on Thursday. The value traded stood at SAR 4.2bn (up 0.6% over previous day), while the advance-decline ratio stood at 149/37. The parallel market index increased 1.1% to 7,926.5 points. The value traded stood at SAR 24.4mn (up 151.3% over previous day). All sectors in the main market ended in the green. Food & Beverages and Commercial Service (up 2.2% and 1.7%, respectively) advanced the most.

Earnings update (Net Profit) (SAR mn)

Company	Q2-20	Q2-19	Y/Y %	Q1-20	Q/Q %
ALMARAI	643.9	582.5	10.5%	383.0	68.1%

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
NCLE	51.40	9.1
MUSHARAKA REIT	8.52	6.6
ALMARAI	55.00	3.8
SEDCO CAPITAL REIT	8.52	3.2
BAAZEEM	50.50	3.1

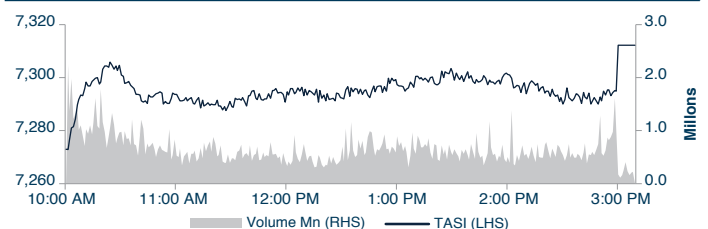
Top Losers

Company	Price	Change%
SFICO	19.42	-9.9
PETROCHEM	24.66	-1.4
ALJOUF	29.00	-1.4
SAUDI GER.	31.05	-1.1
ALYAMAMAH	17.40	-1.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,312	7,312	7,271	0.8	(12.8)	25.1
NomuC	7,927	8,206	7,840	1.1	10.4	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,001	0.7	(8.1)	21.4
Materials	4,628	1.2	(10.4)	High
Capital Goods	3,816	0.4	(11.9)	Neg
Commercial Service	3,782	1.7	(20.7)	15.9
Transportation	3,739	0.4	(14.9)	22.6
Consumer Durables	3,398	0.8	(3.1)	Neg
Consumer Services	3,439	1.1	(13.1)	11.0
Media	7,621	0.2	(18.9)	26.0
Retailing	6,712	1.3	(12.8)	41.1
Food & Staples	8,991	0.4	35.9	37.9
Food & Beverages	5,187	2.2	19.1	37.3
Healthcare	4,199	1.1	12.6	29.5
Pharma & Bio Tech	3,879	1.4	7.9	Neg
Banks	6,384	0.4	(21.3)	12.1
Diversified Financials	3,137	0.1	(5.0)	High
Insurance	4,562	1.2	1.1	32.1
Telecom	6,456	0.7	(0.3)	19.8
Utilities	3,485	0.4	(20.8)	High
REITs	3,727	1.1	(11.2)	23.4
Real Estate	2,503	0.7	(20.1)	Neg
Software & Services	6,577	0.5	33.3	12.6

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,274	7,269	7,288	4.20

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	24.6	1,285.9	1,248.6

Top Weighted Companies

Company	Price	Change%
Al Rajhi	57.50	0.7
Saudi Aramco	32.90	0.6
NCB	37.20	0.3
SABIC	89.20	1.2
STC	98.50	0.1



Regional and International Markets

- Among other regional markets, Dubai decreased 0.1%, while Abu Dhabi increased 0.6%. Qatar and Bahrain rose 1.4% and 0.2%, respectively; while Oman declined 0.2%. Kuwait ended flat, while Egypt remained closed.
- US nonfarm payroll increased 4.8mn M/M in June (consensus: 3.0mn) compared with 2.7mn in May. The unemployment rate level decreased to 11.1% in June (consensus: 12.4%) from 13.3% in May. The private payroll increased 4.8mn in June (consensus: 2.7mn) compared with 3.2mn in May. (Source: Econoday)
- According to Baker Hughes, North America's rig count increased to 281 in the week ended July 02 from 278 earlier. The rig count fell to 263 from 265 in the US, while rose to 12 from 11 in the Gulf of Mexico. The rig count in Canada increased to 18 from 13 earlier. (Source: Econoday)
- US initial jobless claims dropped to 1,427k (consensus: 1,400k), representing a fall of 55,000 from the previous week's revised level of 1,482k. (Source: Econoday)
- Oil prices fell 0.8% on Friday, as surge in coronavirus cases raised concerns over oil demand.
- Gold prices were flat as worries of rise in COVID-19 cases were offset by positive economic data.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.2	-0.1	-0.2	0.8
Euro	1.12	0.1	0.2	0.3
Japanese Yen	107.5	0.0	-0.4	-1.0
Sterling Pound	1.25	0.1	0.7	-5.9
Chinese Yuan	7.07	0.0	0.0	1.5
Indian Rupee	74.6	-0.1	-1.2	4.6
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.31	0.1	0.0	1.6
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	16.07	0.0	-0.2	0.4

Corporate Calendar

Date	Company	Event
05 th Jul	SASCO	Cash Dividend Distribution
05 th Jul	SADAFCO	Cash Dividend Distribution
05 th Jul	SAFCO	Cash Dividend Distribution
05 th Jul	Alkhabeer REIT	OGM
12 th Jul	Sharqiya Dev Co.	OGM
12 th Jul	JAZADCO	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,061	-0.1	-0.2	-25.4	6.2
Abu Dhabi (ADX)	4,312	0.6	0.6	-15.1	11.6
Kuwait (KSE)	4,185	0.0	-0.1	-14.8	10.5
Qatar (QE)	9,212	1.4	2.4	-11.6	14.1
Oman (MSM)	3,512	-0.2	-0.1	-11.8	8.0
Bahrain (BSE)	1,274	0.2	-0.3	-20.9	9.1
Egypt (EGX30)	10,765	0.0	0.0	-22.9	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	25,827	0.0	0.1	-9.5	19.7
Nasdaq	10,208	0.0	1.5	13.8	29.7
S&P 500	3,130	0.0	1.0	-3.1	22.0
FTSE 100	6,157	-1.3	-0.2	-18.4	16.5
Germany DAX 30	12,528	-0.6	1.8	-5.4	19.6
France CAC 40	5,007	-0.8	1.4	-16.2	20.1
Japan Nikkei 225	22,306	0.7	0.1	-5.7	19.8
Hong Kong Hang Seng	25,373	1.0	3.9	-10.0	11.1
China Shanghai Composite	3,153	2.0	5.6	3.4	12.9
Australia ASX 200	6,058	0.4	2.7	-9.4	17.0
India Sensex	36,021	0.5	3.2	-12.7	20.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	43.3	0.1	22.8	-37.1
Brent Crude (\$/bbl)	42.8	-0.8	4.0	-35.2
Texas crude (\$/bbl)	40.7	2.1	3.5	-33.5
Natural Gas (\$/mmbtu)	1.75	0.9	-0.1	-20.1
Gold (\$/oz)	1,775	0.0	-0.3	17.0
Silver (\$/oz)	18.0	0.8	-0.5	1.2
Steel (\$/ton)	490	-0.2	0.4	-16.7
Iron Ore (CNY/MT)	797	-0.9	1.1	14.7
Wheat (\$/bu)	490	0.0	0.0	-12.3
Corn (\$/bu)	343	0.0	1.2	-11.7
Sugar (\$/lb)	12.2	0.0	3.4	-8.8
SMP* (EUR/MT)	2,179	-0.2	-0.5	-15.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.304	0.5	0.2	-160.5
Saudi Arabia(SAIBOR)	0.984	0.0	-0.1	-124.7
UAE (EIBOR)	0.756	12.6	3.5	-145.2
Qatar (QIBOR)	1.057	-2.0	-10.1	-119.3
Bahrain (BHIBOR)	2.250	0.0	0.0	-41.7

Data Sources: Tadawul, Bloomberg, Reuters

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

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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

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