



Major Economic News

- Saudi Arabia's general reserves fell by SAR 50bn M/M to SAR 419.6bn in May. However, the Kingdom's current account rose by SAR 27.2bn M/M to SAR 51.6bn in May. (Source: Argaam)
- Point-of-sale (POS) transactions in Saudi Arabia saw a 16% Y/Y drop to around SAR 23.5bn in May. Around 159.4mn transactions were processed through nearly 505,100 POS in shopping malls, retail stores, and pharmacies. (Source: Argaam)

Major Corporate News

- Aljazira Takaful Taawuni Co. is in the final stages of evaluating its potential merger with Solidarity Saudi Takaful Co., as per Saqr Nader Shah, CEO and MD. He added that the company is implementing a certain timeframe. (Source: Argaam)
- Dallah Healthcare Co. (DHC) signed the final agreement to acquire 78.6% stake, representing 2.4mn shares, in Makkah Medical Center Co. for a total value of SAR 161.1mn. DHC will own 86.1% of the company's shares post transaction. The transaction will be financed through DHC's internal resources in addition to local financial institutions. (Source: Argaam)
- ACWA Power expects to achieve its target of more than USD10bn in new investments in FY20, given that COVID-19 pandemic had "minimal impact" on its projects. ACWA Power is still committed to a planned initial public offering although execution will depend on the right timing and market conditions. (Source: Argaam)
- Batic Investments and Logistics Co.'s subsidiary, the Smart City Solutions Co., signed a strategic partnership with China's Huawei to provide innovative smart cities solutions in KSA. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 7,287.4. The value traded stood at SAR 6.1bn (up 47.3% over previous day), while the advance-decline ratio stood at 121/58. The parallel market index decreased 5.7% to 7,758.3 points. The value traded stood at SAR 23.6mn (down 14.8% over previous day). Most sectors in the main market ended in the green. Real Estate and Software & Services (up 2.7% and 2.6%, respectively) advanced the most; Food & Beverages and Media (down 1.5% each) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-19	Q4-18	Y/Y %	Q3-19	Q/Q %
Abo Moati for Bookstores	3.8	4.6	-18.4	4.8	-21.3

* indicates Q4-20 results, as year ending in March.

Top Gainers

Company	Price	Change%
UACC	22.74	10.0
QACCO	61.70	9.2
OASIS	51.00	6.9
YSCC	22.40	6.9
ZOUJAJ	15.62	6.3

Top Losers

Company	Price	Change%
NCB	37.35	-4.5
FIPCO	44.60	-3.2
SHAKER	10.80	-3.1
TALEE RT.	11.66	-2.8
SABB	22.66	-2.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,287	7,308	7,269	(0.1)	(13.1)	24.9
NomuC	7,758	8,161	7,610	(5.7)	8.1	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,964	0.1	(8.8)	21.2
Materials	4,637	1.7	(10.3)	High
Capital Goods	3,836	0.7	(11.4)	Neg
Commercial Service	3,749	(0.1)	(21.4)	15.7
Transportation	3,747	0.4	(14.7)	22.6
Consumer Durables	3,450	0.9	(1.6)	Neg
Consumer Services	3,441	0.2	(13.1)	10.9
Media	7,732	(1.5)	(17.8)	26.4
Retailing	6,727	(0.1)	(12.6)	19.8
Food & Staples	8,987	(1.5)	35.8	37.9
Food & Beverages	5,071	(1.5)	16.5	36.4
Healthcare	3,962	0.3	6.2	27.5
Pharma & Bio Tech	3,931	(1.0)	9.4	Neg
Banks	6,393	(1.4)	(21.1)	12.1
Diversified Financials	3,171	1.0	(4.0)	High
Insurance	4,536	0.2	0.5	31.9
Telecom	6,415	0.4	(0.9)	19.8
Utilities	3,482	(0.8)	(20.9)	High
REITs	3,683	0.4	(12.3)	23.1
Real Estate	2,474	2.7	(21.0)	Neg
Software & Services	6,550	2.6	32.8	12.6

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,253	7,285	7,284	17.86

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	10.3	544.1	507.4
Previous week	23.4	1,207.5	1,216.1

Top Weighted Companies

Company	Price	Change%
Al Rajhi	57.20	-1.0
Saudi Aramco	32.65	0.2
NCB	37.35	-4.5
SABIC	88.80	1.3
STC	98.80	0.2



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.2% and 0.7%, respectively. Egypt and Qatar fell 0.9% and 0.8%, respectively; while Oman and Kuwait declined 0.1% each. Meanwhile, Bahrain remained flat.
- China's top decision-making body in parliament has passed the controversial national security law for Hong Kong. (Source: CNBC)
- China's manufacturing PMI increased to 50.9 in June (consensus: 50.4) from 50.6 in May. Non-manufacturing also rose to 54.4 in June (consensus: 54.1) from 53.6 in the previous month. (Source: RTT News)
- Eurozone economic sentiment index rose by 8.2 points to 75.7 in June (consensus: 80.0) compared to 67.5 in May. The recovery was driven by significant increases in confidence across all business sectors such as industry, services, retail trade and construction. (Source: Econoday, RTT News)
- Oil prices increased 1.7% on hopes of improvement in the US economic data and subsequently in the oil demand.
- Gold prices were flat, as demand for the safe haven metal continued, while purchase of risky assets by investors also increased.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.5	0.1	-0.8	1.2
Euro	1.12	0.2	1.3	0.3
Japanese Yen	107.6	0.3	-0.2	-1.0
Sterling Pound	1.23	-0.3	-0.4	-7.3
Chinese Yuan	7.08	0.0	-0.8	1.7
Indian Rupee	75.5	-0.1	-0.1	5.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	-0.7	0.0	0.0
Kuwaiti Dinar	0.31	-0.1	-0.2	1.5
Omani Rial	0.38	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	16.11	0.0	1.6	0.7

Corporate Calendar

Date	Company	Event
30 th Jun	Enaya	OGM
30 th Jun	Bupa Arabia	EGM
30 th Jun	Arabian Shield	OGM
30 th Jun	AICC	OGM
30 th Jun	Yanbu Cement	OGM
30 th Jun	SPM	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,081	-0.2	7.0	-24.7	6.3
Abu Dhabi (ADX)	4,275	-0.7	3.2	-15.8	11.6
Kuwait (KSE)	4,205	-0.1	1.3	-14.4	10.6
Qatar (QE)	9,052	-0.8	2.3	-13.2	13.8
Oman (MSM)	3,521	-0.1	-0.7	-11.6	8.0
Bahrain (BSE)	1,278	0.0	0.6	-20.6	9.1
Egypt (EGX30)	10,750	-0.9	5.2	-23.0	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	25,596	2.3	0.8	-10.3	19.1
Nasdaq	9,874	1.2	4.0	10.0	28.4
S&P 500	3,053	1.5	0.3	-5.5	21.1
FTSE 100	6,226	1.1	2.5	-17.5	16.7
Germany DAX 30	12,232	1.2	5.6	-7.7	19.2
France CAC 40	4,945	0.7	5.3	-17.3	19.8
Japan Nikkei 225	21,995	-2.3	0.5	-7.0	19.6
Hong Kong Hang Seng	24,301	-1.0	5.8	-13.8	10.6
China Shanghai Composite	2,962	-0.6	3.8	-2.9	12.1
Australia ASX 200	5,815	-1.5	1.0	-13.0	16.4
India Sensex	34,962	-0.6	7.8	-15.3	19.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	34.7	-5.0	21.1	-49.6
Brent Crude (\$/bbl)	41.7	1.7	18.1	-36.8
Texas crude (\$/bbl)	39.7	3.1	11.9	-35.1
Natural Gas (\$/mmbtu)	1.71	14.3	-7.6	-21.9
Gold (\$/oz)	1,771	0.0	2.6	16.8
Silver (\$/oz)	17.9	0.6	0.1	0.2
Steel (\$/ton)	489	-0.6	-4.7	-16.8
Iron Ore (CNY/MT)	792	-1.7	2.1	14.0
Wheat (\$/bu)	486	2.4	-6.8	-13.1
Corn (\$/bu)	326	2.9	0.2	-15.9
Sugar (\$/lb)	11.7	1.4	7.3	-12.7
SMP* (EUR/MT)	2,189	-0.4	1.0	-14.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.308	0.2	-3.6	-160.1
Saudi Arabia(SAIBOR)	0.990	0.0	-9.3	-124.1
UAE (EIBOR)	0.545	-6.2	-5.9	-166.3
Qatar (QIBOR)	1.024	-14.7	-25.3	-122.7
Bahrain (BHIBOR)	2.250	0.0	3.3	-41.7

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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