



Major Economic News

- The POS transactions edged down 0.5% to SAR 7.26bn in the week ending June 20, 2020, from SAR 7.30bn in the previous week. The POS sales of major sectors were mixed, with the education sector recording the biggest drop of 34% in transactions value, followed by the recreation and culture sector with (-9%) and telecommunications (-7%). Jewelry was the top riser with an increase of 11%, followed by construction materials (+7%). (Source: Argaam, SAMA)
- Saudi Arabia's inflation accelerated to 1.1% in May 2020. The CPI rise was mainly driven by a rise of 7.0% Y/Y in the average prices of food and beverages, as food prices grew by 7.4%. On the other hand, the transport section recorded the highest decline of 3.8% on a 17.7% drop in the prices of personal transport equipment. (Source: Argaam, GASTAT)

Major Corporate News

- Seera Holding Group wrote off its equity investments in Saudi Heritage Hospitality Co. (NUZUL) and Equinox Group Ltd in Q1-20, due to incurred continuous losses. In 2015, Seera acquired a 20% stake of NUZUL at SAR 13mn, and a 40% stake in Equinox for SAR 9mn. (Source: Argaam)
- Al-Samaani Factory for Metal Industries Co. signed, on June 21, a three-year logistics contract with National Aquaculture Group (NAQUA) for a total value of SAR 33.46mn. The deal includes storing NAQUA's products at Al-Samaani's refrigerators in Jeddah. (Source: Argaam)
- MIS renewed a SAR 204.1mn Shariah compliant bank facilities agreement with SABB. The funding term is valid until Dec. 31, 2020 and is covered by a promissory note. The credit is intended to finance the company's new projects. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.7% to 7,213.4. The value traded stood at SAR 4.8bn (up 11.4% over previous day), while the advance-decline ratio stood at 59/128. The parallel market index increased 2.5% to 8,036.6 points. The value traded stood at SAR 22.3mn (up 112.3% over previous day). Most sectors in the main market ended in the red. Media and Software & Services (up 2.9% and 2.5%, respectively) advanced the most; Real Estate and Materials (down 1.4% and 1.1%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SAUDI CABLE	13.58	5.1
ALJAZIRA REIT	11.56	5.1
SIECO	55.40	4.5
ALKHALEEJ TRNG	13.66	4.1
SFICO	23.18	3.5

Top Losers

Company	Price	Change%
ALJOUF	30.45	-5.3
NADEC	28.85	-5.3
SPM	29.85	-3.9
ALHARAMAIN	6.17	-3.6
TECO	21.26	-3.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,213	7,273	7,197	(0.7)	(14.0)	24.6
NomuC	8,037	8,229	7,768	2.5	11.9	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,984	(0.5)	(8.4)	19.9
Materials	4,527	(1.1)	(12.4)	49.2
Capital Goods	3,765	(0.2)	(13.1)	Neg
Commercial Service	3,738	(0.9)	(21.7)	14.0
Transportation	3,669	1.0	(16.5)	16.5
Consumer Durables	3,315	(0.1)	(5.4)	Neg
Consumer Services	3,391	0.2	(14.3)	26.8
Media	7,996	2.9	(15.0)	23.3
Retailing	6,669	0.9	(13.4)	20.1
Food & Staples	9,148	0.5	38.3	45.3
Food & Beverages	5,259	0.0	20.8	42.7
Healthcare	3,914	0.2	4.9	27.1
Pharma & Bio Tech	3,806	0.0	5.9	Neg
Banks	6,295	(1.1)	(22.3)	11.7
Diversified Financials	3,096	(0.7)	(6.3)	High
Insurance	4,515	(0.5)	0.0	30.5
Telecom	6,435	0.1	(0.6)	20.2
Utilities	3,518	(0.9)	(20.1)	45.8
REITs	3,616	(0.2)	(13.9)	22.7
Real Estate	2,392	(1.4)	(23.6)	High
Software & Services	6,207	2.5	25.8	12.4

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,288	7,292	7,271	20.02

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	19.1	984.0	997.6
Previous week	291.9	3,726.2	1,366.8

Top Weighted Companies

Company	Price	Change%
Al Rajhi	57.50	-1.9
Saudi Aramco	32.80	-0.3
NCB	37.25	0.0
SABIC	87.80	-1.3
STC	99.00	0.3



Regional and International Markets

- Among other regional markets, Dubai decreased 1.0%, while Abu Dhabi increased 0.2%. Egypt and Kuwait rose 2.6% and 0.3%, respectively; Qatar declined 0.4%. Meanwhile, Bahrain and Oman remained flat.
- The IMF cut its global economic forecast for 2020 on Wednesday, stating that the coronavirus pandemic has caused an unprecedented decline in global activity. It sees a global economic contraction of 4.9%, almost two percentage points lower than the previous forecast. (Source: Marketwatch)
- According to EIA, oil inventories in the US rose 1.4mn barrels (prior: up 1.2mn) to 540.7mn in the week ended June 19. Distillate inventories increased 0.2mn barrels (prior: down 1.7mn) to 174.7mn, while gasoline inventories fell 1.7mn barrels (prior: down 1.7mn) to 255.3mn. (Source: EIA, Econoday)
- Oil prices plunged 5.4% on Wednesday, as weekly data from the US government showed drillers in America's shale fields were adding to production for the first time since March 2020.
- Gold prices declined 0.3% on Wednesday, as the dollar's rally weighed on the safe-haven, despite the stock markets reacting negatively to new Covid-19 fears and subdued economic outlook from the IMF.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.1	0.5	-1.2	0.8
Euro	1.13	-0.5	1.4	0.4
Japanese Yen	107.0	0.5	-0.7	-1.5
Sterling Pound	1.24	-0.8	0.6	-6.3
Chinese Yuan	7.08	0.3	-0.8	1.7
Indian Rupee	75.7	0.2	0.1	6.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	-0.8	0.0	0.0
Kuwaiti Dinar	0.31	-0.1	-0.4	1.4
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.1	0.1	0.1
Egyptian Pound	16.15	0.2	1.8	0.9

Corporate Calendar

Date	Company	Event
25 th Jun	Saudi Cement	Cash Dividend Distribution
25 th Jun	ADC	EGM
25 th Jun	AXA-Cooperative	OGM
25 th Jun	Shams	OGM
28 th Jun	SSP	OGM
28 th Jun	SISCO	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,099	-1.0	7.9	-24.1	6.3
Abu Dhabi (ADX)	4,330	0.2	4.5	-14.7	11.7
Kuwait (KSE)	4,213	0.3	1.5	-14.2	10.5
Qatar (QE)	9,226	-0.4	4.3	-11.5	14.1
Oman (MSM)	3,525	0.0	-0.6	-11.5	8.1
Bahrain (BSE)	1,281	0.0	0.9	-20.5	9.1
Egypt (EGX30)	11,040	2.6	8.0	-20.9	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	25,446	-2.7	0.2	-10.8	19.8
Nasdaq	9,909	-2.2	4.4	10.4	29.6
S&P 500	3,050	-2.6	0.2	-5.6	21.9
FTSE 100	6,124	-3.1	0.8	-18.8	16.4
Germany DAX 30	12,094	-3.4	4.4	-8.7	19.0
France CAC 40	4,871	-2.9	3.7	-18.5	19.5
Japan Nikkei 225	22,534	-0.1	3.0	-4.7	20.3
Hong Kong Hang Seng	24,782	-0.5	7.9	-12.1	10.8
China Shanghai Composite	2,980	0.3	4.5	-2.3	12.1
Australia ASX 200	5,966	0.2	3.6	-10.7	16.8
India Sensex	34,869	-1.6	7.5	-15.5	19.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	35.9	-4.4	25.2	-47.9
Brent Crude (\$/bbl)	40.3	-5.4	14.1	-38.9
Texas crude (\$/bbl)	38.0	-5.8	7.1	-37.8
Natural Gas (\$/mmbtu)	1.60	-2.4	-13.6	-27.0
Gold (\$/oz)	1,761	-0.3	2.0	16.1
Silver (\$/oz)	17.5	-2.4	-1.8	-1.7
Steel (\$/ton)	495	-1.0	-3.5	-15.8
Iron Ore (CNY/MT)	806	1.0	3.9	16.0
Wheat (\$/bu)	481	-1.0	-7.6	-13.9
Corn (\$/bu)	324	-0.2	-0.5	-16.4
Sugar (\$/lb)	11.8	-0.3	7.7	-12.4
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	0.297	0.0	-4.7	-161.2
Saudi Arabia(SAIBOR)	0.999	-0.3	-8.4	-123.3
UAE (EIBOR)	0.707	8.2	10.3	-150.1
Qatar (QIBOR)	1.096	-13.9	-18.0	-115.4
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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