



## Major Economic News

- The unemployment rate among Saudis dropped to 11.8% in Q1-20, compared to 12.0% at the end of FY19. The unemployment rate among males and females stood at 5.6% and 28.2%, respectively. Meanwhile, unemployment among all residents remained unchanged at 5.7%. (Source: Argaam)

## Major Corporate News

- Saudi Ground Services Co. inked a Sharia-compliant Murabaha financing facility of SAR 500mn with Saudi British Bank for the 30-month tenure. The loan, guaranteed by a promissory, will help reduce the impact of the pandemic on the company's working capital, in addition to allowing expansion and improving services. (Source: Argaam)
- NEOM, ACWA Power and US-based Air Products have signed an agreement for a USD 5bn world-scale green hydrogen-based ammonia production facility powered by renewable energy. The project, equally owned by the 3 partners, will be located in NEOM and will produce green ammonia for export to global markets. (Source: Argaam)
- Muscat Capital Co. said it will temporarily suspend management fees from Al Mashaar REIT Fund, which is calculated on the base of 1% from net assets value, starting from the rent postponement date, March 15, 2020, and until starting rent collection for any property. (Source: Argaam)
- Arabian Centres Co. announced SAR 36.7mn as proceeds from the IPO of Amlak International for Real Estate Finance. The company said that the proceeds represent 30% of Arabian Centres' indirect ownership in Amlak International's capital. (Source: Argaam)
- The board of directors of Aircraft Accessories and Components Company, a subsidiary of Saudi Arabian Military Industries, appointed Mazen Johar as CEO to oversee the company's operations effective from July 6, 2020. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.1% to 7,400.5. The value traded stood at SAR 5.2bn (down 27.8% over previous day), while the advance-decline ratio stood at 111/66. The parallel market index increased 1.7% to 8,286.6 points. The value traded stood at SAR 31.3mn (up 83.2% over previous day). Most sectors in the main market ended in the green. Food & Staples and Insurance (up 2.9% and 2.0%, respectively) advanced the most; Media and Utilities (down 0.8% and 0.7%, respectively) led the laggards.

## Top Gainers

| Company          | Price | Change% |
|------------------|-------|---------|
| GULF UNION       | 15.46 | 10.0    |
| SPM              | 34.30 | 9.9     |
| MALATH INSURANCE | 12.74 | 9.5     |
| WALAA            | 14.90 | 6.6     |
| WAFRAH           | 50.10 | 6.1     |

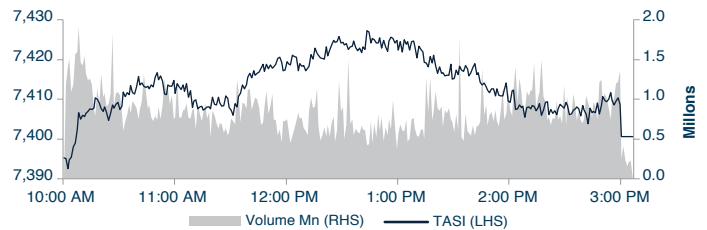
## Top Losers

| Company      | Price | Change% |
|--------------|-------|---------|
| ALABDULLATIF | 10.34 | -1.7    |
| BONYAN REIT  | 8.96  | -1.7    |
| SEDCO CAP.   | 8.66  | -1.6    |
| ADVANCED     | 52.10 | -1.3    |
| OASIS        | 53.50 | -1.3    |

## Saudi Stock Exchange

| Index | Closing | High  | Low   | Daily Change% | YTD %  | PE (TTM) |
|-------|---------|-------|-------|---------------|--------|----------|
| TASI  | 7,401   | 7,427 | 7,391 | 0.1           | (11.8) | 25.3     |
| NomuC | 8,287   | 8,298 | 8,093 | 1.7           | 15.4   | High     |

## TASI movement during session



| Index                  | Close | Daily Change% | YTD %  | PE (TTM) |
|------------------------|-------|---------------|--------|----------|
| Energy                 | 5,048 | 0.6           | (7.3)  | 21.6     |
| Materials              | 4,684 | 0.1           | (9.4)  | High     |
| Capital Goods          | 3,941 | 1.2           | (9.0)  | Neg      |
| Commercial Service     | 3,784 | (0.1)         | (20.7) | 15.9     |
| Transportation         | 3,737 | (0.4)         | (15.0) | 22.6     |
| Consumer Durables      | 3,453 | 1.1           | (1.5)  | Neg      |
| Consumer Services      | 3,461 | (0.1)         | (12.6) | 11.0     |
| Media                  | 7,571 | (0.8)         | (19.5) | 25.8     |
| Retailing              | 6,898 | 0.2           | (10.4) | 42.2     |
| Food & Staples         | 9,295 | 2.9           | 40.5   | 39.1     |
| Food & Beverages       | 5,262 | 0.1           | 20.9   | 37.6     |
| Healthcare             | 4,391 | (0.1)         | 17.7   | 30.8     |
| Pharma & Bio Tech      | 3,892 | (0.3)         | 8.3    | Neg      |
| Banks                  | 6,449 | (0.3)         | (20.5) | 12.2     |
| Diversified Financials | 3,235 | 0.7           | (2.0)  | High     |
| Insurance              | 4,724 | 2.0           | 4.7    | 33.1     |
| Telecom                | 6,485 | 0.2           | 0.2    | 19.9     |
| Utilities              | 3,457 | (0.7)         | (21.4) | High     |
| REITs                  | 3,854 | 0.8           | (8.2)  | 24.2     |
| Real Estate            | 2,531 | 0.5           | (19.2) | Neg      |
| Software & Services    | 6,956 | (0.2)         | 41.0   | 13.3     |

\*\*Neg: Negative

## Average Index Value

| Average 5 days | Average 10 days | Average 20 days | Average value traded for the month (bn) |
|----------------|-----------------|-----------------|---|
| 7,349          | 7,300           | 7,302           | 5.29                                    |

## Market Statistics

|               | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week  | 18.0                  | 966.2               | 826.5                |
| Previous week | 24.6                  | 1,285.9             | 1,248.6              |

## Top Weighted Companies

| Company      | Price | Change% |
|--------------|-------|---------|
| Al Rajhi     | 57.80 | -0.3    |
| Saudi Aramco | 33.20 | 0.8     |
| NCB          | 37.20 | 0.0     |
| SABIC        | 89.20 | 0.2     |
| STC          | 98.70 | 0.0     |



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.5% each. Qatar, Bahrain and Kuwait rose 0.5%, 0.3% and 0.1%, respectively; while Egypt and Oman declined 0.3% and 0.2%, respectively.
- US will leave the World Health Organization on July 6, 2021, according to the United Nations after receiving notification of the decision by President Donald Trump, who has accused the agency of favoring China during the coronavirus pandemic. (Source: Reuters)
- Eurozone is set to undergo an even deeper recession due to the coronavirus pandemic despite measures taken at both EU and national levels, as per the European Commission's Summer Forecast. The Commission forecasts 8.7% contraction in Eurozone in FY20 instead of 7.7% decline projected earlier. (Source: RTT News)
- Oil prices remained flat, as expectations of decline in the US oil inventories were offset by demand concerns due to rising coronavirus cases globally.
- Gold prices increased 0.6%, as investors resorted to safe haven amid new wave of COVID-19 cases in the US and across the world.

## Forex / Currency

| Currency       | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index   | 96.9  | 0.2           | -0.5  | 0.5   |
| Euro           | 1.13  | -0.3          | 0.3   | 0.5   |
| Japanese Yen   | 107.5 | 0.1           | -0.4  | -1.0  |
| Sterling Pound | 1.25  | 0.4           | 1.1   | -5.4  |
| Chinese Yuan   | 7.01  | 0.0           | -0.7  | 0.7   |
| Indian Rupee   | 74.8  | 0.2           | -1.0  | 4.8   |
| UAE Dirham     | 3.67  | 0.0           | 0.0   | 0.0   |
| Qatari Rial    | 3.64  | -0.1          | 0.0   | 0.0   |
| Kuwaiti Dinar  | 0.31  | 0.1           | 0.1   | 1.6   |
| Omani Rial     | 0.38  | 0.0           | 0.0   | 0.0   |
| Bahraini Dinar | 0.38  | 0.0           | 0.0   | 0.1   |
| Egyptian Pound | 15.99 | -0.1          | -0.7  | -0.1  |

## Corporate Calendar

| Date                 | Company          | Event                      |
|----------------------|------------------|----------------------------|
| 12 <sup>th</sup> Jul | Sharqiya Dev Co. | OGM                        |
| 12 <sup>th</sup> Jul | JAZADCO          | EGM                        |
| 13 <sup>th</sup> Jul | Musharaka REIT   | Cash Dividend Distribution |
| 14 <sup>th</sup> Jul | SIIG             | Cash Dividend Distribution |
| 15 <sup>th</sup> Jul | Fitaihi Group    | OGM                        |
| 15 <sup>th</sup> Jul | Tihama           | EGM                        |

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

| Market          | Close  | Daily Change% | MTD % | YTD % | P/E  |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM)     | 2,098  | 0.5           | 1.6   | -24.1 | 6.3  |
| Abu Dhabi (ADX) | 4,341  | 0.5           | 1.3   | -14.5 | 11.7 |
| Kuwait (KSE)    | 4,198  | 0.1           | 0.2   | -14.5 | 10.5 |
| Qatar (QE)      | 9,244  | 0.5           | 2.7   | -11.3 | 14.1 |
| Oman (MSM)      | 3,503  | -0.2          | -0.4  | -12.0 | 7.7  |
| Bahrain (BSE)   | 1,281  | 0.3           | 0.2   | -20.5 | 9.1  |
| Egypt (EGX30)   | 11,050 | -0.3          | 2.7   | -20.9 | 8.1  |

## International Markets

| Index                    | Close  | Daily Change% | MTD % | YTD % | P/E  |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones                | 25,890 | -1.5          | 0.3   | -9.3  | 20.1 |
| Nasdaq                   | 10,344 | -0.9          | 2.8   | 15.3  | 30.4 |
| S&P 500                  | 3,145  | -1.1          | 1.5   | -2.6  | 22.3 |
| FTSE 100                 | 6,190  | -1.5          | 0.3   | -17.9 | 16.6 |
| Germany DAX 30           | 12,617 | -0.9          | 2.5   | -4.8  | 19.7 |
| France CAC 40            | 5,044  | -0.7          | 2.2   | -15.6 | 20.2 |
| Japan Nikkei 225         | 22,615 | -0.4          | 1.5   | -4.4  | 20.0 |
| Hong Kong Hang Seng      | 25,976 | -1.4          | 6.3   | -7.9  | 11.4 |
| China Shanghai Composite | 3,345  | 0.4           | 12.1  | 9.7   | 13.8 |
| Australia ASX 200        | 6,013  | 0.0           | 1.9   | -10.0 | 16.9 |
| India Sensex             | 36,675 | 0.5           | 5.0   | -11.1 | 21.0 |

## Commodity Markets

| Commodity                 | Price | Daily Change% | MTD % | YTD % |
|---------------------------|-------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 43.3  | -1.7          | 22.7  | -37.2 |
| Brent Crude (\$/bbl)      | 43.1  | 0.0           | 4.7   | -34.7 |
| Texas crude (\$/bbl)      | 40.6  | 0.0           | 3.4   | -33.6 |
| Natural Gas (\$/mmbtu)    | 1.88  | 2.5           | 7.1   | -14.3 |
| Gold (\$/oz)              | 1,794 | 0.6           | 0.8   | 18.3  |
| Silver (\$/oz)            | 18.3  | 0.5           | 0.9   | 2.6   |
| Steel (\$/ton)            | 485   | -1.2          | -0.6  | -17.5 |
| Iron Ore (CNY/MT)         | 803   | -0.8          | 1.8   | 15.5  |
| Wheat (\$/bu)             | 492   | 0.6           | 0.5   | -11.9 |
| Corn (\$/bu)              | 345   | -0.4          | 1.9   | -11.0 |
| Sugar (\$/lb)             | 12.2  | 2.1           | 2.9   | -9.2  |
| SMP* (EUR/MT)             | 2,156 | -0.6          | -1.6  | -16.1 |

\*SMP: Skimmed Milk Powder

## Interbank Rates

| Region               | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|----------------------|-------|-------------------|-----------|-----------|
| USD LIBOR            | 0.277 | 0.1               | -2.6      | -163.2    |
| Saudi Arabia(SAIBOR) | 0.973 | -0.1              | -1.3      | -125.9    |
| UAE (EIBOR)          | 0.711 | -0.4              | -1.1      | -149.8    |
| Qatar (QIBOR)        | 1.060 | -3.1              | -9.8      | -119.0    |
| Bahrain (BHIBOR)     | 2.300 | 0.0               | 5.0       | -36.7     |

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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