



Major Economic News

- OPEC and allies are moving to the next phase of its oil cut pact when the group is expected to ease their reductions as oil demand recovers, according to Saudi Arabia's energy minister, Prince Abdulaziz bin Salman. Effective oil cuts will be deeper than 7.7mn bpd due to a compensation plan by countries which overproduced in previous months. (Source: Argaam)
- Saudi Arabia's inflation stood at 0.5% M/M in June compared to 1.1% in May. The cost of living index for June rose to 98.2 points, compared to 97.7 points the year before. (Source: Argaam)

Major Corporate News

- Alandalus Property Co. said that the construction of the AlJawhara AlKubra project is 12% complete and the construction of the project is expected to be completed by Q2-22, with commencement of operations by Q3-22. (Source: Argaam)
- The Saudi Stock Exchange (Tadawul) is planning to complete its own share sale within the next 24 months, as per the CEO, Khalid Al Hussan. He added that as many as 10 companies are planning IPO on Tadawul. (Source: Argaam)
- United Wire Factories shareholders approved a 20% capital cut to SAR 351mn from SAR 438.8mn on having a capital surplus. (Source: Argaam)
- Fitaihi Holding Group agreed to sell its 80% stake in the share capital of its subsidiary, Luxury Goods Trading Company Limited, to the board member Mohammed Ahmed Hassan Fitaihi, for a sum of SAR 14.4mn. (Source: Argaam)
- Tihama Advertising and Public Relations Co.'s shareholders approved to increase capital from SAR 75mn to SAR 175mn through a SAR 100mn rights issue. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.5% to 7,418.0. The value traded stood at SAR 5.4bn (up 8.9% over previous day), while the advance-decline ratio stood at 159/27. The parallel market index increased 4.4% to 8,229.6 points. The value traded stood at SAR 10.4mn (up 17.2% over previous day). All sectors in the main market ended in the green. Software & Services and Capital Goods (up 5.2% and 1.9%, respectively) advanced the most.

Earnings update (Net Profit) (SAR mn)

Company	Q2-20	Q2-19	Y/Y %	Q1-20	Q/Q %
Jarir Marketing Co.	208.4	169.1	23.2	251.7	-17.2

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
ARAB SEA	41.45	10.0
TECO	29.60	9.8
SPM	38.80	8.1
AMLAK	20.40	5.4
BATIC	25.40	5.3

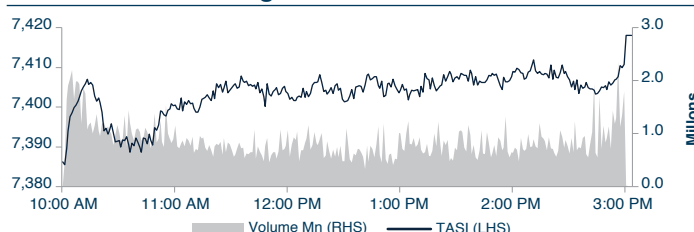
Top Losers

Company	Price	Change%
ALLIANZ	16.36	-1.8
ALJZR RT	13.50	-1.2
MULKIA RT	8.20	-1.0
ALHABIB	88.00	-0.8
TADCO	18.06	-0.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,418	7,418	7,383	0.5	(11.6)	22.2
NomuC	8,230	8,279	8,170	4.4	14.6	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,092	0.4	(6.4)	21.7
Materials	4,663	0.5	(9.7)	High
Capital Goods	4,063	1.9	(6.2)	Neg
Commercial Service	3,931	0.4	(17.6)	16.4
Transportation	3,841	1.0	(12.6)	22.9
Consumer Durables	3,491	1.4	(0.4)	Neg
Consumer Services	3,564	1.9	(10.0)	11.1
Media	7,315	0.2	(22.2)	24.9
Retailing	6,940	1.0	(9.8)	42.0
Food & Staples	9,409	0.8	42.2	39.3
Food & Beverages	5,364	0.5	23.2	37.9
Healthcare	4,415	0.5	18.4	31.2
Pharma & Bio Tech	4,103	0.3	14.1	Neg
Banks	6,421	0.5	(20.8)	12.1
Diversified Financials	3,288	0.6	(0.5)	High
Insurance	4,932	1.3	9.3	34.0
Telecom	6,356	0.2	(1.8)	19.5
Utilities	3,432	0.2	(22.0)	High
REITs	3,789	0.1	(9.7)	23.7
Real Estate	2,615	0.4	(16.5)	Neg
Software & Services	7,212	5.2	46.2	13.2

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,412	7,394	7,334	5.47

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	21.7	1,182.6	1,071.3
Previous week	30.0	1,598.1	1,396.6

Top Weighted Companies

Company	Price	Change%
Al Rajhi	57.30	0.4
Saudi Aramco	33.45	0.3
NCB	36.05	0.4
SABIC	88.40	0.1
STC	96.70	-0.2



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.2% and 1.6%, respectively. Qatar rose 0.8%, while Egypt, Oman, Kuwait and Bahrain declined 2.4%, 1.2%, 0.5% and 0.2%, respectively.
- According to EIA, oil inventories in the US fell 7.5mn barrels (prior: up 5.7mn) to 531.7mn in the week ended July 10. Distillate inventories decreased 0.5mn barrels (prior: up 3.1mn) to 176.8mn, while gasoline inventories fell 3.1mn barrels (prior: down 4.8mn) to 248.5mn. (Source: EIA, Econoday)
- US industrial production increased 5.4% M/M in June (consensus: 4.4% increase) compared with 1.4% rise in May, while manufacturing rose 7.2% M/M in June (consensus: an increase of 5.5%) against a rise of 3.8% in May. The capacity utilization rate level grew to 68.6% in June (consensus: 68.1%) from 65.1% in May. (Source: Econoday)
- China's GDP rose 3.2% Y/Y in Q2-20 (consensus: 2.3% increase) compared with a decline of 6.8% in Q1-20. On Q/Q basis, GDP grew 11.5% in Q2-20 versus a fall of 9.8% in Q1-20. (Source: Econoday)
- Oil prices rose 2.1% driven by decline in US oil inventories last week.
- Gold prices increased 0.2%, as increase in US-China tension was supported by weakness in US dollar.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	96.1	-0.2	-1.3	-0.3
Euro	1.14	0.1	1.6	1.8
Japanese Yen	106.9	-0.3	-0.9	-1.6
Sterling Pound	1.26	0.3	1.5	-5.1
Chinese Yuan	6.99	-0.2	-1.1	0.4
Indian Rupee	75.1	-0.3	-0.6	5.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.31	-0.2	-0.2	1.3
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	15.92	0.1	-1.2	-0.5

Corporate Calendar

Date	Company	Event
16 th Jul	SEERA	EGM
20 th Jul	SULAIMAN ALHABIB	Cash Dividend Distribution
23 rd Jul	Advanced	Cash Dividend Distribution
23 rd Jul	GACO	OGM
23 rd Jul	ALKHODARI	OGM
23 rd Jul	Jouf Cement	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,048	-0.2	-0.8	-25.9	6.2
Abu Dhabi (ADX)	4,221	-1.6	-1.5	-16.8	11.4
Kuwait (KSE)	4,168	-0.5	-0.5	-15.1	10.5
Qatar (QE)	9,395	0.8	4.4	-9.9	14.4
Oman (MSM)	3,461	-1.2	-1.6	-13.1	7.6
Bahrain (BSE)	1,304	-0.2	2.1	-19.0	9.1
Egypt (EGX30)	10,617	-2.4	-1.4	-24.0	8.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	26,870	0.9	4.1	-5.8	20.9
Nasdaq	10,550	0.6	4.9	17.6	30.8
S&P 500	3,227	0.9	4.1	-0.1	22.9
FTSE 100	6,293	1.8	2.0	-16.6	16.9
Germany DAX 30	12,931	1.8	5.0	-2.4	20.2
France CAC 40	5,109	2.0	3.5	-14.5	20.5
Japan Nikkei 225	22,946	1.6	2.9	-3.0	20.8
Hong Kong Hang Seng	25,482	0.0	4.3	-9.6	11.2
China Shanghai Composite	3,361	-1.6	12.6	10.2	13.6
Australia ASX 200	6,053	1.9	2.6	-9.4	17.0
India Sensex	36,052	0.1	3.3	-12.6	20.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	43.4	-0.7	23.1	-37.0
Brent Crude (\$/bbl)	43.8	2.1	6.4	-33.7
Texas crude (\$/bbl)	41.2	2.3	4.9	-32.6
Natural Gas (\$/mmbtu)	1.78	1.8	1.5	-18.8
Gold (\$/oz)	1,811	0.2	1.7	19.4
Silver (\$/oz)	19.4	1.0	6.9	8.7
Steel (\$/ton)	476	-1.0	-2.5	-19.0
Iron Ore (CNY/MT)	871	7.8	10.4	25.3
Wheat (\$/bu)	551	5.0	12.4	-1.4
Corn (\$/bu)	326	-2.5	-3.6	-15.9
Sugar (\$/lb)	11.8	4.4	-0.2	-11.9
SMP* (EUR/MT)	2,175	0.0	-0.7	-15.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.271	-0.4	-3.1	-163.8
Saudi Arabia(SAIBOR)	0.956	-0.6	-3.0	-127.6
UAE (EIBOR)	0.590	-6.8	-13.1	-161.9
Qatar (QIBOR)	0.998	-14.1	-16.0	-125.2
Bahrain (BHIBOR)	2.300	0.0	5.0	-36.7

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of July 15, 2020



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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.

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