



Major Economic News

- Non-founding foreign investors – namely swap holders, residents and qualified foreign investors hiked their ownership in the Saudi Stock Exchange to 1.66% in the week ending July 16, 2020, from 1.65% in the previous week, on net purchases of SAR 105.9mn. (Source: Argaam)
- KSA's General Department of Traffic will start issuing traffic violations for vehicle owners not having valid vehicle insurance from July 22. (Source: Argaam)

Major Corporate News

- Arabtec Holding's wholly-owned subsidiary, Target Engineering Construction Co., secured a contract from Saudi Aramco for the replacement of five storage tanks at Ras Tanura Refinery in Eastern Province. The value of the contract is approximately AED 196mn (SAR 200mn). (Source: Argaam)
- Ash-Sharqiyah Development Co.'s board of directors approved the appointment of Ali Bin Yahya Al-Jaafari as the company's chairman (non-executive) and Bandar Bin Muhammad Al Mahmoud as vice chairman (independent). (Source: Argaam)
- Abdullah Saad Mohammed Abo Moati for Bookstores Co. renewed a sharia-compliant financing facility agreement with Samba Financial Group worth SAR 45mn. (Source: Argaam)
- Al Rajhi Capital announced that Rawaj Real Estate Co., master lessee of Blue Tower Building in Al Khobar and Luluah warehouse in Riyadh, withdrew its previous notice to terminate the lease contracts of these properties. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.6% to 7,377.4. The value traded stood at SAR 8.4bn (up 52.7% over previous day), while the advance-decline ratio stood at 26/168. The parallel market index decreased 7.8% to 7,669.4 points. The value traded stood at SAR 12.1mn (up 27.5% over previous day). Most sectors in the main market ended in the red. Software & Services and Consumer Durables (up 4.9% and 0.9%, respectively) were the only gainers; Media and Pharma & Bio Tech (up 3.2% and 3.1%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

| Company | Q2-20 | Q2-19 | Y/Y % | Q1-20 | Q/Q % |
|-----------------------|-------|-------|-------|-------|-------|
| Aldrees Petroleum | 14.4 | 17.3 | -16.8 | 30.3 | -52.5 |
| Etihad Etisalat Co. | 185.0 | 37.8 | 389.8 | 130 | 42.3 |
| National Shipping Co. | 760.6 | 45.6 | NM | 419.2 | 81.4 |

Source: Tadawul, AJC

Top Gainers

| Company | Price | Change% |
|----------|-------|---------|
| SIDC | 8.86 | 9.9 |
| MIS | 56.50 | 6.0 |
| SISCO | 22.32 | 4.2 |
| RED SEA | 15.92 | 4.2 |
| ARAB SEA | 51.60 | 3.0 |

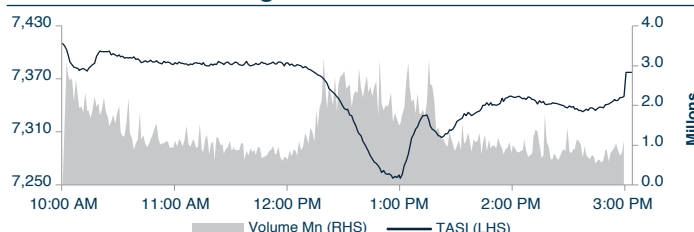
Top Losers

| Company | Price | Change% |
|-----------|-------|---------|
| SHARQIYAH | 65.30 | -5.6 |
| NASEEJ | 13.20 | -4.6 |
| SVCP | 45.05 | -4.6 |
| CHUBB | 22.98 | -4.5 |
| SIECO | 60.20 | -4.4 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % | PE (TTM) |
|-------|---------|-------|-------|---------------|--------|----------|
| TASI | 7,377 | 7,410 | 7,257 | (0.6) | (12.1) | 22.0 |
| NomuC | 7,669 | 8,309 | 7,566 | (7.8) | 6.8 | High |

TASI movement during session



| Index | Close | Daily Change% | YTD % | PE (TTM) |
|------------------------|-------|---------------|--------|----------|
| Energy | 5,037 | (0.4) | (7.4) | 21.6 |
| Materials | 4,587 | (1.2) | (11.2) | High |
| Capital Goods | 4,049 | (1.9) | (6.5) | Neg |
| Commercial Service | 3,857 | (1.7) | (19.2) | 16.5 |
| Transportation | 3,886 | (0.7) | (11.6) | 23.5 |
| Consumer Durables | 3,580 | 0.9 | 2.1 | Neg |
| Consumer Services | 3,489 | (2.5) | (11.9) | 11.3 |
| Media | 7,280 | (3.2) | (22.6) | 26.2 |
| Retailing | 6,779 | (2.1) | (11.9) | 42.4 |
| Food & Staples | 9,281 | (0.4) | 40.3 | 39.4 |
| Food & Beverages | 5,301 | (0.9) | 21.8 | 38.0 |
| Healthcare | 4,383 | (0.7) | 17.5 | 30.9 |
| Pharma & Bio Tech | 3,925 | (3.1) | 9.2 | Neg |
| Banks | 6,417 | (0.2) | (20.8) | 12.2 |
| Diversified Financials | 3,265 | (2.0) | (1.1) | High |
| Insurance | 5,048 | (0.8) | 11.8 | 35.5 |
| Telecom | 6,281 | (0.2) | (3.0) | 19.3 |
| Utilities | 3,429 | (0.6) | (22.1) | High |
| REITs | 3,739 | (1.2) | (10.9) | 23.7 |
| Real Estate | 2,684 | (0.1) | (14.3) | Neg |
| Software & Services | 8,377 | 4.9 | 69.8 | 15.1 |

**Neg: Negative

Average Index Value

| Average 5 days | Average 10 days | Average 20 days | Average value traded for the month (bn) |
|----------------|-----------------|-----------------|-----------------------------------------|
| 7,405 | 7,408 | 7,347 | 5.70 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | 5.5 | 273.9 | 278.0 |
| Previous week | 27.5 | 1,455.3 | 1,349.2 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|-------|---------|
| Al Rajhi | 57.00 | -0.5 |
| Saudi Aramco | 33.10 | -0.2 |
| NCB | 36.00 | 0.0 |
| SABIC | 86.60 | -1.5 |
| STC | 96.00 | 0.1 |



Regional and International Markets

- Among other regional markets, Dubai increased 0.2%, while Abu Dhabi decreased 0.4%. Egypt, Qatar and Kuwait rose 1.0%, 0.6% and 0.1%, respectively; while Oman and Bahrain gained 0.2% each.
- Oxford University and AstraZenca's potential coronavirus vaccine has produced a promising immune response in a large, early-stage human trial, as per newly published data. (Source: CNBC)
- Extradition treaty with Hong Kong was suspended by the UK amid rising tensions with China over its new national security law in Hong Kong. UK will also extend the arms embargo, applied to mainland China since 1989, to Hong Kong. (Source: CNBC)
- EU leaders reached an agreement on a huge stimulus plan worth EUR 750bn for their coronavirus-affected economies. (Source: CNBC, Reuters)
- China kept one-year loan prime rate at 3.85% and five-year loan prime rate at 4.65%. (Source: RTT News)
- Oil prices increased 0.3% driven by positive results from human trials of AstraZeneca's potential coronavirus vaccine.
- Gold prices rose 0.4% due to high liquidity in developed financial markets and expectations of low interest rates for longer period.

Forex / Currency

| Currency | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index | 95.8 | -0.1 | -1.6 | -0.6 |
| Euro | 1.14 | 0.2 | 1.9 | 2.1 |
| Japanese Yen | 107.2 | 0.2 | -0.6 | -1.3 |
| Sterling Pound | 1.27 | 0.8 | 2.1 | -4.5 |
| Chinese Yuan | 6.98 | -0.1 | -1.2 | 0.3 |
| Indian Rupee | 74.7 | -0.2 | -1.1 | 4.8 |
| UAE Dirham | 3.67 | 0.0 | 0.0 | 0.0 |
| Qatari Rial | 3.65 | 0.3 | 0.2 | 0.3 |
| Kuwaiti Dinar | 0.31 | -0.1 | -0.1 | 1.4 |
| Omani Rial | 0.38 | 0.1 | 0.0 | 0.0 |
| Bahraini Dinar | 0.38 | 0.1 | 0.0 | 0.1 |
| Egyptian Pound | 15.92 | 0.1 | -1.2 | -0.5 |

Corporate Calendar

| Date | Company | Event |
|----------------------|-------------|----------------------------|
| 23 rd Jul | Advanced | Cash Dividend Distribution |
| 23 rd Jul | GACO | OGM |
| 23 rd Jul | ALKHODARI | OGM |
| 23 rd Jul | Jouf Cement | OGM |
| 26 th Jul | YANSAB | Cash Dividend Distribution |
| 26 th Jul | TADCO | EGM |

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 2,065 | 0.2 | 0.0 | -25.3 | 6.2 |
| Abu Dhabi (ADX) | 4,239 | -0.4 | -1.1 | -16.5 | 11.5 |
| Kuwait (KSE) | 4,122 | 0.1 | -1.6 | -16.1 | 10.4 |
| Qatar (QE) | 9,372 | 0.6 | 4.1 | -10.1 | 14.2 |
| Oman (MSM) | 3,459 | 0.2 | -1.6 | -13.1 | 7.6 |
| Bahrain (BSE) | 1,293 | 0.2 | 1.2 | -19.7 | 9.1 |
| Egypt (EGX30) | 10,380 | 1.0 | -3.6 | -25.6 | 7.7 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones | 26,681 | 0.0 | 3.4 | -6.5 | 20.6 |
| Nasdaq | 10,767 | 2.5 | 7.0 | 20.0 | 30.7 |
| S&P 500 | 3,252 | 0.8 | 4.9 | 0.7 | 23.1 |
| FTSE 100 | 6,262 | -0.5 | 1.5 | -17.0 | 16.9 |
| Germany DAX 30 | 13,047 | 1.0 | 6.0 | -1.5 | 20.2 |
| France CAC 40 | 5,093 | 0.5 | 3.2 | -14.8 | 20.3 |
| Japan Nikkei 225 | 22,717 | 0.1 | 1.9 | -4.0 | 20.5 |
| Hong Kong Hang Seng | 25,058 | -0.1 | 2.6 | -11.1 | 11.0 |
| China Shanghai Composite | 3,314 | 3.1 | 11.0 | 8.7 | 13.1 |
| Australia ASX 200 | 6,002 | -0.5 | 1.8 | -10.2 | 16.9 |
| India Sensex | 37,419 | 1.1 | 7.2 | -9.3 | 21.4 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|-------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 42.6 | -0.6 | 20.9 | -38.1 |
| Brent Crude (\$/bbl) | 43.3 | 0.3 | 5.2 | -34.4 |
| Texas crude (\$/bbl) | 40.8 | 0.5 | 3.9 | -33.3 |
| Natural Gas (\$/mmbtu) | 1.64 | -4.5 | -6.3 | -25.0 |
| Gold (\$/oz) | 1,815 | 0.4 | 2.0 | 19.7 |
| Silver (\$/oz) | 19.9 | 3.1 | 9.8 | 11.6 |
| Steel (\$/ton) | 480 | 1.1 | -1.6 | -18.4 |
| Iron Ore (CNY/MT) | 867 | -0.3 | 10.0 | 24.7 |
| Wheat (\$/bu) | 522 | -2.4 | 6.5 | -6.6 |
| Corn (\$/bu) | 328 | -1.4 | -3.0 | -15.3 |
| Sugar (\$/lb) | 11.7 | -0.1 | -1.0 | -12.7 |
| SMP* (EUR/MT) | 2,148 | 0.0 | -1.9 | -16.4 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|----------------------|-------|-------------------|-----------|-----------|
| USD LIBOR | 0.271 | 0.0 | -3.1 | -163.7 |
| Saudi Arabia(SAIBOR) | 0.951 | -0.1 | -3.4 | -128.0 |
| UAE (EIBOR) | 0.576 | -1.5 | -14.6 | -163.3 |
| Qatar (QIBOR) | 1.179 | 1.3 | 2.1 | -107.1 |
| 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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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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