



Major Economic News

- Saudi Arabia's Industrial Production Index declined 22.4% Y/Y to 98.22 points in June. The decline was driven by the mining and quarrying activity that went down 23% by the end of June, as the Kingdom cut oil production from 9.8mn bpd in June 2019 to 7.5mn bpd in June 2020. The manufacturing industry activity plunged 22% over the same month due to the COVID-19 outbreak and the halt of operations in some plants. (Source: Argaam)
- The General Organization for Social Insurance said that the September's support for Saudi workers in the private sector enterprises, impacted by the COVID-19 pandemic, will cover maximum 70% of Saudi workers in the worst-hit activities. The support will cover a maximum of 50% Saudi workers at the enterprises operating in other activities. (Source: Argaam)
- The value of real estate deals in Saudi Arabia climbed 76% Y/Y to SAR 25.8bn in June-July 2020 (Dhul Qa'dah 1441 Hijri year), the highest since December 2018-January 2019. The real estate deals saw a spike of 88%, or SAR 12.1bn M/M. (Source: Argaam)

Major Corporate News

- Saudi Aramco increased Octane 91 price to SAR 1.43 per liter for August from SAR 1.29 per liter in July. It also raised Octane 95 prices to SAR 1.60 per liter from SAR 1.44 per liter in July. (Source: Argaam)
- Al-Ahlia Cooperative Insurance Co. and Gulf Union Cooperative Insurance Co. received the SAMA's non-objection letter on their merger deal. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.1% to 7,536.0. The value traded stood at SAR 5.9bn (up 7.6% over previous day), while the advance-decline ratio stood at 97/78. The parallel market index decreased 0.1% to 8,177.2 points. The value traded stood at SAR 8.4mn (down 56.6% over previous day). Most sectors in the main market ended in the green. Food & Staples and Healthcare (up 0.8% and 0.7%, respectively) advanced the most; Telecom and Software & Services (down 0.7% and 0.5%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q2-20	Q2-19	Y/Y %	Q1-20	Q/Q %
Arabian Shield Coop. Ins.	8.0	4.7	69.3	8.8	-8.4
Al-Rajhi Co. for Coop. Ins.	95.7	51.1	87.4	36.3	163.5
Saudi Cement Co.	74.5	92.3	-19.3	147.6	-49.5
Herfy Food Services	-34.2	40.9	NM	25.1	NM

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
SARCO	47.15	9.9
CHEMANOL	8.18	6.8
BCI	25.95	5.6
SPM	42.35	4.8
WAFRAH	61.00	4.8

Top Losers

Company	Price	Change%
SPCC	65.30	-5.1
WATANIYA	34.50	-5.1
ALHAMMADI	27.20	-3.2
TAPRCO	23.48	-1.7
ALYAMAMAH	19.10	-1.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,536	7,545	7,517	0.1	(10.2)	27.7
NomuC	8,177	8,215	8,125	(0.1)	13.9	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,064	0.2	(7.0)	21.5
Materials	4,746	0.3	(8.1)	High
Capital Goods	4,258	0.3	(1.7)	Neg
Commercial Service	3,991	0.3	(16.4)	16.7
Transportation	4,009	0.7	(8.8)	23.9
Consumer Durables	3,828	(0.1)	9.2	Neg
Consumer Services	3,604	0.0	(9.0)	11.5
Media	7,317	0.2	(22.2)	25.4
Retailing	7,262	0.3	(5.6)	44.5
Food & Staples	9,699	0.8	46.6	40.7
Food & Beverages	5,364	0.0	23.2	38.0
Healthcare	4,733	0.7	26.9	32.5
Pharma & Bio Tech	4,222	0.0	17.4	Neg
Banks	6,523	0.0	(19.5)	12.3
Diversified Financials	3,350	0.4	1.4	High
Insurance	5,211	0.0	15.4	36.5
Telecom	6,291	(0.7)	(2.8)	19.4
Utilities	3,429	0.0	(22.1)	High
REITs	3,856	0.0	(8.1)	24.1
Real Estate	2,734	0.1	(12.7)	Neg
Software & Services	8,903	(0.5)	80.5	16.9

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,499	7,466	7,437	5.61

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	11.5	579.6	530.9
Previous week	10.9	471.3	512.8

Top Weighted Companies

Company	Price	Change%
Al Rajhi	60.00	0.0
Saudi Aramco	33.10	0.2
NCB	36.70	0.0
SABIC	87.60	-0.1
STC	96.00	-0.7



Regional and International Markets

- Among other regional markets, Dubai remained flat, while Abu Dhabi increased 0.5%. Bahrain, Qatar and Kuwait rose 0.5%, 0.2% and 0.1%, respectively; while Oman and Egypt declined 0.3% and 0.2%, respectively.
- Eurozone investor confidence index rose to -13.4 in August (consensus: -15.1) to the highest level since February, from -18.2 in July. Improvement in investor confidence was driven by improved assessment of the current economic situation and positive expectations. (Source: RTT News)
- Total bank lending in Japan grew 6.3% Y/Y in July (consensus: an increase of 6.5%) to JPY 572.7tn compared to 6.2% Y/Y growth in June. Excluding trusts, bank lending rose 6.4% Y/Y to JPY 499.1tn in July versus an increase of 6.5% Y/Y in the previous month. (Source: RTT News)
- Oil prices increased 1.3% due to increase in hopes of economic stimulus package in the US and decline in new coronavirus cases.
- Gold prices fell 0.4% ahead of US-China trade talks later this week, as the US dollar continued its rally.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.6	0.2	0.2	-2.9
Euro	1.17	-0.4	-0.3	4.7
Japanese Yen	106.0	0.0	0.1	-2.4
Sterling Pound	1.31	0.1	-0.1	-1.4
Chinese Yuan	6.96	-0.1	-0.2	0.0
Indian Rupee	74.9	-0.2	-0.1	4.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.3	0.0	0.3
Kuwaiti Dinar	0.31	0.0	0.0	0.8
Omani Rial	0.38	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.1	0.1
Egyptian Pound	15.95	0.3	0.2	-0.3

Corporate Calendar

Date	Company	Event
11 th Aug	SEDCO CAPITAL	Cash Dividend Distribution
12 th Aug	JAZADCO	EGM
12 th Aug	ALHOKAIR	OGM
17 th Aug	GACO	OGM
18 th Aug	ALUJAIN	OGM
19 th Aug	Arab Sea	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,094	0.0	2.1	-24.3	7.2
Abu Dhabi (ADX)	4,354	0.5	1.1	-14.2	12.2
Kuwait (KSE)	4,078	0.1	-0.2	-17.0	10.5
Qatar (QE)	9,418	0.2	0.5	-9.7	14.5
Oman (MSM)	3,577	-0.3	0.2	-10.2	8.5
Bahrain (BSE)	1,300	0.5	0.7	-19.3	9.1
Egypt (EGX30)	10,938	-0.2	3.2	-21.7	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	27,791	1.3	5.2	-2.6	22.7
Nasdaq	10,968	-0.4	2.1	22.2	33.9
S&P 500	3,360	0.3	2.7	4.0	24.9
FTSE 100	6,051	0.3	2.6	-19.8	17.7
Germany DAX 30	12,688	0.1	3.0	-4.2	23.0
France CAC 40	4,910	0.4	2.6	-17.9	43.4
Japan Nikkei 225	22,330	0.0	2.9	-5.6	22.1
Hong Kong Hang Seng	24,377	-0.6	-0.9	-13.5	10.3
China Shanghai Composite	3,379	0.8	2.1	10.8	13.7
Australia ASX 200	6,110	1.8	3.1	-8.6	17.5
India Sensex	38,182	0.4	1.5	-7.4	22.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	45.0	-0.6	5.5	-34.6
Brent Crude (\$/bbl)	45.0	1.3	3.9	-31.8
Texas crude (\$/bbl)	41.9	1.7	4.1	-31.4
Natural Gas (\$/mmbtu)	2.15	-3.8	19.7	-1.6
Gold (\$/oz)	2,027	-0.4	2.7	33.6
Silver (\$/oz)	29.2	3.0	19.6	63.5
Steel (\$/ton)	467	0.0	-3.1	-20.6
Iron Ore (CNY/MT)	860	-3.3	-2.2	23.7
Wheat (\$/bu)	491	-0.9	-7.6	-12.1
Corn (\$/bu)	311	0.9	-1.7	-19.9
Sugar (\$/lb)	12.6	-0.9	-0.7	-6.5
SMP* (EUR/MT)	2,019	0.3	-0.3	-21.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.253	0.9	0.4	-165.6
Saudi Arabia(SAIBOR)	0.920	0.0	-1.1	-131.1
UAE (EIBOR)	0.461	-0.2	-5.5	-174.8
Qatar (QIBOR)	1.225	-2.5	8.2	-102.5
Bahrain (BHIBOR)	2.283	0.0	-1.7	-38.3

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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