



Major Economic News

- Saudi-listed banks' credit provisions declined by 21.5% Y/Y in Q1-21 to SAR 2.5bn. Non-performing loans increased 21% Y/Y to SAR 36.3bn by the end of Q1-21 with coverage ratio decreasing to 133% in Q1-21 from 136% in Q1-20. (Source: Argaam)
- The point-of-sale transactions fell by 21% to SAR 8.6bn in the week ending May 15, 2021, from SAR 10.9bn in the previous week. A total of 90.9mn transactions were processed in the week. (Source: Argaam)
- Total assets held by investment funds in Saudi Arabia rose by 11% Y/Y to SAR 491.2bn in Q1-21. The number of investment funds increased during the period to 718 compared to 691 funds in Q4-20. (Source: Argaam)

Major Corporate News

- Development Works Food Co. signed an MoU with Sea Restaurants Co. to acquire 100% of its shares, in exchange for the issuance of shares in Food Development Business Co. The MoU has a duration of six months. Seafood Restaurants Co. is a Saudi limited liability company that has 17 branches in the Kingdom and specializes in serving fresh seafood. (Source: Argaam)
- Lazurde Company for Jewelry announced availability of the rights issue prospectus on the CMA and its websites. The company seeks 34% capital hike to SAR 575mn. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.5% to 10,372.5. The value traded stood at SAR 7.2bn (down 16.6% over previous day), while the advance-decline ratio stood at 89/93. The parallel market index decreased 0.5% to 24,956.3 points. The value traded stood at SAR 68.3mn (up 126.7% over previous day). Most sectors in the main market ended in the red. Consumer Durables and Food & Staples (up 1.2% and 0.6%, respectively) advanced the most; Software & Services and Real Estate (down 1.1% and 0.8%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q1-21	Q1-20	Y/Y %	Q4-20	Q/Q %
Saudi German Hosp.	12.1	21.2	-42.9	28.5	-57.6
JAZADCO	2.1	0.5	299.0	1.2	81.3
Al-Omran	2.8	0.0	NM	-3.0	NM
SRMG	91.5	64.7	41.4	29.2	213.4

Top Gainers

Company	Price	Change%
ALABDULLATIF	23.90	9.9
AWPT	125.80	5.9
SAPTCO	25.50	4.2
AMANA INSURANCE	35.00	3.7
CITY CEMENT	30.55	2.7

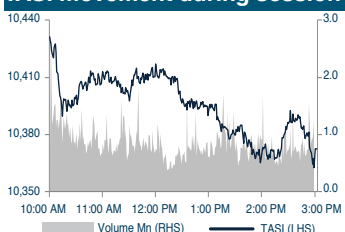
Top Losers

Company	Price	Change%
SIPCHEM	28.15	-2.4
SAIC	39.15	-1.9
MUSHARAKA REIT	10.86	-1.8
JADWA REIT SAUDI	15.50	-1.8
MIS	112.00	-1.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,373	10,431	10,360	(0.5)	19.4
NomuC	24,956	25,110	24,283	(0.5)	(4.9)

TASI movement during session



TASI Ratios

P/E* (x)	37.3
Price-to-Book (x)	2.4
Dividend Yield (%)	3.5
Return on Equity (%)	12.9

Source: Argaam
* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,556	(0.2)	3.1	39.3
Materials	7,112	(0.3)	23.8	High
Capital Goods	8,270	0.5	26.5	Neg
Commercial Service	4,316	0.1	6.3	Neg
Transportation	5,918	0.1	22.2	Neg
Consumer Durables	6,909	1.2	20.7	Neg
Consumer Services	4,776	0.1	11.9	Neg
Media	12,785	0.4	25.1	47.5
Retailing	10,084	(0.4)	17.9	Neg
Food & Staples	10,892	0.6	3.4	29.3
Food & Beverages	5,700	(0.3)	4.3	30.9
Healthcare	7,321	(0.0)	29.5	43.6
Pharma & Bio Tech	5,785	0.5	11.9	48.0
Banks	9,689	(0.8)	27.7	26.3
Diversified Financials	6,536	(0.6)	42.2	Neg
Insurance	6,053	0.0	0.5	26.4
Telecom	7,814	(0.5)	13.3	23.1
Utilities	5,381	(0.7)	16.8	33.1
REITs	4,864	(0.5)	13.5	High
Real Estate	3,416	(0.8)	13.1	Neg
Software & Services	18,659	(1.1)	32.4	High

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,349	10,322	10,265	7.06

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	23.6	879.1	1,004.9
Previous week	10.9	394.5	460.7

Top Weighted Companies

Company	Price	Change%
Al Rajhi	102.00	-1.0
Saudi Aramco	35.45	-0.3
NCB	54.20	-0.6
SABIC	123.20	-0.5
STC	120.60	-0.3



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai increased 0.2%, while Abu Dhabi decreased 0.1%. Egypt rose 0.2%, while Kuwait, Qatar and Bahrain declined 0.8%, 0.7% and 0.3%, respectively. Meanwhile, Oman remained flat.
- According to EIA, oil inventories in the US rose 1.3mn barrels (prior: down 0.4mn) to 486.0mn in the week ended May 14. Distillate inventories decreased 2.3mn barrels (prior: down 1.7mn) to 132.1mn, while gasoline inventories fell 2.0mn barrels (prior: up 0.4mn) to 234.2mn. (Source: EIA, Econoday)
- UK's CPI increased 1.5% Y/Y in April (consensus: a rise of 1.4%) compared to 0.7% increase in March. The increase above expectations was mainly driven by higher energy prices. On M/M basis, CPI grew 0.6% Y/Y in April (consensus: 0.5% increase) versus a rise of 0.3% in March. (Source: Econoday, RTT News)
- Eurozone CPI rose 1.6% Y/Y in April (in line with flash estimates) to a two-year high compared to 1.3% increase in March. (Source: RTT News)
- Oil prices plunged 3.0% impacted by rising COVID-19 cases in Asia, fears of US interest rates hike amid higher inflation expectations and increase in US oil inventories.
- Gold prices remained flat, as positive effect of rising inflation expectations and increasing COVID-19 cases was offset by stronger US dollar.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.2	0.5	-1.2	0.3
Euro	1.22	-0.4	1.3	-0.3
Japanese Yen	109.2	0.3	-0.1	5.8
Sterling Pound	1.41	-0.5	2.2	3.2
Chinese Yuan	6.43	0.1	-0.6	-1.4
Indian Rupee	73.2	0.2	-1.1	0.2
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.7	0.7	0.7
Kuwaiti Dinar	0.30	0.1	-0.2	-1.1
Omani Rial	0.38	0.0	0.1	0.1
Bahraini Dinar	0.38	0.2	0.1	0.1
Egyptian Pound	15.63	0.0	0.1	-0.4

Corporate Calendar

Date	Company	Event
20 th May	SAUDI ELECTRICITY	Cash Dividend Distribution
20 th May	Sadr	Cash Dividend Distribution
23 rd May	NGC	Cash Dividend Distribution
23 rd May	SNB	Cash Dividend Distribution
23 rd May	Etihad Etisalat	OGM
23 rd May	Amana Insurance	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,711	0.2	4.1	8.8	20.3
Abu Dhabi (ADX)	6,519	-0.1	7.8	29.2	17.6
Kuwait (KSE)	5,258	-0.8	2.5	15.5	14.6
Qatar (QE)	10,734	-0.7	-1.6	2.9	18.1
Oman (MSM)	3,848	0.0	2.3	5.2	10.0
Bahrain (BSE)	1,531	-0.3	3.1	2.8	9.1
Egypt (EGX30)	10,806	0.2	3.2	-0.4	8.6

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,896	-0.5	0.1	10.7	22.5
Nasdaq	13,300	0.0	-4.7	3.2	31.5
S&P 500	4,116	-0.3	-1.6	9.6	27.4
FTSE 100	6,950	-1.2	-0.3	7.6	17.9
Germany DAX 30	15,114	-1.8	-0.1	10.2	18.4
France CAC 40	6,263	-1.4	-0.1	12.8	45.0
Japan Nikkei 225	28,044	-1.3	-2.7	2.2	16.6
Russia MOEX	3,635	-1.4	2.6	10.5	13.5
Hong Kong Hang Seng	28,594	0.0	-0.5	5.0	14.2
South Korea KOSPI	3,173	0.0	0.8	10.4	20.3
China Shanghai Composite	3,511	-0.5	1.9	1.1	12.8
Australia ASX 200	6,932	-1.9	-1.3	5.2	21.3
India Sensex	49,903	-0.6	2.3	4.5	28.3
MSCI EM	1,328	-0.4	-1.5	2.8	19.7
MSCI World	2,911	-0.6	-0.9	8.2	29.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	68.1	-3.0	3.1	36.4
Brent Crude (\$/bbl)	66.7	-3.0	-0.9	28.7
Texas crude (\$/bbl)	63.4	-3.3	-0.3	30.6
Natural Gas (\$/mmbtu)	2.96	-1.6	1.1	16.7
Gold (\$/oz)	1,870	0.0	5.7	-1.5
Silver (\$/oz)	27.8	-1.6	7.1	5.3
Steel (\$/ton)	1,509	0.9	0.3	50.1
Iron Ore (CNY/MT)	1,295	0.9	4.9	20.0
Wheat (\$/bu)	679	-2.7	-8.5	6.0
Corn (\$/bu)	658	0.0	-11.0	36.0
Sugar (\$/lb)	17.0	-1.5	-2.8	9.4
SMP* (EUR/MT)	2,580	0.0	0.4	16.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.155	0.6	-2.1	-8.3
Saudi Arabia(SAIBOR)	0.791	0.0	-0.4	-2.6
UAE (EIBOR)	0.318	-3.3	-3.8	-19.5
Qatar (QIBOR)	1.150	-2.5	5.9	2.9
Bahrain (BHIBOR)	1.450	0.0	12.5	-80.0

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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