



Major Economic News

- Saudi Arabia's non-oil exports grew by 43% or SAR 6.7mn Y/Y to SAR 22.4bn in March, reaching its highest level since July 2018. Compared to February, non-oil exports rose by SAR 3.8mn. Non-oil exports accounted for 30% of the Kingdom's total exports during March. (Source: Argaam)

Major Corporate News

- Taiba Investments Co. signed an MoU with Shuaa Capital Saudi Arabia for the complete buyout of the two companies – Centro Waha Hotel Riyadh and Centro Shaheen Hotel Jeddah, managed and operated by Rotana Hotel Management Corporation Ltd., along with all assets and liabilities for SAR 328mn, including tax. (Source: Argaam)
- Gulf Union Alahlia Cooperative Insurance Co.'s board of directors recommended using the entire balance of the share premium (SAR 89.5mn) to reduce part of the accumulated losses. The accumulated losses, after this transaction, will reduce to SAR 27.9mn, representing 12.1% of the capital. (Source: Argaam)
- Al Maather REIT Fund signed a lease contract for hotel units in Al-Rabie GENX property in Riyadh. The contract duration is eight years, with the first three years binding for the tenant. The total rental values for the contract period will amount to SAR 18.7mn. (Source: Argaam)
- The first phase of Amaala megaproject will consist of six hotels and roughly 1,000 hotel keys, with construction likely to be completed by Q1-24, according to Amaala CEO, John Pagano. The subsequent phases will be built out by the end of FY25 and the entire project by FY27, aggregating about 3,000 hotel rooms across around 25 hotels. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.2% to 10,471.6. The value traded stood at SAR 9.4bn (down 9.5% over previous day), while the advance-decline ratio stood at 105/80. The parallel market index decreased 2.2% to 23,730.4 points. The value traded stood at SAR 41.6mn (down 12.7% over previous day). Most sectors in the main market ended in the green. Pharma & Bio Tech and Healthcare (up 2.2% and 1.6%, respectively) advanced the most; Software & Services and Utilities (down 0.6% and 0.3%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
NAMA CHEMICALS	42.65	9.9
TADCO	30.55	6.5
SULAIMAN ALHABIB	160.00	5.5
NASEEJ	104.60	4.6
MASHAAR REIT	10.98	4.6

Top Losers

Company	Price	Change%
ENAYA	47.85	-6.4
ALINMA TOKIO M	35.75	-3.9
BURUJ	27.20	-3.2
CHUBB	42.90	-2.9
ALALAMIYA	27.00	-2.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,472	10,490	10,448	0.2	20.5
NomuC	23,730	24,339	23,646	(2.2)	(9.6)

TASI movement during session



TASI Ratios

P/E* (x)	37.4
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	5,547	(0.2)	3.0	39.1
Materials	7,146	0.5	24.4	High
Capital Goods	8,473	0.7	29.6	Neg
Commercial Service	4,413	0.2	8.7	Neg
Transportation	6,058	0.4	25.1	Neg
Consumer Durables	7,179	0.3	25.5	Neg
Consumer Services	4,755	0.6	11.4	Neg
Media	13,561	1.4	32.7	High
Retailing	10,415	0.6	21.7	Neg
Food & Staples	11,076	0.3	5.1	29.9
Food & Beverages	5,769	0.7	5.6	31.2
Healthcare	7,527	1.6	33.1	45.6
Pharma & Bio Tech	6,201	2.2	19.9	High
Banks	9,737	(0.2)	28.3	26.4
Diversified Financials	6,653	0.4	44.8	Neg
Insurance	6,286	(0.1)	4.3	27.4
Telecom	7,934	0.8	15.0	23.5
Utilities	5,338	(0.3)	15.8	32.8
REITs	4,850	0.4	13.2	High
Real Estate	3,529	1.0	16.9	Neg
Software & Services	18,399	(0.6)	30.6	49.8

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,384	10,367	10,337	8.01

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	41.1	1,361.2	1,664.0
Previous week	32.1	1,176.9	1,352.5

Top Weighted Companies

Company	Price	Change%
Al Rajhi	101.80	-0.2
Saudi Aramco	35.30	-0.3
NCB	53.30	-1.5
SABIC	122.20	0.7
STC	122.60	0.5



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai increased 1.0%, while Abu Dhabi decreased 1.0%. Qatar and Bahrain rose 0.2% and 0.1%, respectively; while Egypt and Kuwait declined 1.5% and 0.7%, respectively. Meanwhile, Oman remained flat.
- According to EIA, oil inventories in the US fell 1.7mn barrels (prior: up 1.3mn) to 484.3mn in the week ended May 21. Distillate inventories decreased 3.0mn barrels (prior: down 2.3mn) to 129.1mn, while gasoline inventories fell 1.7mn barrels (prior: down 2.0mn) to 232.5mn. (Source: EIA, Econoday)
- Japan government downgraded its economic assessment mentioning the impact of the coronavirus pandemic on consumer spending and business conditions. The government said that the economy shows further weakness in some components. The government lowered its view on business conditions, adding that current business conditions appear to be pausing for picking up. (Source: RTT News)
- Oil prices increased 0.3% due to a decline in US oil inventories last week.
- Gold prices fell 0.1%, as recovery in US dollar due to reports that China may cancel some US grain orders weighed on demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.0	0.4	-1.4	0.1
Euro	1.22	-0.5	1.4	-0.2
Japanese Yen	109.1	0.3	-0.1	5.7
Sterling Pound	1.41	-0.2	2.2	3.3
Chinese Yuan	6.39	-0.3	-1.3	-2.1
Indian Rupee	72.7	-0.1	-1.8	-0.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.30	0.0	-0.2	-1.1
Omani Rial	0.38	0.0	0.1	0.1
Bahraini Dinar	0.38	0.0	0.1	0.1
Egyptian Pound	15.64	0.1	0.2	-0.3

Corporate Calendar

Date	Company	Event
27 th May	Care	OGM
27 th May	ALBABTAIN	OGM
27 th May	YCC	OGM
27 th May	ALUJAIN	EGM
27 th May	Jabal Omar	OGM
27 th May	TECO	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,825	1.0	8.4	13.4	21.2
Abu Dhabi (ADX)	6,564	-1.0	8.6	30.1	17.7
Kuwait (KSE)	5,182	-0.7	1.1	13.8	14.2
Qatar (QE)	10,628	0.2	-2.6	1.8	17.8
Oman (MSM)	3,836	0.0	2.0	4.9	10.0
Bahrain (BSE)	1,539	0.1	3.6	3.3	9.1
Egypt (EGX30)	10,370	-1.5	-1.0	-4.4	8.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,323	0.0	1.3	12.1	22.6
Nasdaq	13,738	0.6	-1.6	6.6	32.2
S&P 500	4,196	0.2	0.4	11.7	27.7
FTSE 100	7,027	0.0	0.8	8.8	17.8
Germany DAX 30	15,451	-0.1	2.1	12.6	18.8
France CAC 40	6,392	0.0	1.9	15.1	45.8
Japan Nikkei 225	28,642	0.3	-0.6	4.4	16.9
Russia MOEX	3,711	0.7	4.7	12.8	12.8
Hong Kong Hang Seng	29,166	0.9	1.5	7.1	14.4
South Korea KOSPI	3,168	-0.1	0.7	10.3	20.3
China Shanghai Composite	3,593	0.3	4.3	3.5	13.1
Australia ASX 200	7,093	-0.3	0.9	7.7	22.1
India Sensex	51,018	0.8	4.6	6.8	29.0
MSCI EM	1,352	0.5	0.3	4.7	19.7
MSCI World	2,970	0.1	1.0	10.4	29.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	68.1	0.0	3.1	36.4
Brent Crude (\$/bbl)	68.9	0.3	2.4	33.0
Texas crude (\$/bbl)	66.2	0.2	4.1	36.5
Natural Gas (\$/mmbtu)	2.98	2.4	1.8	17.5
Gold (\$/oz)	1,897	-0.1	7.2	-0.1
Silver (\$/oz)	27.7	-1.0	6.9	5.1
Steel (\$/ton)	1,670	10.2	11.0	66.2
Iron Ore (CNY/MT)	1,153	-1.9	-6.6	6.9
Wheat (\$/bu)	649	-1.2	-12.7	1.2
Corn (\$/bu)	625	0.7	-15.6	29.0
Sugar (\$/lb)	16.8	-1.5	-3.8	8.3
SMP* (EUR/MT)	2,589	0.3	0.7	16.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.139	-0.2	-3.8	-10.0
Saudi Arabia(SAIBOR)	0.791	0.0	-0.4	-2.6
UAE (EIBOR)	0.346	0.4	-1.0	-16.6
Qatar (QIBOR)	1.175	-0.1	8.4	5.5
Bahrain (BHIBOR)	1.618	1.0	29.3	-63.2

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of May 26, 2021



RESEARCH DIVISION

AGM-Head of Research

Talha Nazar

+966 11 2256250
t.nazar@aljaziracapital.com.sa

Analyst

Faisal Alsuwelimy

+966 11 2256115
F.alsuwelimy@aljaziracapital.com.sa

Senior Analyst

Jassim Al-Jubran

+966 11 2256248
j.aljabran@aljaziracapital.com.sa

Analyst

Abdulrahman Al-Mashal

+966 11 2256374
A.Almashal@Aljaziracapital.com.sa

BROKERAGE AND INVESTMENT CENTERS DIVISION

General Manager – Brokerage Services & sales

Alaa Al-Yousef

+966 11 2256060
a.yousef@aljaziracapital.com.sa

AGM-Head of international and institutions

Ahmad Salman, CFA

+966 11 2256201
a.salman@aljaziracapital.com.sa

AGM-Head of Qassim & Eastern Province

Abdullah Al-Rahit

+966 16 3617547
aalrahit@aljaziracapital.com.sa

AGM-Head of Central & Western Region

Investment Centers

Sultan Ibrahim AL-Mutawa

+966 11 2256364
s.almutawa@aljaziracapital.com.sa

RESEARCH DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

RATING TERMINOLOGY

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.

Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Corporate Finance | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068