



## Major Economic News

- The Ministry of Education announced the preliminary arrangements for the return to in-person attendance at education facilities starting from the new academic year 2021-22. Vaccination will be verified through Tawakkalna application and will be a pre-requisite for entering all buildings affiliated to the Ministry of Education. (Source: Argaam)

## Major Corporate News

- Sahara International Petrochemical Co.'s shareholders approved the buyback of up to 66.4mn shares. The board of directors believes that the company's share price is less than its fair value, provided that the purchase of shares is financed from own resources. (Source: Argaam)
- Red Sea Gateway Terminal Limited, an affiliate of Saudi Industrial Services Co., is looking to invest in at least three ports in Africa and the Middle East over the next five years, following backing from the PIF, according to CEO, Jens Floe. Each investment will total as much as USD 500mn. (Source: Argaam)
- Maadaniyah's board of directors amended its capital reduction recommendation to cut capital by 16.8% to SAR 234.0mn (original recommendation: 7.4% capital cut to SAR 260.3mn) from SAR 281.1mn to offset SAR 47.1mn accumulated losses. (Source: Argaam)
- United Electronics Co.'s 100%-owned subsidiary, United Company for Financial Services, obtained a license from SAMA to commence credit cards finance activity. The relevant financial impact is expected in H2-21. (Source: Argaam)
- CMA approved Mulkia Investment Co.'s request to offer, register and list units of Mulkia-Alajlan Riviera REIT Fund on the Saudi Stock Exchange. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 1.3% to 10,448.0. The value traded stood at SAR 10.4bn (down 7.0% over previous day), while the advance-decline ratio stood at 138/48. The parallel market index decreased 0.1% to 24,268.0 points. The value traded stood at SAR 47.7mn (down 39.0% over previous day). Most sectors in the main market ended in the green. Media and Insurance (up 2.7% and 2.2%, respectively) advanced the most; Diversified Financials and Consumer Services (down 0.4% and 0.3%, respectively) were the only laggards.

## Top Gainers

Company	Price	Change%
ENAYA	51.10	9.9
RIBL	25.45	5.7
ALINMA TOKIO M	37.20	5.7
TADCO	28.70	4.9
SISCO	46.25	4.9

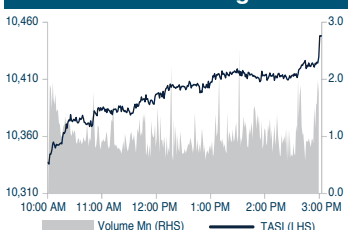
## Top Losers

Company	Price	Change%
TAPRCO	59.20	-3.4
AMLAK	22.88	-3.4
MOUWASAT	194.80	-2.4
NGC	37.15	-2.2
WAFRAH	192.60	-1.9

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,448	10,448	10,332	1.3	20.2
NomuC	24,268	24,350	24,030	(0.1)	(7.5)

## 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	5,557	0.2	3.1	39.2
Materials	7,114	0.9	23.8	High
Capital Goods	8,418	0.0	28.8	Neg
Commercial Service	4,403	1.0	8.5	Neg
Transportation	6,033	1.5	24.6	Neg
Consumer Durables	7,159	1.3	25.1	Neg
Consumer Services	4,725	(0.3)	10.7	Neg
Media	13,370	2.7	30.9	49.6
Retailing	10,352	1.5	21.0	Neg
Food & Staples	11,048	0.8	4.9	29.9
Food & Beverages	5,726	0.4	4.8	31.0
Healthcare	7,405	0.2	31.0	44.2
Pharma & Bio Tech	6,069	2.0	17.3	High
Banks	9,758	1.9	28.6	26.5
Diversified Financials	6,628	(0.4)	44.2	Neg
Insurance	6,294	2.2	4.5	27.4
Telecom	7,874	1.1	14.1	23.3
Utilities	5,353	2.0	16.1	32.9
REITs	4,830	0.5	12.7	High
Real Estate	3,495	1.2	15.7	Neg
Software & Services	18,511	1.8	31.4	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,360	10,342	10,320	7.91

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	31.7	1,059.1	1,281.1
Previous week	32.1	1,176.9	1,352.5

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	102.00	1.8
Saudi Aramco	35.40	0.1
NCB	54.10	1.1
SABIC	121.40	0.5
STC	122.00	1.3



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 0.4% and 0.3%, respectively. Qatar rose 0.9%, while Egypt, Kuwait and Oman declined 2.1%, 0.5% and 0.2%, respectively. Meanwhile, Bahrain remained flat.
- US new home sales declined 5.9% to an annual rate of 863,000 in April (consensus: 955,000) after rising by 7.4% to a downwardly revised rate of 917,000 in March. The median sales price of new houses sold in April was USD 372,400, up by 11.4% M/M and 20.1% Y/Y. (Source: Econoday, RTT News)
- US consumer confidence index fell to 117.2 in May (consensus: 119.5) after compared to a revised 117.5 in April. The consumer confidence is expected to remain resilient in the short term, as vaccination rates increase, COVID-19 cases decline further. (Source: Econoday, RTT News)
- Oil prices rose 0.3% driven by expectations of continued recovery in demand partly offset by concerns over higher Iranian supplies.
- Gold prices increased 1.0%, as decline in US bond yields and weaker US dollar boosted demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	89.6	-0.2	-1.8	-0.3
Euro	1.23	0.3	1.9	0.3
Japanese Yen	108.8	0.0	-0.5	5.3
Sterling Pound	1.42	0.0	2.4	3.5
Chinese Yuan	6.41	-0.1	-1.0	-1.8
Indian Rupee	72.8	-0.1	-1.7	-0.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.30	0.2	-0.1	-1.0
Omani Rial	0.38	0.0	0.1	0.1
Bahraini Dinar	0.38	0.2	0.1	0.1
Egyptian Pound	15.62	0.0	0.1	-0.4

## Corporate Calendar

Date	Company	Event
26 <sup>th</sup> May	JARIR	OGM
26 <sup>th</sup> May	MIS	OGM
26 <sup>th</sup> May	Alinma Tokio M	OGM
26 <sup>th</sup> May	CHEMICAL	OGM
27 <sup>th</sup> May	Care	OGM
27 <sup>th</sup> May	ALBABTAIN	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,799	0.4	7.4	12.3	21.0
Abu Dhabi (ADX)	6,633	0.3	9.7	31.5	17.9
Kuwait (KSE)	5,217	-0.5	1.7	14.6	14.2
Qatar (QE)	10,609	0.9	-2.8	1.7	17.8
Oman (MSM)	3,838	-0.2	2.0	4.9	10.0
Bahrain (BSE)	1,538	0.0	3.6	3.2	9.1
Egypt (EGX30)	10,532	-2.1	0.5	-2.9	8.6

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,312	-0.2	1.3	12.1	22.7
Nasdaq	13,657	0.0	-2.2	6.0	32.2
S&P 500	4,188	-0.2	0.2	11.5	27.7
FTSE 100	7,030	-0.3	0.9	8.8	18.1
Germany DAX 30	15,465	0.2	2.2	12.7	18.8
France CAC 40	6,390	-0.3	1.9	15.1	45.7
Japan Nikkei 225	28,554	0.7	-0.9	4.0	16.9
Russia MOEX	3,687	0.7	4.0	12.1	13.7
Hong Kong Hang Seng	28,911	1.8	0.6	6.2	14.3
South Korea KOSPI	3,171	0.9	0.7	10.4	20.3
China Shanghai Composite	3,581	2.4	3.9	3.1	13.1
Australia ASX 200	7,115	1.0	1.3	8.0	22.2
India Sensex	50,638	0.0	3.8	6.0	28.8
MSCI EM	1,345	1.4	-0.2	4.2	19.7
MSCI World	2,966	0.0	0.9	10.2	29.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	68.1	0.4	3.1	36.4
Brent Crude (\$/bbl)	68.7	0.3	2.1	32.5
Texas crude (\$/bbl)	66.1	0.0	3.9	36.2
Natural Gas (\$/mmbtu)	2.91	0.9	-0.6	14.7
Gold (\$/oz)	1,899	1.0	7.4	0.0
Silver (\$/oz)	28.0	0.6	8.0	6.2
Steel (\$/ton)	1,515	0.2	0.7	50.7
Iron Ore (CNY/MT)	1,176	1.2	-4.8	8.9
Wheat (\$/bu)	657	-0.9	-11.6	2.5
Corn (\$/bu)	620	-5.6	-16.2	28.2
Sugar (\$/lb)	17.0	1.2	-2.3	10.0
SMP* (EUR/MT)	2,580	-0.8	0.4	16.0

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.141	-0.6	-3.6	-9.8
Saudi Arabia(SAIBOR)	0.791	0.0	-0.4	-2.6
UAE (EIBOR)	0.343	4.3	-1.3	-17.0
Qatar (QIBOR)	1.176	7.2	8.5	5.5
Bahrain (BHIBOR)	1.608	14.2	28.3	-64.2

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of May 25, 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