



Major Economic News

- The average sales volume of Saudi cement companies rose 12% Y/Y to 4.5mn tons by the end of Q1-21. The sector's clinker export stood at 2.3mn tons or 96% of total sales in Q1-21, surging more than 100% Y/Y. Clinker inventory stood at 32.7mn tons by the end of Q1-21, down 17% Y/Y. (Source: Argaam)

Major Corporate News

- Riyadh-based Berain Water Co. hired Samba Capital to manage a possible IPO of a 30% stake in the Saudi market. Berain Water is owned by Global Beverages Co., a subsidiary of Rajhi Invest. (Source: Argaam)
- Southern Province Cement Co. announced plans to build a new production line at Jazan cement factory with a capacity of 10,000 tons per day to replace the current lines. Construction works are expected to begin in H2-21. (Source: Argaam)
- Mohammad Abunayyan, chairman of ACWA Power, said that the company will triple its planned investments as a result of joining the 'Shareek' program. (Source: Argaam)
- United Cooperative Assurance Co.'s board of directors recommended the use of the company's entire statutory reserve as of March 31, 2021, amounting to SAR 31.9mn, to cut the company's accumulated losses from SAR 137.0mn to SAR 105.1mn (26% of the capital). (Source: Argaam)
- Saudi Chemical Co. Holding signed an agreement with GlaxoSmithKline Consumer Healthcare Saudi Ltd. to manufacture pharmaceutical products at AJA Pharmaceutical Industries Ltd. in Saudi Arabia. The agreement is for five years, with an expected revenue of around SAR 100mn. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.4% to 10,698.3 on Thursday. The value traded stood at SAR 12.8bn (up 53.9% over previous day), while the advance-decline ratio stood at 131/58. The parallel market index increased 1.1% to 24,196.9 points. The value traded stood at SAR 27.3mn (up 5.0% over previous day). Most sectors in the main market ended in the green. Diversified Financials and Consumer Durables (up 4.3% and 3.7%, respectively) advanced the most; Food & Staples and Banks (down 0.6% and 0.3%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
TADCO	42.55	10.0
LAZURDE	22.80	9.9
SAIC	52.40	8.0
RAYDAN	34.90	5.8
FITAIHI GROUP	33.40	4.7

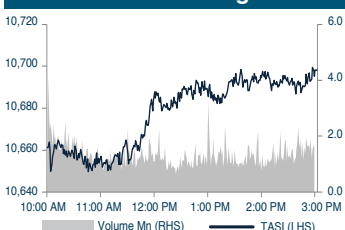
Top Losers

Company	Price	Change%
MASHAAR REIT	12.00	-3.2
GULF UNION ALAHLIA	19.00	-2.5
CARE	60.10	-2.0
MULKIA REIT	10.16	-1.4
TASNEE	19.62	-1.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,698	10,701	10,648	0.4	23.1
NomuC	24,197	24,228	23,684	1.1	(7.8)

TASI movement during session



TASI Ratios

P/E* (x)	38.5
Price-to-Book (x)	2.5
Dividend Yield (%)	3.5
Return on Equity (%)	12.9

Source: Argaam
* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,548	(0.2)	3.0	35.1
Materials	7,306	0.4	27.1	50.0
Capital Goods	8,668	0.7	32.6	High
Commercial Service	4,349	0.3	7.1	Neg
Transportation	6,164	0.0	27.3	Neg
Consumer Durables	7,747	3.7	35.4	High
Consumer Services	4,830	0.7	13.1	Neg
Media	16,610	2.3	62.6	High
Retailing	10,585	0.8	23.7	Neg
Food & Staples	10,943	(0.6)	3.9	33.7
Food & Beverages	5,863	(0.2)	7.3	31.9
Healthcare	7,536	0.2	33.3	43.1
Pharma & Bio Tech	6,128	0.8	18.5	High
Banks	9,892	(0.3)	30.3	25.2
Diversified Financials	7,579	4.3	64.9	Neg
Insurance	6,448	1.5	7.0	27.7
Telecom	8,549	3.6	23.9	25.4
Utilities	5,470	0.6	18.7	14.7
REITs	4,992	(0.0)	16.5	High
Real Estate	3,595	1.1	19.1	Neg
Software & Services	18,327	0.2	30.1	49.2

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,610	10,515	10,417	12.07

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	61.7	2,052.7	2,323.6

Top Weighted Companies

Company	Price	Change%
Al Rajhi	103.40	-0.6
Saudi Aramco	35.35	-0.1
NCB	54.00	-0.4
SABIC	126.00	0.6
STC	134.80	4.3



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 0.5% and 0.3%, respectively. Bahrain and Oman rose 1.1% and 0.4%, respectively; while Egypt, Qatar and Kuwait declined 0.7%, 0.5% and 0.4%, respectively.
- According to Baker Hughes, North America's rig count increased to 533 in the week ended June 04 from 519 earlier. The rig count fell to 456 in the US from 457 and to 13 in the Gulf of Mexico from 14. The rig count in Canada increased to 77 from 62 earlier. (Source: Baker Hughes).
- The finance ministers of G-7 countries reached a historic agreement to reform the global tax system and backed US' proposal for corporations around the world to pay at least 15% tax on earnings. (Source: CNBC)
- US nonfarm payroll increased 559,000 M/M in May (consensus: 650,000) compared with 278,000 in April. The unemployment rate decreased to 5.8% in May (consensus: 5.9%) from 6.1% in April. (Source: Econoday)
- Oil prices rose 0.8% on Friday, to two-year high, driven by decrease in US oil inventories, OPEC+ supply discipline and recovering demand.
- Gold prices increased 1.1% due to weaker-than-expected US non-farm payroll data.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.1	-0.4	0.1	0.2
Euro	1.22	0.3	-0.5	-0.4
Japanese Yen	109.5	-0.7	0.0	6.1
Sterling Pound	1.42	0.4	-0.4	3.5
Chinese Yuan	6.39	-0.1	0.4	-2.0
Indian Rupee	72.9	-0.2	0.5	-0.2
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.2	-0.1	0.9
Kuwaiti Dinar	0.30	-0.1	0.0	-1.1
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.2	0.2	0.1
Egyptian Pound	15.64	0.0	-0.1	-0.3

Corporate Calendar

Date	Company	Event
06 th Jun	Etihad Etisalat	Cash Dividend Distribution
06 th Jun	Thimar	OGM
07 th Jun	ALALAMIYA	EGM
09 th Jun	JARIR	Cash Dividend Distribution
09 th Jun	Chemanol	OGM
10 th Jun	Bawan	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,824	-0.5	0.9	13.3	21.2
Abu Dhabi (ADX)	6,606	-0.3	0.7	30.9	17.8
Kuwait (KSE)	5,189	-0.4	0.1	14.0	13.9
Qatar (QE)	10,754	-0.5	0.1	3.1	18.0
Oman (MSM)	3,933	0.4	2.1	7.5	10.2
Bahrain (BSE)	1,538	1.1	0.7	3.3	9.1
Egypt (EGX30)	10,055	-0.7	-2.5	-7.3	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,756	0.5	0.7	13.6	22.8
Nasdaq	13,814	1.5	0.5	7.2	32.3
S&P 500	4,230	0.9	0.6	12.6	27.7
FTSE 100	7,069	0.1	0.7	9.4	17.7
Germany DAX 30	15,693	0.4	1.8	14.4	19.1
France CAC 40	6,516	0.1	1.1	17.4	46.6
Japan Nikkei 225	28,942	-0.4	0.3	5.5	17.1
Russia MOEX	3,807	0.1	2.3	15.8	10.9
Hong Kong Hang Seng	28,918	-0.2	-0.8	6.2	14.3
South Korea KOSPI	3,240	-0.2	1.1	12.8	20.7
China Shanghai Composite	3,592	0.2	-0.7	3.4	13.1
Australia ASX 200	7,295	0.5	1.9	10.8	22.6
India Sensex	52,100	-0.3	0.3	9.1	29.2
MSCI EM	1,382	-0.1	0.4	7.0	17.3
MSCI World	2,997	0.8	0.7	11.4	29.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	71.4	0.8	3.9	43.1
Brent Crude (\$/bbl)	71.9	0.8	3.7	38.8
Texas crude (\$/bbl)	69.6	1.2	5.0	43.5
Natural Gas (\$/mmbtu)	3.10	1.8	3.7	22.0
Gold (\$/oz)	1,892	1.1	-0.8	-0.4
Silver (\$/oz)	27.8	1.2	-1.0	5.4
Steel (\$/ton)	1,653	0.2	-0.7	64.5
Iron Ore (CNY/MT)	1,280	0.0	8.2	18.6
Wheat (\$/bu)	688	1.7	3.7	7.4
Corn (\$/bu)	683	3.1	4.0	41.1
Sugar (\$/lb)	17.7	1.6	2.0	14.3
SMP* (EUR/MT)	2,620	0.0	0.0	17.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.131	-0.3	-0.1	-10.8
Saudi Arabia(SAIBOR)	0.791	0.0	0.0	-2.6
UAE (EIBOR)	0.468	12.3	9.3	-4.5
Qatar (QIBOR)	1.174	0.3	0.6	5.4
Bahrain (BHIBOR)	1.605	0.0	-1.3	-64.5

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of June 4, 2021



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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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