



## Major Economic News

- Saudi Arabia's GDP fell by 3.0% Y/Y to SAR 634.6bn in Q1-21. The oil sector's GDP declined 11.7% Y/Y to SAR 232.4bn in Q1-21. The sector contributed 36.6% to the GDP during the quarter, down from 40.2% in the same period last year. The non-oil sector's GDP rose 2.9% Y/Y to SAR 398.5bn, contributing 62.8% to total GDP. (Source: Argaam)
- Saudi Arabia aims to be the topmost trade partner of Egypt in the next five years, according to Majid Al-Qasabi, Minister of Commerce. He added that a total of 6,285 firms are investing more than USD 30bn (SAR 112.5bn) in Egypt. (Source: Argaam)

## Major Corporate News

- Dur Hospitality Co. will start preliminary discussions with Taiba IS ACWA Power successfully raised SAR 2.8bn through a senior, unsecured floating sukuk rate with a seven-year tenor under the Sharia-compliant Mudaraba-Murabaha structure. The issue size was 1.8x oversubscribed. (Source: Argaam)
- SABIC affiliate Clariant reached final agreements to liquidate its pigments business by selling it to a consortium of Heubach Group and SK Capital Partners for a total of USD 895mn to USD 951mn. Clariant expects to close the deal in H1-22. (Source: Argaam)
- Astra Industrial Group is currently in the process of obtaining the approval of the Saudi Food and Drug Authority on Moderna vaccine, as per CEO, Mohammad Al Hagbani. He added that once approved, the vaccine will be available in the Kingdom. (Source: Argaam)
- Saudi Chemical Co. extended the exclusive MoU signed with Hellmann Worldwide Logistics to form a joint venture for logistic services by 90 days. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.1% to 10,913.6. The value traded stood at SAR 15.2bn (up 5.4% over previous day), while the advance-decline ratio stood at 48/147. The parallel market index decreased 0.8% to 22,950.7 points. The value traded stood at SAR 24.2mn (down 46.5% over previous day). Most sectors in the main market ended in the red. Media and Banks (up 4.1% and 1.7%, respectively) advanced the most; Software & Services and Diversified Financials (down 3.4% and 1.8%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
THEEB	64.00	6.7
SPM	64.00	5.3
SHAKER	24.16	5.2
SRMG	160.00	4.6
SIDC	24.80	4.5

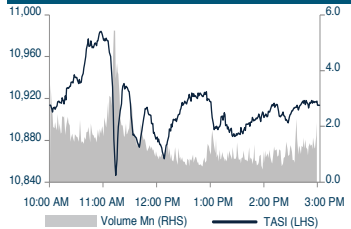
## Top Losers

Company	Price	Change%
BAAZEEM	132.00	-5.7
ARAB SEA	107.60	-4.3
ALHAMMADI	38.50	-3.4
SHARQIYAH DEV	103.60	-3.4
SABIC AGRI-NUTRIENTS	121.00	-3.4

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,914	10,990	10,845	0.1	25.6
NomuC	23,145	23,389	23,109	(1.0)	(11.8)

## TASI movement during session



## TASI Ratios

P/E* (x)	40.9
Price-to-Book (x)	2.5
Dividend Yield (%)	3.4
Return on Equity (%)	12.8

Source: Argaam  
\* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,554	(0.4)	3.1	35.1
Materials	7,269	(0.9)	26.5	High
Capital Goods	9,005	(0.4)	37.7	High
Commercial Service	4,338	(0.9)	6.8	Neg
Transportation	6,234	(1.4)	28.7	Neg
Consumer Durables	7,984	(0.1)	39.5	High
Consumer Services	4,856	(0.6)	13.7	Neg
Media	19,703	4.1	92.8	High
Retailing	10,767	0.1	25.8	Neg
Food & Staples	11,007	(0.5)	4.5	33.9
Food & Beverages	6,296	(0.6)	15.2	34.7
Healthcare	7,855	0.0	38.9	44.5
Pharma & Bio Tech	7,361	(0.4)	42.3	High
Banks	10,262	1.7	35.2	25.5
Diversified Financials	7,750	(1.8)	68.7	Neg
Insurance	6,448	(0.3)	7.0	27.8
Telecom	8,609	(1.5)	24.8	26.1
Utilities	5,417	0.1	17.5	14.5
REITs	4,960	0.1	15.7	High
Real Estate	3,596	(1.6)	19.1	Neg
Software & Services	19,688	(3.4)	39.7	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,827	10,749	10,591	14.60

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	29.7	808.4	1,115.1
Previous week	80.1	2,190.9	2,832.8

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	113.00	3.1
Saudi Aramco	35.30	-0.3
NCB	54.20	0.6
SABIC	124.60	-0.3
STC	137.00	-1.6



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 0.9% and 0.5%, respectively. Qatar and Kuwait gained 0.7% and 0.3%, respectively; while Egypt and Bahrain rose 0.5% each. Meanwhile, Oman declined 0.2%.
- Eurozone industrial production increased 0.8% M/M in April (consensus: 0.4%) compared to a rise of 0.4% in March. Production of durable consumer goods grew 3.4%, while that of energy rose 3.2%. On Y/Y basis, industrial production surged 39.3% (consensus: 37.4%) versus 11.5% rise in March. (Source: Econoday, RTT News)
- Japan's industrial production rose a seasonally adjusted 2.9% M/M in April compared to an initial estimate of increase of 2.5%. Shipment grew 3.1% as against initial estimate of 2.6% growth. On Y/Y basis, industrial production jumped 15.8% in April versus an initial estimate of 15.4% rise. (Source: RTT News)
- Oil prices rose 0.2%, to the highest level in more than two years, driven by optimism over global economic recovery and subsequent increase in oil demand.
- Gold prices fell 0.6%, as increase in US bond yields weighed on demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.5	0.0	0.5	0.7
Euro	1.21	0.1	-0.9	-0.8
Japanese Yen	110.1	0.4	0.5	6.6
Sterling Pound	1.41	0.0	-0.7	3.2
Chinese Yuan	6.40	0.0	0.4	-2.0
Indian Rupee	73.2	-0.1	0.9	0.2
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	0.0	-0.1	1.0
Kuwaiti Dinar	0.30	0.0	0.0	-1.0
Omani Rial	0.38	0.1	0.0	0.1
Bahraini Dinar	0.38	-0.1	0.0	-0.1
Egyptian Pound	15.62	0.2	-0.3	-0.4

## Corporate Calendar

Date	Company	Event
15 <sup>th</sup> Jun	ALABDULLATIF	OGM
15 <sup>th</sup> Jun	TADCO	OGM
15 <sup>th</sup> Jun	ACIG	OGM
15 <sup>th</sup> Jun	SARCO	OGM
15 <sup>th</sup> Jun	Al-Omran Industries & Trading	OGM
15 <sup>th</sup> Jun	Maharah	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,868	0.9	2.5	15.1	21.8
Abu Dhabi (ADX)	6,736	0.5	2.7	33.5	17.8
Kuwait (KSE)	5,302	0.3	2.3	16.5	14.3
Qatar (QE)	10,811	0.7	0.6	3.6	18.1
Oman (MSM)	4,034	-0.2	4.7	10.2	10.5
Bahrain (BSE)	1,561	0.5	2.2	4.8	9.1
Egypt (EGX30)	9,933	0.5	-3.6	-8.4	7.9

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,394	-0.2	-0.4	12.4	22.6
Nasdaq	14,174	0.7	3.1	10.0	32.8
S&P 500	4,255	0.2	1.2	13.3	27.8
FTSE 100	7,147	0.2	1.8	10.6	17.8
Germany DAX 30	15,674	-0.1	1.6	14.2	19.1
France CAC 40	6,616	0.2	2.6	19.2	47.4
Japan Nikkei 225	29,162	0.7	1.0	6.3	17.2
Russia MOEX	3,860	0.5	3.7	17.4	11.1
Hong Kong Hang Seng	28,842	0.0	-1.1	5.9	15.1
South Korea KOSPI	3,252	0.1	1.5	13.2	20.8
China Shanghai Composite	3,590	0.0	-0.7	3.4	13.0
Australia ASX 200	7,312	0.0	2.1	11.0	22.6
India Sensex	52,552	0.1	1.2	10.1	29.4
MSCI EM	1,383	0.1	0.5	7.1	17.3
MSCI World	3,020	0.2	1.5	12.3	30.2

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	73.0	0.6	6.1	46.2
Brent Crude (\$/bbl)	72.9	0.2	5.1	40.7
Texas crude (\$/bbl)	70.9	0.0	6.9	46.1
Natural Gas (\$/mmbtu)	3.35	1.7	12.3	32.0
Gold (\$/oz)	1,866	-0.6	-2.1	-1.7
Silver (\$/oz)	27.8	-0.2	-0.8	5.6
Steel (\$/ton)	1,655	0.5	-0.6	64.7
Iron Ore (CNY/MT)	1,340	0.0	13.4	24.2
Wheat (\$/bu)	675	-0.9	1.7	5.3
Corn (\$/bu)	659	-3.7	0.4	36.2
Sugar (\$/lb)	17.3	-1.4	-0.4	11.6
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	0.119	0.0	-1.3	-12.0
Saudi Arabia(SAIBOR)	0.791	0.0	0.0	-2.6
UAE (EIBOR)	0.391	2.3	1.6	-12.2
Qatar (QIBOR)	1.156	-1.9	-1.2	3.6
Bahrain (BHIBOR)	1.642	0.0	2.3	-60.8

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of June 14, 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 Central & Western Region Investment Centers

**Sultan Ibrahim AL-Mutawa**

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

AGM-Head of international and institutions

**Ahmad Salman, CFA**

+966 11 2256201  
a.salman@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/tax 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