



Major Economic News

- Saudi Authority for Industrial Cities and Technology Zones launched an incentive package to encourage companies list shares on the Saudi Exchange. These incentives stipulate that industrial firms seeking a share listing will be given priority to obtain land plots and factories, and these companies will be granted the built-to-suit-model right. (Source: Argaam)
- Saudi Cabinet's decision to merge the Public Pension Agency with the General Organization for Social Insurance (GOSI) will boost the latter's financial position, and improve investment performance as well as strategic reach, as per Nader A. AlWahibi, Assistant Governor for Insurance Affairs, GOSI. (Source: Argaam)

Major Corporate News

- Ataa Educational Co. announced that the General Authority for Competition approved the completion of the acquisition of Al Wasat National Schools for Training and Education and Arabian Education and Training Group Co. The company expects to finalize Al Wasat National Schools deal in Q4-21 and Arabian Education deal in Q1-22. (Source: Argaam)
- Red Sea International Co. signed a SAR 52.9mn contract with Royal Commission for AIUla to construct a turnkey housing complex in AIUla. The contract has a term of three months with the financial impact to be realized in Q3-21. (Source: Argaam)
- The Mediterranean and Gulf Insurance and Reinsurance Co.'s board of directors amended its recommendation to increase capital via rights issue to SAR 420mn instead of SAR 350mn. The capital increase is expected to take place in Q3-21 and will likely hike the offering-related expenses by SAR 900,000. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.2% to 10,856.0. The value traded stood at SAR 8.8bn (down 28.1% over previous day), while the advance-decline ratio stood at 103/81. The parallel market index decreased 0.5% to 23,096.5 points. The value traded stood at SAR 21.1mn (down 62.5% over previous day). Most sectors in the main market ended in the green. Diversified Financials and Pharma & Bio Tech (up 1.8% and 1.3%, respectively) advanced the most; Software & Services and Media (down 1.2% and 1.1%, respectively) led the laggards.

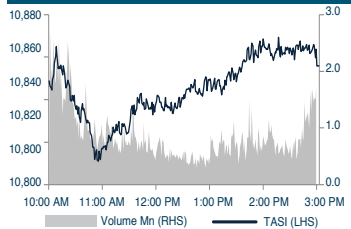
Top Gainers		
Company	Price	Change%
ZAMIL INDUST	33.55	10.0
SAUDI RE	17.96	7.4
SAIC	56.70	5.2
ALJOUF	87.50	4.5
DERAYAH REIT	13.48	4.5

Top Losers		
Company	Price	Change%
ALYAMAMAH STEEL	47.10	-2.1
ARAB SEA	104.20	-2.1
AICC	31.15	-2.0
ASTRA INDUSTRIAL	46.60	-2.0
SIDC	24.48	-1.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,856	10,870	10,811	0.2	24.9
NomuC	23,097	23,241	22,949	(0.5)	(12.0)

TASI movement during session



TASI Ratios

P/E* (x)	40.6
Price-to-Book (x)	2.5
Dividend Yield (%)	3.5
Return on Equity (%)	12.8

Source: Argaam
* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,555	0.1	3.1	35.0
Materials	7,236	0.4	25.9	49.4
Capital Goods	8,991	(0.2)	37.5	High
Commercial Service	4,353	0.3	7.2	Neg
Transportation	6,190	(0.1)	27.8	Neg
Consumer Durables	7,954	0.3	39.0	High
Consumer Services	4,781	(0.4)	12.0	Neg
Media	19,945	(1.1)	95.2	High
Retailing	10,900	1.2	27.4	Neg
Food & Staples	10,896	(0.0)	3.4	33.5
Food & Beverages	6,240	0.1	14.2	34.1
Healthcare	7,804	(0.4)	38.0	44.5
Pharma & Bio Tech	7,388	1.3	42.9	High
Banks	10,181	0.3	34.2	25.8
Diversified Financials	7,981	1.8	73.7	Neg
Insurance	6,606	1.0	9.6	28.4
Telecom	8,388	(0.8)	21.6	24.9
Utilities	5,386	(0.3)	16.9	14.5
REITs	4,968	0.6	15.9	High
Real Estate	3,607	0.9	19.5	Neg
Software & Services	19,447	(1.2)	38.0	High

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,859	10,792	10,636	13.91

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	50.6	1,443.0	1,913.2
Previous week	80.1	2,190.9	2,832.8

Top Weighted Companies

Company	Price	Change%
Al Rajhi	110.60	0.0
Saudi Aramco	35.30	0.0
NCB	54.30	0.0
SABIC	123.00	-0.2
STC	132.20	-1.2



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 1.0% and 0.6%, respectively. Oman rose 0.6%, while Qatar, Bahrain and Egypt declined 0.1% each. Meanwhile, Kuwait remained flat.
- US Federal Reserve suggested that interest rate hikes could come as soon as FY23, earlier than the previous indication that there will be no rate hikes until at least FY24. US Fed also raised its headline inflation expectation to 3.4% from 2.4% earlier, adding that inflation pressures are transitional. (Source: CNBC)
- According to EIA, oil inventories in the US declined 7.4mn barrels (prior: down 5.2mn) to 466.7mn in the week ended June 11. Distillate inventories decreased 1.0mn barrels (prior: up 4.4mn) to 136.2mn, while gasoline inventories rose 2.0mn barrels (prior: up 7.0mn) to 243.0mn. (Source: EIA, Econoday)
- US housing starts increased 3.6% to an annual rate of 1.572mn in May (consensus: 1.630mn) compared to a 12.1% decline to a revised rate of 1.517mn in April. (Source: Econoday, RTT News)
- Oil prices rose 0.5% driven by a significant drawdown in US oil inventories last week.
- Gold prices declined 2.6%, as the US Fed indicated an early rate hike possibility.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	91.1	0.7	1.2	1.3
Euro	1.20	-1.1	-1.9	-1.8
Japanese Yen	110.7	0.6	1.0	7.2
Sterling Pound	1.40	-0.7	-1.6	2.3
Chinese Yuan	6.40	-0.1	0.4	-2.0
Indian Rupee	73.3	-0.1	1.0	0.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.69	0.1	0.4	1.4
Kuwaiti Dinar	0.30	0.1	0.1	-1.0
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.2	0.2	0.1
Egyptian Pound	15.60	-0.3	-0.4	-0.6

Corporate Calendar

Date	Company	Event
17 th Jun	ALSAGR INSURANCE	OGM
17 th Jun	SAUDI GERMAN HOSPTL	EGM
20 th Jun	SRECO	OGM
22 nd Jun	MEPCO	OGM
22 nd Jun	Jouf Cement	OGM
22 nd Jun	GASCO	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,840	-1.0	1.5	14.0	21.6
Abu Dhabi (ADX)	6,697	-0.6	2.1	32.7	17.7
Kuwait (KSE)	5,315	0.0	2.6	16.8	14.4
Qatar (QE)	10,782	-0.1	0.3	3.3	18.0
Oman (MSM)	4,071	0.6	5.7	11.3	10.6
Bahrain (BSE)	1,563	-0.1	2.3	4.9	9.1
Egypt (EGX30)	9,880	-0.1	-4.2	-8.9	7.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,034	-0.8	-1.4	11.2	22.5
Nasdaq	14,040	-0.2	2.1	8.9	32.8
S&P 500	4,224	-0.5	0.5	12.4	27.8
FTSE 100	7,185	0.2	2.3	11.2	17.9
Germany DAX 30	15,711	-0.1	1.9	14.5	19.1
France CAC 40	6,653	0.2	3.2	19.8	47.6
Japan Nikkei 225	29,291	-0.5	1.5	6.7	17.3
Russia MOEX	3,830	0.2	2.9	16.4	10.9
Hong Kong Hang Seng	28,437	-0.7	-2.5	4.4	14.9
South Korea KOSPI	3,279	0.6	2.3	14.1	21.0
China Shanghai Composite	3,518	-1.1	-2.7	1.3	12.8
Australia ASX 200	7,386	0.1	3.1	12.1	22.8
India Sensex	52,502	-0.5	1.1	9.9	29.4
MSCI EM	1,370	-0.6	-0.5	6.1	17.1
MSCI World	3,008	-0.3	1.1	11.8	30.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	73.8	1.0	7.3	47.8
Brent Crude (\$/bbl)	74.4	0.5	7.3	43.6
Texas crude (\$/bbl)	72.2	0.0	8.8	48.7
Natural Gas (\$/mmbtu)	3.25	0.3	8.9	28.0
Gold (\$/oz)	1,811	-2.6	-5.0	-4.6
Silver (\$/oz)	27.0	-2.4	-3.9	2.3
Steel (\$/ton)	1,660	0.1	-0.3	65.2
Iron Ore (CNY/MT)	1,284	-0.6	8.6	19.0
Wheat (\$/bu)	663	0.2	-0.1	3.5
Corn (\$/bu)	673	0.8	2.5	39.0
Sugar (\$/lb)	17.0	-0.1	-1.8	10.0
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	0.125	0.7	-0.7	-11.4
Saudi Arabia(SAIBOR)	0.791	0.0	0.0	-2.6
UAE (EIBOR)	0.358	2.5	-1.8	-15.5
Qatar (QIBOR)	1.106	4.4	-6.3	-1.5
Bahrain (BHIBOR)	1.642	0.0	2.3	-60.8

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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