



## Major Economic News

- The General Directorate of Passports will extend the validity of residency permits, exit and re-entry visas, and visit visas of expats stranded abroad due to the COVID-19 travel ban, until July 31, 2021. The extension will be done automatically for free in cooperation with the National Information Center. The decision will only apply to 20 countries from where Saudi Arabia banned arrivals. (Source: Argaam)
- The Saudi Cabinet approved exempting the government entities, which rent buildings constructed within investment projects concluded between the General Authority for State Properties and other investors on state-owned land plots, from certain provisions of Saudi Property Rental and Eviction Law. (Source: Argaam)

## Major Corporate News

- CMA approved the listing of a 30% stake or 6mn shares of Tanmia Food Group. The company's prospectus will be published within sufficient time ahead of the IPO. The approval on the offering is valid for six months. (Source: Argaam)
- Basic Chemical Industries Co. sells its products across the Kingdom and is currently eying new markets in the neighboring countries, based on product types, according to the company CEO Ala' Al-Shaikh. (Source: Argaam)
- Zahrat Al Waha for Trading Co. re-paid the full long-term loan to Alinma Bank. The company made an early payment of the remaining balance of the loan, according to the bank facilities contract obtained for financing capital expansions. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.1% to 10,735.4. The value traded stood at SAR 19.5bn (up 30.7% over previous day), while the advance-decline ratio stood at 54/135. The parallel market index increased 0.9% to 23,938.9 points. The value traded stood at SAR 25.9mn (up 18.3% over previous day). Most sectors in the main market ended in the red. Food & Beverages and Telecom (up 2.3% and 1.2%, respectively) advanced the most; Consumer Durables and Diversified Financials (down 2.1% each) led the laggards.

## Top Gainers

Company	Price	Change%
SFICO	62.20	9.9
BAAZEEM	130.00	8.2
NAMA CHEMICALS	46.90	6.4
TAPRCO	63.20	5.7
DALLAH HEALTH	68.50	5.1

## Top Losers

Company	Price	Change%
SVCP	106.40	-5.3
SARCO	181.20	-4.1
SAIC	51.90	-4.1
NGC	44.15	-3.8
ALYAMAMAH STEEL	45.00	-3.1

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,735	10,754	10,599	0.1	23.5
NomuC	23,939	23,939	23,602	0.9	(8.8)

## TASI movement during session



## TASI Ratios

P/E* (x)	38.6
Price-to-Book (x)	2.5
Dividend Yield (%)	3.4
Return on Equity (%)	12.9

Source: Argaam  
\* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,558	(0.2)	3.2	35.1
Materials	7,289	(0.3)	26.8	50.0
Capital Goods	9,045	(1.2)	38.3	High
Commercial Service	4,377	0.3	7.8	Neg
Transportation	6,203	0.5	28.1	Neg
Consumer Durables	7,890	(2.1)	37.9	High
Consumer Services	4,820	(0.7)	12.9	Neg
Media	17,791	(1.0)	74.1	High
Retailing	10,615	(0.4)	24.1	Neg
Food & Staples	10,947	(0.2)	3.9	33.6
Food & Beverages	6,154	2.3	12.6	33.7
Healthcare	7,695	1.0	36.1	43.8
Pharma & Bio Tech	6,075	(0.3)	17.5	High
Banks	9,879	0.3	30.2	25.1
Diversified Financials	7,770	(2.1)	69.1	Neg
Insurance	6,473	(0.5)	7.4	27.8
Telecom	8,527	1.2	23.6	25.3
Utilities	5,422	(0.9)	17.6	14.6
REITs	4,938	(1.0)	15.2	High
Real Estate	3,635	(0.0)	20.4	Neg
Software & Services	19,224	(0.2)	36.4	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,699	10,618	10,480	14.26

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	49.3	1,372.6	1,779.8
Previous week	61.7	2,052.7	2,323.6

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	104.20	0.8
Saudi Aramco	35.40	-0.1
NCB	53.90	0.2
SABIC	125.60	-0.3
STC	134.60	2.0



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.1%, while Abu Dhabi increased 0.4%. Oman gained 0.4%, while Kuwait and Bahrain rose 0.2% each. Meanwhile, Egypt and Qatar declined 1.4% and 0.4%, respectively.
- US trade deficit narrowed to USD 68.9bn in April (consensus: USD 69.0bn deficit) compared to a revised USD 75.0bn in March. The narrower trade deficit came as the value of exports rose by 1.1% to USD 205.0bn, while the value of imports declined by 1.4% to USD 273.9bn. (Source: Econoday, RTT News)
- China's CPI rose 1.3% Y/Y in May (consensus: an increase of 1.6%) compared to 0.9% increase in April. On M/M basis, CPI eased 0.2% (consensus: a decline of 0.1%) versus a fall of 0.3% in the previous month. The producer prices in China jumped 9.0% Y/Y in May compared to 6.8% growth a month earlier. (Source: Econoday, RTT News)
- Oil prices increased 1.0% due to expectations that crude oil supply from Iran may not return soon.
- Gold prices fell 0.3%, as stronger US dollar weighed on demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.1	0.1	0.0	0.2
Euro	1.22	-0.1	-0.4	-0.3
Japanese Yen	109.5	0.2	0.0	6.1
Sterling Pound	1.42	-0.2	-0.4	3.5
Chinese Yuan	6.40	0.1	0.5	-1.9
Indian Rupee	73.0	0.2	0.6	-0.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	-1.0	0.0
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
09 <sup>th</sup> Jun	JARIR	Cash Dividend Distribution
09 <sup>th</sup> Jun	Chemanol	OGM
10 <sup>th</sup> Jun	Bawan	EGM
10 <sup>th</sup> Jun	FIPCO	OGM
13 <sup>th</sup> Jun	ALANDALUS	Cash Dividend Distribution
13 <sup>th</sup> Jun	ARAMCO TOTAL ARAB SERVICES	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,836	-0.1	1.4	13.8	21.3
Abu Dhabi (ADX)	6,671	0.4	1.7	32.2	17.7
Kuwait (KSE)	5,219	0.2	0.7	14.6	14.0
Qatar (QE)	10,667	-0.4	-0.8	2.2	17.8
Oman (MSM)	3,981	0.4	3.3	8.8	10.4
Bahrain (BSE)	1,541	0.2	0.9	3.4	9.1
Egypt (EGX30)	9,964	-1.4	-3.3	-8.1	8.0

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,600	-0.1	0.2	13.0	22.7
Nasdaq	13,925	0.3	1.3	8.0	32.4
S&P 500	4,227	0.0	0.6	12.5	27.7
FTSE 100	7,095	0.3	1.0	9.8	17.7
Germany DAX 30	15,641	-0.2	1.4	14.0	19.0
France CAC 40	6,551	0.1	1.6	18.0	46.9
Japan Nikkei 225	28,964	-0.2	0.4	5.5	17.1
Russia MOEX	3,807	-0.4	2.3	15.8	11.0
Hong Kong Hang Seng	28,781	0.0	-1.3	5.7	15.0
South Korea KOSPI	3,248	-0.1	1.4	13.0	20.8
China Shanghai Composite	3,580	-0.5	-1.0	3.1	13.0
Australia ASX 200	7,293	0.1	1.8	10.7	22.5
India Sensex	52,276	-0.1	0.7	9.5	29.3
MSCI EM	1,377	-0.2	0.1	6.7	17.3
MSCI World	3,002	0.0	0.9	11.6	29.9

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	71.1	-0.1	3.4	42.4
Brent Crude (\$/bbl)	72.2	1.0	4.2	39.4
Texas crude (\$/bbl)	70.1	1.2	5.6	44.4
Natural Gas (\$/mmbtu)	3.13	1.9	4.8	23.2
Gold (\$/oz)	1,893	-0.3	-0.7	-0.3
Silver (\$/oz)	27.6	-0.9	-1.5	4.8
Steel (\$/ton)	1,650	0.1	-0.9	64.2
Iron Ore (CNY/MT)	1,253	-2.1	6.0	16.1
Wheat (\$/bu)	685	0.7	3.2	6.9
Corn (\$/bu)	680	0.1	3.5	40.5
Sugar (\$/lb)	17.7	1.9	2.0	14.3
SMP* (EUR/MT)	2,637	0.6	0.6	18.5

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.123	-0.5	-0.8	-11.5
Saudi Arabia(SAIBOR)	0.791	0.0	0.0	-2.6
UAE (EIBOR)	0.396	1.7	2.1	-11.6
Qatar (QIBOR)	1.180	-1.9	1.1	5.9
Bahrain (BHIBOR)	1.592	-1.3	-2.7	-65.8

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of June 8, 2021



RESEARCH DIVISION

AGM-Head of Research  
**Talha Nazar**  
+966 11 2256250  
t.nazar@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

Analyst  
**Faisal Alsuwelimy**  
+966 11 2256115  
F.alsuweilmy@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