



## Major Economic News

- The unemployment rate among Saudis fell to 11.7% in Q1-21 from 12.6% in Q4-20. Unemployment rate among males and females stood at 7.2% and 21.2%, respectively. Meanwhile, unemployment among total working age population (15 years and above) declined from 7.4% to 6.5% during the same period. (Source: Argaam)

## Major Corporate News

- CMA board issued a resolution approving the application of International Company for Water and Power Projects (ACWA Power) for the offering of 81.2mn shares, representing 11.1% of the company's share capital. (Source: Argaam)
- Fawaz Abdulaziz Alhokair Co. announced that the Board of Directors authorized the executive management to study ways to restructure the company's capital including capital reduction and subsequent capital increase. The decision aims to reduce the company's accumulated losses amounting to SAR 1.0bn as of March 31, 2021. (Source: Argaam)
- The listing of solutions by STC is expected within the next two months, according to STC Group CEO. He added that the offering will take place through the sale of shares and not by raising capital. (Source: Argaam)
- Saudi Arabian Amiantit Co. signed an agreement to reschedule the Islamic banking facility, amounting to SAR 268mn with Bank Albilad. The move will reduce financial charges from SIBOR +3.25% to SIBOR +1.5%. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 10,984.2. The value traded stood at SAR 12.0bn (down 2.2% over previous day), while the advance-decline ratio stood at 68/119. The parallel market index increased 0.4% to 22,937.5 points. The value traded stood at SAR 21.9mn (down 33.8% over previous day). Most sectors in the main market ended in the red. Software & Services and Media (up 2.9% and 2.1%, respectively) advanced the most; Retailing and Insurance (down 1.9% and 1.1%, respectively) led the laggards.

## Earnings update (Net Profit) (SAR mn)

Company	Q1-21	Q1-20	Y/Y %	Q4-20	Q/Q %
Arabian Pipes Co.	1.0	-16.8	NM	-156.2	NM
TAPRCO*	-47.5	-15.1	NM	-16.8	NM

\*- Q4-21 results, as year ending is March

## Top Gainers

Company	Price	Change%
ALAHLI REIT 1	12.54	10.0
SIECO	115.40	9.9
LAZURDE	26.30	7.6
AI RAJHI REIT	11.88	6.3
SEDCO CAPITAL REIT	12.40	5.1

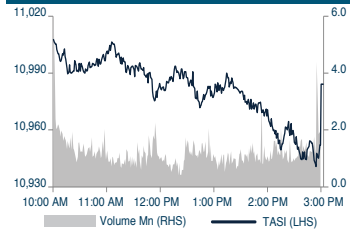
## Top Losers

Company	Price	Change%
ATHEEB TELECOM	36.85	-5.5
GULF GENERAL	20.28	-4.0
ALHOKAIR	25.15	-3.3
GULF UNION ALAHLIA	21.90	-3.1
ALLIANZ SF	28.50	-1.9

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,984	11,010	10,940	(0.1)	26.4
NomuC	22,938	22,967	22,792	0.4	(12.6)

## TASI movement during session



## TASI Ratios

P/E* (x)	40.8
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	5,546	(0.4)	2.9	35.0
Materials	7,310	0.0	27.2	49.7
Capital Goods	9,176	(0.4)	40.3	High
Commercial Service	4,416	0.1	8.8	Neg
Transportation	6,367	1.0	31.5	Neg
Consumer Durables	8,489	1.3	48.3	High
Consumer Services	4,979	0.1	16.6	Neg
Media	21,576	2.1	111.2	High
Retailing	11,074	(1.9)	29.4	Neg
Food & Staples	10,644	(0.6)	1.0	32.9
Food & Beverages	6,312	(0.7)	15.5	34.8
Healthcare	7,757	0.2	37.2	43.8
Pharma & Bio Tech	7,612	(0.2)	47.2	High
Banks	10,356	0.1	36.5	26.3
Diversified Financials	8,044	(0.4)	75.1	Neg
Insurance	6,753	(1.1)	12.1	29.4
Telecom	8,350	(0.3)	21.0	24.9
Utilities	5,343	(0.4)	15.9	14.4
REITs	5,054	2.1	17.9	High
Real Estate	3,623	(0.5)	20.0	Neg
Software & Services	22,215	2.9	57.6	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,965	10,911	10,852	13.40

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	50.2	1,544.8	1,922.7
Previous week	63.5	1,881.1	2,336.3

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	111.00	0.5
Saudi Aramco	35.10	-0.6
NCB	57.60	-0.7
SABIC	121.80	0.0
STC	131.60	-0.2



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.6%, while Abu Dhabi increased 1.1%. Egypt and Oman rose 1.3% and 0.1%, respectively; while Kuwait, Bahrain and Qatar declined 1.1%, 0.5% and 0.2%, respectively.
- According to EIA, oil inventories in the US fell 6.7mn barrels (prior: down 7.6mn) to 452.3mn in the week ended June 25. Distillate inventories decreased 0.9mn barrels (prior: up 1.8mn) to 137.1mn, while gasoline inventories rose 1.5mn barrels (prior: down 2.9mn) to 241.6mn. (Source: EIA, Econoday)
- Eurozone inflation fell to 1.9% in June (in line with consensus) versus 2.0% in May. The inflation eased as the annual growth in energy prices decreased. (Source: Econoday, RTT News)
- Japan's manufacturing PMI fell to 52.4 in June compared to 53.0 in the previous month. The rate of expansion decreased in both production and new orders. (Source: Reuters)
- Oil prices rose 0.5% driven by optimism over fuel demand and a drop in US oil inventories last week.
- Gold prices increased 0.5%, as concerns over more infectious COVID-19 variant, Delta, boosted demand for the safe haven metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.4	0.4	2.7	2.8
Euro	1.19	-0.3	-3.0	-2.9
Japanese Yen	111.1	0.5	1.4	7.6
Sterling Pound	1.38	-0.1	-2.7	1.1
Chinese Yuan	6.46	-0.1	1.4	-1.0
Indian Rupee	74.4	0.1	2.5	1.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.70	0.1	0.6	1.6
Kuwaiti Dinar	0.30	0.0	0.0	-1.1
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	-0.2	0.0	-0.1
Egyptian Pound	15.66	0.3	0.0	-0.2

## Corporate Calendar

Date	Company	Event
01 <sup>st</sup> Jul	Saudi Aramco	OGM
04 <sup>th</sup> Jul	Thimar	OGM
05 <sup>th</sup> Jul	SAIC	Cash Dividend Distribution
05 <sup>th</sup> Jul	RIBL	Cash Dividend Distribution
05 <sup>th</sup> Jul	SASCO	Cash Dividend Distribution
06 <sup>th</sup> Jul	GASCO	Cash Dividend Distribution

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,811	-0.6	0.5	12.8	21.4
Abu Dhabi (ADX)	6,835	1.1	4.2	35.5	18.1
Kuwait (KSE)	5,317	-1.1	2.6	16.8	14.7
Qatar (QE)	10,731	-0.2	-0.2	2.8	18.0
Oman (MSM)	4,063	0.1	5.5	11.1	10.5
Bahrain (BSE)	1,588	-0.5	4.0	6.6	9.1
Egypt (EGX30)	10,257	1.3	-0.5	-5.4	8.0

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,503	0.6	-0.1	12.7	22.4
Nasdaq	14,504	-0.2	5.5	12.5	33.9
S&P 500	4,298	0.1	2.2	14.4	28.2
FTSE 100	7,037	-0.7	0.2	8.9	17.6
Germany DAX 30	15,531	-1.0	0.7	13.2	18.9
France CAC 40	6,508	-0.9	0.9	17.2	45.1
Japan Nikkei 225	28,792	-0.1	-0.2	4.9	17.0
Russia MOEX	3,842	1.3	3.2	16.8	11.1
Hong Kong Hang Seng	28,828	-0.6	-1.1	5.9	15.2
South Korea KOSPI	3,297	0.3	2.9	14.7	21.1
China Shanghai Composite	3,591	0.5	-0.7	3.4	12.8
Australia ASX 200	7,313	0.2	2.1	11.0	22.5
India Sensex	52,483	-0.1	1.0	9.9	27.6
MSCI EM	1,375	-0.2	-0.1	6.5	17.1
MSCI World	3,017	-0.2	1.4	12.2	30.0

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.0	0.9	9.2	50.3
Brent Crude (\$/bbl)	75.1	0.5	8.4	45.0
Texas crude (\$/bbl)	73.5	0.7	10.8	51.4
Natural Gas (\$/mmbtu)	3.65	0.6	22.2	43.8
Gold (\$/oz)	1,770	0.5	-7.2	-6.8
Silver (\$/oz)	26.1	1.4	-6.9	-1.0
Steel (\$/ton)	1,810	8.9	8.7	80.1
Iron Ore (CNY/MT)	1,381	-0.4	16.8	28.0
Wheat (\$/bu)	672	5.0	1.2	4.8
Corn (\$/bu)	720	3.7	9.6	48.8
Sugar (\$/lb)	17.6	2.3	1.6	13.8
SMP* (EUR/MT)	2,599	0.2	-0.8	16.8

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.145	-0.2	1.4	-9.4
Saudi Arabia(SAIBOR)	0.793	0.0	0.1	-2.5
UAE (EIBOR)	0.350	0.0	-2.5	-16.3
Qatar (QIBOR)	0.998	0.6	-17.0	-12.3
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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