



## Major Economic News

- Saudi Minister of Human Resources and Social Development Ahmed Al-Rajhi issued six new ministerial decisions to nationalize several professions and activities that will create more than 40,000 jobs. The move is part of a plan that aims to create more than 203,000 jobs during FY21. (Source: Argaam)
- Ministry of Communications and Information Technology said it is mapping out a development plan to build mega data centers across the Kingdom. The plan will likely accelerate the development of data centers across the Kingdom to exceed 1,300 MW before FY30, with potential investments over USD 18bn. (Source: Argaam)

## Major Corporate News

- Seera Group Holding and Kaden Investment announced the signing of a master agreement to develop hotels across Saudi Arabia. A joint venture will be set up to manage and develop hotels in various projects developed by Kaden in the Kingdom. (Source: Argaam)
- Al-Moammar Information Systems Co. (MIS) signed agreements for the development, design, and management of data center facilities with Saudi Fransi Capital. MIS will continue as the facility manager for the six data centers for an initial period of 15 years. (Source: Argaam)
- United Electronics Co. announced the opening of a branch in Ad Dawadmi city, bringing the total number of stores in Saudi Arabia to 46. The new store will span 1,000 sq.m. (Source: Argaam)
- Gulf General Cooperative Insurance Co. subscription to new shares and rights trading is beginning on July 5, to increase capital from SAR 200mn to SAR 500mn. Rights trading will end on July 12, and subscription to the new shares will close on July 15. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.5% to 11,031.7 on Sunday. The value traded stood at SAR 12.7bn (up 5.0% over previous day), while the advance-decline ratio stood at 87/100. The parallel market index decreased 0.3% to 22,709.9 points. The value traded stood at SAR 21.4mn (up 11.6% over previous day). Most sectors in the main market ended in the green. Banks and Food & Staples (up 1.0% and 0.8%, respectively) advanced the most; Media and Commercial Service (down 2.5% and 0.7%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
APC	22.02	10.0
UCA	29.35	7.9
CHUBB	55.10	6.4
LAZURDE	27.50	6.0
SVCP	116.20	4.7

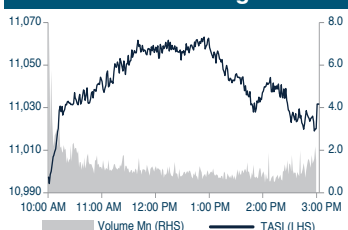
## Top Losers

Company	Price	Change%
ALMRAKEZ	25.25	-3.6
SIECO	115.60	-3.5
SRMG	167.40	-2.7
ATHEEB TELECOM	34.70	-2.3
CHEMICAL	39.70	-2.2

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,032	11,064	10,994	0.5	27.0
NomuC	22,710	22,895	22,635	(0.3)	(13.5)

## TASI movement during session



## TASI Ratios

P/E* (x)	41.0
Price-to-Book (x)	2.5
Dividend Yield (%)	3.5
Return on Equity (%)	12.8

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,552	0.3	3.1	34.8
Materials	7,351	0.7	27.9	High
Capital Goods	9,217	0.4	41.0	High
Commercial Service	4,385	(0.7)	8.0	Neg
Transportation	6,344	(0.6)	31.0	Neg
Consumer Durables	8,534	0.6	49.1	High
Consumer Services	5,005	(0.5)	17.2	Neg
Media	20,450	(2.5)	100.2	High
Retailing	11,001	0.7	28.6	Neg
Food & Staples	10,712	0.8	1.7	32.8
Food & Beverages	6,255	(0.5)	14.5	34.3
Healthcare	7,599	(0.2)	34.4	43.1
Pharma & Bio Tech	7,546	0.4	45.9	High
Banks	10,488	1.0	38.2	26.6
Diversified Financials	8,035	(0.5)	74.9	Neg
Insurance	6,766	0.4	12.3	29.2
Telecom	8,308	(0.0)	20.4	24.7
Utilities	5,346	0.1	16.0	14.3
REITs	5,084	(0.0)	18.6	High
Real Estate	3,622	(0.4)	19.9	Neg
Software & Services	23,707	0.3	68.2	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,990	10,948	10,883	12.43

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	12.7	364.7	460.6
Previous week	62.3	1,897.0	2,393.7

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	112.80	1.3
Saudi Aramco	35.05	0.1
NCB	58.10	0.0
SABIC	121.80	0.3
STC	131.60	0.3



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.4%, while Abu Dhabi increased 0.7%. Egypt and Oman gained 0.9% and 0.5%, respectively; while Kuwait and Qatar rose 0.2% each. Meanwhile, Bahrain declined 0.6%.
- US trade deficit widened to USD 71.2bn in May (in line with consensus) from a revised USD 69.1bn in April. The value of imports jumped by 1.3% to USD 277.3bn in May from USD 273.8bn in April, while the value of exports rose by 0.6% to USD 206.0bn in May from USD 204.7bn in April. (Source: Econoday, RTT News)
- US initial jobless claims dropped to 364,000 (consensus: 395,000), representing a fall of 51,000 from the previous week's revised level of 415,000. (Source: Econoday)
- UK's manufacturing PMI fell slightly to 63.9 in June (consensus: 64.2) from May's record high of 65.6. (Source: Econoday)
- Bank of England Governor Andrew Bailey said that the bank should not over-react to temporarily high inflation and the premature tightening of policy to contain inflation will undermine the economic recovery. (Source: RTT News)
- China's Caixin manufacturing PMI decreased to a 3-month low of 51.3 in June (consensus: 51.8) from 52.0 in May. Production grew at the slowest pace since March. (Source: RTT News)

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.2	0.0	-0.2	2.5
Euro	1.19	0.0	0.1	-2.9
Japanese Yen	111.0	0.0	-0.1	7.6
Sterling Pound	1.38	0.0	0.0	1.1
Chinese Yuan	6.47	0.0	0.2	-0.8
Indian Rupee	74.5	0.0	0.2	2.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.69	-0.2	-0.3	1.2
Kuwaiti Dinar	0.30	0.1	0.2	-0.9
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	0.2	0.1
Egyptian Pound	15.62	-0.3	-0.3	-0.4

## Corporate Calendar

Date	Company	Event
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
06 <sup>th</sup> Jul	SPM	OGM
06 <sup>th</sup> Jul	SIECO	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,804	-0.4	-0.2	12.5	21.3
Abu Dhabi (ADX)	6,949	0.7	1.7	37.7	18.2
Kuwait (KSE)	5,307	0.2	-0.2	16.6	14.4
Qatar (QE)	10,828	0.2	0.9	3.8	18.1
Oman (MSM)	4,098	0.5	0.9	12.0	10.5
Bahrain (BSE)	1,579	-0.6	-0.6	6.0	9.1
Egypt (EGX30)	10,346	0.9	0.9	-4.6	8.1

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,786	0.0	0.8	13.7	22.8
Nasdaq	14,639	0.0	0.9	13.6	34.2
S&P 500	4,352	0.0	1.3	15.9	28.6
FTSE 100	7,123	0.0	1.2	10.3	17.8
Germany DAX 30	15,650	0.0	0.8	14.1	19.1
France CAC 40	6,553	0.0	0.7	18.0	45.4
Japan Nikkei 225	28,783	0.0	0.0	4.9	17.0
Russia MOEX	3,865	0.0	0.6	17.5	11.2
Hong Kong Hang Seng	28,310	0.0	-1.8	4.0	15.0
South Korea KOSPI	3,282	0.0	-0.5	14.2	21.0
China Shanghai Composite	3,519	0.0	-2.0	1.3	12.4
Australia ASX 200	7,309	0.0	-0.1	11.0	22.5
India Sensex	52,485	0.0	0.0	9.9	27.6
MSCI EM	1,355	0.0	-1.4	5.0	16.9
MSCI World	3,046	0.0	1.0	13.2	30.2

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
76.5	0.0	1.9	53.3	53.3
76.2	0.0	1.4	47.0	47.0
75.2	0.0	2.3	54.9	54.9
3.70	0.0	1.4	45.7	45.7
1,787	0.0	1.0	-5.9	-5.9
26.5	0.0	1.4	0.4	0.4
1,789	0.0	-1.2	78.0	78.0
1,346	0.0	-2.5	24.7	24.7
646	0.0	-3.8	0.8	0.8
697	0.0	-3.2	44.1	44.1
18.2	0.0	2.9	17.2	17.2
2,538	0.0	-2.3	14.1	14.1

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.145	0.0	-0.1	-9.4
Saudi Arabia(SAIBOR)	0.793	0.0	0.0	-2.5
UAE (EIBOR)	0.389	3.9	3.9	-12.4
Qatar (QIBOR)	0.966	-3.2	-3.2	-15.5
Bahrain (BHIBOR)	1.642	0.0	0.0	-60.8

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of July 4, 2021



RESEARCH DIVISION

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 of Client Service and Distribution

**Alaa Al-Yousef**

+966 11 2256060  
a.yousef@aljaziracapital.com.sa

Head of Sales and Distribution

**Sultan Ibrahim AL-Mutawa**

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

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