



Major Economic News

- Saudi Arabia's residential market added over 106,500 homes in Q1-21, a rise of 29% Y/Y. As many as 92,000 mortgage contracts were signed with Saudi households at a total value exceeding SAR 48bn, up 48% Y/Y. (Source: Argaam)
- Saudi Arabia's national strategy for transport and logistics, which has been recently launched, aims to boost the capacity of local airports to over 330mn passengers annually, compared to current 103mn, as per Abdulaziz Al-Duailej, President of the General Authority of Civil Aviation. (Source: Argaam)
- Saudi Railway Co. targets the transportation of 25mn passengers and over 36mn tons of freight by FY25, according to CEO Bashar AlMalik. The Saudi railways network of 5,330km currently transports nearly 3mn passengers and over 18mn tons of freight annually. (Source: Argaam)

Major Corporate News

- Theeb Rent a Car Co. signed a long-term rental contract with Jahez International Company for Information Systems Technology, valued at SAR 48.7mn. The four-year contract exceeds 5% of the company's FY20 revenues. This contract will have a positive impact on the company's financial results starting from Q3-21. (Source: Argaam)
- Leejam Sports Co. (Fitness Time) opened a new low-cost ladies Xpress fitness center in Riyadh. The relevant financial impact will reflect on financial results of Q3-21. The new opening brought the total number of Fitness Time centers, locally and overseas, to 137. (Source: Argaam)
- Al Moammar Information Systems Co. joined the initiative of the Ministry of Communications and Information Technology in the development of large data centers and to lead the growth in digital transformation. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.3% to 11,001.0. The value traded stood at SAR 12.1bn (down 4.9% over previous day), while the advance-decline ratio stood at 62/125. The parallel market index remained flat at 22,718.3 points. The value traded stood at SAR 19.7mn (down 7.9% over previous day). Most sectors in the main market ended in the red. Software & Services and Utilities (up 4.7% and 1.9%, respectively) advanced the most; Telecom and REITs (down 1.3% and 0.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
MIS	142.00	7.9
THEEB	74.90	4.3
SAUDI CERAMICS	60.20	3.6
ALHOKAIR	23.70	3.0
SWICORP WABEL REIT	9.00	2.9

Top Losers

Company	Price	Change%
UCA	28.30	-3.6
ALAHLI REIT 1	12.82	-2.9
ALKHABEER REIT	9.70	-2.8
SHAKER	31.55	-2.8
SSP	33.50	-2.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,001	11,043	10,956	(0.3)	26.6
NomuC	22,718	22,882	22,627	0.0	(13.4)

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	5,531	(0.4)	2.7	34.8
Materials	7,328	(0.3)	27.5	High
Capital Goods	9,236	0.2	41.3	High
Commercial Service	4,359	(0.6)	7.4	Neg
Transportation	6,316	(0.4)	30.4	Neg
Consumer Durables	8,554	0.2	49.5	High
Consumer Services	4,982	(0.5)	16.7	Neg
Media	20,753	1.5	103.1	High
Retailing	10,919	(0.7)	27.6	Neg
Food & Staples	10,615	(0.9)	0.7	32.8
Food & Beverages	6,232	(0.4)	14.1	34.3
Healthcare	7,586	(0.2)	34.2	43.1
Pharma & Bio Tech	7,533	(0.2)	45.7	High
Banks	10,474	(0.1)	38.0	26.6
Diversified Financials	7,969	(0.8)	73.4	Neg
Insurance	6,770	0.1	12.4	29.2
Telecom	8,197	(1.3)	18.8	24.7
Utilities	5,449	1.9	18.2	14.3
REITs	5,037	(0.9)	17.5	High
Real Estate	3,601	(0.6)	19.2	Neg
Software & Services	24,823	4.7	76.2	High

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,998	10,962	10,897	12.33

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	24.9	746.3	910.0
Previous week	62.3	1,897.0	2,393.7

Top Weighted Companies

Company	Price	Change%
Al Rajhi	112.40	-0.4
Saudi Aramco	34.95	-0.3
NCB	57.90	-0.3
SABIC	120.60	-1.0
STC	129.20	-1.8



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai remained flat, while Abu Dhabi increased 0.7%. Oman rose 0.1% each, while Kuwait and Qatar declined 0.5% and 0.3%, respectively. Meanwhile, Egypt and Bahrain remained flat.
- UK's services PMI fell to 62.4 in June (consensus: 61.7) compared to 62.9 in May. The services sector continued to expand as pandemic restrictions eased, boosting the demand. (Source: Econoday, RTT News)
- Eurozone services PMI increased to 58.3 in June (consensus: 58.0) from 55.2 in the previous month. This was the highest reading since July 2007. (Source: Econoday, RTT News)
- Japan's average household spending increased 11.6% Y/Y in May to JPY 281,063 (consensus: a rise of 10.9%) compared to 13.0% growth in April. On M/M basis, household spending was down 2.1% (consensus: a decline of 3.7%) following a 0.1% gain in the previous month. (Source: Econoday, RTT News)
- Oil prices increased 1.3%, as OPEC+ called off the talks on output policy, raising expectations for tighter supply.
- Gold prices rose 0.3%, as worries of early rate hike subsided amid mixed job data from the US.

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	-0.1	-0.1	7.5
Sterling Pound	1.38	0.2	0.1	1.3
Chinese Yuan	6.46	-0.1	0.1	-1.0
Indian Rupee	74.3	-0.3	-0.1	1.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.69	0.1	-0.2	1.4
Kuwaiti Dinar	0.30	0.0	0.1	-1.0
Omani Rial	0.38	-0.1	-0.1	0.0
Bahraini Dinar	0.38	-0.1	0.1	0.0
Egyptian Pound	15.63	0.1	-0.2	-0.4

Corporate Calendar

Date	Company	Event
06 th Jul	GASCO	Cash Dividend Distribution
06 th Jul	SPM	OGM
06 th Jul	SIECO	OGM
07 th Jul	Fitaihi Group	EGM
07 th Jul	UCA	OGM
08 th Jul	ALHOKAIR GROUP	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,803	0.0	-0.3	12.5	21.3
Abu Dhabi (ADX)	6,995	0.7	2.3	38.6	18.3
Kuwait (KSE)	5,279	-0.5	-0.7	16.0	14.5
Qatar (QE)	10,800	-0.3	0.6	3.5	18.1
Oman (MSM)	4,103	0.1	1.0	12.1	10.6
Bahrain (BSE)	1,579	0.0	-0.6	6.0	9.1
Egypt (EGX30)	10,348	0.0	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	7,165	0.6	1.8	10.9	17.8
Germany DAX 30	15,662	0.1	0.8	14.2	19.1
France CAC 40	6,568	0.2	0.9	18.3	45.5
Japan Nikkei 225	28,598	-0.6	-0.7	4.2	16.9
Russia MOEX	3,883	0.4	1.1	18.0	11.2
Hong Kong Hang Seng	28,144	-0.6	-2.4	3.4	14.9
South Korea KOSPI	3,293	0.3	-0.1	14.6	21.1
China Shanghai Composite	3,534	0.4	-1.6	1.8	12.4
Australia ASX 200	7,315	0.1	0.0	11.1	22.5
India Sensex	52,880	0.8	0.8	10.7	27.8
MSCI EM	1,354	-0.1	-1.5	4.9	16.9
MSCI World	3,050	0.1	1.1	13.4	30.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	77.2	0.9	2.8	54.6
Brent Crude (\$/bbl)	77.2	1.3	2.7	49.0
Texas crude (\$/bbl)	75.2	0.0	2.3	54.9
Natural Gas (\$/mmbtu)	3.70	0.0	1.4	45.7
Gold (\$/oz)	1,792	0.3	1.2	-5.6
Silver (\$/oz)	26.5	0.0	1.3	0.4
Steel (\$/ton)	1,789	0.0	-1.2	78.0
Iron Ore (CNY/MT)	1,346	0.0	-2.5	24.7
Wheat (\$/bu)	646	0.0	-3.8	0.8
Corn (\$/bu)	697	0.0	-3.2	44.1
Sugar (\$/lb)	18.2	0.0	2.9	17.2
SMP* (EUR/MT)	2,533	-0.2	-2.5	13.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.138	-0.7	-0.8	-10.1
Saudi Arabia(SAIBOR)	0.793	0.0	0.0	-2.5
UAE (EIBOR)	0.339	4.7	-1.1	-17.3
Qatar (QIBOR)	0.998	0.6	0.0	-12.3
Bahrain (BHIBOR)	1.642	0.0	0.0	-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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