



## Major Economic News

- The strategic initiatives and projects launched under the national strategy for transport and logistics will be carried out at a total estimated capital and operating cost of SAR 613bn through FY30. Projects related to the rail network and the General Authority of Civil Aviation account for 36% and 29%, respectively, of the total estimated cost. (Source: Argaam)
- PIF is considering its first issuance of green bonds by Q4-21. The issuance comes as part of the fund's plan of shifting towards injecting liquidity into environment-friendly investments. (Source: Argaam)

## Major Corporate News

- Arabian Shield Cooperative Insurance Co. signed a binding MoU for merger with Alahli Takaful Co. Arabian Shield will increase its share capital from SAR 400mn to SAR 638.5mn by issuing 23.9mn new ordinary shares. (Source: Argaam)
- Al Moammar Information Systems Co. extended the MoU signed with King Saud University Health Co. for a period of 90 days, starting July 12. (Source: Argaam)
- Saudi Paper Manufacturing Co. signed a Sharia-compliant credit facility agreement to reschedule an existing loan, worth SAR 67.5mn, with Al Rajhi Bank. (Source: Argaam)
- CMA approved Development Works Food Co. to increase its capital by 20% from SAR 25mn to SAR 30mn, through one-for-five bonus share distribution. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.1% to 10,698.5. The value traded stood at SAR 8.6bn (down 3.8% over previous day), while the advance-decline ratio stood at 115/70. The parallel market index increased 2.4% to 23,498.9 points. The value traded stood at SAR 23.1mn (down 18.1% over previous day). Most sectors in the main market ended in the green. Software & Services and Insurance (up 2.4% and 2.2%, respectively) advanced the most; Media and Transportation (down 3.8% and 0.6%, respectively) led the laggards.

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

Company	Q2-21	Q2-20	Y/Y %	Q1-21	Q/Q %
Herfy Foods	26.7	-34.2	NM	25.5	4.7
Jarir Marketing Co.	189.2	208.4	-9.2	267.6	-29.3

## Top Gainers

Company	Price	Change%
ATAA	58.00	5.7
AMANA INSURANCE	62.00	4.4
BUPA ARABIA	135.40	4.2
ARAB SEA	143.80	3.8
GULF GENERAL	20.22	3.4

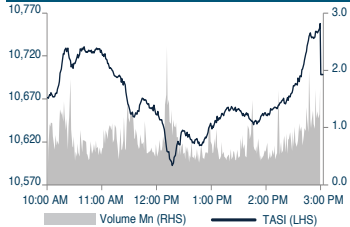
## Top Losers

Company	Price	Change%
SRMG	163.20	-4.0
BSFR	36.25	-3.3
ATHEEB TELECOM	32.35	-3.3
NGC	53.90	-3.1
GASCO	40.10	-2.2

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,699	10,766	10,589	0.1	23.1
NomuC	23,499	23,538	22,708	2.4	(10.5)

## TASI movement during session



## TASI Ratios

P/E* (x)	39.8
Price-to-Book (x)	2.5
Dividend Yield (%)	1.9
Return on Equity (%)	12.8

Source: Argaam  
\* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,480	(0.2)	1.7	34.3
Materials	7,216	0.1	25.6	49.4
Capital Goods	8,993	0.4	37.5	High
Commercial Service	4,243	(0.1)	4.5	Neg
Transportation	6,163	(0.6)	27.2	Neg
Consumer Durables	8,226	0.7	43.7	High
Consumer Services	4,885	1.1	14.4	Neg
Media	19,927	(3.8)	95.0	High
Retailing	10,652	(0.0)	24.5	Neg
Food & Staples	10,221	0.4	(3.0)	31.6
Food & Beverages	5,922	(0.2)	8.4	32.4
Healthcare	7,487	0.2	32.4	42.3
Pharma & Bio Tech	7,639	1.8	47.7	High
Banks	10,005	0.1	31.8	25.4
Diversified Financials	7,894	(0.3)	71.8	Neg
Insurance	6,805	2.2	13.0	29.4
Telecom	8,041	0.5	16.6	24.0
Utilities	5,429	(0.0)	17.8	14.7
REITs	5,002	0.5	16.7	High
Real Estate	3,547	(0.2)	17.5	Neg
Software & Services	26,481	2.4	87.9	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,828	10,913	10,898	10.82

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	17.5	494.0	765.8
Previous week	56.9	1,613.6	2,175.4

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	107.60	0.9
Saudi Aramco	34.55	-0.1
NCB	55.00	-0.7
SABIC	117.80	0.9
STC	127.80	0.8



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.1%, while Abu Dhabi increased 0.4%. Egypt and Kuwait rose 0.8% and 0.1%, respectively; while Oman, Bahrain and Qatar declined 0.6%, 0.5% and 0.2%, respectively.
- US Food and Drug Administration issued a warning to the fact sheet for Johnson & Johnson's COVID-19 vaccine saying that data suggests there is an increased risk of a rare neurological disorder in the six weeks after inoculation. (Source: Reuters)
- China's exports in dollar terms rose 32.2% Y/Y in June (consensus: an increase of 23.1%), compared with 27.9% growth in May. Imports increased 36.7% Y/Y (consensus: a rise of 30.0%), the highest growth rate in a decade, versus a 51.1% gain in May. Trade surplus reached USD 51.5bn in June (consensus: USD 44.2bn), compared with the USD 45.5bn surplus in May. (Source: CNBC)
- Oil prices declined 0.5% due to increased concerns over global economic recovery amid spread of the Delta variant of COVID-19.
- Gold prices fell 0.1%, as investors remained cautious ahead of inflation data from the US.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.3	0.1	-0.2	2.6
Euro	1.19	-0.1	0.0	-2.9
Japanese Yen	110.4	0.2	-0.7	6.9
Sterling Pound	1.39	-0.1	0.4	1.5
Chinese Yuan	6.48	-0.1	0.3	-0.8
Indian Rupee	74.5	0.1	0.2	2.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	-1.3	-1.5	0.0
Kuwaiti Dinar	0.30	0.1	0.2	-0.9
Omani Rial	0.38	0.1	0.0	0.1
Bahraini Dinar	0.38	0.1	0.2	0.1
Egyptian Pound	15.63	-0.1	-0.2	-0.4

## Corporate Calendar

Date	Company	Event
13 <sup>th</sup> Jul	YANSAB	Cash Dividend Distribution
14 <sup>th</sup> Jul	SABIC AGRI-NUTRIENTS	Cash Dividend Distribution
14 <sup>th</sup> Jul	ALRAJHI	Cash Dividend Distribution
14 <sup>th</sup> Jul	Sipchem	Cash Dividend Distribution
14 <sup>th</sup> Jul	ANB	Cash Dividend Distribution
15 <sup>th</sup> Jul	SIIG	Cash Dividend Distribution

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,758	-0.1	-1.9	10.7	21.0
Abu Dhabi (ADX)	7,023	0.4	2.7	39.2	18.1
Kuwait (KSE)	5,320	0.1	0.1	16.9	14.5
Qatar (QE)	10,776	-0.2	0.4	3.3	18.0
Oman (MSM)	4,108	-0.6	1.1	12.3	10.7
Bahrain (BSE)	1,572	-0.5	-1.0	5.5	9.1
Egypt (EGX30)	10,234	0.8	-0.2	-5.6	7.2

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,996	0.4	1.4	14.3	22.8
Nasdaq	14,733	0.2	1.6	14.3	34.7
S&P 500	4,385	0.3	2.0	16.7	28.8
FTSE 100	7,125	0.0	1.2	10.3	17.8
Germany DAX 30	15,791	0.7	1.7	15.1	19.3
France CAC 40	6,559	0.5	0.8	18.2	45.4
Japan Nikkei 225	28,569	2.2	-0.8	4.1	16.9
Russia MOEX	3,876	0.5	0.9	17.8	11.2
Hong Kong Hang Seng	27,515	0.6	-4.6	1.0	14.5
South Korea KOSPI	3,246	0.9	-1.5	13.0	20.8
China Shanghai Composite	3,548	0.7	-1.2	2.2	12.4
Australia ASX 200	7,334	0.8	0.3	11.3	22.6
India Sensex	52,373	0.0	-0.2	9.7	27.5
MSCI EM	1,327	0.7	-3.5	2.8	16.6
MSCI World	3,068	0.5	1.7	14.1	30.5

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.6	-0.3	0.7	51.4
Brent Crude (\$/bbl)	75.2	-0.5	0.0	45.1
Texas crude (\$/bbl)	74.1	-0.6	0.9	52.7
Natural Gas (\$/mmbtu)	3.75	2.0	2.7	47.7
Gold (\$/oz)	1,806	-0.1	2.0	-4.9
Silver (\$/oz)	26.2	0.4	0.3	-0.7
Steel (\$/ton)	1,790	0.0	-1.1	78.1
Iron Ore (CNY/MT)	1,346	0.0	-2.5	24.7
Wheat (\$/bu)	635	4.4	-5.4	-0.9
Corn (\$/bu)	669	6.3	-7.0	38.3
Sugar (\$/lb)	17.0	-1.7	-3.6	9.7
SMP* (EUR/MT)	2,500	0.0	-3.8	12.4

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.129	1.0	-1.7	-11.0
Saudi Arabia(SAIBOR)	0.793	0.0	0.0	-2.5
UAE (EIBOR)	0.367	1.2	1.7	-14.5
Qatar (QIBOR)	1.092	11.6	9.4	-2.8
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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