



## Major Economic News

- The six economies in GCC region are projected to rebound and grow by 2-3% in FY21. The region's two largest economies, Saudi Arabia and the UAE, are expected to grow over 4% in FY22, as per the Reuters quarterly survey. (Source: Argaam)
- Ministry of Human Resources and Social Development signed an MoU with SAMA and the Human Resources Development Fund to localize sectors supervised by the central bank. (Source: Argaam)

## Major Corporate News

- Bank Albilad announced its intention to redeem the outstanding SAR-denominated regulatory Tier 2 capital sukuk, due in FY26, in full at face value on August 30. The value of the outstanding sukuk stands at SAR 1.1bn. (Source: Argaam)
- The retail tranche of Tanmiah Food Co.'s IPO is commencing on July 27. The retail subscription period will last for one day. (Source: Argaam)
- Saudi Airlines Catering Co.'s accumulated losses decreased to SAR 236.4mn, accounting for 28.8% of its capital. The decrease in accumulated losses is due to the transfer of the company's statutory reserve surplus, amounting to SAR 107.8mn, based on the approval of board of directors. (Source: Argaam)
- Sadr Logistics Co. signed a services contract for supplying automatic storage systems with Advanced Storage Co. for a total value of SAR 6.6mn. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.2% to 10,897.9. The value traded stood at SAR 7.1bn (down 10.6% over previous day), while the advance-decline ratio stood at 67/127. The parallel market index decreased 0.4% to 24,091.5 points. The value traded stood at SAR 27.5mn (up 12.9% over previous day). Most sectors in the main market ended in the red. Media and Healthcare (up 3.6% and 0.7%, respectively) advanced the most; Software & Services and Consumer Durables (down 2.8% and 0.9%, respectively) led the laggards.

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

Company	Q2-21	Q2-20	Y/Y %	Q1-21	Q/Q %
Oasis	16.3	6.6	145.9	20.3	-19.9
Saudi Kayan	781.0	-398.2	NM	492.9	58.5

## Top Gainers

Company	Price	Change%
EMAAR EC	13.44	6.5
SIECO	118.20	5.5
GASCO	44.95	5.2
GULF GENERAL	19.84	4.4
SRMG	173.80	3.8

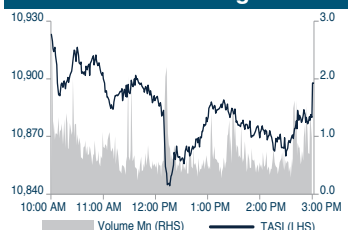
## Top Losers

Company	Price	Change%
CHUBB	33.40	-3.9
ALHOKAIR GROUP	23.34	-3.5
MIS	151.60	-3.4
UCA	28.60	-2.6
SHAKER	32.85	-2.4

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,898	10,923	10,842	0.2	25.4
NomuC	24,092	24,252	23,888	(0.4)	(8.2)

## TASI movement during session



## TASI Ratios

P/E* (x)	39.4
Price-to-Book (x)	2.5
Dividend Yield (%)	1.9
Return on Equity (%)	12.9

Source: Argaam  
\* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,526	(0.5)	2.6	34.5
Materials	7,450	0.3	29.6	High
Capital Goods	9,218	(0.2)	41.0	High
Commercial Service	4,317	(0.4)	6.3	Neg
Transportation	6,245	(0.9)	28.9	Neg
Consumer Durables	8,293	(0.9)	44.9	High
Consumer Services	4,901	(0.5)	14.8	Neg
Media	21,133	3.6	106.8	High
Retailing	10,744	(0.1)	25.6	Neg
Food & Staples	10,142	0.4	(3.7)	31.6
Food & Beverages	5,996	(0.3)	9.7	32.8
Healthcare	7,815	0.7	38.2	44.5
Pharma & Bio Tech	7,902	0.2	52.8	High
Banks	10,153	0.4	33.8	25.7
Diversified Financials	7,956	(0.6)	73.1	Neg
Insurance	6,819	(0.1)	13.2	29.5
Telecom	8,063	0.5	16.9	24.0
Utilities	5,736	(0.2)	24.4	15.4
REITs	5,011	(0.0)	16.9	High
Real Estate	3,641	0.5	20.6	Neg
Software & Services	26,484	(2.8)	87.9	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,817	10,822	10,892	9.53

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	15.1	440.4	589.7
Previous week	39.8	1,121.3	1,683.5

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	110.00	0.5
SNB	54.40	0.7
Saudi Aramco	34.75	-0.4
SABIC	120.00	0.2
STC	127.00	0.6



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.6%, while Abu Dhabi increased 0.9%. Bahrain and Kuwait rose 0.7% and 0.5%, respectively; while Oman, Qatar and Egypt declined 1.1%, 0.9% and 0.5%, respectively.
- US will continue its existing travel restrictions due to concerns over the highly transmissible COVID-19 Delta variant and the rising number of US coronavirus cases, according to the White House. (Source: Reuters)
- US new home sales declined 6.6% to an annual rate of 676,000 in June (consensus: 800,000) compared to a fall of 7.8% to a revised rate of 724,000 in May. (Source: RTT News)
- Japan's manufacturing PMI decreased to 52.2 in July from 52.4 in June. The rate of expansion slowed down, as output and new order growth eased to six-month lows. (Source: RTT News)
- Oil prices rose 0.5% due to tighter supply outlook, partly offset by fears over the spread of the COVID-19 Delta variant and floods in China.
- Gold prices fell 0.3%, as investors remained cautious ahead of US Feral Reserve's policy statement and US GDP data scheduled later this week.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.6	-0.3	0.2	3.0
Euro	1.18	0.2	-0.5	-3.4
Japanese Yen	110.3	-0.2	-0.7	6.9
Sterling Pound	1.38	0.5	-0.1	1.0
Chinese Yuan	6.48	0.0	0.4	-0.7
Indian Rupee	74.3	-0.1	0.0	1.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	-1.6	0.0
Kuwaiti Dinar	0.30	0.0	0.1	-1.0
Omani Rial	0.38	0.1	0.0	0.1
Bahraini Dinar	0.38	0.1	0.2	0.1
Egyptian Pound	15.64	0.1	-0.1	-0.3

## Corporate Calendar

Date	Company	Event
01 <sup>st</sup> Aug	ALYAMAMAH STEEL	EGM
01 <sup>st</sup> Aug	TECO	OGM
01 <sup>st</sup> Aug	GACO	OGM
01 <sup>st</sup> Aug	ALKHODARI	OGM
01 <sup>st</sup> Aug	AXA COOPERATIVE	OGM
02 <sup>nd</sup> Aug	Jouf Cement	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,759	-0.6	-1.8	10.7	21.0
Abu Dhabi (ADX)	7,169	0.9	4.9	42.1	18.0
Kuwait (KSE)	5,413	0.5	1.8	18.9	14.6
Qatar (QE)	10,679	-0.9	-0.5	2.3	17.2
Oman (MSM)	4,006	-1.1	-1.4	9.5	11.2
Bahrain (BSE)	1,597	0.7	0.5	7.2	17.3
Egypt (EGX30)	10,697	-0.5	4.3	-1.4	8.2

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,144	0.2	1.9	14.8	20.6
Nasdaq	14,841	0.0	2.3	15.1	34.8
S&P 500	4,422	0.2	2.9	17.7	27.8
FTSE 100	7,025	0.0	-0.2	8.7	17.8
Germany DAX 30	15,619	-0.3	0.6	13.9	17.5
France CAC 40	6,579	0.1	1.1	18.5	40.5
Japan Nikkei 225	27,833	1.0	-3.3	1.4	16.2
Russia MOEX	3,750	0.4	-2.4	14.0	10.6
Hong Kong Hang Seng	26,192	-4.1	-9.1	-3.8	14.0
South Korea KOSPI	3,225	-0.9	-2.2	12.2	19.4
China Shanghai Composite	3,467	-2.3	-3.4	-0.2	12.1
Australia ASX 200	7,394	0.0	1.1	12.3	22.9
India Sensex	52,852	-0.2	0.7	10.7	27.6
MSCI EM	1,280	-2.4	-6.9	-0.9	15.8
MSCI World	3,080	0.3	2.1	14.5	29.2

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	74.1	-0.3	-1.2	48.5
Brent Crude (\$/bbl)	74.5	0.5	-0.8	43.8
Texas crude (\$/bbl)	71.9	-0.2	-2.1	48.2
Natural Gas (\$/mmbtu)	4.10	1.0	12.4	61.6
Gold (\$/oz)	1,798	-0.3	1.6	-5.3
Silver (\$/oz)	25.2	0.0	-3.6	-4.5
Steel (\$/ton)	1,781	0.1	-1.6	77.2
Iron Ore (CNY/MT)	1,199	0.3	-13.2	11.1
Wheat (\$/bu)	677	-1.0	0.8	5.7
Corn (\$/bu)	550	0.5	-23.6	13.6
Sugar (\$/lb)	18.4	1.4	4.5	18.9
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	0.4	-1.7	-11.0
Saudi Arabia(SAIBOR)	0.793	0.0	0.0	-2.5
UAE (EIBOR)	0.353	0.8	0.3	-16.0
Qatar (QIBOR)	0.900	-20.0	-9.8	-22.1
Bahrain (BHIBOR)	1.592	0.0	-5.0	-65.8

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of July 26, 2021



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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.

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