



## Major Economic News

- Haytham AlOuali, Vice Minister at Ministry of Communications & Information Technology, announced a public-private partnership to launch a USD 15bn technology fund. The fund operators will invest USD 3-4bn in the digital infrastructure, fiber infrastructure as well as the 5G service and internet networks. (Source: Argaam)
- The General Authority of Civil Aviation issued a new circular for all airlines operating in the Kingdom with respect to procedures of citizens travelling aboard. The circular stated that airlines will allow citizens to travel on international flights, on condition that they are fully vaccinated against COVID-19, with the exception of those aged below 12 years. (Source: Argaam)

## Major Corporate News

- Alkhorayef Water and Power Technologies Co. signed a Shariah-compliant bank facility of SAR 199mn with Banque Saudi Fransi. The facility term is valid until July 27, 2022; and is guaranteed by a promissory note. The loan will be used to finance the company's future needs for new projects and to finance working capital when needed. (Source: Argaam)
- Shatirah House Restaurant Co., the owner and operator of the "Burgerizzr" restaurant chain, issued the prospectus for its IPO on the Nomu parallel market. The company is planning to sell 725,000 shares, or 29% of its capital. The IPO will be confined to qualified investors. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.2% to 10,933.7. The value traded stood at SAR 6.7bn (down 7.1% over previous day), while the advance-decline ratio stood at 108/80. The parallel market index increased 0.2% to 24,434.1 points. The value traded stood at SAR 22.6mn (down 41.5% over previous day). Most sectors in the main market ended in the green. Transportation and Food & Staples (up 2.1% and 1.8%, respectively) advanced the most; Capital Goods and Commercial Service (down 0.5% and 0.4%, respectively) led the laggards.

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

Company	Q2-21	Q2-20	Y/Y %	Q1-21	Q/Q %
Aslak	14.1	12.2	15.6	16.1	-12.4
SADAFCO	38.0	70.5	-46.1	55.9	-32.1
Yamama Cement Co.	77.7	50.8	52.8	54.9	41.6
Saudi Paper Manufacturing	15.1	3.8	295.3	14.1	7.7

## Top Gainers

Company	Price	Change%
ALHOKAIR GROUP	24.36	4.6
ALUJAIN	62.20	4.5
TALEEM REIT	15.08	4.3
BUDGET SAUDI	47.90	3.6
SISCO	49.45	3.2

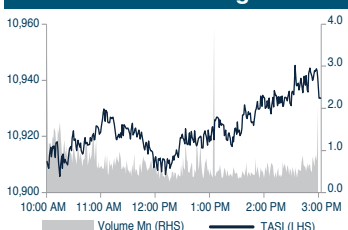
## Top Losers

Company	Price	Change%
PETRO RABIGH	25.95	-4.1
SIPCHEM	33.00	-2.9
GULF GENERAL	20.30	-2.4
AXA COOPERATIVE	42.60	-2.2
MASHAAR REIT	11.64	-2.2

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	10,934	10,949	10,905	0.2	25.8
NomuC	24,434	24,606	24,280	0.2	(6.9)

## TASI movement during session



## TASI Ratios

P/E* (x)	38.3
Price-to-Book (x)	2.5
Dividend Yield (%)	1.9
Return on Equity (%)	13.0

Source: Argaam  
\* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,530	0.3	2.6	34.7
Materials	7,482	(0.2)	30.2	High
Capital Goods	9,190	(0.5)	40.6	High
Commercial Service	4,338	(0.4)	6.9	Neg
Transportation	6,403	2.1	32.2	Neg
Consumer Durables	8,337	0.2	45.7	High
Consumer Services	4,990	1.1	16.9	Neg
Media	21,608	1.5	111.5	High
Retailing	10,739	(0.3)	25.5	Neg
Food & Staples	10,281	1.8	(2.4)	32.0
Food & Beverages	6,017	0.6	10.1	32.8
Healthcare	7,788	0.7	37.8	44.3
Pharma & Bio Tech	7,823	0.2	51.3	High
Banks	10,148	(0.0)	33.7	25.7
Diversified Financials	7,954	0.1	73.1	Neg
Insurance	6,898	0.1	14.5	29.8
Telecom	8,187	0.3	18.7	24.4
Utilities	5,680	1.6	23.2	15.3
REITs	5,076	0.6	18.4	High
Real Estate	3,672	0.7	21.6	Neg
Software & Services	26,913	1.8	91.0	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
10,884	10,814	10,896	9.19

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	29.0	869.5	1,181.7
Previous week	39.8	1,121.3	1,683.5

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	109.80	0.4
SNB	54.40	-0.9
Saudi Aramco	34.90	0.6
SABIC	120.40	0.0
STC	129.60	0.2



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.4%, while Abu Dhabi increased 1.0%. Kuwait and Qatar rose 0.4% each, while Egypt gained 0.1%. Meanwhile, Oman and Bahrain remained flat.
- US Federal Reserve Chairman Jerome Powell said that the central bank is nowhere near considering a rate hike, despite the optimism about the economy. Fed kept its benchmark interest rate and bond-buying program unchanged. (Source: CNBC)
- According to EIA, oil inventories in the US fell 4.1mn barrels (prior: up 2.1mn) to 435.6mn in the week ended July 23. Gasoline inventories decreased 2.3mn barrels (prior: down 0.1mn) to 234.2mn, while distillate inventories declined 3.1mn barrels (prior: down 1.3mn) to 137.9mn. (Source: EIA, Econoday)
- UK's house prices grew 10.5% Y/Y in July (consensus: an increase of 12.1%) compared to 13.4% rise in June. (Source: RTT News)
- Oil prices rose 0.3% driven by a drawdown in US oil inventories last week.
- Gold prices increased 0.4%, as the US Fed indicated that it will not hike the interest rates in near term. the weaker US dollar also supported gold prices.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.3	-0.1	-0.1	2.7
Euro	1.18	0.2	-0.1	-3.0
Japanese Yen	109.9	0.1	-1.1	6.5
Sterling Pound	1.39	0.2	0.5	1.6
Chinese Yuan	6.49	-0.3	0.5	-0.5
Indian Rupee	74.5	0.0	0.2	2.0
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	0.0	-1.1
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	0.2	0.1
Egyptian Pound	15.65	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)	2,752	-0.4	-2.1	10.4	20.5
Abu Dhabi (ADX)	7,244	1.0	6.0	43.6	18.2
Kuwait (KSE)	5,434	0.4	2.2	19.4	14.6
Qatar (QE)	10,708	0.4	-0.2	2.6	17.0
Oman (MSM)	4,018	0.0	-1.1	9.8	11.0
Bahrain (BSE)	1,595	0.0	0.4	7.0	17.4
Egypt (EGX30)	10,769	0.1	5.0	-0.7	8.3

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,931	-0.4	1.2	14.1	20.4
Nasdaq	14,763	0.7	1.8	14.5	33.0
S&P 500	4,401	0.0	2.4	17.2	27.2
FTSE 100	7,017	0.3	-0.3	8.6	17.4
Germany DAX 30	15,570	0.3	0.3	13.5	17.6
France CAC 40	6,609	1.2	1.6	19.1	36.6
Japan Nikkei 225	27,582	-1.4	-4.2	0.5	15.9
Russia MOEX	3,782	1.3	-1.6	15.0	10.6
Hong Kong Hang Seng	25,474	1.5	-11.6	-6.5	13.6
South Korea KOSPI	3,237	0.1	-1.8	12.6	18.7
China Shanghai Composite	3,362	-0.6	-6.4	-3.2	11.7
Australia ASX 200	7,379	-0.7	0.9	12.0	22.0
India Sensex	52,444	-0.3	-0.1	9.8	26.9
MSCI EM	1,268	1.3	-7.7	-1.8	15.5
MSCI World	3,069	0.0	1.7	14.1	27.8

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	74.6	0.2	-0.6	49.4
Brent Crude (\$/bbl)	74.7	0.3	-0.5	44.3
Texas crude (\$/bbl)	72.4	1.0	-1.5	49.2
Natural Gas (\$/mmbtu)	4.04	1.8	10.8	59.3
Gold (\$/oz)	1,807	0.4	2.1	-4.8
Silver (\$/oz)	24.9	1.0	-4.5	-5.4
Steel (\$/ton)	1,880	5.3	3.9	87.1
Iron Ore (CNY/MT)	1,157	-2.7	-16.2	7.2
Wheat (\$/bu)	689	2.1	2.6	7.5
Corn (\$/bu)	549	0.1	-23.7	13.5
Sugar (\$/lb)	18.6	1.4	5.6	20.1
SMP* (EUR/MT)	2,491	-0.4	-4.2	12.0

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.130	-0.2	-1.6	-10.9
Saudi Arabia(SAIBOR)	0.794	0.0	0.1	-2.3
UAE (EIBOR)	0.419	4.1	6.9	-9.3
Qatar (QIBOR)	1.003	0.3	0.5	-11.7
Bahrain (BHIBOR)	1.592	0.0	-5.0	-65.8

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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