



## Major Economic News

- Saudi Arabia's headline seasonally adjusted IHS Markit PMI fell for the first time in four months to 55.8 in July from 56.4 in June. The decline was driven by weaker growth in output, new orders and employment compared to the previous month. (Source: Argaam)
- The Ministry of Industry and Mineral Resources announced a total of 529 new factories were licensed in Saudi Arabia in H1-21, with investments exceeding SAR 20bn. The ministry added that the increase in industrial licenses reflects the sector's remarkable and continuous growth. (Source: Argaam)

## Major Corporate News

- National Company for Learning & Education shareholders are set to vote on the business contract concluded with Yamami Co., during the ordinary general meeting scheduled on August 25. The deal relates to a 10-year lease for a building in Riyadh. (Source: Argaam)
- Bank Aljazira's board of directors recommended a 3.5% cash dividend for H1-21, at SAR 0.35 per shares, totaling SAR 287mn. (Source: Argaam)
- Saudi Advanced Industries Co. announced that the request submitted by some shareholders, owning 5.1% of the company's capital, seeking the required procedures to dissolve the current board of directors is no longer valid. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.5% to 11,208.8. The value traded stood at SAR 7.8bn (down 5.8% over previous day), while the advance-decline ratio stood at 61/133. The parallel market index decreased 0.1% to 24,897.1 points. The value traded stood at SAR 23.6mn (up 13.3% over previous day). Most sectors in the main market ended in the red. Healthcare and Banks (up 1.5% each) advanced the most; Pharma & Bio Tech and Utilities (down 2.2% and 1.3%, respectively) led the laggards.

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

Company	Q2-21	Q2-20	Y/Y %	Q1-21	Q/Q %
NADEC	-17.4	131.6	NM	6.4	NM
Saudi British Bank	919.0	-6,867.0	NM	970.0	-5.3
Savola Group	200.0	409.6	-51.2	153.8	30.0
United Electronics Co.	100.5	90.4	11.2	81.2	23.8
Najran Cement	32.7	33.0	-0.8	60.7	-46.1
SASCO	12.1	4.4	172.1	12.0	0.6

## Top Gainers

Company	Price	Change%
EPCCO	53.80	5.7
ALRAJHI TAKAFUL	98.60	5.5
AI RAJHI REIT	13.30	4.9
AICC	34.50	3.9
SAUDI CERAMICS	64.00	3.7

## Top Losers

Company	Price	Change%
ALHOKAIR GROUP	24.70	-4.3
BJAZ	19.16	-3.7
EMAAR EC	12.96	-3.6
SWICORP WABEL REIT	8.65	-3.4
GASCO	46.50	-3.0

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,209	11,209	11,124	0.5	29.0
NomuC	24,897	24,958	24,758	(0.1)	(5.1)

## TASI movement during session



## TASI Ratios

P/E* (x)	37.6
Price-to-Book (x)	2.6
Dividend Yield (%)	1.8
Return on Equity (%)	13.1

Source: Argaam  
\* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,547	0.1	3.0	34.8
Materials	7,544	0.0	31.3	High
Capital Goods	9,214	0.3	40.9	High
Commercial Service	4,312	(0.5)	6.2	Neg
Transportation	6,347	(0.0)	31.1	Neg
Consumer Durables	8,320	(0.9)	45.4	High
Consumer Services	5,018	(0.5)	17.5	Neg
Media	21,022	0.4	105.8	High
Retailing	10,645	(0.6)	24.4	Neg
Food & Staples	10,168	(0.7)	(3.5)	31.6
Food & Beverages	5,989	(0.9)	9.6	32.6
Healthcare	8,124	1.5	43.7	46.6
Pharma & Bio Tech	7,625	(2.2)	47.4	High
Banks	10,713	1.5	41.2	27.0
Diversified Financials	7,980	(0.6)	73.7	Neg
Insurance	6,937	0.5	15.1	30.0
Telecom	8,492	(0.3)	23.1	25.5
Utilities	5,740	(1.3)	24.5	15.4
REITs	5,185	0.2	21.0	High
Real Estate	3,661	(0.7)	21.2	Neg
Software & Services	27,805	1.3	97.3	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,076	10,964	10,926	8.04

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	24.1	764.8	968.0
Previous week	36.0	1,078.1	1,469.3

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	118.40	1.2
SNB	57.00	2.2
Saudi Aramco	35.10	0.4
SABIC	123.20	0.7
STC	136.40	-0.1



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 0.2% and 0.4%, respectively. Bahrain, Qatar and Kuwait rose 0.7%, 0.2% and 0.1%, respectively; while Egypt and Oman declined 0.9% and 0.2%, respectively.
- US factory orders increased by 1.5% in June (consensus: a rise of 1.0%) compared to an upwardly revised 2.3% growth in May. (Source: RTT News)
- China's Caixin services PMI rose to 54.9 in July versus 50.3 in June. The expansion in services sector was driven by an increase in new business. (Source: RTT News)
- Japan's services PMI fell 47.4 in July compared to 48.0 in June. The activity in services sector was impacted by the recent surge in COVID-19 cases. New business inflows fell at a faster pace. (Source: RTT News)
- Oil prices fell 0.7% due to continued concerns over rising cases of the Delta coronavirus variant, partly offset by expectations of another drawdown in US oil inventories.
- Gold prices decreased 0.2%, as investors abandoned the yellow metal amid increased interest in equities.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.1	0.0	-0.1	2.4
Euro	1.19	-0.1	-0.1	-2.9
Japanese Yen	109.0	-0.2	-0.6	5.6
Sterling Pound	1.39	0.2	0.1	1.8
Chinese Yuan	6.47	0.1	0.1	-0.8
Indian Rupee	74.2	-0.1	-0.1	1.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	-1.5	0.0	0.0
Kuwaiti Dinar	0.30	0.0	0.0	-1.2
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	15.65	0.0	-0.1	-0.3

## Corporate Calendar

Date	Company	Event
04 <sup>th</sup> Aug	Nama Chemicals	OGM
04 <sup>th</sup> Aug	SAIB	EGM
05 <sup>th</sup> Aug	BSFR	Cash Dividend Distribution
05 <sup>th</sup> Aug	Extra	Cash Dividend Distribution
05 <sup>th</sup> Aug	SADAFICO	Cash Dividend Distribution
05 <sup>th</sup> Aug	MULKIA REIT	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,796	0.2	1.1	12.2	20.8
Abu Dhabi (ADX)	7,433	0.4	1.6	47.3	18.4
Kuwait (KSE)	5,413	0.1	-0.4	18.9	14.4
Qatar (QE)	10,843	0.2	0.8	3.9	17.0
Oman (MSM)	3,999	-0.2	-0.8	9.3	10.4
Bahrain (BSE)	1,611	0.7	0.9	8.2	NA
Egypt (EGX30)	10,726	-0.9	-0.1	-1.1	8.6

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,116	0.8	0.5	14.7	20.3
Nasdaq	14,761	0.5	0.6	14.5	31.5
S&P 500	4,423	0.8	0.6	17.8	26.9
FTSE 100	7,106	0.3	1.0	10.0	15.3
Germany DAX 30	15,555	-0.1	0.1	13.4	16.0
France CAC 40	6,724	0.7	1.7	21.1	23.7
Japan Nikkei 225	27,642	-0.5	1.3	0.7	15.4
Russia MOEX	3,794	0.1	0.6	15.3	10.2
Hong Kong Hang Seng	26,195	-0.2	0.9	-3.8	13.7
South Korea KOSPI	3,237	0.4	1.1	12.7	17.7
China Shanghai Composite	3,448	-0.5	1.5	-0.7	11.9
Australia ASX 200	7,475	-0.2	1.1	13.5	22.2
India Sensex	53,823	1.6	2.4	12.7	27.3
MSCI EM	1,294	0.1	1.3	0.2	17.9
MSCI World	3,093	0.5	0.8	15.0	25.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	74.7	-1.6	-1.0	49.6
Brent Crude (\$/bbl)	72.4	-0.7	-5.1	39.8
Texas crude (\$/bbl)	70.6	-1.0	-4.6	45.4
Natural Gas (\$/mmbtu)	4.03	2.3	2.9	58.6
Gold (\$/oz)	1,810	-0.2	-0.2	-4.6
Silver (\$/oz)	25.6	0.5	0.4	-3.1
Steel (\$/ton)	1,840	-1.0	-2.5	83.1
Iron Ore (CNY/MT)	1,135	4.3	10.0	5.2
Wheat (\$/bu)	725	-0.7	2.9	13.1
Corn (\$/bu)	551	-1.5	0.6	13.7
Sugar (\$/lb)	18.0	0.2	0.4	16.1
SMP* (EUR/MT)	2,460	0.0	0.0	10.6

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
0.118	0.124	0.6	0.6	-11.5
0.794	0.794	0.0	0.0	-2.3
0.386	0.388	0.3	1.8	-12.4
0.900	0.983	8.3	3.3	-13.7
1.633	1.575	-5.8	-1.7	-67.5

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of August 3, 2021



RESEARCH DIVISION

Head of Sell-Side Research  
**Jassim Al-Jubran**  
+966 11 2256248  
j.aljabran@aljaziracapital.com.sa

Analyst  
**Abdulrahman Al-Mashal**  
+966 11 2256374  
A.Almashal@aljaziracapital.com.sa

Analyst  
**Faisal Alsuwelmy**  
+966 11 2256115  
F.alsuwelmy@aljaziracapital.com.sa

BROKERAGE AND INVESTMENT  
CENTERS DIVISION

Head of Securities  
**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

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TERMINOLOGY

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- 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.
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Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068