



Major Economic News

- Saudi Arabia's General Directorate of Passports extended the validity of residency permits, exit and re-entry visas, as well as visit visas for expatriates who are currently stranded in the countries facing travel ban until September 30 for free, as per the directives of King Salman. (Source: Argaam)
- The National Debt Management Center closed the August 2021 issuance under the Saudi Arabian Government SAR-denominated sukuk program. The issue size was set at SAR 11.4bn and the sukuk issuances were divided into three tranches. (Source: Argaam)
- Saudi Arabia's EXIM Bank approved more than 81 financing applications worth SAR 9bn for over 46 countries, according to CEO Saad Alkhalb. He added the bank seeks to bridge the financing gaps and reduce the risks of exporting the Saudi products. (Source: Argaam)

Major Corporate News

- Saudi Arabian Military Industries (SAMI), a wholly-owned subsidiary of PIF, inked a logistics services agreement with National Shipping Company of Saudi Arabia (Bahri). Under the agreement, Bahri will offer all the business units and companies affiliated to SAMI, broad-range logistics as well as shipping services locally and overseas within the air, maritime and land transport. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.6% to 11,392.8. The value traded stood at SAR 6.3bn (down 6.0% over previous day), while the advance-decline ratio stood at 65/123. The parallel market index decreased 0.2% to 24,918.5 points. The value traded stood at SAR 24.0mn (down 39.3% over previous day). Most sectors in the main market ended in the green. Healthcare and Telecom (up 3.4% and 1.5%, respectively) advanced the most; Media and Consumer Durables (down 2.0% and 1.1%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q2-21	Q2-20	Y/Y %	Q1-21	Q/Q %
Gulf Union Alahlia	-46.8	10.6	NM	-56.8	NM
Al Kathiri Holding Co.	3.1	-1.3	NM	4.2	-26.1
Development Works Food	2.8	-2.1	NM	0.2	NM
Saudi Cable Co.	-19.2	-16.6	NM	-35.9	NM

Top Gainers

Company	Price	Change%
MOUWASAT	208.40	6.5
UCA	30.00	4.5
SPM	64.50	4.4
ABO MOATI	54.70	4.2
AMLAK	24.20	3.3

Top Losers

Company	Price	Change%
AMANA INSURANCE	57.90	-3.5
SIECO	109.80	-3.2
TAPRCO	49.90	-3.1
ALANDALUS	30.80	-2.7
ENAYA	43.90	-2.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,393	11,393	11,271	0.6	31.1
NomuC	24,919	24,966	24,641	(0.2)	(5.1)

TASI movement during session



TASI Ratios

P/E* (x)	28.6
Price-to-Book (x)	2.5
Dividend Yield (%)	1.8
Return on Equity (%)	16.7

Source: Argaam
* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,557	0.7	3.2	35.0
Materials	7,569	0.6	31.7	High
Capital Goods	8,948	(1.0)	36.9	High
Commercial Service	4,401	0.5	8.4	Neg
Transportation	6,266	0.5	29.4	Neg
Consumer Durables	8,016	(1.1)	40.1	High
Consumer Services	5,108	(0.3)	19.6	Neg
Media	20,008	(2.0)	95.8	High
Retailing	10,775	(0.7)	25.9	Neg
Food & Staples	9,980	0.1	(5.3)	31.2
Food & Beverages	5,779	0.3	5.8	32.3
Healthcare	8,523	3.4	50.8	49.0
Pharma & Bio Tech	6,887	1.0	33.2	High
Banks	11,174	0.8	47.2	28.2
Diversified Financials	7,717	(0.3)	67.9	Neg
Insurance	7,220	1.1	19.8	31.4
Telecom	8,554	1.5	24.0	25.7
Utilities	6,018	(0.5)	30.6	16.2
REITs	5,032	(0.4)	17.4	High
Real Estate	3,563	(0.7)	18.0	Neg
Software & Services	27,900	(0.3)	98.0	High

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,343	11,280	11,122	7.50

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	19.5	503.8	853.6
Previous week	39.8	1,048.0	1,634.8

Top Weighted Companies

Company	Price	Change%
Al Rajhi	122.00	1.0
SNB	60.40	0.2
Saudi Aramco	35.25	0.7
SABIC	125.00	1.6
STC	138.00	1.9



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 0.4% and 0.9%, respectively. Qatar and Bahrain rose 0.3% and 0.1%, respectively; while Egypt fell 1.0%. Meanwhile, Oman and Kuwait declined 0.2% each.
- US retail sales declined by 1.1% in July (consensus: a fall of 0.3%) compared to an upwardly revised increase of 0.7% in June. The continued decrease in sales by motor vehicle and parts dealers (down 3.9%) dragged overall retail sales. (Source: RTT News)
- US industrial production increased by 0.9% in July (consensus: a rise of 0.4%) versus a downwardly revised 0.2% growth in June. (Source: RTT News)
- UK's unemployment rate dropped to 4.7% in Q2-21 compared to 4.8% in the previous quarter. Job vacancies reached a record 953,000 during May to July. (Source: RTT News)
- Oil prices decreased 0.7% due to growing concerns on global oil demand amid rising COVID-19 cases in Asia.
- Gold prices fell 0.1%, as the stronger US dollar weighed on demand for the yellow metal, despite worries over global economic recovery amid surging COVID-19 cases.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.1	0.5	1.0	3.6
Euro	1.17	-0.6	-1.4	-4.1
Japanese Yen	109.6	0.3	-0.1	6.1
Sterling Pound	1.37	-0.8	-1.2	0.5
Chinese Yuan	6.49	0.2	0.4	-0.6
Indian Rupee	74.4	0.3	0.0	1.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.69	0.5	1.4	1.4
Kuwaiti Dinar	0.30	0.1	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	15.67	0.2	0.0	-0.1

Corporate Calendar

Date	Company	Event
18 th Aug	UCA	OGM
19 th Aug	DERAYAH REIT	Cash Dividend Distribution
19 th Aug	SABB	Cash Dividend Distribution
22 nd Aug	SPCC	Cash Dividend Distribution
22 nd Aug	Alinma	Cash Dividend Distribution
23 rd Aug	SNB	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,837	0.4	2.6	13.9	20.2
Abu Dhabi (ADX)	7,730	0.9	5.6	53.2	19.7
Kuwait (KSE)	5,427	-0.2	-0.2	19.2	14.6
Qatar (QE)	10,983	0.3	2.1	5.2	16.0
Oman (MSM)	4,002	-0.2	-0.7	9.4	10.4
Bahrain (BSE)	1,638	0.1	2.6	10.0	12.8
Egypt (EGX30)	10,938	-1.0	1.8	0.9	8.7

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,343	-0.8	1.2	15.5	21.6
Nasdaq	14,656	-0.9	-0.1	13.7	31.5
S&P 500	4,448	-0.7	1.2	18.4	26.8
FTSE 100	7,181	0.4	2.1	11.2	15.0
Germany DAX 30	15,922	0.0	2.4	16.1	15.3
France CAC 40	6,820	-0.3	3.1	22.8	25.7
Japan Nikkei 225	27,424	-0.4	0.5	-0.1	14.6
Russia MOEX	3,943	1.2	4.5	19.9	9.8
Hong Kong Hang Seng	25,746	-1.7	-0.8	-5.5	13.2
South Korea KOSPI	3,143	-0.9	-1.8	9.4	16.3
China Shanghai Composite	3,447	-2.0	1.5	-0.8	11.8
Australia ASX 200	7,511	-0.9	1.6	14.0	19.1
India Sensex	55,792	0.4	6.1	16.8	26.7
MSCI EM	1,256	-1.3	-1.7	-2.7	16.4
MSCI World	3,100	-0.7	1.0	15.2	24.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	71.6	-0.3	-5.1	43.4
Brent Crude (\$/bbl)	69.0	-0.7	-9.6	33.3
Texas crude (\$/bbl)	66.6	-1.0	-10.0	37.2
Natural Gas (\$/mmbtu)	3.84	-2.8	-2.0	51.1
Gold (\$/oz)	1,786	-0.1	-1.5	-5.9
Silver (\$/oz)	23.6	-0.8	-7.2	-10.3
Steel (\$/ton)	1,885	-0.5	-0.2	87.6
Iron Ore (CNY/MT)	973	0.5	-5.7	-9.8
Wheat (\$/bu)	735	-3.4	4.4	14.7
Corn (\$/bu)	558	-1.2	2.1	15.3
Sugar (\$/lb)	20.0	0.0	11.8	29.2
SMP* (EUR/MT)	2,500	0.0	1.6	12.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.125	0.0	0.7	-11.4
Saudi Arabia (SAIBOR)	0.796	0.0	0.1	-2.2
UAE (EIBOR)	0.344	-2.9	-2.6	-16.8
Qatar (QIBOR)	1.092	6.7	14.2	-2.9
Bahrain (BHIBOR)	1.592	0.0	0.0	-65.8

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of August 17, 2021



RESEARCH DIVISION

AJC Research Team
+966 11 2256248
ajc_research@aljaziracapital.com.sa

RESEARCH
DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

RATING
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.

Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities may, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Corporate Finance | Custody | Advisory

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