



## Major Economic News

- Saudi Arabia's Industrial Production Index rose by 24.8% Y/Y in March, the highest annual increase in three years. The increase was driven by a 27.0% rise in the mining and quarrying activity, as the Kingdom increased its oil output to an all-time high at 10.0mn barrels per day in March 2022. (Source: Argam)

## Major Corporate News

- Scientific and Medical Equipment House Co. won a contract worth SAR 142.9mn, including the value-added tax, from the Ministry of Education for the operation, maintenance, cleaning and sanitation of Jazan University's hostel. The relevant financial impact will appear as of FY22. (Source: Argam)
- National Shipping Co. intends to issue SAR denominated sukuk for SAR 3.9bn to refinance the company's existing sukuk which will mature on July 20. (Source: Argam)
- Jahez International Company for Information Systems Technology announced that it started the trial operation of its business in Bahrain from May 10. The financial impact of this expansion will appear as of Q2-22. (Source: Argam)
- Tihama Company for Advertising, Public Relations and Marketing's UAE based subsidiary, Aventus Global Trading, entered into an agreement to transfer assets and liabilities of AED 3.7mn plus cost plus inventory on sale transaction date. This will be used to pay company's obligations based on agreement with Nextbite. (Source: Argam)

## Market Analysis

- The Saudi Stock Exchange decreased 2.2% to 13,509.3. The value traded stood at SAR 9.4bn (down 18.4% over previous day), while the advance-decline ratio stood at 47/151. The parallel market index decreased 1.6% to 23,094.5 points. The value traded stood at SAR 27.7mn (up 5.7% over previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech and Diversified Financials (up 1.8% and 1.2%, respectively) advanced the most; Banks and Telecom (down 3.9% and 3.4%, respectively) led the laggards.

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

Company	Q1-22	Q1-21	Y/Y %	Q4-21	Q/Q %
Eastern Province Cement	29.0	60.0	-51.7	41.0	-29.3
Al Othaim Market	91.3	57.7	58.3	149.6	-39.0
AXA Cooperative	25.4	43.8	-42.0	42.6	-40.3

## Top Gainers

Company	Price	Change%
GULF UNION ALAHLIA	12.1	5.6
ALHOKAIR	13.8	4.2
WAFRAH	133	3.9
ATHEEB TELECOM	56.8	3.1
ENAYA	26.6	2.7

## Top Losers

Company	Price	Change%
SABB	43	-7.1
RIBL	39.4	-6.6
MAADEN	124.2	-6.1
ANB	32	-5
ALBILAD	49.05	-4.6

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	13,509	13,769	13,463	-2.2	19.7
NomuC	23,095	23,447	22,957	-1.6	-11.1

## TASI movement during session



## TASI Ratios

P/E* (x)	23.2
Price-to-Book (x)	2.7
Dividend Yield (%)	1.9
Return on Equity (%)	22.7

\*Source: Argam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	7,037	0	27.6	22.3
Materials	8,226	-1.6	12	17.5
Capital Goods	7,211	-0.5	-4.4	24.5
Commercial Service	4,510	-1	1.5	High
Transportation	5,421	-1.4	3.6	Neg
Consumer Durables	5,357	-1.7	-15.6	High
Consumer Services	4,705	-0.9	1.4	Neg
Media	30,161	-1.1	29.7	40.7
Retailing	9,268	-0.2	-5.9	32.5
Food & Staples	9,554	-1	4.7	31.2
Food & Beverages	5,162	0.5	6.8	High
Healthcare	9,226	-1.6	26.1	46.9
Pharma & Bio Tech	4,769	1.8	-8.1	High
Banks	15,692	-3.9	28.4	26.2
Diversified Financial	8,374	1.2	22.6	37.3
Insurance	5,851	-0.7	-2.3	High
Telecom	7,981	-3.4	9.7	22.1
Utilities	7,494	-1.1	26.3	14.5
REITs	4,535	-0.5	-1.7	High
Real Estate	3,438	-0.9	8.4	High
Software & Services	34,461	-0.9	20.3	37.1

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
13,704	13,624	13,571	9.21

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	27.6	548.5	1,227.00
Previous week	38.4	765.5	1,773.50

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	108	-4.1
Saudi Aramco	45.95	0
SNB	77.9	-1.8
SABIC	126.2	-0.5
STC	114.6	-3.9



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.7% and 0.9%, respectively. Bahrain, Egypt and Kuwait declined 2.0%, 0.9% and 0.8%, respectively; while Qatar and Oman declined 0.5% each.
- The US House of Representatives approved USD 40.0bn aid for Ukraine as the nation struggles with Russian invasion. (Source: Reuters)
- US wholesale inventories rose 2.3% in March (consensus: a rise of 2.3%) versus a revised 2.8% growth in February. (Source: Econoday, RTT news)
- China's CPI climbed 2.1% Y/Y in April (consensus: an increase of 1.9%) as compared to 1.5% rise in March. On M/M basis, CPI rose 0.4% in April, after remaining flat in March. Producer prices increased 8.0% in April (consensus: a rise of 7.7%) slowing from a rise of 8.3% in the previous month. (Source: Econoday, RTT News)
- Oil prices plunged 3.3% due to continued demand concerns over lockdowns in China, recession worries in the US and stronger US dollar.
- Gold prices edged down 0.9%, to a three-month low, as the US dollar continued to weigh on demand for the yellow metal, while investors awaited US CPI data which is expected to have an impact on the US Federal Reserve's stance.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.6	-0.0	0.7	8.3
Euro	1.1	-0.3	-0.2	-7.4
Japanese Yen	130.5	0.1	0.6	13.4
Sterling Pound	1.2	-0.1	-2.1	-9.0
Chinese Yuan	6.7	-0.1	1.6	6.1
Indian Rupee	77.3	-0.2	1.2	4.0
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	-0.1	-0.0	-0.5
Kuwaiti Dinar	0.3	-0.0	0.1	1.4
Omani Rial	0.4	-0.0	-0.0	-0.0
Bahraini Dinar	0.4	0.0	0.0	-0.0
Egyptian Pound	18.5	-0.0	-0.1	17.6

## Corporate Calendar

Date	Company	Event
11 <sup>th</sup> May	CHEMICAL	OGM
11 <sup>th</sup> May	ALBABTAIN	OGM
11 <sup>th</sup> May	HB	Cash Dividend Distribution
11 <sup>th</sup> May	Naseej	OGM
11 <sup>th</sup> May	Saudi Re	OGM
11 <sup>th</sup> May	Catering	EGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,598	-0.7	-3.3	12.6	16.1
Abu Dhabi (ADX)	9,915	-0.9	-1.9	16.8	21.8
Kuwait (KSE)	6,374	-0.8	-0.2	8.3	10.9
Qatar (QE)	13,450	-0.5	-1	15.7	16
Oman (MSM)	4,155	-0.5	-0.1	0.6	10.8
Bahrain (BSE)	1,988	-2	-3.3	10.6	8.6
Egypt (EGX30)	10,811	-0.9	-2.1	-9.5	6.3

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,161	-0.3	-2.5	-11.5	17.3
Nasdaq	12,346	1.3	-4.0	-24.4	26.1
S&P 500	4,001	0.2	-3.2	-16.1	20.0
FTSE 100	7,243	0.4	-4.0	-1.9	17.4
Germany DAX 30	13,535	1.2	-4.0	-14.8	12.5
France CAC 40	6,117	0.5	-6.4	-14.5	13.7
Japan Nikkei 225	26,167	-0.6	-2.5	-9.1	14.3
Russia MOEX	2,393	0.0	-2.1	-36.8	4.0
Hong Kong Hang Seng	19,634	0.0	-6.9	-16.1	7.2
South Korea KOSPI	2,597	-0.5	-3.7	-12.8	11.0
China Shanghai Composite	3,036	1.1	-0.4	-16.6	12.5
Australia ASX 200	7,051	-1.0	-5.2	-5.3	16.9
India Sensex	54,365	-0.2	-4.7	-6.7	22.2
MSCI EM	1,007	-0.7	-6.4	-18.2	11.3
MSCI World	2,677	0.2	-4.2	-17.2	17.5

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	113.0	0.0	0.0	42.6
Brent Crude (\$/bbl)	102.5	-3.3	-6.3	31.7
Texas crude (\$/bbl)	99.8	-3.2	-4.7	32.6
Natural Gas (\$/mmbtu)	7.4	5.1	1.9	109.5
Gold (\$/oz)	1,838.3	-0.9	-3.1	0.5
Silver (\$/oz)	21.3	-2.4	-6.6	-8.8
Steel (\$/ton)	1,363.0	-0.1	-2.6	-5.0
Iron Ore (CNY/MT)	938.0	-3.0	-0.7	37.1
Wheat (\$/bu)	1,092.8	0.0	3.5	42.9
Corn (\$/bu)	775.3	0.4	-4.7	30.6
Sugar (\$/lb)	18.5	-0.6	-3.2	0.8
SMP* (EUR/MT)	4,200.0	0.0	5.0	24.8

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.40	0.00	0.06	1.19
Saudi Arabia (SAIBOR)	2.61	0.09	1.81	1.70
UAE (EIBOR)	1.42	-0.03	0.08	1.05
Kuwait (KSE)	1.81	0.00	0.31	0.31
Bahrain (BHIBOR)	2.57	0.00	1.24	1.05

Data Sources: Tadawul, Bloomberg, Reuters

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

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TERMINOLOGY

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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.
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