



Major Economic News

- Saudi Arabia posted revenue of SAR 278.0bn (+36.0% Y/Y) and expenditure of SAR 220.5bn (+4.0% Y/Y) in Q1-22, with a surplus of SAR 57.8bn. Oil and non-oil revenue stood at SAR 183.7bn and SAR 94.3bn in the same period, respectively. (Source: Argaam)
- The per capita spending on insurance in Saudi Arabia grew 10.0% to SAR 1,200 by the end of FY21, compared with SAR 1,095 a year earlier. Health insurance accounted for 60.0% of total per capita spending last year, followed by general insurance with 36.0%, as well as protection and savings insurance with 4.0%. (Source: Argaam)

Major Corporate News

- Saudi Basic Industries Corp. (SABIC) announced launching the trial operation of its China-based industrial complex for the production of polycarbonate. The complex, which is an equally-owned joint venture between SABIC and China Petroleum and Chemical Corporation, has an annual production capacity of nearly 260,000 tons. (Source: Argaam)
- Dur Hospitality Co. awarded a SAR 181.7mn contract to Al Murshid Contracting Group for Rixos Jeddah Resort development project. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 2.4% to 13,149.3. The value traded stood at SAR 6.8bn (down 33.1% over previous day), while the advance-decline ratio stood at 121/75. The parallel market index increased 0.9% to 22,845.5 points. The value traded stood at SAR 36.0mn (up 12.9% over previous day). Most sectors in the main market ended in the green. Energy and Banks (up 4.0% and 3.2%, respectively) advanced the most; Commercial Service and Software & Services (down 1.1% and 0.8%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q1-22	Q1-21	Y/Y %	Q4-21	Q/Q %
SPPC	-3.3	-13.6	NM	-12.6	NM
Taiba Investments Co.	20.4	-1.9	NM	-67.4	NM
Care	30.0	35.7	-16.0	36.7	-18.3
Theeb	42.6	26.0	64.0	47.4	-10.2
Tawuniya	41.5	80.8	-48.7	13.5	207.8
Al-Etihad	0.7	14.6	-95.3	4.9	-85.9
SVCP	1.3	0.2	452.2	0.9	39.6
Middle East Healthcare Co.	20.5	12.1	69.3	-18.4	NM
Arabian Cement Co.	41.9	67.0	-37.5	23.3	79.8

Top Gainers

Company	Price	Change%
SIECO	66.6	9.9
RIBL	37.9	7.7
ANAAM HOLDING	77.9	7.3
BURUJ	24.6	7.0
ALBILAD	48.8	6.1

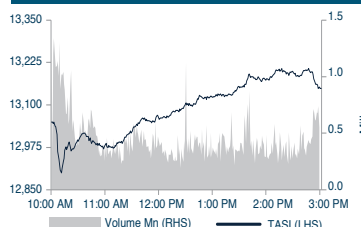
Top Losers

Company	Price	Change%
ALKATHIRI	59.50	-4.0
GULF UNION ALAHLIA	11.42	-3.6
ENAYA	25.15	-3.3
SHAKER	19.00	-2.8
WALAA	16.58	-2.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	13,149	13,212	12,896	2.4	16.6
NomuC	22,845	22,886	22,601	0.9	-12.1

TASI movement during session



TASI Ratios

P/E* (x)	22.2
Price-to-Book (x)	2.6
Dividend Yield (%)	2.0
Return on Equity (%)	24.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	7,119	4.0	29.1	22.6
Materials	8,028	1.2	9.3	17.1
Capital Goods	7,164	0.8	-5.1	24.5
Commercial Service	4,364	-1.1	-1.8	High
Transportation	5,292	0.1	1.1	Neg
Consumer Durables	5,296	0.8	-16.6	High
Consumer Services	4,610	0.4	-0.7	Neg
Media	29,259	1.5	25.8	39.6
Retailing	9,135	2.6	-7.2	32.1
Food & Staples	9,393	0.4	3.0	30.5
Food & Beverages	5,197	2.6	7.5	High
Healthcare	9,012	2.2	23.2	46.4
Pharma & Bio Tech	4,571	0.0	-11.9	High
Banks	14,991	3.2	22.7	25.1
Diversified Financial	8,146	1.5	19.3	36.4
Insurance	5,706	1.5	-4.7	High
Telecom	7,699	1.0	5.8	21.4
Utilities	7,474	0.7	26.0	14.5
REITs	4,512	0.6	-2.2	High
Real Estate	3,286	-0.5	3.6	High
Software & Services	32,827	-0.8	14.6	35.1

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
13,338	13,493	13,541	8.9

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	6.8	141.5	323.7
Previous week	46.5	922.8	2,072.20

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	42.35	4.2
Al Rajhi	103.80	3.6
SNB	75.00	1.4
SABIC	123.00	1.7
STC	111.00	0.9



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Bahrain increased 0.6%, while Qatar and Egypt declined 2.0% and 1.4%, respectively. Oman ended flat, while Kuwait remained closed.
- US Producer Price Index, final demand (PPI-FD) rose 0.5% M/M in April (in line with consensus) against an increase of 1.6% in March. PPI-FD less food, energy & trade services advanced 0.6% in April compared to a rise of 0.9% in March. (Source: RTT News)
- US consumer sentiment index declined to 59.1 in May (consensus: 64.0) from 65.2 in April. This was the lowest level since hitting 55.8 in August 2011. The deterioration of consumer sentiments was seen across the parameters. (Source: RTT News)
- UK's GDP advanced 0.8% Q/Q in Q1-22 (consensus: an increase of 1.0%), slower than 1.3% increase in Q4-21. The GDP growth was impacted adversely by weaker spending due to increasing cost of living. (Source: RTT News)
- China's industrial production declined 2.9% Y/Y in April (consensus: an increase of 0.4%) versus 5.0% growth in March. The restrictive measures to control COVID-19 spread weighed on the industrial output, as supply chains and distribution channels were affected. (Source: Reuters, RTT News)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.6	0.0	1.6	9.3
Euro	1.0	0.0	-1.3	-8.4
Japanese Yen	129.2	0.0	-0.4	12.3
Sterling Pound	1.2	0.0	-2.5	-9.4
Chinese Yuan	6.8	0.0	2.4	7.0
Indian Rupee	77.4	0.0	1.3	4.2
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.0	-0.1	-0.5
Kuwaiti Dinar	0.3	0.0	0.1	1.5
Omani Rial	0.4	0.0	-0.0	-0.0
Bahraini Dinar	0.4	0.0	-0.0	-0.0
Egyptian Pound	18.3	0.0	-1.0	16.5

Corporate Calendar

Date	Company	Event
16 th May	Wafrah	EGM
16 th May	Savola Group	OGM
16 th May	MCDC	EGM
16 th May	Bahri	EGM
16 th May	Al Othaim Market	OGM
16 th May	SPCC	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,419	0.0	-8.1	7.0	13.8
Abu Dhabi (ADX)	9,493	0.0	-6.1	11.8	19.8
Kuwait (KSE)	6,079	0.0	-4.9	3.3	10.0
Qatar (QE)	12,877	-2.0	-5.3	10.8	15.6
Oman (MSM)	4,144	0.0	-0.3	0.4	10.7
Bahrain (BSE)	1,971	0.6	-4.1	9.7	8.5
Egypt (EGX30)	10,534	-1.4	-4.6	-11.8	6.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,197	0.0	-2.4	-11.4	17.3
Nasdaq	12,387	0.0	-3.6	-24.1	26.2
S&P 500	4,024	0.0	-2.6	-15.6	20.1
FTSE 100	7,418	0.0	-1.7	0.5	17.6
Germany DAX 30	14,028	0.0	-0.5	-11.7	12.7
France CAC 40	6,363	0.0	-2.6	-11.0	14.4
Japan Nikkei 225	26,428	0.0	-1.6	-8.2	18.9
Russia MOEX	2,308	0.0	-5.6	-39.1	3.9
Hong Kong Hang Seng	19,899	0.0	-5.6	-15.0	7.2
South Korea KOSPI	2,604	0.0	-3.4	-12.5	11.2
China Shanghai Composite	3,084	0.0	1.2	-15.3	12.4
Australia ASX 200	7,075	0.0	-4.8	-5.0	17.0
India Sensex	52,794	0.0	-7.5	-9.4	21.6
MSCI EM	1,005	0.0	-6.7	-18.5	11.3
MSCI World	2,701	0.0	-3.4	-16.4	17.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	113.0	0.0	0.0	42.6
Brent Crude (\$/bbl)	111.6	0.0	2.0	43.4
Texas crude (\$/bbl)	110.5	0.0	5.5	46.9
Natural Gas (\$/mmbtu)	7.7	0.0	5.8	117.4
Gold (\$/oz)	1,811.8	0.0	-4.5	-1.0
Silver (\$/oz)	21.1	0.0	-7.3	-9.4
Steel (\$/ton)	1,382.0	0.0	-1.3	-3.7
Iron Ore (CNY/MT)	951.0	0.0	0.7	39.0
Wheat (\$/bu)	1,177.5	0.0	11.5	54.0
Corn (\$/bu)	781.3	0.0	-4.0	31.6
Sugar (\$/lb)	19.2	0.0	0.1	4.2
SMP* (EUR/MT)	4,075.0	0.0	1.9	21.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.44	0.00	0.11	1.23
Saudi Arabia (SAIBOR)	2.38	-0.25	1.58	1.47
UAE (EIBOR)	1.40	-0.03	0.07	1.04
Kuwait (KSE)	1.88	0.00	0.38	0.38
Bahrain (BHIBOR)	2.59	0.02	1.27	1.07

Data Sources: Tadawul, Bloomberg, Reuters

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

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RESEARCH
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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.

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