



Major Economic News

- The Minister of Industry and Mineral Resources, Bandar Alkhorayef, revealed that the Kingdom aims to manufacture more than 300,000 vehicles annually by FY30. The Kingdom seeks to expand in the vehicles manufacturing industry to cover domestic demand and export globally. (Source: Argaam)

Major Corporate News

- Abdullah Al Othaim Investment Co. issued the prospectus for its IPO of 30.0mn shares on the Saudi Exchange, representing 30.0% of its share capital. The book-building process will run from May 26 to June 01, 2022, and retail subscription will be open from 8-9 June. (Source: Argaam)
- Rabigh Refining and Petrochemical Co. announced the issuance of a prospectus for its capital increase through a SAR 8.0bn rights issue. The company plans to increase its capital by 90.8% by offering 795.0mn shares at a nominal value of SAR 10 each. (Source: Argaam)
- Al Hammadi Company for Development and Investment got the approval of CMA to increase its capital to SAR 1.6bn from SAR 1.2bn, through issuing one bonus share for every three shares held. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.2% to 12,713.4. The value traded stood at SAR 9.0bn (down 9.9% over previous day), while the advance-decline ratio stood at 90/110. The parallel market index increased 0.6% to 22,832.4 points. The value traded stood at SAR 21.4mn (down 9.6% over previous day). Most sectors in the main market ended in the red. Food & Staples and Media (up 3.0% and 2.7%, respectively) advanced the most; Utilities and Commercial Service (down 5.0% and 2.9%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

| Company | Q1-22 | Q1-21 | Y/Y % | Q4-21 | Q/Q % |
|--------------------|-------|-------|-------|-------|-------|
| SRMG | 112.5 | 91.5 | 23.0 | 106.1 | 6.0 |
| AWPT | 25.3 | 26.9 | -6.1 | 32.3 | -21.7 |
| ALARABIA | 64.9 | 29.6 | 119.0 | 70.6 | -8.1 |
| SACO | 1.1 | 15.6 | -92.9 | -44.7 | NM |
| Aljazira Takaful | 9.4 | 14.0 | -32.5 | 839.0 | NM |
| UCA | -19.9 | -27.0 | NM | -13.7 | NM |
| SABB Takaful Co. | -1.0 | 1.9 | NM | -5.5 | NM |
| Tabuk Cement Co. | -6.9 | 10.1 | NM | 0.3 | NM |
| Gulf Union Alahlia | -20.4 | -56.8 | NM | -18.5 | NM |

Top Gainers

| Company | Price | Change% |
|---------------|-------|---------|
| RED SEA | 17.16 | 10.0 |
| ANAAM HOLDING | 35.85 | 10.0 |
| SIECO | 88.50 | 9.9 |
| SABB | 42.35 | 5.9 |
| BSFR | 49.80 | 5.8 |

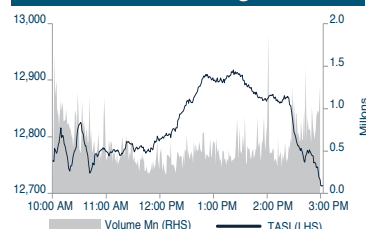
Top Losers

| Company | Price | Change% |
|-------------------|-------|---------|
| SHAKER | 22.36 | -9.9 |
| SAUDI ELECTRICITY | 24.72 | -7.8 |
| AICC | 28.50 | -6.3 |
| AMANA INSURANCE | 29.00 | -4.8 |
| PETRO RABIGH | 26.55 | -4.5 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI | 12,713 | 12,919 | 12,701 | 0.2 | 12.7 |
| NomuC | 22,832 | 22,856 | 22,485 | 0.6 | -12.1 |

TASI movement during session



TASI Ratios

| | |
|----------------------|------|
| P/E* (x) | 21.6 |
| Price-to-Book (x) | 2.5 |
| Dividend Yield (%) | 2.1 |
| Return on Equity (%) | 24.6 |

*Source: Argaam (Excluding Aramco)

| Index | Close | Daily Change% | YTD % | PE (TTM) |
|-----------------------|--------|---------------|-------|----------|
| Energy | 6,848 | -1.2 | 24.2 | 21.7 |
| Materials | 7,768 | -1.0 | 5.8 | 16.5 |
| Capital Goods | 7,379 | 1.5 | -2.2 | 25.3 |
| Commercial Service | 4,282 | -2.9 | -3.6 | High |
| Transportation | 5,137 | -1.7 | -1.8 | Neg |
| Consumer Durables | 5,185 | -0.8 | -18.3 | High |
| Consumer Services | 4,492 | -0.9 | -3.2 | Neg |
| Media | 29,204 | 2.7 | 25.6 | 39.6 |
| Retailing | 8,883 | -0.1 | -9.8 | 31.2 |
| Food & Staples | 9,583 | 3.0 | 5.1 | 31.2 |
| Food & Beverages | 5,114 | -0.7 | 5.8 | High |
| Healthcare | 9,155 | -0.5 | 25.2 | 47.7 |
| Pharma & Bio Tech | 4,400 | -0.4 | -15.2 | High |
| Banks | 14,362 | 1.7 | 17.5 | 24.1 |
| Diversified Financial | 8,310 | 0.2 | 21.7 | 36.9 |
| Insurance | 5,637 | 0.9 | -5.9 | High |
| Telecom | 7,354 | -1.5 | 1.0 | 20.3 |
| Utilities | 7,018 | -5.0 | 18.3 | 13.6 |
| REITs | 4,508 | 0.4 | -2.3 | High |
| Real Estate | 3,248 | 1.0 | 2.4 | High |
| Software & Services | 33,565 | 1.3 | 17.1 | 36 |

Average Index Value

| Average days 5 | Average days 10 | Average days 20 | Average value traded for the month (bn) |
|----------------|-----------------|-----------------|---|
| 12,861 | 13,256 | 13,423 | 9.05 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | 34.9 | 711.8 | 1,576.80 |
| Previous week | 46.5 | 922.8 | 2,072.20 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|--------|---------|
| Saudi Aramco | 40.70 | -1.2 |
| Al Rajhi | 96.20 | 0.2 |
| SNB | 72.10 | 2.9 |
| SABIC | 121.00 | 0.2 |
| STC | 105.00 | -2.2 |



Regional and International Markets

- Among other regional markets, Dubai decreased 0.9%, while Abu Dhabi increased 1.4%. Qatar and Kuwait rose 1.3% and 0.9%, respectively. Bahrain and Egypt increased 0.3% each, while Oman declined 0.2%.
- According to EIA, oil inventories in the US fell 3.4mn barrels (prior: up 8.5mn) to 420.8mn in the week ended May 13. Gasoline inventories decreased 4.8mn barrels (prior: down 3.6mn) to 220.2mn, while distillate inventories rose 1.2mn barrels (prior: down 0.9mn) to 105.3mn. (Source: EIA, Econoday)
- US housing starts fell 0.2% to an annual rate of 1.724mn in April (consensus: 1.765mn) from a revised rate of 1.728mn in March. (Source: RTT News, Econoday)
- UK's CPI jumped 9.0% Y/Y in April (consensus: 9.1%), the highest in 40-year, compared to an increase of 7.0%. The increase was driven by sharp rise food and energy prices. (Source: CNBC)
- Oil prices declined 2.5%, as the ramp up in US oil refiners' output eased supply concerns among the investors to some extent.
- Gold prices inched up 0.1%, as lower treasury yields boosted demand for the yellow metal.

Forex / Currency

| Currency | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index | 103.8 | 0.4 | 0.8 | 8.5 |
| Euro | 1.0 | -0.8 | -0.8 | -8.0 |
| Japanese Yen | 128.2 | -0.9 | -1.1 | 11.4 |
| Sterling Pound | 1.2 | -1.2 | -1.9 | -8.8 |
| Chinese Yuan | 6.8 | 0.6 | 2.1 | 6.7 |
| Indian Rupee | 77.6 | 0.0 | 1.5 | 4.4 |
| UAE Dirham | 3.7 | 0.0 | 0.0 | 0.0 |
| Qatari Rial | 3.7 | -0.0 | 0.0 | -0.4 |
| 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 | 18.3 | -0.1 | -1.2 | 16.2 |

Corporate Calendar

| Date | Company | Event |
|----------------------|----------|----------------------------|
| 19 th May | SRMG | OGM |
| 19 th May | MESC | OGM |
| 19 th May | MOUWASAT | Cash Dividend Distribution |
| 19 th May | ALARABIA | Cash Dividend Distribution |
| 19 th May | NBM | OGM |
| 19 th May | EPCCO | OGM |

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 3,437 | -0.9 | -7.6 | 7.6 | 13.9 |
| Abu Dhabi (ADX) | 9,908 | 1.4 | -2.0 | 16.7 | 21.4 |
| Kuwait (KSE) | 6,111 | 0.9 | -4.4 | 3.8 | 9.7 |
| Qatar (QE) | 13,020 | 1.3 | -4.2 | 12 | 15.3 |
| Oman (MSM) | 4,156 | -0.2 | -0.1 | 0.6 | 10.8 |
| Bahrain (BSE) | 1,963 | 0.3 | -4.5 | 9.2 | 7.6 |
| Egypt (EGX30) | 10,468 | 0.3 | -5.3 | -12.4 | 6 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones | 31,490 | -3.6 | -4.5 | -13.3 | 16.9 |
| Nasdaq | 11,928 | -5.1 | -7.2 | -26.9 | 25.2 |
| S&P 500 | 3,924 | -4.0 | -5.0 | -17.7 | 19.6 |
| FTSE 100 | 7,438 | -1.1 | -1.4 | 0.7 | 17.1 |
| Germany DAX 30 | 14,008 | -1.3 | -0.6 | -11.8 | 12.6 |
| France CAC 40 | 6,353 | -1.2 | -2.8 | -11.2 | 14.3 |
| Japan Nikkei 225 | 26,911 | 0.9 | 0.2 | -6.5 | 18.8 |
| Russia MOEX | 2,445 | 0.9 | 0.0 | -35.4 | 4.1 |
| Hong Kong Hang Seng | 20,644 | 0.2 | -2.1 | -11.8 | 7.3 |
| South Korea KOSPI | 2,626 | 0.2 | -2.6 | -11.8 | 11.1 |
| China Shanghai Composite | 3,086 | -0.2 | 1.3 | -15.2 | 12.4 |
| Australia ASX 200 | 7,183 | 1.0 | -3.4 | -3.5 | 16.9 |
| India Sensex | 54,209 | -0.2 | -5.0 | -6.9 | 21.5 |
| MSCI EM | 1,033 | 0.2 | -4.0 | -16.1 | 11.6 |
| MSCI World | 2,665 | -3.0 | -4.7 | -17.5 | 17.6 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|---------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 113.0 | 0.0 | 0.0 | 42.6 |
| Brent Crude (\$/bbl) | 109.1 | -2.5 | -0.2 | 40.3 |
| Texas crude (\$/bbl) | 109.6 | -2.5 | 4.7 | 45.7 |
| Natural Gas (\$/mmbtu) | 8.4 | 0.8 | 15.5 | 137.4 |
| Gold (\$/oz) | 1,816.6 | 0.1 | -4.2 | -0.7 |
| Silver (\$/oz) | 21.4 | -1.0 | -5.9 | -8.1 |
| Steel (\$/ton) | 1,380.0 | 0.2 | -1.4 | -3.8 |
| Iron Ore (CNY/MT) | 982.5 | -0.3 | 4.0 | 43.6 |
| Wheat (\$/bu) | 1,230.8 | -3.7 | 16.6 | 61.0 |
| Corn (\$/bu) | 781.5 | -2.4 | -3.9 | 31.7 |
| Sugar (\$/lb) | 19.8 | -0.9 | 3.6 | 7.8 |
| SMP* (EUR/MT) | 4,113.0 | 1.6 | 2.8 | 22.2 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|-----------------------|-------|-------------------|-----------|-----------|
| USD LIBOR | 1.45 | 0.00 | 0.11 | 1.24 |
| Saudi Arabia (SAIBOR) | 2.61 | 0.02 | 1.81 | 1.70 |
| UAE (EIBOR) | 1.51 | 0.07 | 0.18 | 1.15 |
| Kuwait (KSE) | 1.94 | 0.06 | 0.44 | 0.44 |
| Bahrain (BHIBOR) | 2.59 | 0.01 | 1.26 | 1.07 |

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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