



## Major Economic News

- Apartments prices in Riyadh rose 20.0% Y/Y, according to Knight Frank. However, number of deals fell 27.0% in last twelve months. The demand and prices are boosted by home ownership program by government. Transaction volumes across KSA fell to 60,000 during Q1-22, while total deal values reduced by 2.0% to SAR 40.4bn. (Source: Argaam)

## Major Corporate News

- Batic Investments and Logistics Co.'s fully owned subsidiary, Batic Real Estate Co. acquired land in Madinah for SAR 126.4mn. The company aims to develop and resell the land plot that spans 229.8mn sq.m. (Source: Argaam)
- The Japanese Engineering Co., JGC Holdings Corporation announced that its subsidiary, JGC Arabia was awarded a contract by Saudi Arabian Oil Co. to carry out engineering and construction work for central processing facilities in Zuluf field. The expansion will increase Zuluf field's production to 600,000 bpd to extract heavy crude oil. (Source: Argaam)
- Saudi Arabian Mining Co.'s shareholders approved a 100.0% increase of capital through a one for one bonus issue. The issue will be financed by capitalizing SAR 12.3bn from retained earnings. (Source: Argaam)
- Methanex Corp. lowered its Asian Contract price for June to USD 480 per ton, which indicates a decline of USD 40 M/M. (Source: Argaam)
- Southern Province Cement Co. decided to start construction on the production line with a capacity of 5,000 tpd as well as develop infrastructure for another line with a production capacity of 5,000 tpd. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 1.7% to 12,907.2. The value traded stood at SAR 10.0bn (up 64.8% over previous day), while the advance-decline ratio stood at 109/91. The parallel market index increased 1.8% to 22,808.9. The value traded stood at SAR 31.9mn (down 0.6% over previous day). Most sectors in the main market ended in the green. Banks and Utilities (up 3.6% and 3.1%, respectively) advanced the most; Software & Services and Pharma & Bio Tech (down 0.9% and 0.7%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
SIECO	98.40	9.9
AMANA INSURANCE	15.32	9.9
BSFR	54.40	7.1
ACWA POWER	155.00	7.0
PETRO RABIGH	25.30	6.1

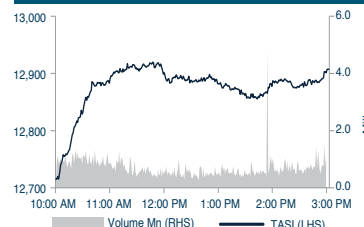
## Top Losers

Company	Price	Change%
ENAYA	25.70	-6.6
NAMA CHEMICALS	42.60	-3.2
SAUDI GERMAN HEALT	37.55	-3.0
EXTRA	117.00	-2.3
SALAMA	13.62	-2.3

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,907	12,923	12,710	1.7	14.4
NomuC	22,809	22,833	22,362	1.8	-12.2

## TASI movement during session



## TASI Ratios

P/E* (x)	21.8
Price-to-Book (x)	2.6
Dividend Yield (%)	2.1
Return on Equity (%)	24.6

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,952	0.3	26.1	22.1
Materials	7,729	-0.1	5.2	16.3
Capital Goods	7,531	0.9	-0.2	25.6
Commercial Service	4,015	-0.1	-9.6	High
Transportation	5,063	-0.5	-3.3	Neg
Consumer Durables	5,197	0.3	-18.1	High
Consumer Services	4,511	0.2	-2.8	Neg
Media	28,503	0.9	22.6	38.4
Retailing	8,444	0.0	-14.3	29.7
Food & Staples	9,568	0.7	4.9	31.1
Food & Beverages	5,265	1.9	8.9	High
Healthcare	9,180	1.2	25.5	47.8
Pharma & Bio Tech	4,433	-0.7	-14.6	High
Banks	14,829	3.6	21.3	24.8
Diversified Financial	8,803	1.6	28.9	40.5
Insurance	5,392	1.1	-10.0	High
Telecom	7,297	-0.4	0.3	20.1
Utilities	7,439	3.1	25.4	14.6
REITs	4,470	-0.3	-3.1	High
Real Estate	3,313	1.8	4.5	High
Software & Services	32,063	-0.9	11.9	34.4

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,603	12,542	12,986	8.75

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	16	378.2	747.3
Previous week	42.9	1,473.80	1,821.20

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	41.45	0.2
Al Rajhi	100.20	4.3
SNB	69.90	2.6
SABIC	114.20	0.2
STC	103.80	-0.8



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.5% and 2.3%, respectively. Oman, Kuwait and Bahrain increased 0.4%, 0.3% and 0.1%, respectively. Meanwhile, Qatar and Egypt gained 0.2% each.
- Eurozone economic sentiment index rose slightly to 105.0 in May (consensus: 104.9) from 104.9 in April. The consumer confidence index stood at -21.1 in May (in line with consensus) as compared to -22.0 in April. Meanwhile, industrial sentiment dropped to 6.3 in May from 7.7 in the previous month. (Source: Econoday)
- China's CFLP manufacturing PMI rose 49.6 in May (consensus: 49.3) as compared to 47.4 in April. (Source: Econoday)
- Japan's unemployment rate edged lower to 2.5% in April (consensus: 2.6%) from 2.6% in March. (Source: Econoday)
- Japan's industrial production declined 1.3% M/M in April (consensus: a fall of 0.2%) versus a rise of 0.3% M/M in March. (Source: Econoday)
- Oil prices rose 1.9% driven by easing of COVID restrictions by China and expectations that EU will reach an agreement to ban Russian oil.
- Gold prices edged up 0.1%, supported by weakness in US dollar and anticipation of eventual slowdown in rate hikes in the US after June-July.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.67	0.0	-1.3	6.3
Euro	1.08	0.4	2.2	-5.2
Japanese Yen	127.59	0.4	-1.6	10.9
Sterling Pound	1.27	0.2	0.6	-6.5
Chinese Yuan	6.67	-0.7	0.5	4.9
Indian Rupee	77.54	-0.0	1.5	4.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	-0.0	0.2	-0.3
Kuwaiti Dinar	0.31	-0.0	-0.3	1.1
Omani Rial	0.39	0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	18.58	-0.1	0.5	18.3

## Corporate Calendar

Date	Company	Event
31 <sup>st</sup> May	STC	Cash Dividend Distribution
31 <sup>st</sup> May	Amiantit	OGM
31 <sup>st</sup> May	SAIC	OGM
31 <sup>st</sup> May	ARDCO	Cash Dividend Distribution
31 <sup>st</sup> May	NORTHERN CEMENT	EGM
31 <sup>st</sup> May	CHUBB	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,345	1.5	-10.1	4.7	13.7
Abu Dhabi (ADX)	9,908	2.3	-2.0	16.7	21.4
Kuwait (KSE)	6,080	0.3	-4.9	3.3	9.5
Qatar (QE)	12,893	0.2	-5.1	10.9	15.3
Oman (MSM)	4,138	0.4	-0.5	0.2	10.7
Bahrain (BSE)	1,908	0.1	-7.2	6.1	7.4
Egypt (EGX30)	10,109	0.2	-8.5	-15.4	5.5

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,213	0.0	0.7	-8.6	17.9
Nasdaq	12,681	0.0	-1.3	-22.3	26.6
S&P 500	4,158	0.0	0.6	-12.8	20.8
FTSE 100	7,600	0.2	0.7	2.9	17.4
Germany DAX 30	14,576	0.8	3.4	-8.2	13.1
France CAC 40	6,562	0.7	0.4	-8.3	14.8
Japan Nikkei 225	27,369	2.2	1.9	-4.9	19.4
Russia MOEX	2,400	-0.3	-1.8	-36.6	4.1
Hong Kong Hang Seng	21,124	2.1	0.2	-9.7	7.6
South Korea KOSPI	2,670	1.2	-0.9	-10.3	11.5
China Shanghai Composite	3,149	0.6	3.3	-13.5	12.9
Australia ASX 200	7,287	1.4	-2.0	-2.1	16.8
India Sensex	55,926	1.9	-2.0	-4.0	22.5
MSCI EM	1,065	2.1	-1.0	-13.5	11.9
MSCI World	2,815	0.4	0.7	-12.9	18.5

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	116.10	11.6	5.2	50.9
Brent Crude (\$/bbl)	121.67	1.9	11.3	56.4
Texas crude (\$/bbl)	115.07	0.0	9.9	53.0
Natural Gas (\$/mmbtu)	8.73	0.0	20.5	147.6
Gold (\$/oz)	1,855.23	0.1	-2.2	1.4
Silver (\$/oz)	21.97	-0.6	-3.5	-5.7
Steel (\$/ton)	1,195.00	0.0	-14.6	-16.7
Iron Ore (CNY/MT)	961.50	0.1	1.8	40.6
Wheat (\$/bu)	1,157.50	0.0	9.6	51.4
Corn (\$/bu)	777.25	0.0	-4.5	31.0
Sugar (\$/lb)	19.61	0.0	2.4	6.6
SMP* (EUR/MT)	4,050.00	0.0	1.2	20.4

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.60	0.0	0.3	1.4
Saudi Arabia (SAIBOR)	3.05	0.0	2.3	2.1
UAE (EIBOR)	1.64	0.0	0.3	1.3
Kuwait (KSE)	1.94	0.1	0.4	0.4
Bahrain (BHIBOR)	2.67	0.0	1.3	1.2

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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