



## Major Economic News

- Saudi Arabia's PMI stood at 55.7 points in May, unchanged from the April reading, as per S&P Global. The non-oil private sector witnessed a robust improvement in May due to enhanced business conditions in the past 21 months. (Source: Argaam)
- According to the Ministry of Tourism, Saudi Arabia targets 12mn visits in FY22 as compared to 4mn in FY21. The Kingdom targets to have 100mn visitors by FY30, of which 30mn are expected to be international visitors while remaining would be travelers within the Kingdom. (Source: Argaam)
- Remittances from expatriates in Saudi Arabia increased 3.0% Y/Y to SAR 13.7bn in April. On M/M basis, remittances fell 7.0% or by SAR 1.1bn. (Source: Argaam)

## Major Corporate News

- Dallah Healthcare Co. increased Dallah Al Nakheel's contract value by SAR 41.4mn to add few technical developments. The project is at 45.0% completion as per the schedule stated in the amended contract and is expected to finalize on March 20, 2023. (Source: Argaam)
- ACWA Power signed a power purchase contract for Layla Photovoltaic (PV) Solar IPP for a total value of SAR 401.0mn. The agreement aims at developing, constructing, and operating a 91MW project in Al-Aflaj governorate. ACWA Power will own 40.1% of the project and relevant financial impact is expected in Q1-24. (Source: Argaam)
- Arabian Internet and Communications Services Co. signed a sale and purchase agreement to acquire 89.5% of Giza Systems Co. and 34.0% of Giza Arabia. The acquisition is planned to be funded from bank facilities and cash. The deal is expected to be completed in Q3-22 subject to regulatory approvals. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.4% to 12,656.1. The value traded stood at SAR 4.9bn (down 25.2% over previous day), while the advance-decline ratio stood at 104/89. The parallel market index decreased 1.3% to 22,547.1 points. The value traded stood at SAR 26.7mn (down 11.3% over previous day). Most sectors in the main market ended in the green. Food & Beverages and Energy (up 1.8% and 1.1%, respectively) advanced the most; Pharma & Bio Tech and Commercial Service (down 1.0% and 0.9%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
ANAAM HOLDING	35.20	10.0
SHARQIYAH DEV	85.10	7.2
ABO MOATI	34.10	5.1
ZAMIL INDUST	21.90	4.3
MAADEN	61.50	4.2

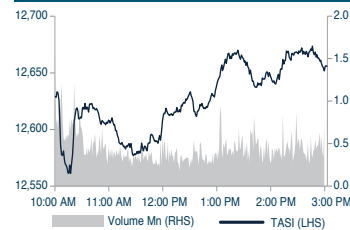
## Top Losers

Company	Price	Change%
AMANA INSURANCE	17.70	-6.0
SPPC	17.78	-3.9
ALSAGR INSURANCE	11.46	-3.5
SACO	43.00	-3.4
SULAIMAN ALHABIB	201.00	-2.6

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,656	12,674	12,558	0.4	12.2
NomuC	22,547	22,963	22,393	-1.3	-13.2

## TASI movement during session



## TASI Ratios

P/E* (x)	21.4
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	6,823	1.1	23.7	18.7
Materials	7,657	0.5	4.3	14.8
Capital Goods	7,542	-0.5	0.0	25.2
Commercial Service	4,006	-0.9	-9.8	High
Transportation	5,086	0.6	-2.8	Neg
Consumer Durables	5,258	1.0	-17.2	Neg
Consumer Services	4,474	0.2	-3.6	High
Media	27,816	1.0	19.6	34.6
Retailing	8,329	0.8	-15.4	29.5
Food & Staples	9,429	0.6	3.4	28.8
Food & Beverages	5,242	1.8	8.4	High
Healthcare	8,966	-0.5	22.6	43.9
Pharma & Bio Tech	4,505	-1.0	-13.2	High
Banks	14,360	0.2	17.5	22.8
Diversified Financial	8,529	-0.9	24.9	9.4
Insurance	5,508	-0.1	-8.0	High
Telecom	7,142	-0.6	-1.9	19.4
Utilities	7,184	0.6	21.1	14.2
REITs	4,433	0.9	-3.9	High
Real Estate	3,386	-0.4	6.8	High
Software & Services	33,044	-0.2	15.3	32.2

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,771	12,620	12,799	6.11

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	4.9	138.1	291.2
Previous week	47.5	1,126.00	1,956.90

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	40.65	1.1
Al Rajhi	95.90	0.5
SNB	71.60	0.6
SABIC	111.60	-0.5
STC	101.80	-0.8



## Regional and International Markets

- Among other regional markets, Dubai, and Abu Dhabi remained closed. Kuwait declined 0.7%, while Oman, Bahrain and Egypt declined 0.2% each. Meanwhile, Qatar remained flat.
- US non-farm payroll employment increased by 390,000 jobs in May (consensus: an increase of 325,000) after jumping by an upwardly revised 436,000 jobs in April. Meanwhile, unemployment rate remained unchanged at 3.6% (consensus: 3.5%) as labour force increased by 330,000 people. (Source: RTT news)
- US services PMI fell to 55.9 in May (consensus: 56.4) from 57.1 in April. The higher-than-expected decrease came as business activity index slumped to 54.5 in May from 59.1 in April. However, new order index rebounded to 57.6 in May from 54.6 in April, indicating an acceleration in pace of growth. (Source: RTT news)
- US factory orders edged up by 0.3% M/M in April (consensus: a rise of 0.7% M/M) after jumping by a downwardly revised 1.8% M/M in March. Durable goods orders rose by 0.5% M/M, while orders for non-durable goods edged up by 0.2% M/M. (Source: RTT news)
- Eurozone retail sales declined 1.3% M/M in April (consensus: a rise of 0.4%) versus a revised rise of 0.3% M/M in March. (Source: Econoday, RTT news)

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.14	0.0	0.4	6.8
Euro	1.07	0.0	-0.1	-5.7
Japanese Yen	130.88	0.0	1.7	13.7
Sterling Pound	1.25	0.0	-0.9	-7.7
Chinese Yuan	6.66	0.0	-0.3	4.7
Indian Rupee	77.63	0.0	-0.0	4.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.0	-0.1	-0.4
Kuwaiti Dinar	0.31	0.0	0.1	1.2
Omani Rial	0.39	0.0	0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	18.63	0.0	0.3	18.5

## Corporate Calendar

Date	Company	Event
06 <sup>th</sup> Jun	SAUDI ELECTRICITY	Cash Dividend Distribution
06 <sup>th</sup> Jun	QACCO	Cash Dividend Distribution
06 <sup>th</sup> Jun	AYYAN	OGM
06 <sup>th</sup> Jun	Savola Group	Cash Dividend Distribution
06 <sup>th</sup> Jun	ALALAMIYA	OGM
06 <sup>th</sup> Jun	FARM SUPERSTORES	EGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,387	0.0	1.2	6.0	11.6
Abu Dhabi (ADX)	9,837	0.0	-2.2	15.9	21.2
Kuwait (KSE)	6,037	-0.7	-0.6	2.6	9.6
Qatar (QE)	12,806	0.0	-0.9	10.2	15.2
Oman (MSM)	4,123	-0.2	0.2	-0.2	10.7
Bahrain (BSE)	1,904	-0.2	-0.9	5.9	7.4
Egypt (EGX30)	9,986	-0.2	-1.6	-16.4	5.5

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,900	0.0	-0.3	-9.5	17.7
Nasdaq	12,548	0.0	-0.7	-23.1	26.3
S&P 500	4,109	0.0	-0.6	-13.8	20.5
FTSE 100	7,533	0.0	-1.0	2.0	17.3
Germany DAX 30	14,460	0.0	0.5	-9.0	13.0
France CAC 40	6,485	0.0	0.3	-9.3	14.6
Japan Nikkei 225	27,762	0.0	1.8	-3.6	19.9
Russia MOEX	2,308	0.0	-2.0	-39.1	3.9
Hong Kong Hang Seng	21,082	0.0	-1.6	-9.9	7.7
South Korea KOSPI	2,671	0.0	-0.6	-10.3	11.5
China Shanghai Composite	3,195	0.0	0.3	-12.2	13.1
Australia ASX 200	7,239	0.0	0.4	-2.8	16.7
India Sensex	55,769	0.0	0.4	-4.3	22.5
MSCI EM	1,061	0.0	-1.6	-13.9	11.4
MSCI World	2,779	0.0	-0.4	-14.0	18.2

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	118.70	0.0	3.1	54.2
Brent Crude (\$/bbl)	119.72	0.0	-2.5	53.9
Texas crude (\$/bbl)	118.87	0.0	3.7	58.1
Natural Gas (\$/mmbtu)	8.52	0.0	4.6	141.8
Gold (\$/oz)	1,851.19	0.0	0.8	1.2
Silver (\$/oz)	21.93	0.0	1.7	-5.9
Steel (\$/ton)	1,155.00	0.0	-2.9	-19.5
Iron Ore (CNY/MT)	940.00	0.0	-1.5	37.4
Wheat (\$/bu)	1,040.00	0.0	-4.4	36.0
Corn (\$/bu)	727.00	0.0	-3.5	22.5
Sugar (\$/lb)	19.29	0.0	-0.6	4.9
SMP* (EUR/MT)	4,125.00	0.0	1.9	22.6

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.63	0.0	0.0	1.4
Saudi Arabia (SAIBOR)	3.02	0.1	-0.1	2.1
UAE (EIBOR)	1.72	0.1	0.0	1.4
Kuwait (KSE)	1.88	-0.1	0.0	0.4
Bahrain (BHIBOR)	2.78	0.0	0.0	1.3

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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