



## Major Economic News

- Saudi Arabia's real GDP rose by 9.9% Y/Y in Q1-22 as compared to 2.6% growth achieved in Q4-21. GDP at constant prices reached SAR 698.0bn in Q1-22 as compared with SAR 634.9bn in the prior year. (Source: Argaam)
- Moody's affirmed Saudi Arabia's credit rating at 'A1' with a 'stable' outlook on account of government's development of fiscal policy, adapting to volatile oil prices. (Source: Argaam)
- Residential real estate finance offered to individuals by Saudi Arabian banks declined 41.0% Y/Y to SAR 9.2bn. On M/M basis, mortgages fell by SAR 6.1bn. (Source: Argaam)

## Major Corporate News

- Alamar Foods Co.'s intention to list 10.6mn shares, representing 41.7% of capital was approved by CMA. (Source: Argaam)
- East Pipes Integrated Company for Industry signed credit facility agreement with Arab National Bank worth SAR 500.0mn to finance working capital of one of company's projects. (Source: Argaam)
- Abdullah Saad Mohammed Abo Moati for Bookstores Co. announced opening of new showroom for trademark 'MiniGood' in Al-Ahsa, with investments of close to SAR 2.0mn. The showroom is spread across 318.0 sq.m. and includes more than 5,000 stationary, household and luxury items. The financial impact of development is expected from Q2-23 onwards. (Source: Argaam)
- Dar Al Arkan Real Estate Development Co. started construction of new project 'W Residences Dubai-Downtown', 90days after announcement of launch of project. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 1.2% to 12,662.8. The value traded stood at SAR 6.0bn (down 13.6% over previous day), while the advance-decline ratio stood at 70/130. The parallel market index decreased 1.0% to 22,329.1 points. The value traded stood at SAR 18.8mn (down 5.3% over previous day). Most sectors in the main market ended in the red. Software & Services and Real Estate (up 1.2% and 0.7%, respectively) advanced the most; Banks and Diversified Financials (down 1.8% and 1.6%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
ALSAGR INSURANCE	11.90	5.3
DAR ALARKAN	13.74	3.3
NASEEJ	22.24	3.3
MAADANIYAH	24.46	3.1
EQUIPMENT HOUSE	79.50	3.1

## Top Losers

Company	Price	Change%
BUPA ARABIA	160.00	-3.0
MAADEN	61.30	-2.9
BSFR	50.60	-2.7
CARE	67.20	-2.6
TADAWUL GROUP	218.20	-2.6

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,663	12,839	12,651	-1.2	12.2
NomuC	22,329	22,510	22,254	-1.0	-14.0

## TASI movement during session



## TASI Ratios

P/E* (x)	21.4
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	6,796	-1.2	23.2	18.6
Materials	7,756	-1.2	5.6	15
Capital Goods	7,566	-0.2	0.3	25.3
Commercial Service	3,991	-0.6	-10.2	High
Transportation	5,077	-0.1	-3.0	Neg
Consumer Durables	5,255	0.1	-17.2	Neg
Consumer Services	4,483	-0.1	-3.4	High
Media	27,706	-1.0	19.1	34.6
Retailing	8,252	-0.6	-16.2	29.2
Food & Staples	9,403	0.3	3.1	28.7
Food & Beverages	5,233	-1.4	8.2	High
Healthcare	8,988	-1.2	22.9	44
Pharma & Bio Tech	4,492	-0.3	-13.5	High
Banks	14,312	-1.8	17.1	22.7
Diversified Financial	8,501	-1.6	24.5	9.4
Insurance	5,591	-0.9	-6.7	High
Telecom	7,131	-0.2	-2.0	19.4
Utilities	7,170	-0.8	20.8	14.2
REITs	4,417	-0.3	-4.2	High
Real Estate	3,408	0.7	7.5	High
Software & Services	34,021	1.2	18.7	33.4

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,702	12,715	12,707	6.24

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	17.8	470.3	968.6
Previous week	47.5	1,126.00	1,956.90

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	40.50	-1.2
Al Rajhi	95.10	-1.9
SNB	71.50	-2.1
SABIC	113.60	-1.6
STC	101.60	-0.2



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.5% and 0.3%, respectively. Egypt increased 0.6%, while Bahrain and Kuwait declined 1.2% and 0.7%, respectively. Meanwhile, Qatar and Oman declined 0.1% each.
- US trade deficit narrowed to USD 87.1bn in April (consensus: USD 90.2bn) from USD 107.7bn in March. The trade deficit decreased as value of exports increased by 3.5% to USD 252.6bn, while value of imports reduced 3.4% to USD 339.7bn. (Source: Econoday, RTT News)
- US consumer credit increased by USD 38.0bn in April (consensus: a rise of USD 31.7bn) as compared to USD 47.4bn in March. (Source: Econoday)
- UK PMI composite index stood at 53.1 in May (consensus: 51.8), while services index was at 53.4 (consensus: 51.8). (Source: Econoday)
- Japan's GDP contracted at annualized rate of 0.5% Y/Y in Q1-22 (consensus: a decline of 1.1%). On Q/Q basis, GDP slipped 0.1% (consensus: a decline of 0.3%). (Source: Econoday)
- Oil prices rose 0.9% amid tight supply concerns and prospects of demand growth in China.
- Gold prices increased 0.6%, supported by rising inflation worries coupled with decline in US Treasury yields.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.32	-0.1	0.6	6.9
Euro	1.07	0.1	-0.3	-5.9
Japanese Yen	132.59	0.5	3.0	15.2
Sterling Pound	1.26	0.5	-0.1	-6.9
Chinese Yuan	6.67	0.2	-0.1	5.0
Indian Rupee	77.71	0.1	0.1	4.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.0	-0.1	-0.3
Kuwaiti Dinar	0.31	0.1	0.1	1.3
Omani Rial	0.39	0.0	0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	18.70	0.3	0.6	19.0

## Corporate Calendar

Date	Company	Event
08 <sup>th</sup> Jun	SPIMACO	OGM
08 <sup>th</sup> Jun	ALBAHA	OGM
08 <sup>th</sup> Jun	Petro Rabigh	EGM
08 <sup>th</sup> Jun	NGDC	EGM
08 <sup>th</sup> Jun	Saudi Aramco	Cash Dividend Distribution
09 <sup>th</sup> Jun	Etihad Etisalat	Cash Dividend Distribution

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,373	-0.5	0.8	5.5	11.6
Abu Dhabi (ADX)	9,740	-0.3	-3.1	14.7	21
Kuwait (KSE)	5,956	-0.7	-1.9	1.2	9.4
Qatar (QE)	12,959	-0.1	0.3	11.5	15.4
Oman (MSM)	4,130	-0.1	0.3	0.0	10.7
Bahrain (BSE)	1,879	-1.2	-2.2	4.5	7.3
Egypt (EGX30)	10,048	0.6	-1.0	-15.9	5.4

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,180	0.8	0.6	-8.7	17.9
Nasdaq	12,712	0.9	0.6	-22.1	26.6
S&P 500	4,161	1.0	0.7	-12.7	20.8
FTSE 100	7,599	-0.1	-0.1	2.9	17.4
Germany DAX 30	14,557	-0.7	1.2	-8.4	13.1
France CAC 40	6,500	-0.7	0.5	-9.1	14.7
Japan Nikkei 225	27,944	0.1	2.4	-2.9	20.1
Russia MOEX	2,292	0.4	-2.7	-39.5	3.9
Hong Kong Hang Seng	21,532	-0.6	0.5	-8.0	7.9
South Korea KOSPI	2,626	0.0	-2.2	-11.8	11.3
China Shanghai Composite	3,242	0.2	1.7	-10.9	13.1
Australia ASX 200	7,096	-1.5	-1.6	-4.7	16.5
India Sensex	55,107	-1.0	-0.8	-5.4	22.4
MSCI EM	1,061	-1.0	-1.5	-13.9	11.4
MSCI World	2,805	0.6	0.5	-13.2	18.3

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	119.33	0.8	3.6	55.1
Brent Crude (\$/bbl)	120.57	0.9	-1.8	55.0
Texas crude (\$/bbl)	119.41	0.8	4.1	58.8
Natural Gas (\$/mmbtu)	9.29	-0.3	14.1	163.6
Gold (\$/oz)	1,852.37	0.6	0.8	1.3
Silver (\$/oz)	22.24	0.7	3.2	-4.6
Steel (\$/ton)	1,151.00	-0.3	-3.3	-19.8
Iron Ore (CNY/MT)	977.00	1.3	2.4	42.8
Wheat (\$/bu)	1,071.75	-1.9	-1.4	40.2
Corn (\$/bu)	757.00	2.0	0.5	27.5
Sugar (\$/lb)	18.97	-3.0	-2.2	3.2
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	1.67	0.0	0.1	1.5
Saudi Arabia (SAIBOR)	3.05	0.0	-0.1	2.1
UAE (EIBOR)	1.63	-0.0	-0.0	1.3
Kuwait (KSE)	1.88	0.0	0.0	0.4
Bahrain (BHIBOR)	2.79	0.0	0.1	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.
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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.
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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