



Major Economic News

- Saudi insurance sector's GWP increased 19.0% Y/Y to SAR 15.0bn in Q1-22 from SAR 12.6bn in Q1-21. Out of 27 insurance companies, 19 companies recorded increases in GWPs during Q1-22. (Source: Argaam)
- Saudi Arabia's franchise investments reached SAR 56.0bn, equivalent to 50.0% of Middle East's franchise market. (Source: Argaam)

Major Corporate News

- Alamar Foods issued a prospectus to list 10.6mn shares on Tadawul, which represent 41.7% of its share capital worth SAR 255.0mn. The book building process will run from June 20 to June 27, 2022, while the subscription period for retail investors will begin on July 20 and will run for two days. (Source: Argaam)
- Bupa Arabia for Cooperative Insurance Co's board of directors recommended increasing the company's capital to SAR 1.5bn from SAR 1.2bn, through 25.0% bonus shares issue. Bonus shares will be issued by capitalizing SAR 300.0mn of retained reserves. (Source: Argaam)
- Emaar The Economic City's shareholders approved the 25-year development lease contract with the US-based electric vehicle manufacturer Lucid Group Inc worth SAR 113.5mn for a land plot in King Abdullah Economic City. (Source: Argaam)
- Al-Moammar Information Systems Co. was awarded a disaster recovery site configuration and operation project from Saudi Data and Artificial Intelligence Authority for a total value of SAR 169.3mn. (Source: Argaam)
- Shatirah House Restaurant Co. announced that the number of its branches in Saudi Arabia reached 100. The relevant financial impact is expected to be seen in Q3-22. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 2.2% to 12,322.4. The value traded stood at SAR 7.4bn (up 32.5% over previous day), while the advance-decline ratio stood at 9/200. The parallel market index decreased 2.3% to 21,737.7 points. The value traded stood at SAR 21.1mn (up 13.7% over previous day). Most sectors in the main market ended in the red. Telecom (up 4.2%) was the only gainer; Capital Goods and Software & Services (down 4.8% and 4.3%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
STC	107.00	6.6
ALSAGR INSURANCE	12.40	2.0
ALRAJHI TAKAFUL	90.00	1.8
SALAMA	15.70	1.3
ATAA	57.90	1.2

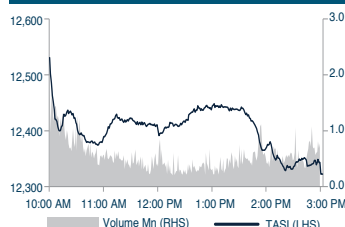
Top Losers

Company	Price	Change%
SIECO	81.20	-10.0
ARAB SEA	148.60	-9.9
ALUJAIN	63.00	-8.7
SAIC	39.95	-8.0
AMANA INSURANCE	17.02	-7.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,322	12,531	12,322	-2.2	9.2
NomuC	21,738	22,250	21,707	-2.3	-16.3

TASI movement during session



TASI Ratios

P/E* (x)	21
Price-to-Book (x)	2.5
Dividend Yield (%)	2.2
Return on Equity (%)	24.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,592	-3.0	19.5	18
Materials	7,446	-3.2	1.4	14.4
Capital Goods	6,953	-4.8	-7.8	23.5
Commercial Service	3,833	-3.3	-13.7	High
Transportation	4,846	-3.4	-7.4	Neg
Consumer Durables	4,933	-4.2	-22.3	Neg
Consumer Services	4,365	-2.5	-5.9	High
Media	26,921	-3.2	15.8	33.4
Retailing	7,894	-2.8	-19.8	28
Food & Staples	9,202	-2.0	0.9	28.3
Food & Beverages	5,104	-3.0	5.5	High
Healthcare	8,785	-2.0	20.1	43.3
Pharma & Bio Tech	4,228	-2.9	-18.6	High
Banks	13,967	-1.9	14.3	22.2
Diversified Financial	8,058	-3.5	18.0	9
Insurance	5,574	-1.7	-6.9	High
Telecom	7,364	4.2	1.2	20.2
Utilities	7,007	-2.9	18.1	13.8
REITs	4,287	-1.5	-7.0	High
Real Estate	3,244	-3.6	2.3	High
Software & Services	32,473	-4.3	13.3	32

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,601	12,686	12,614	6.23

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	7.4	173.6	381.3
Previous week	29	770.1	1,613.00

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	39.20	-3.0
Al Rajhi	93.10	-1.2
SNB	70.00	-2.0
SABIC	110.60	-2.1
STC	107.00	6.6



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Qatar, Egypt, Kuwait, Bahrain and Oman declined 1.4%, 1.3%, 1.1%, 0.7% and 0.2%, respectively.
- US consumer sentiment index dropped to a record low of 50.2 in June (consensus: 58.0) from 58.4 in May. Consumer expectations fell to 46.8 in June from 55.2 in May, while economic conditions index slumped to 55.4 from 63.3. (Source: RTT news)
- US Federal Reserve is expected to raise rate by half percentage points, on Wednesday and next month. However, following May's high inflation data, investors expect acceleration in pace of rate hike or aggressive rate hikes. (Source: CNBC)
- China's CPI rose steadily by 2.1% Y/Y in May (consensus: a rise of 2.2% Y/Y). Food prices increased 2.1% Y/Y in May, while non-food prices were up by 2.3% Y/Y. Core inflation that excludes food and energy remained unchanged in May at 0.9% Y/Y. (Source: RTT news)
- China's banks extended credit of CNY 1.9tn in May from CNY 645.4bn in April. Lending was estimated to increase to CNY 1.3tn. Aggregate financing increased to CNY 2.8tn in May from CNY 910.2bn in April, while outstanding total social financing rose to 10.5% in May from 10.2% in April. (Source: RTT news)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.15	0.0	2.4	8.9
Euro	1.05	0.0	-2.0	-7.5
Japanese Yen	134.41	0.0	4.5	16.8
Sterling Pound	1.23	0.0	-2.3	-9.0
Chinese Yuan	6.73	0.0	0.8	5.9
Indian Rupee	77.84	0.0	0.3	4.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.0	-0.1	-0.3
Kuwaiti Dinar	0.31	0.0	0.2	1.4
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	18.71	0.0	0.7	19.0

Corporate Calendar

Date	Company	Event
13 th Jun	Nama Chemicals	OGM
13 th Jun	BATIC	OGM
13 th Jun	ALABDULLATIF	EGM
13 th Jun	SABB Takaful	OGM
13 th Jun	AXA COOPERATIVE	EGM
13 th Jun	MEPCO	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,377	0.0	0.9	5.7	11.5
Abu Dhabi (ADX)	9,628	0.0	-4.2	13.4	20.7
Kuwait (KSE)	5,846	-1.1	-3.7	-0.7	9.3
Qatar (QE)	12,918	-1.4	0.0	11.1	15.6
Oman (MSM)	4,126	-0.2	0.2	-0.1	10.8
Bahrain (BSE)	1,870	-0.7	-2.6	4.1	7.3
Egypt (EGX30)	10,098	-1.3	-0.5	-15.5	5.5

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,393	0.0	-4.8	-13.6	16.9
Nasdaq	11,833	0.0	-6.4	-27.5	24.8
S&P 500	3,901	0.0	-5.6	-18.2	19.5
FTSE 100	7,318	0.0	-3.8	-0.9	16.8
Germany DAX 30	13,762	0.0	-4.4	-13.4	12.4
France CAC 40	6,187	0.0	-4.4	-13.5	14.0
Japan Nikkei 225	27,824	0.0	2.0	-3.4	19.2
Russia MOEX	2,286	0.0	-3.0	-39.7	3.8
Hong Kong Hang Seng	21,806	0.0	1.8	-6.8	7.6
South Korea KOSPI	2,596	0.0	-3.4	-12.8	10.8
China Shanghai Composite	3,285	0.0	3.1	-9.8	13.2
Australia ASX 200	6,932	0.0	-3.9	-6.9	16.1
India Sensex	54,303	0.0	-2.3	-6.8	21.4
MSCI EM	1,055	0.0	-2.1	-14.4	11.3
MSCI World	2,642	0.0	-5.4	-18.3	17.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	119.52	0.0	3.8	55.3
Brent Crude (\$/bbl)	122.01	0.0	-0.7	56.9
Texas crude (\$/bbl)	120.67	0.0	5.2	60.4
Natural Gas (\$/mmbtu)	8.85	0.0	8.7	151.1
Gold (\$/oz)	1,871.60	0.0	1.9	2.3
Silver (\$/oz)	21.89	0.0	1.6	-6.1
Steel (\$/ton)	1,160.00	0.0	-2.5	-19.2
Iron Ore (CNY/MT)	992.00	0.0	3.9	45.0
Wheat (\$/bu)	1,084.75	0.0	-0.3	41.9
Corn (\$/bu)	720.50	0.0	-4.4	21.4
Sugar (\$/lb)	19.07	0.0	-1.7	3.7
SMP* (EUR/MT)	4,128.00	0.0	1.9	22.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.74	0.0	0.1	1.5
Saudi Arabia (SAIBOR)	3.08	-0.1	-0.0	2.2
UAE (EIBOR)	1.37	0.0	-0.3	1.0
Kuwait (KSE)	2.00	0.1	0.1	0.5
Bahrain (BHIBOR)	2.81	0.0	0.1	1.3

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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