



Major Economic News

- Saudi Arabia posted a trade surplus of SAR 81.8bn in April. Total exports soared 98.0% Y/Y to SAR 137.1bn, while imports surged 11.0% Y/Y to SAR 55.3bn. (Source: Argaam)
- Saudi Arabia's merchandise imports increased by 12.0% Y/Y in Q1-22 to SAR 156.8bn. On Q/Q basis, imports rose by 5.0% or 8.2bn. (Source: Argaam)
- Tadawul will launch single stock futures (SSFs) contracts on July 4, which will be cleared by Securities Clearing Center Co. (Muqassa). (Source: Argaam)
- Tadawul announced that 10 new listings are approved. New listings are expected to reach 36 by end of Q3-22. (Source: Argaam)

Major Corporate News

- Middle East Healthcare Co. announced completion of construction and installation of medical equipment in Saudi German Hospital in Makkah. The date of start of operations and financial impact will be announced after the final approval from MoH. (Source: Argaam)
- Alessa Industries Co. which is 38.0% owned by Sinad Holding plans to offer 30.0% of its capital to list on Tadawul. The company plans to establish its first plant in Egypt in FY23, with investments of ~USD 10.0mn. (Source: Argaam)
- Saudi Export-Import Bank disbursed credit facilities close to SAR 1.7bn in FY21. The bank directed 51.0% of total funding to small and medium enterprises. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 1.8% to 11,513.0. The value traded stood at SAR 5.2bn (down 2.4% over previous day), while the advance-decline ratio stood at 196/12. The parallel market index decreased 0.2% to 20,681.4 points. The value traded stood at SAR 31.2mn (down 9.9% over previous day). Most sectors in the main market ended in the green. Consumer Durables and Pharma & Bio Tech (up 4.8% and 3.7%, respectively) advanced the most; Real Estate (down 0.8%) led the laggards.

Top Gainers

Company	Price	Change%
SARCO	89.10	10.0
NGC	24.20	10.0
SAIC	33.05	10.0
SFICO	34.45	9.9
ALALAMIYA	18.32	9.2

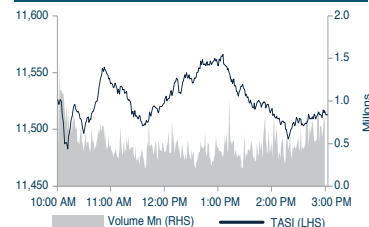
Top Losers

Company	Price	Change%
DAR ALARKAN	12.40	-6.2
TALEEM REIT	12.64	-1.9
MOUWASAT	216.60	-1.6
ALAKARIA	14.54	-1.1
BUDGET SAUDI	45.75	-1.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,513	11,567	11,480	1.8	2.1
NomuC	20,681	20,752	20,401	-0.2	-20.4

TASI movement during session



TASI Ratios

P/E* (x)	19.6
Price-to-Book (x)	2.3
Dividend Yield (%)	2.3
Return on Equity (%)	24.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,305	1.3	14.3	17.3
Materials	6,869	2.6	-6.5	13.2
Capital Goods	6,103	2.7	-19.1	21
Commercial Service	3,565	1.9	-19.8	High
Transportation	4,604	1.9	-12.0	Neg
Consumer Durables	4,358	4.8	-31.4	Neg
Consumer Services	4,051	2.2	-12.7	High
Media	23,456	0.5	0.9	29.7
Retailing	8,064	1.7	-18.1	28.4
Food & Staples	8,490	1.7	-6.9	26.7
Food & Beverages	5,018	1.6	3.8	High
Healthcare	8,637	0.6	18.1	42.7
Pharma & Bio Tech	3,549	3.7	-31.6	High
Banks	12,881	1.9	5.4	20.5
Diversified Financial	6,868	2.4	0.6	8.1
Insurance	5,197	2.0	-13.2	High
Telecom	6,858	2.2	-5.8	18.7
Utilities	6,929	2.3	16.8	13.8
REITs	4,198	1.8	-9.0	High
Real Estate	3,041	-0.8	-4.1	High
Software & Services	29,407	0.0	2.6	29.6

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,433	11,634	12,160	6.65

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.2	155.3	319.5
Previous week	31.6	871.7	1,808.80

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	37.65	1.2
Al Rajhi	84.60	1.9
SNB	63.90	0.8
SABIC	101.60	1.2
STC	99.00	2.1



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Qatar, Kuwait, and Oman increased 3.2%, 0.8% and 0.1%, respectively. Bahrain declined 0.4%, while Egypt closed flat.
- US consumer sentiment index fell to 50.0 in June from 58.4 in May. The current economic conditions index plunged to 53.8 in June from 53.3 in May, while consumer expectations index fell to 47.5 in June from 55.2 in May. One year inflation expectations were unchanged at 5.3%, while five-year inflation expectation edged up to 3.1% in June from 3.0% in May. (Source: RTT news)
- UK retail sales plunged 0.5% M/M in May (consensus: a drop of 0.7%) from 0.4% increase in April. Food sales declined 1.6% M/M, while non-food store sales remained unchanged in May. On Y/Y basis, retail sales volume decreased by 4.7% Y/Y in May (consensus: drop by 4.5%) from 5.7% Y/Y drop in April. (Source: RTT news)
- UK manufacturing PMI fell to 53.4 in June (consensus: 53.7) from 54.6 in May. Meanwhile, services PMI index remained stable at 53.4 in June. (Source: Investing.com).

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.19	0.0	2.4	8.9
Euro	1.06	0.0	-1.7	-7.2
Japanese Yen	135.23	0.0	5.1	17.5
Sterling Pound	1.23	0.0	-2.7	-9.3
Chinese Yuan	6.68	0.0	0.0	5.1
Indian Rupee	78.34	0.0	0.9	5.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.0	0.2	-0.1
Kuwaiti Dinar	0.31	0.0	0.2	1.3
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	18.77	0.0	1.0	19.5

Corporate Calendar

Date	Company	Event
27 th Jun	SHARQIYAH DEV	OGM
27 th Jun	GASCO	OGM
27 th Jun	SPIMACO	Cash Dividend Distribution
27 th Jun	TECO	OGM
27 th Jun	AICC	OGM
27 th Jun	Gulf General	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,202	0.0	-4.3	0.2	10.9
Abu Dhabi (ADX)	9,238	0.0	-8.1	8.8	20.4
Kuwait (KSE)	5,694	0.8	-6.2	-3.3	8.9
Qatar (QE)	12,130	3.2	-6.1	4.3	14
Oman (MSM)	4,119	0.1	0.1	-0.3	10.7
Bahrain (BSE)	1,810	-0.4	-5.8	0.7	7
Egypt (EGX30)	9,444	0.0	-7.0	-21.0	5.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,501	0.0	-4.5	-13.3	17.0
Nasdaq	12,106	0.0	-4.2	-25.8	25.4
S&P 500	3,912	0.0	-5.3	-17.9	19.6
FTSE 100	7,209	0.0	-5.2	-2.4	16.6
Germany DAX 30	13,118	0.0	-8.8	-17.4	11.7
France CAC 40	6,073	0.0	-6.1	-15.1	13.7
Japan Nikkei 225	26,492	0.0	-2.9	-8.0	19.2
Russia MOEX	2,392	0.0	1.5	-36.9	4.0
Hong Kong Hang Seng	21,719	0.0	1.4	-7.2	8.2
South Korea KOSPI	2,367	0.0	-11.9	-20.5	10.3
China Shanghai Composite	3,350	0.0	5.1	-8.0	13.8
Australia ASX 200	6,579	0.0	-8.8	-11.6	15.4
India Sensex	52,728	0.0	-5.1	-9.5	21.6
MSCI EM	1,011	0.0	-6.2	-17.9	11.0
MSCI World	2,619	0.0	-6.1	-18.9	17.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	111.40	0.0	-10.6	40.7
Brent Crude (\$/bbl)	113.12	0.0	-7.9	45.4
Texas crude (\$/bbl)	107.62	0.0	-6.1	43.1
Natural Gas (\$/mmbtu)	6.22	0.0	-23.6	76.5
Gold (\$/oz)	1,826.88	0.0	-0.6	-0.1
Silver (\$/oz)	21.16	0.0	-1.8	-9.2
Steel (\$/ton)	1,127.00	0.0	-5.3	-21.5
Iron Ore (CNY/MT)	842.50	0.0	-11.7	23.2
Wheat (\$/bu)	936.50	0.0	-13.9	22.5
Corn (\$/bu)	674.00	0.0	-10.6	13.6
Sugar (\$/lb)	18.31	0.0	-5.6	-0.4
SMP* (EUR/MT)	4,095.00	0.0	1.1	21.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.23	0.0	0.6	2.0
Saudi Arabia (SAIBOR)	3.13	-0.2	0.0	2.2
UAE (EIBOR)	1.88	0.0	0.2	1.5
Kuwait (KSE)	2.13	0.0	0.3	0.6
Bahrain (BHIBOR)	3.50	0.0	0.8	2.0

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of June 26 2022



RESEARCH DIVISION

Head of Sell-Side Research
Jassim Al-Jubran
+966 11 2256248
j.aljabran@aljaziracapital.com.sa

RESEARCH
DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

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.

Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Investment Banking | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068