



Major Economic News

- Saudi banks' loans to public and private sector grew 14.0% Y/Y in May to SAR 2.3tn compared to SAR 2.0tn same period last year. Private sector lending increased to 14.0% Y/Y to SAR 2.2tn. (Source: Argaam)

Major Corporate News

- Abdullah Al Othaim Markets Co. received a letter from Abdullah Al-Othaim Investment Co. stating the cancellation of IPO of 30.0% of its capital. (Source: Argaam)
- Al-Etihad Cooperative Insurance Co.'s shareholders approved increasing the company's capital by 12.5% to SAR 450.0mn from SAR 400.0mn through a one for eight bonus issue. (Source: Argaam)
- Shatirah House Restaurant Co.'s shareholders approved the board's recommendation to increase capital by 40.0% through bonus issue. (Source: Argaam)
- Alkhaleej Training and Education Co. signed an MoU with the owners of Al Minhaj Private Schools in Riyadh for potential acquisition of a 51.0% stake in latter. (Source: Argaam)
- Bupa Arabia for Cooperative Insurance Co.'s shareholders approved the buyback of 175,000 shares maximum worth SAR 17.6mn as part of long-term incentive plan. The buyback will be funded through company's cash. (Source: Argaam)
- Saudi Real Estate Co. announced its wholly owned subsidiary, Saudi Real Estate Construction Co. approved reducing capital from SAR 100.0mn to SAR 34.0mn, divided into 3.4mn nominal shares at SAR 10 each. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.5% to 11,465.0. The value traded stood at SAR 3.9bn (down 40.3% over previous day), while the advance-decline ratio stood at 70/134. The parallel market index decreased 2.3% to 21,082.3 points. The value traded stood at SAR 27.3mn (down 54.4% over previous day). Most sectors in the main market ended in the red. Materials and Diversified Financials (up 0.5% and 0.4%, respectively) advanced the most; Consumer Durables and Media (down 2.5% and 2.3%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ENAYA	19.30	9.9
ALALAMIYA	18.70	5.1
ALMRAKEZ	20.34	5.0
ACC	35.00	3.9
NCLE	62.00	3.9

Top Losers

Company	Price	Change%
WAFRAH	35.50	-6.8
ALBAHA	14.94	-6.0
ARAB SEA	61.30	-6.0
SADR	38.50	-4.9
SIECO	33.05	-4.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,465	11,610	11,452	-0.5	1.6
NomuC	21,082	21,654	21,048	-2.3	-18.8

TASI movement during session



TASI Ratios

P/E* (x)	19.4
Price-to-Book (x)	2.3
Dividend Yield (%)	2.4
Return on Equity (%)	24.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,462	-0.4	17.2	17.8
Materials	6,931	0.5	-5.6	13.2
Capital Goods	5,936	-0.9	-21.3	20.5
Commercial Service	3,479	-1.0	-21.7	High
Transportation	4,538	-1.1	-13.3	Neg
Consumer Durables	4,244	-2.5	-33.2	Neg
Consumer Services	3,886	-0.9	-16.3	High
Media	21,619	-2.3	-7.0	27.8
Retailing	8,022	-0.2	-18.5	28.3
Food & Staples	8,821	0.3	-3.3	27.5
Food & Beverages	4,905	0.2	1.4	49.3
Healthcare	8,437	-0.8	15.3	41.4
Pharma & Bio Tech	3,437	0.2	-33.8	High
Banks	12,701	-1.1	3.9	20.3
Diversified Financial	7,320	0.4	7.2	8.3
Insurance	5,060	-1.5	-15.5	High
Telecom	6,720	0.2	-7.7	18.4
Utilities	7,139	0.4	20.3	14.2
REITs	4,045	-0.7	-12.3	High
Real Estate	2,892	-1.0	-8.8	High
Software & Services	28,653	-0.3	0.0	29.2

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,563	11,498	11,858	3.9

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	3.9	124.2	290.3
Previous week	29.3	839.5	1,833.10

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	38.65	-0.4
Al Rajhi	80.40	-2.5
SNB	66.50	0.9
SABIC	101.80	0.2
STC	97.60	0.5



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Bahrain and Qatar rose 1.4% and 0.7%, respectively. Meanwhile, Egypt, Oman and Kuwait declined 2.3%, 0.3% and 0.1%, respectively.
- US manufacturing PMI dropped to 53.0 in June (consensus: 54.9) from 56.1 in May. The higher-than-expected decrease was due to new orders index dropping to 49.2 in June from 55.1 in May. The employment index fell to 47.3 in June from 49.6 in May. (Source: RTT news)
- US construction spending inched lower by 0.1% Y/Y in May (consensus: rise by 0.4% Y/Y) to annual rate of USD 1.9tn after increasing 0.8% Y/Y in April. Spending on public construction slid by 0.8% to an annual rate of USD 343.8bn. Spending on educational construction slid by 0.4% to an annual rate of USD 78.4bn, while spending on highway construction dropped by 2.3% to an annual rate of USD 98.1bn. (Source: RTT news)
- Eurozone inflation advanced 8.6% Y/Y in June (consensus: 8.4% Y/Y) from 8.1% Y/Y in May. Core inflation that excludes energy, food, alcohol, and tobacco, edged lower to 3.7% Y/Y in June (consensus: rise to 3.9% Y/Y) from 3.8% Y/Y. However, inflation advanced as energy prices increased 41.9%. (Source: RTT news)
- UK PMI fell to 52.8 in June from 54.6 in May. New work intake declined for first time since January 2021, due to weaker economic outlook, Ukraine crisis, shortages of raw material and slowdown

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.1	0.0	0.4	9.9
Euro	1.0	0.0	-0.7	-8.4
Japanese Yen	135.2	0.0	-0.4	17.5
Sterling Pound	1.2	0.0	-0.7	-10.6
Chinese Yuan	6.7	0.0	0.0	5.4
Indian Rupee	79.0	0.0	0.1	6.3
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.0	-0.0	-0.1
Kuwaiti Dinar	0.3	0.0	-0.0	1.4
Omani Rial	0.4	0.0	-0.0	-0.0
Bahraini Dinar	0.4	0.0	0.0	-0.0
Egyptian Pound	18.8	0.0	0.0	19.6

Corporate Calendar

Date	Company	Event
6 th Jul	Theeb	Cash Dividend Distribution
6 th Jul	LAZURDE	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,202	0.0	-0.7	0.2	10.9
Abu Dhabi (ADX)	9,345	0.0	-0.3	10.1	20.3
Kuwait (KSE)	5,678	-0.1	-0.1	-3.5	8.9
Qatar (QE)	12,272	0.7	0.7	5.6	14.6
Oman (MSM)	4,109	-0.3	-0.3	-0.5	10.7
Bahrain (BSE)	1,866	1.4	1.4	3.8	7.2
Egypt (EGX30)	9,009	-2.3	-2.3	-24.6	5.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,097	0.0	1.0	-14.4	16.8
Nasdaq	11,586	0.0	0.7	-29.0	24.3
S&P 500	3,825	0.0	1.1	-19.7	19.2
FTSE 100	7,169	0.0	-0.0	-2.9	16.5
Germany DAX 30	12,813	0.0	0.2	-19.3	11.4
France CAC 40	5,931	0.0	0.1	-17.1	13.4
Japan Nikkei 225	25,936	0.0	-1.7	-9.9	18.6
Russia MOEX	2,207	0.0	0.1	-41.7	3.7
Hong Kong Hang Seng	21,860	0.0	0.0	-6.6	8.0
South Korea KOSPI	2,305	0.0	-1.2	-22.6	9.8
China Shanghai Composite	3,388	0.0	-0.3	-6.9	13.8
Australia ASX 200	6,540	0.0	-0.4	-12.2	15.2
India Sensex	52,908	0.0	-0.2	-9.2	21.4
MSCI EM	993	0.0	-0.8	-19.4	10.8
MSCI World	2,560	0.0	0.5	-20.8	16.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	117.3	0.0	0.8	48.1
Brent Crude (\$/bbl)	111.6	0.0	-2.8	40.7
Texas crude (\$/bbl)	108.4	0.0	2.5	40.8
Natural Gas (\$/mmbtu)	5.7	0.0	5.6	60.8
Gold (\$/oz)	1,811.4	0.0	0.2	-0.2
Silver (\$/oz)	19.9	0.0	-2.0	-13.7
Steel (\$/ton)	930.0	0.0	0.0	-34.8
Iron Ore (CNY/MT)	852.5	0.0	-2.8	24.3
Wheat (\$/bu)	846.0	0.0	-4.3	9.1
Corn (\$/bu)	607.5	0.0	-2.0	11.3
Sugar (\$/lb)	18.1	0.0	-2.3	-0.8
SMP* (EUR/MT)	3,975.0	0.0	0.5	18.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.293	0.01	0.0	2.1
Saudi Arabia (SAIBOR)	2.945	0.01	0.0	2.0
UAE (EIBOR)	1.789	0.00	-0.1	1.4
Kuwait (KSE)	2.188	0.00	0.0	0.7
Bahrain (BHIBOR)	3.560	-0.01	-0.0	2.0

Data Sources: Tadawul, Bloomberg, Reuters

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

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RESEARCH
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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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