



## Major Economic News

- Saudi Arabia's Industrial Production Index rose 24.0% Y/Y in May. The manufacturing sector rose by 28.8%, while mining and quarrying (+23.3%) and electricity supply (+3.0%) also recorded growth. (Source: Argaam)
- The total number of Hajj pilgrims reached 899,300, including 779,919 pilgrims from outside the Kingdom through various ports. The number of pilgrims from inside reached 119,434 pilgrims, both citizens and residents. (Source: Argaam)
- The Saudi ports reported a 5.5% rise in the number of TEUs to 642,300 in June, compared to 608,800 TEUs in June 2021. Saudi Ports Authority said that transshipment containers increased by 4.2% to 244,600 in June from 234,700 a year earlier. A total of 990,000 heads of livestock were imported, a surge of 265% Y/Y to meet the needs of Hajj season 2022. (Source: Argaam)

## Major Corporate News

- Abdullah Al Othaim Markets Co.'s board of directors approved the offer submitted by Al Othaim Holding Co. to acquire the former's entire stake in Al Othaim Investment Co. for SAR 62 per share, totaling SAR 846.5mn. Al Othaim Holding bid for acquiring the company's 13.7mn shares or 13.7% of Al Othaim Investment. (Source: Argaam)
- Leejam Sports Co. opened a new Ladies fitness center in Al-Dawadmi. The 1,533 sq. m. center will operate under the brand "Fitness Time – Ladies". The financial impact will reflect in Q3-22. The total number of Fitness Time centers, operating inside and outside Saudi Arabia, now stands at 152. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.6% to 11,416.5 on July 06. The value traded stood at SAR 4.9bn (up 14.8% over previous day), while the advance-decline ratio stood at 103/96. The parallel market index increased 0.5% to 21,238.3 points. The value traded stood at SAR 16.3mn (down 10.9% over previous day). Most sectors in the main market ended in the green. Media and Pharma & Bio Tech (up 3.0% and 2.5%, respectively) advanced the most; Retailing and Energy (down 1.3% and 0.8%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
TANMIAH	73.30	6.9
SGS	27.20	5.4
SHAKER	17.02	5.3
SAIB	19.52	4.8
BJAZ	21.82	4.7

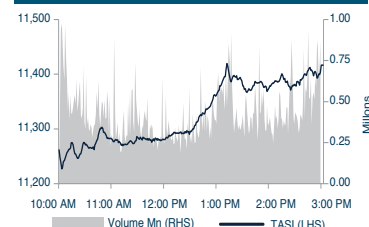
## Top Losers

Company	Price	Change%
SAUDI CERAMICS	38.95	-4.4
ALMRAKEZ	19.56	-3.9
EPCCO	43.50	-3.8
ADVANCED	47.60	-3.6
RED SEA	13.36	-3.2

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,417	11,420	11,224	0.6	1.2
NomuC	21,238	21,251	20,912	0.5	-18.2

## 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	6,356	-0.8	15.2	17.4
Materials	6,619	-0.8	-9.9	12.7
Capital Goods	5,742	-0.8	-23.9	19.9
Commercial Service	3,470	0.3	-21.9	High
Transportation	4,584	1.8	-12.4	Neg
Consumer Durables	4,182	-0.8	-34.1	Neg
Consumer Services	3,838	-0.4	-17.3	High
Media	21,299	3.0	-8.4	27.3
Retailing	7,748	-1.3	-21.3	27.2
Food & Staples	8,861	1.4	-2.9	27.6
Food & Beverages	4,866	0.8	0.6	48.9
Healthcare	8,639	1.7	18.1	42.1
Pharma & Bio Tech	3,496	2.5	-32.7	High
Banks	12,889	1.9	5.5	20.6
Diversified Financial	7,295	0.0	6.8	8.3
Insurance	5,105	1.3	-14.8	High
Telecom	6,741	-0.3	-7.4	18.5
Utilities	7,029	0.2	18.5	14.0
REITs	4,108	0.4	-10.9	High
Real Estate	2,934	0.8	-7.5	High
Software & Services	29,450	0.5	2.8	30.1

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,422	11,476	11,660	4.37

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	17.5	548.1	1,165.50
Previous week	29.3	839.5	1,833.10

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	37.95	-0.9
Al Rajhi	81.60	2.0
SNB	67.40	1.7
SABIC	97.60	-1.2
STC	98.00	0.3



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.6% and 0.1%, respectively. Egypt and Kuwait rose 1.1% and 0.6%, respectively; while Qatar and Bahrain gained 0.2% each. Meanwhile, Oman declined 0.1%.
- The International Monetary Fund (IMF) cut its FY22 GDP growth forecast for the US to 2.3% from 2.9% earlier, due to weaker consumer spending. IMF also decreased its FY23 GDP growth forecast to 1.0% from 1.7%. (Source: Reuters)
- UK retail sales decreased 1.0% Y/Y in June, recording a third consecutive decline, as households reduced their spending amid rising costs. Like-for-like sales were down 1.3% Y/Y in June. (Source: RTT News)
- Japan's producer prices increased 0.7% M/M in June (consensus: an increase of 0.5%) following the upwardly revised 0.1% increase in May. On Y/Y basis, producer prices jumped 9.2% (consensus: an increase of 8.8%), down from the upwardly revised 9.3% rise in the previous month. (Source: RTT News)
- Oil prices plunged 7.5% due to fresh COVID-19 curbs in China, stronger US dollar and concerns of global economic slowdown.
- Gold prices fell 0.5%, as stronger US dollar weighed on demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	108.07	0.0	3.2	13.0
Euro	1.00	-0.0	-4.3	-11.7
Japanese Yen	136.87	-0.4	0.8	18.9
Sterling Pound	1.19	-0.0	-2.4	-12.1
Chinese Yuan	6.74	0.1	0.6	5.9
Indian Rupee	79.60	0.2	0.8	7.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	-0.1	-0.0	-0.1
Kuwaiti Dinar	0.31	0.1	0.4	1.8
Omani Rial	0.39	0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	18.88	0.1	0.4	20.1

## Corporate Calendar

Date	Company	Event
14 <sup>th</sup> Jul	SARCO	Cash Dividend Distribution
17 <sup>th</sup> Jul	SIDC	OGM
17 <sup>th</sup> Jul	Najran Cement	OGM
17 <sup>th</sup> Jul	Jazira Takaful	OGM
18 <sup>th</sup> Jul	ANB	Cash Dividend Distribution
18 <sup>th</sup> Jul	TIBBIYAH	Cash Dividend Distribution

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,129	0.6	-2.9	-2.1	10.6
Abu Dhabi (ADX)	9,232	0.1	-1.5	8.8	20
Kuwait (KSE)	5,677	0.6	-0.1	-3.6	8.9
Qatar (QE)	12,085	0.2	-0.9	3.9	14.6
Oman (MSM)	4,119	-0.1	-0.1	-0.3	11.1
Bahrain (BSE)	1,872	0.2	1.8	4.2	7.2
Egypt (EGX30)	8,764	1.1	-5.0	-26.7	4.8

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	30,981	-0.6	0.7	-14.7	16.8
Nasdaq	11,745	-1.0	2.1	-28.0	24.7
S&P 500	3,819	-0.9	0.9	-19.9	19.1
FTSE 100	7,210	0.2	0.6	-2.4	16.6
Germany DAX 30	12,905	0.6	1.0	-18.8	11.5
France CAC 40	6,044	0.8	2.0	-15.5	13.6
Japan Nikkei 225	26,337	-1.8	-0.2	-8.5	18.8
Russia MOEX	2,134	-1.3	-3.2	-43.7	3.6
Hong Kong Hang Seng	20,845	-1.3	-4.6	-10.9	7.7
South Korea KOSPI	2,318	-1.0	-0.6	-22.2	10.0
China Shanghai Composite	3,281	-1.0	-3.4	-9.8	13.4
Australia ASX 200	6,606	0.1	0.6	-11.3	15.2
India Sensex	53,887	-0.9	1.6	-7.5	21.8
MSCI EM	967	-1.4	-3.3	-21.5	10.5
MSCI World	2,554	-0.7	0.3	-21.0	16.5

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	110.94	-0.5	-4.6	40.1
Brent Crude (\$/bbl)	99.49	-7.1	-13.3	25.4
Texas crude (\$/bbl)	95.84	-7.9	-9.4	24.5
Natural Gas (\$/mmbtu)	6.16	-4.1	13.6	72.9
Gold (\$/oz)	1,726.00	-0.5	-4.5	-4.9
Silver (\$/oz)	18.94	-1.0	-6.6	-17.8
Steel (\$/ton)	910.00	-0.5	-2.2	-36.2
Iron Ore (CNY/MT)	852.50	0.0	-2.8	24.3
Wheat (\$/bu)	814.25	-4.9	-7.9	5.0
Corn (\$/bu)	586.50	-6.8	-5.4	7.5
Sugar (\$/lb)	18.69	-0.9	1.0	2.6
SMP* (EUR/MT)	3,902.00	-0.5	-1.3	16.0

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.46	0.0	0.2	2.2
Saudi Arabia (SAIBOR)	2.75	-0.0	-0.2	1.8
UAE (EIBOR)	2.11	0.1	0.2	1.7
Kuwait (KSE)	2.19	0.1	0.0	0.7
Bahrain (BHIBOR)	3.61	0.0	0.0	2.1

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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