



Major Economic News

- Saudi Arabia's Ministry of Energy, Investment, Communications and Health signed 18 agreements and MoCs with US counterparts. The move comes as an effect of US President Joe Biden's visit to the Kingdom. (Source: Argaam)
- Saudi Arabia's inflation rose 2.3% Y/Y in June. The increase in CPI was driven rise in food and beverage and transport prices at 4.4% Y/Y and 2.5% Y/Y, respectively. (Source: Argaam)

Major Corporate News

- Naqi Water Company's IPO price range has been set between SAR 65 per share to SAR 69 per share as per AlJazira Capital, the financial advisor, bookrunner, lead manager and underwriter on the potential IPO. Participating entities' subscription period will be launched on July 17 and will continue for four days until July 21. The offering consists of 6.0mn shares which represent 30.0% of company's issued capital. Retail investor's subscription will begin on July 27 and continue for two days till July 28. (Source: Argaam)
- National Company for Learning & Education signed a share purchase agreement with Al Salam Education and Training Co to buy entire stake in Al Salam Private Schools for SAR 72.0mn. (Source: Argaam)
- Al Alamiya for Cooperative Insurance Co. announced that Royal & Sun Alliance Group completed 50.0% stake sale in Royal & Sun Alliance Insurance Middle East to National Life & General Insurance Co. SAOG. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 1.1% to 11,163.0 on Thursday. The value traded stood at SAR 4.3bn (down 15.1% over previous day), while the advance-decline ratio stood at 28/178. The parallel market index decreased 2.0% to 20,563.2 points. The value traded stood at SAR 20.1mn (up 36.4% over previous day). Most sectors in the main market ended in the red. Telecom and Healthcare (up 1.5% and 0.9%, respectively) advanced the most; Capital Goods and Materials (down 3.8% and 2.6%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q2-22	Q2-21	Y/Y %	Q1-22	Q/Q %
Almarai Company	520.4	482.0	8.0	420.5	23.8
Zain KSA	134.0	42.0	219.0	81.0	65.4

Top Gainers

Company	Price	Change%
FITAIHI GROUP	34.70	10.0
ALHAMMADI	42.00	6.7
ALMARAI	51.90	3.4
DAR ALARKAN	11.04	2.8
BAWAN	32.00	2.6

Top Losers

Company	Price	Change%
SAICO	20.00	-8.5
ASTRA INDUSTRIAL	45.00	-8.2
AICC	19.36	-8.2
SIPCHEM	39.30	-8.0
MESC	12.12	-6.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,163	11,317	11,097	-1.1	-1.1
NomuC	20,563	21,079	20,563	-2.0	-20.8

TASI movement during session



TASI Ratios

P/E* (x)	19
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	6,079	-1.1	10.2	16.7
Materials	6,242	-2.6	-15	12.1
Capital Goods	5,553	-3.8	-26.4	19.2
Commercial Service	3,381	-1.4	-23.9	High
Transportation	4,538	-0.2	-13.3	Neg
Consumer Durables	4,211	-1.5	-33.7	Neg
Consumer Services	3,749	-1.9	-19.2	High
Media	19,583	-2.1	-15.8	25.4
Retailing	7,479	-2.2	-24	26.2
Food & Staples	8,885	0.1	-2.6	27.4
Food & Beverages	4,772	0.9	-1.3	48.2
Healthcare	8,746	0.9	19.6	42.7
Pharma & Bio Tech	3,430	-0.4	-33.9	High
Banks	12,755	-1.2	4.4	20.4
Diversified Financial	7,186	-2.2	5.2	8.1
Insurance	5,022	-1.8	-16.2	High
Telecom	6,904	1.5	-5.1	18.9
Utilities	7,010	0.8	18.2	13.9
REITs	4,077	-0.8	-11.6	High
Real Estate	2,863	-1.5	-9.7	High
Software & Services	29,826	-1.9	4.1	30.5

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,314	11,439	11,536	4.46

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	9.3	256.6	590.7

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	36.25	-1.1
Al Rajhi	80.30	-1.0
SNB	65.70	-2.5
SABIC	94.60	-1.5
STC	100.80	1.7



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.2% and 0.1%, respectively. Oman increased 0.6%, while Bahrain, Kuwait and Qatar declined 1.2%, 0.4% and 0.1%, respectively. Meanwhile, Egypt remained closed.
- According to Baker Hughes, North America's rig count increased to 947 in the week ended July 15, from 927 in week earlier. The rig count increased to 756 in the US from 752 earlier but fell to 13 from 16 in the Gulf of Mexico. The rig count in Canada increased to 191 from 175 in the week earlier. (Source: Baker Hughes)
- US initial jobless claims increased to 244,000 (consensus: 235,000) in the week ended July 9, representing a rise of 9,000 from the previous week's revised level of 235,000. (Source: RTT news)
- US retail sales increased by 1.0% M/M in June (consensus: rise of 0.8% M/M) versus a fall of 0.1% M/M in May. Retail sales by motor vehicles and part dealers increased by 0.8% M/M in June versus a fall of 3.0% M/M in May. (Source: RTT news)
- Oil prices rose 2.1% on Friday, as investors expressed doubts if OPEC has room to ramp up production as immediate increase in Saudi oil output is not expected.
- Gold prices edged down 0.1%, as stronger US dollar weighed on the yellow metal amid expectations of steep interest rate hikes by the US Federal Reserve.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	108.06	-0.4	3.2	13.0
Euro	1.01	0.6	-3.9	-11.3
Japanese Yen	138.57	-0.3	2.1	20.4
Sterling Pound	1.19	0.3	-2.7	-12.4
Chinese Yuan	6.76	-0.0	1.0	6.4
Indian Rupee	79.88	-0.0	1.1	7.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	-0.1	0.3	0.2
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	0.0	0.4	20.1

Corporate Calendar

Date	Company	Event
17 th Jul	Naqi Water	Start of IPO book-building process
17 th Jul	SIDC	OGM
17 th Jul	Najran Cement	OGM
17 th Jul	Jazira Takaful	OGM
18 th Jul	ANB	Cash Dividend Distribution
18 th 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)	3,160	0.2	-2.0	-1.1	10.7
Abu Dhabi (ADX)	9,250	0.1	-1.3	9.0	20.0
Kuwait (KSE)	5,655	-0.4	-0.4	-3.9	8.9
Qatar (QE)	11,868	-0.1	-2.7	2.1	14.1
Oman (MSM)	4,141	0.6	0.5	0.3	11.2
Bahrain (BSE)	1,850	-1.2	0.6	2.9	7.1
Egypt (EGX30)	8,764	0.0	-5.0	-26.7	4.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,288	2.1	1.7	-13.9	16.9
Nasdaq	11,984	1.8	4.2	-26.6	25.2
S&P 500	3,863	1.9	2.1	-18.9	19.4
FTSE 100	7,159	1.7	-0.1	-3.1	16.5
Germany DAX 30	12,865	2.8	0.6	-19.0	11.5
France CAC 40	6,036	2.0	1.9	-15.6	13.6
Japan Nikkei 225	26,788	0.5	1.5	-7.0	18.9
Russia MOEX	2,110	2.2	-4.3	-44.3	3.5
Hong Kong Hang Seng	20,298	-2.2	-7.1	-13.2	7.5
South Korea KOSPI	2,331	0.4	-0.1	-21.7	10.0
China Shanghai Composite	3,228	-1.6	-5.0	-11.3	13.2
Australia ASX 200	6,606	-0.7	0.6	-11.3	15.1
India Sensex	53,761	0.6	1.4	-7.7	21.6
MSCI EM	962	-0.4	-3.9	-21.9	10.4
MSCI World	2,569	1.9	0.9	-20.5	16.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	107.63	2.2	-7.4	35.9
Brent Crude (\$/bbl)	101.16	2.1	-11.9	27.5
Texas crude (\$/bbl)	97.59	1.9	-7.7	26.8
Natural Gas (\$/mmbtu)	7.02	6.3	29.4	96.9
Gold (\$/oz)	1,708.17	-0.1	-5.5	-5.9
Silver (\$/oz)	18.71	1.6	-7.7	-18.8
Steel (\$/ton)	915.00	-0.2	-1.6	-35.9
Iron Ore (CNY/MT)	726.00	-14.8	-17.3	5.8
Wheat (\$/bu)	776.75	-2.3	-12.1	0.1
Corn (\$/bu)	603.75	0.5	-2.6	10.6
Sugar (\$/lb)	19.25	1.5	4.1	5.7
SMP* (EUR/MT)	3,871.00	0.0	-2.1	15.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.74	-0.0	0.5	2.5
Saudi Arabia (SAIBOR)	2.83	0.1	-0.1	1.9
UAE (EIBOR)	2.22	-0.2	0.3	1.9
Kuwait (KSE)	2.13	-0.1	-0.1	0.6
Bahrain (BHIBOR)	3.71	0.1	0.1	2.2

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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