



Major Economic News

- Ministry of Industry and Mineral Resources issued 411 licenses were newly from Jan-May 2022, worth SAR 11.7bn in investments. During the same period 62 factories started production with investments amounting to SAR 17.4bn (Source: Argaam)
- AviLease, a wholly owned subsidiary of PIF signed first aircraft lease agreement with flynas to buy and leaseback 12 new Airbus A320neo aircraft. (Source: Argaam)

Major Corporate News

- Naseej for Technology Co. signed a contract worth SAR 14.5mn with the National eLearning Centre. The project entails procuring and implementing innovative education and e-training. (Source: Argaam)
- ADES International Holding Co. aims to list its shares worth USD 1.0bn on Tadawul in Q1-23. Innovative Energy owns 100.0% of shares of ADES, which is owned by PIF (32.5%), Zamil Industrial Co. (10.0%) and ADES Investments Holding Co. (57.5%). (Source: Argaam)
- GFH Financial Group announced acting as joint lead manager on pricing and issuance of Dar Al Arkan Real Estate Development Co.'s SAR 1.5bn sukuk issuance. Proceeds from the sukuk issuance will be used to support the company's development goals and pipeline of projects. (Source: Argaam)
- Saudi Automotive Services Co. completed transferring nine station title deeds out of ten for the sale and leaseback process and made SAR 95.4mn in capital gains. The tenth deal is expected during Q3-22. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 2.3% to 11,555.1. The value traded stood at SAR 5.9bn (up 61.7% over previous day), while the advance-decline ratio stood at 159/46. The parallel market index increased 0.5% to 20,711.7 points. The value traded stood at SAR 17.2mn (up 80.2% over previous day). Most sectors in the main market ended in the green. Energy and Materials (up 4.1% and 3.7%, respectively) advanced the most; Food & Beverages and Insurance (down 1.0% and 0.7%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q2-22	Q2-21	Y/Y %	Q1-22	Q/Q %
Almunajem Foods Co.	122.1	38.0	221.3	97.6	25.1

Top Gainers

Company	Price	Change%
MAADEN	50.70	10.0
SIPCHEM	43.75	9.9
CHEMANOL	32.70	7.6
MEPCO	60.00	7.3
SARCO	92.60	5.6

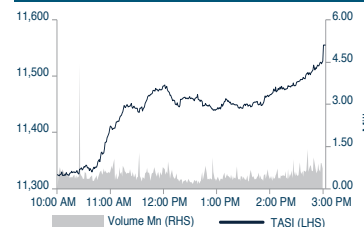
Top Losers

Company	Price	Change%
AICC	15.96	-9.9
UCA	24.30	-6.5
ALHAMMADI	40.50	-3.7
BUPA ARABIA	153.40	-3.0
ASTRA INDUSTRIAL	45.60	-3.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,555	11,555	11,297	2.3	2.4
NomuC	20,712	20,822	20,606	0.5	-20.3

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	6,447	4.1	16.9	17.7
Materials	6,530	3.7	-11.1	12.7
Capital Goods	5,633	0.3	-25.3	19.5
Commercial Service	3,361	-0.1	-24.4	High
Transportation	4,644	1.2	-11.3	Neg
Consumer Durables	4,236	1.5	-33.3	Neg
Consumer Services	3,795	1.5	-18.2	High
Media	20,538	3.7	-11.7	26.5
Retailing	7,398	0.5	-24.9	26.0
Food & Staples	9,074	0.7	-0.5	28.1
Food & Beverages	4,677	-1.0	-3.3	47.3
Healthcare	8,788	-0.5	20.1	42.9
Pharma & Bio Tech	3,437	0.6	-33.8	High
Banks	13,269	2.5	8.6	21.2
Diversified Financial	7,303	0.9	6.9	8.2
Insurance	4,973	-0.7	-17.0	High
Telecom	6,913	-0.5	-5.0	18.9
Utilities	7,129	1.2	20.2	14.1
REITs	4,079	-0.1	-11.6	High
Real Estate	2,924	0.8	-7.8	High
Software & Services	30,846	1.6	7.7	31.5

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,343	11,414	11,475	4.54

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	9.5	270.5	542.9
Previous week	9.3	256.6	590.7

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	38.50	4.2
Al Rajhi	83.00	2.3
SNB	68.80	2.7
SABIC	99.00	3.1
STC	100.60	-0.6



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.3% and 0.1%, respectively. Oman, Egypt, Qatar, and Kuwait increased 1.4%, 1.1%, 1.0%, and 0.1%, respectively. Meanwhile, Bahrain declined 0.6%.
- US consumer sentiment edged up to 51.1 in July (consensus: 49.9) from 50.0 in June. Consumer expectations declined modestly to 47.3 in July from 47.5 in June. One year inflation expectations dipped to 5.2% in July from 5.3% in June, while five-year expectations slipped from 2.8% from 3.1%. (Source: RTT news)
- US business inventories increased by 1.4% M/M in May (consensus: 1.2% M/M) after increasing 1.3% M/M in April. Wholesale inventories increased 1.8% M/M, while manufacturing and retail inventories rose 1.3% M/M and 1.1% M/M, respectively. (Source: RTT news)
- US NAHB/Wells Fargo Housing Market Index plunged to 55.0 in July (consensus: 66.0) from 67.0 in June. (Source: RTT news)
- Oil prices surged 5.1%, aided by weaker dollar and anticipation that the US Federal Reserve will not raise interest rates by full percentage point.
- Gold edged up 0.1%, owing to easing US dollar which lifted the appeal for yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	107.4	-0.6	2.6	12.2
Euro	1.0	0.6	-3.3	-10.8
Japanese Yen	138.1	-0.3	1.8	20.0
Sterling Pound	1.2	0.8	-1.8	-11.7
Chinese Yuan	6.8	-0.0	1.0	6.3
Indian Rupee	80.0	0.1	1.3	7.6
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.0	0.3	0.2
Kuwaiti Dinar	0.3	-0.1	0.3	1.7
Omani Rial	0.4	-0.1	-0.1	-0.1
Bahraini Dinar	0.4	0.0	-0.0	-0.0
Egyptian Pound	18.9	0.2	0.6	20.4

Corporate Calendar

Date	Company	Event
17 th Jul- 21 st Jul	Naqi Water	IPO Book Building Process
19 th Jul	SADAFICO	Cash Dividend Distribution
20 th Jul	BUPA ARABIA	Cash Dividend Distribution
20 th Jul	ALUJAIN	Cash Dividend Distribution
21 st Jul	SIIG	Cash Dividend Distribution
21 st Jul	SNB	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,171	0.3	-1.6	-0.8	10.8
Abu Dhabi (ADX)	9,260	0.1	-1.2	9.1	20.0
Kuwait (KSE)	5,689	0.1	0.1	-3.4	8.9
Qatar (QE)	12,093	1.0	-0.8	4.0	14.2
Oman (MSM)	4,201	1.4	1.9	1.7	11.2
Bahrain (BSE)	1,833	-0.6	-0.4	2.0	7.0
Egypt (EGX30)	8,868	1.1	-3.9	-25.8	4.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,073	-0.7	1.0	-14.5	17.3
Nasdaq	11,878	-0.9	3.2	-27.2	25.0
S&P 500	3,831	-0.8	1.2	-19.6	19.3
FTSE 100	7,223	0.9	0.8	-2.2	0.3
Germany DAX 30	12,960	0.7	1.4	-18.4	11.6
France CAC 40	6,092	0.9	2.9	-14.8	13.7
Japan Nikkei 225	26,788	0.0	1.5	-7.0	19.0
Russia MOEX	2,096	-0.6	-4.9	-44.6	3.5
Hong Kong Hang Seng	20,846	2.7	-4.6	-10.9	7.6
South Korea KOSPI	2,375	1.9	1.8	-20.2	10.2
China Shanghai Composite	3,278	1.6	-3.5	-9.9	13.3
Australia ASX 200	6,687	1.2	1.8	-10.2	15.2
India Sensex	54,521	1.4	2.8	-6.4	22.0
MSCI EM	980	1.9	-2.0	-20.4	10.6
MSCI World	2,568	-0.0	0.8	-20.5	16.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	111.4	3.5	-4.2	40.7
Brent Crude (\$/bbl)	106.3	5.1	-7.4	34.0
Texas crude (\$/bbl)	102.6	5.1	-3.0	33.3
Natural Gas (\$/mmbtu)	7.5	6.6	37.9	109.8
Gold (\$/oz)	1,709.2	0.1	-5.4	-5.8
Silver (\$/oz)	18.7	-0.1	-7.8	-18.9
Steel (\$/ton)	915.0	0.0	-1.6	-35.9
Iron Ore (CNY/MT)	715.5	-1.4	-18.5	4.3
Wheat (\$/bu)	812.8	4.6	-8.1	4.8
Corn (\$/bu)	610.8	1.2	-1.5	11.9
Sugar (\$/lb)	19.4	0.8	4.9	6.5
SMP* (EUR/MT)	3,871.0	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)	2.87	0.1	-0.1	2.0
UAE (EIBOR)	2.48	0.3	0.6	2.1
Kuwait (KSE)	2.19	0.0	0.0	0.7
Bahrain (BHIBOR)	3.75	0.0	0.2	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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