



Major Economic News

- Saudi Arabia's oil exports declined 4.0% M/M to 7.1mn bpd in May 2022. On Y/Y basis, oil exports rose 25.0%. The Kingdom's crude output increased by 1.0% M/M to 10.5mn bpd in May, the highest level since April 2020. Domestic crude consumption increased 14.0% M/M to 3.5mn bpd in May. (Source: Argaam)
- Moody's credit rating agency expects Saudi Arabia's economy to grow at an average rate of around 3.9% from FY22 to FY26. (Source: Argaam)
- Tourism Development Fund announced the signing of a tripartite partnership agreement with Ennismore and Al Rajhi Capital to establish an investment fund with a capital of SAR 1.5bn. The hospitality investment fund will advance the modern "Lifestyle" hotels. (Source: Argaam)

Major Corporate News

- Al Masane Al Kobra Mining Co.'s board of directors recommended a 36.4% capital increase to SAR 900.0mn from SAR 600.0mn through distributing one bonus share for each 2.75 held shares. (Source: Argaam)
- Saudi Cable Co. announced that its fully-owned subsidiary, Gozo Gayrimenkul Anonim Sirketi, signed an agreement to sell a residential villa in Turkey for SAR 40.9mn. The sale is expected to generate earnings of SAR 5.5mn. (Source: Argaam)
- Naseej International Trading Co.'s shareholders approved the board's recommendation to reduce capital by 48.5% to SAR 109.0mn from SAR 211.6mn. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 1.8% to 11,761.4. The value traded stood at SAR 7.1bn (up 21.5% over previous day), while the advance-decline ratio stood at 173/29. The parallel market index increased 0.5% to 20,816.2 points. The value traded stood at SAR 15.6mn (down 9.7% over previous day). Most sectors in the main market ended in the green. Media and Software & Services (up 9.0% and 4.8%, respectively) advanced the most; Insurance (down 0.4%) was the only laggard.

Earnings update (Net Profit) (SAR mn)

Company	Q2-22	Q2-21	Y/Y %	Q1-22	Q/Q %
Aslak	16.2	14.1	14.9	26.0	-37.7

Top Gainers

Company	Price	Change%
ALMUNAJEM	63.80	10.0
AMAK	83.00	9.9
SRMG	190.60	9.9
MAADEN	55.50	9.5
FARM SUPERSTORES	22.10	9.1

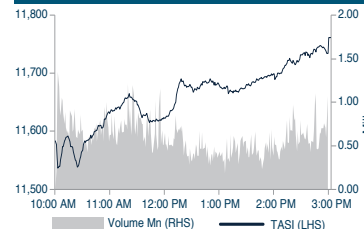
Top Losers

Company	Price	Change%
UCA	21.88	-10.0
AICC	14.38	-9.9
ALLIANZ SF	13.68	-9.9
CHUBB	19.04	-9.3
SAICO	17.70	-7.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,761	11,761	11,531	1.8	4.3
NomuC	20,816	20,850	20,644	0.5	-19.9

TASI movement during session



TASI Ratios

P/E* (x)	19.9
Price-to-Book (x)	2.4
Dividend Yield (%)	2.3
Return on Equity (%)	24.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,492	0.7	17.7	17.8
Materials	6,713	2.8	-8.6	13.0
Capital Goods	5,732	1.8	-24.0	19.7
Commercial Service	3,520	4.8	-20.8	High
Transportation	4,697	1.1	-10.3	Neg
Consumer Durables	4,332	2.3	-31.8	Neg
Consumer Services	3,856	1.6	-16.9	High
Media	22,384	9.0	-3.7	28.7
Retailing	7,447	0.7	-24.4	26.1
Food & Staples	9,290	2.4	1.8	28.8
Food & Beverages	4,716	0.8	-2.5	47.6
Healthcare	9,033	2.8	23.5	43.8
Pharma & Bio Tech	3,516	2.3	-32.3	High
Banks	13,503	1.8	10.5	21.6
Diversified Financial	7,436	1.8	8.9	8.3
Insurance	4,953	-0.4	-17.3	High
Telecom	6,938	0.4	-4.7	19.0
Utilities	7,393	3.7	24.6	14.5
REITs	4,104	0.6	-11.0	High
Real Estate	2,962	1.3	-6.6	High
Software & Services	32,331	4.8	12.8	33.0

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,412	11,417	11,464	4.83

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	16.6	461.5	920.4
Previous week	9.3	256.6	590.7

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	38.75	0.6
Al Rajhi	84.90	2.3
SNB	68.90	0.1
SABIC	99.60	0.6
STC	100.60	0.0



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.5% each. Egypt, Oman, Kuwait, and Qatar increased 1.9%, 0.9%, 0.4% and 0.3%, respectively. Meanwhile, Bahrain closed flat.
- US housing starts declined 2.0% to an annual rate of 1.559mn in June (consensus: 1.588mn), after plunging 11.9% to the revised rate of 1.591mn in May. This was the lowest annual rate for housing starts since September 2021. (Source: Econoday, RTT News)
- UK's unemployment rate stood at 3.8% in three months to May (consensus: 3.9%), unchanged from three months to April but down by 0.1% Q/Q. (Source: Econoday, RTT News)
- Eurozone CPI rose 8.6% Y/Y in June (in line with consensus) compared to an increase of 8.1% in May. The core inflation that excludes energy, food, alcohol and tobacco, fell to 3.7% in June from 3.8% in May. (Source: RTT News)
- China retained its benchmark lending rates. The one-year loan prime rate (LPR) was unchanged at 3.70%, and the five-year LPR was kept at 4.45%. (Source: CNBC)
- Oil prices increased 1.0% driven by concerns over tight supply and weaker US dollar.
- Gold prices rose 0.1%, as weaker US dollar supported demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.68	-0.6	1.9	11.5
Euro	1.02	0.8	-2.5	-10.1
Japanese Yen	138.19	0.0	1.8	20.1
Sterling Pound	1.20	0.4	-1.5	-11.4
Chinese Yuan	6.75	-0.2	0.8	6.1
Indian Rupee	79.95	-0.0	1.2	7.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	0.0	0.3	0.3
Kuwaiti Dinar	0.31	-0.1	0.2	1.6
Omani Rial	0.38	0.0	-0.1	-0.1
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	18.91	-0.0	0.6	20.3

Corporate Calendar

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

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,186	0.5	-1.1	-0.3	10.9
Abu Dhabi (ADX)	9,308	0.5	-0.7	9.7	20.0
Kuwait (KSE)	5,709	0.4	0.5	-3.0	8.9
Qatar (QE)	12,129	0.3	-0.5	4.3	14.2
Oman (MSM)	4,240	0.9	2.9	2.7	11.3
Bahrain (BSE)	1,833	0.0	-0.4	2.0	7.0
Egypt (EGX30)	9,034	1.9	-2.1	-24.4	4.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,827	2.4	3.4	-12.4	17.7
Nasdaq	12,249	3.1	6.5	-24.9	25.8
S&P 500	3,937	2.8	4.0	-17.4	19.9
FTSE 100	7,296	1.0	1.8	-1.2	16.6
Germany DAX 30	13,308	2.7	4.1	-16.2	11.9
France CAC 40	6,201	1.8	4.7	-13.3	14.0
Japan Nikkei 225	26,962	0.0	2.2	-6.4	19.5
Russia MOEX	2,071	-1.2	-6.1	-45.3	3.5
Hong Kong Hang Seng	20,661	-0.9	-5.5	-11.7	7.7
South Korea KOSPI	2,371	-0.2	1.6	-20.4	10.2
China Shanghai Composite	3,279	0.0	-3.5	-9.9	13.5
Australia ASX 200	6,650	-0.6	1.2	-10.7	15.5
India Sensex	54,768	0.5	3.3	-6.0	22.3
MSCI EM	980	-0.1	-2.1	-20.5	10.6
MSCI World	2,628	2.4	3.2	-18.7	17.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	112.20	0.7	-3.5	41.7
Brent Crude (\$/bbl)	107.35	1.0	-6.5	35.3
Texas crude (\$/bbl)	104.22	1.6	-1.5	35.4
Natural Gas (\$/mmbtu)	7.26	-2.9	33.9	103.8
Gold (\$/oz)	1,711.67	0.1	-5.3	-5.7
Silver (\$/oz)	18.76	0.3	-7.5	-18.6
Steel (\$/ton)	915.00	0.0	-1.6	-35.9
Iron Ore (CNY/MT)	739.00	3.3	-15.8	7.7
Wheat (\$/bu)	812.25	-0.1	-8.1	4.7
Corn (\$/bu)	595.25	-2.5	-4.0	9.1
Sugar (\$/lb)	18.84	-2.9	1.8	3.4
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	2.71	-0.0	0.4	2.5
Saudi Arabia (SAIBOR)	2.94	0.1	-0.0	2.0
UAE (EIBOR)	2.41	-0.1	0.5	2.0
Kuwait (KSE)	2.13	-0.1	-0.1	0.6
Bahrain (BHIBOR)	3.76	0.0	0.2	2.2

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of July 19 2022



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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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