



Major Economic News

- The point-of-sale transactions reached nearly SAR 8.1bn in the week ending July 16 from SAR 12.1bn in the previous week. Data showed that 123.0mn transactions were processed in the week. (Source: Argaam)
- The General Authority of Civil Aviation is planning to slash Saudi Arabia's airport fees by up to 35.0%, indicating that the reduction will apply to Riyadh, Jeddah and Dammam airports and will apply this year, as per Bloomberg. This marks the next step towards privatizing the local aviation sector. (Source: Argaam)

Major Corporate News

- Arabian Centres announced the signing of a lease and investment agreement for land with an area of 300,000 sq.m., located north of Al-Khobar city. The average annual lease amount to SAR 51.5mn for the purpose of developing Jawharat Al-Khobar Mall and other mixed-use commercial facilities. (Source: Tadawul)
- Kingdom Holding Co. (KHC) has invested SAR 1.0bn in M&G PLC one of the largest insurance and asset management companies in Europe. This investment is aligned with KHC's strategy of investing in global market leaders and further diversify exposure in new and promising sectors. (Source: Tadawul)
- Saudi Azm for Communication and Information Technology Co. was awarded an operation and maintenance agreement worth SAR 8.1mn, covering government resource systems and the updating of its database at the General Commission for the Guardianship of Trust Funds for Minors and their Counterparts. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.9% to 11,864.3. The value traded stood at SAR 7.9bn (up 10.9% over previous day), while the advance-decline ratio stood at 119/81. The parallel market index decreased 0.3% to 20,760.8 points. The value traded stood at SAR 27.9mn (up 79.5% over previous day). Most sectors in the main market ended in the green. Utilities and Banks (up 3.4% and 1.5%, respectively) advanced the most; Insurance and Food & Staples (down 1.3% and 0.8%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
MIS	96.80	10.0
ALABDULLATIF	19.60	10.0
ALMUNAJEM	69.90	9.6
AMAK	88.40	6.5
SAIC	35.50	6.5

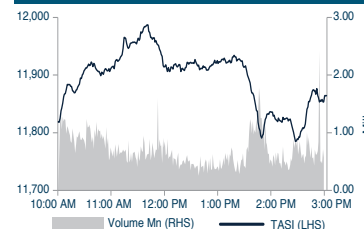
Top Losers

Company	Price	Change%
UCA	19.70	-10.0
SAICO	15.94	-9.9
ALLIANZ SF	12.60	-7.9
CHUBB	17.92	-5.9
AICC	13.54	-5.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,864	11,995	11,780	0.9	5.2
NomuC	20,761	20,935	20,737	-0.3	-20.1

TASI movement during session



TASI Ratios

P/E* (x)	20.1
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	6,517	0.4	18.2	17.9
Materials	6,689	-0.4	-8.9	13.0
Capital Goods	5,782	0.9	-23.4	19.8
Commercial Service	3,558	1.1	-19.9	High
Transportation	4,721	0.5	-9.8	Neg
Consumer Durables	4,390	1.4	-30.9	Neg
Consumer Services	3,880	0.6	-16.4	High
Media	22,304	-0.4	-4.1	28.5
Retailing	7,539	1.2	-23.4	26.5
Food & Staples	9,214	-0.8	1.0	28.8
Food & Beverages	4,769	1.1	-1.4	48.2
Healthcare	9,079	0.5	24.1	44.2
Pharma & Bio Tech	3,562	1.3	-31.4	High
Banks	13,699	1.5	12.1	21.8
Diversified Financial	7,495	0.8	9.8	8.3
Insurance	4,890	-1.3	-18.4	High
Telecom	6,996	0.8	-3.9	19.1
Utilities	7,646	3.4	28.9	14.9
REITs	4,106	0.0	-11.0	High
Real Estate	2,994	1.1	-5.6	High
Software & Services	32,174	-0.5	12.3	32.6

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,527	11,451	11,466	5.14

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	24.6	678.9	1,335.90
Previous week	9.3	256.6	590.7

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	38.90	0.4
Al Rajhi	87.50	3.1
SNB	68.40	-0.7
SABIC	98.20	-1.4
STC	101.00	0.4



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.8% and 1.0%, respectively. Qatar, Kuwait, Oman, Egypt, and Bahrain increased 3.4%, 1.1%, 1.0%, 0.9% and 0.7%, respectively.
- According to EIA, oil inventories in the US declined 0.4mn barrels (prior: up 3.3mn) to 426.6mn in the week ended July 15. Gasoline inventories increased 3.5mn barrels (prior: up 5.8mn) to 228.4mn, while distillate inventories declined 1.3mn barrels (prior: up 2.7mn) to 112.5mn. (Source: EIA, Econoday)
- UK CPI surged more than expected by 9.4% Y/Y in June (consensus: rise of 9.2% Y/Y) after rising 9.1% Y/Y in May. On M/M basis, prices gained 0.8% in June (consensus: 0.7%) from 0.7% in May. (Source: Econoday)
- US existing home sales plunged 14.2% Y/Y to annual rate of 5.1mn in June after falling 8.6% Y/Y to annual rate of 5.4mn in May. On M/M basis, existing home sales fell 5.4% in June after falling 3.4% in May. (Source: Econoday, RTT news)
- Oil prices declined 0.4%, after data revealed lower demand for gasoline in the US and fears of slowdown in the economy.
- Gold prices fell 0.9% due to firmer dollar despite expectations that the US Federal Reserve may not increase rates by 100bps.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	107.08	0.4	2.3	11.9
Euro	1.02	-0.5	-2.9	-10.5
Japanese Yen	138.21	0.0	1.8	20.1
Sterling Pound	1.20	-0.2	-1.7	-11.5
Chinese Yuan	6.77	0.4	1.2	6.6
Indian Rupee	79.99	0.1	1.3	7.6
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	0.3	1.7
Omani Rial	0.38	-0.0	-0.1	-0.1
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	18.93	0.1	0.7	20.5

Corporate Calendar

Date	Company	Event
17 th Jul- 21 st Jul	Naqi Water	IPO Book Building Process
21 st Jul	SIIG	Cash Dividend Distribution
21 st Jul	SNB	Cash Dividend Distribution
21 st Jul	ACWA Power	Cash Dividend Distribution
24 th Jul	Red Sea	EGM
25 th Jul	Equipment House	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,212	0.8	-0.4	0.5	10.9
Abu Dhabi (ADX)	9,399	1.0	0.3	10.7	20.1
Kuwait (KSE)	5,769	1.1	1.6	-2.0	8.9
Qatar (QE)	12,538	3.4	2.8	7.8	14.4
Oman (MSM)	4,281	1.0	3.8	3.7	11.4
Bahrain (BSE)	1,846	0.7	0.4	2.7	7.0
Egypt (EGX30)	9,113	0.9	-1.2	-23.7	4.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,875	0.2	3.6	-12.3	17.7
Nasdaq	12,440	1.6	8.1	-23.8	26.0
S&P 500	3,960	0.6	4.6	-16.9	19.9
FTSE 100	7,264	-0.4	1.3	-1.6	16.6
Germany DAX 30	13,282	-0.2	3.9	-16.4	11.8
France CAC 40	6,185	-0.3	4.4	-13.5	13.9
Japan Nikkei 225	27,680	0.0	4.9	-3.9	19.5
Russia MOEX	2,075	0.2	-5.9	-45.2	3.5
Hong Kong Hang Seng	20,890	1.1	-4.4	-10.7	7.6
South Korea KOSPI	2,387	0.7	2.3	-19.8	10.3
China Shanghai Composite	3,305	0.8	-2.8	-9.2	13.4
Australia ASX 200	6,759	1.6	2.9	-9.2	15.5
India Sensex	55,398	1.2	4.5	-4.9	22.3
MSCI EM	987	0.7	-1.4	-19.9	10.7
MSCI World	2,644	0.6	3.8	-18.2	17.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	112.84	0.6	-3.0	42.5
Brent Crude (\$/bbl)	106.92	-0.4	-6.9	34.8
Texas crude (\$/bbl)	102.26	-1.9	-3.3	32.8
Natural Gas (\$/mmbtu)	8.01	10.2	47.6	124.7
Gold (\$/oz)	1,696.58	-0.9	-6.1	-6.5
Silver (\$/oz)	18.68	-0.4	-7.9	-18.9
Steel (\$/ton)	915.00	0.0	-1.6	-35.9
Iron Ore (CNY/MT)	726.00	-1.8	-17.3	5.8
Wheat (\$/bu)	819.50	0.9	-7.3	5.6
Corn (\$/bu)	590.00	-0.9	-4.8	8.1
Sugar (\$/lb)	18.67	-0.9	0.9	2.5
SMP* (EUR/MT)	3,888.00	0.4	-1.7	15.5

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.73	0.0	0.4	2.5
Saudi Arabia (SAIBOR)	2.93	-0.0	-0.0	2.0
UAE (EIBOR)	2.45	0.0	0.6	2.1
Kuwait (KSE)	2.13	0.0	-0.1	0.6
Bahrain (BHIBOR)	3.97	0.2	0.4	2.5

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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