



## Major Economic News

- The value of Saudi Arabia's real estate transactions rose 37.0% to SAR 23.7bn in June-July 2022, compared to SAR 17.3bn in the same period last year. Real estate deals grew by 61.0% or SAR 9.0bn M/M. The number of real estate transactions during the same period stood at around 22,900, down from nearly 23,700 a year earlier. (Source: Argaam)

## Major Corporate News

- Budget Saudi announced that its wholly-owned subsidiary, Aljozoor Alrasekha Trucking Co. (Rahaal), signed an MoU for the possible acquisition of companies affiliated to Overseas Development Holding Co. EC in Saudi Arabia, UAE and Kuwait. The MoU is aimed at reaching a preliminary agreement on Rahaal's potential acquisition of 70.0% of Overseas Development Co. Ltd. in Saudi Arabia, UAE and Kuwait. (Source: Argaam)
- Shareholders of Red Sea International Co. approved the board of directors' recommendation to reduce capital by 49.6% from SAR 600.0mn to SAR 302.3mn. (Source: Argaam)
- Anaam International Holding Group announced the expiry of the MoU, signed earlier for the possible acquisition of 55.0% of the shares of Abu Zaid Restaurants Co. Ltd. The MoU expired with no agreement reached. (Source: Argaam)
- Ladun Investment Co. announced receiving financing worth SAR 100.0mn from Bank Albilad. The loan includes a forward sale credit limit worth SAR 50.0mn and a letter of guarantee limit of SAR 50.0mn. (Source: Argaam)

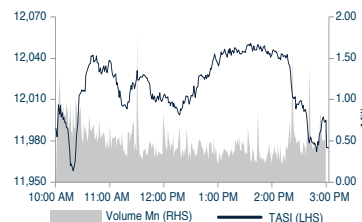
## Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 11,975.1. The value traded stood at SAR 5.1bn (down 8.8% over previous day), while the advance-decline ratio stood at 142/60. The parallel market index increased 0.5% to 21,056.0 points. The value traded stood at SAR 27.2mn (down 32.2% over previous day). Most sectors in the main market ended in the green. Diversified Financials and Commercial Service (up 2.0% and 1.5%, respectively) advanced the most; Utilities and Media (down 2.2% and 0.5%, respectively) led the laggards.

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,975	12,053	11,956	-0.1	6.1
NomuC	21,056	21,112	20,943	0.5	-18.9

## TASI movement during session



## TASI Ratios

P/E* (x)	20.3
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	6,490	0.2	17.7	17.8
Materials	6,785	-0.2	-7.6	13.1
Capital Goods	5,877	0.2	-22.1	20.1
Commercial Service	3,705	1.5	-16.6	High
Transportation	4,813	0.9	-8.1	Neg
Consumer Durables	4,474	-0.1	-29.5	Neg
Consumer Services	3,941	0.5	-15.1	High
Media	22,682	-0.5	-2.5	28.8
Retailing	7,819	0.9	-20.6	27.4
Food & Staples	9,337	1.0	2.4	29.1
Food & Beverages	4,816	0.5	-0.4	48.7
Healthcare	9,201	0.5	25.8	44.5
Pharma & Bio Tech	3,641	1.1	-29.9	High
Banks	13,828	-0.3	13.1	22.0
Diversified Financial	7,683	2.0	12.5	8.5
Insurance	5,006	0.6	-16.4	High
Telecom	7,005	-0.1	-3.8	19.1
Utilities	7,734	-2.2	30.4	15.1
REITs	4,132	0.3	-10.4	High
Real Estate	3,044	0.9	-4.0	High
Software & Services	32,956	1.0	15.0	33.5

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,829	11,565	11,531	5.18

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.1	152.9	311.6
Previous week	30.2	845.6	1,668.50

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	38.70	0.1
Al Rajhi	88.20	-0.9
SNB	69.60	0.0
SABIC	98.30	0.3
STC	100.80	-0.2

## Earnings update (Net Profit) (SAR mn)

Company	Q2-22	Q2-21	Y/Y %	Q1-22	Q/Q %
Saudi Ceramic Co.	38.0	63.3	-40.1	51.3	-26.0

## Top Gainers

Company	Price	Change%
SALAMA	12.80	10.0
NAYIFAT	27.20	9.9
AMLAK	18.70	6.4
ARAB SEA	73.30	6.1
JAZADCO	16.30	4.8

## Top Losers

Company	Price	Change%
UCA	15.98	-9.9
ACWA POWER	169.00	-2.9
SADAFICO	157.00	-2.9
SAUDI CERAMICS	36.95	-2.4
NCLE	55.30	-2.3



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi remained closed. Bahrain, Oman, Kuwait, and Qatar increased 0.7%, 0.6%, 0.5% and 0.3%, respectively. Meanwhile, Egypt declined 0.1%.
- US leading economic index fell 0.8% in June (consensus: a decrease of 0.5%) compared to a revised decline of 0.6% in May, indicating that the US economic growth is likely to slow further in the near-term. (Source: RTT News)
- UK retail sales volume dropped 0.1% M/M in June (consensus: a fall of 0.3%) versus a revised 0.8% decrease in May. On Y/Y basis, retail sales declined 5.8% (consensus: a fall of 5.3%) compared to 4.7% decrease in May. (Source: RTT News)
- UK PMI (flash) declined to a 25-month low of 52.2 in July (consensus: 52.0) from 52.8 in the previous month. (Source: RTT News)
- Japan's CPI rose 2.4% Y/Y in June (in line with consensus) versus an increase of 2.5% in May. Core CPI, that excludes volatile food prices, increased 2.2% (in line with consensus), up from 2.1% growth in the previous month. (Source: RTT News)
- Japan's manufacturing PMI fell 52.2 in July from 52.7 in June. Output fell into contraction zone for the first time in five months, while new orders fell at the fastest pace since November 2020. (Source: RTT News)

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.7	0.0	2.0	11.6
Euro	1.0	0.0	-2.6	-10.2
Japanese Yen	136.1	0.0	0.3	18.3
Sterling Pound	1.2	0.0	-1.5	-11.3
Chinese Yuan	6.8	0.0	1.1	6.4
Indian Rupee	79.9	0.0	1.1	7.4
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.0	0.2	0.1
Kuwaiti Dinar	0.3	0.0	0.2	1.7
Omani Rial	0.4	0.0	-0.0	-0.0
Bahraini Dinar	0.4	0.0	-0.0	-0.0
Egyptian Pound	18.9	0.0	0.7	20.4

## Corporate Calendar

Date	Company	Event
25 <sup>th</sup> Jul	EQUIPMENT HOUSE	Cash Dividend Distribution
26 <sup>th</sup> Jul	Sipchem	Cash Dividend Distribution
26 <sup>th</sup> Jul	ALMRAKEZ	Cash Dividend Distribution
27 <sup>th</sup> Jul	SABB	Cash Dividend Distribution
27 <sup>th</sup> Jul	Naqi Water	Start of IPO
28 <sup>th</sup> Jul	LAZURDE	Cash Dividend Distribution

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,257	0.0	1.0	1.9	11
Abu Dhabi (ADX)	9,662	0.0	3.1	13.8	20.7
Kuwait (KSE)	5,821	0.5	2.5	-1.1	9.1
Qatar (QE)	12,751	0.3	4.6	9.7	15.2
Oman (MSM)	4,318	0.6	4.7	4.6	11.6
Bahrain (BSE)	1,887	0.7	2.6	5.0	7.1
Egypt (EGX30)	9,276	-0.1	0.5	-22.4	5.1

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,899	0.0	3.7	-12.2	17.8
Nasdaq	12,396	0.0	7.8	-24.0	25.9
S&P 500	3,962	0.0	4.7	-16.9	19.9
FTSE 100	7,276	0.0	1.5	-1.5	16.6
Germany DAX 30	13,254	0.0	3.7	-16.6	11.9
France CAC 40	6,217	0.0	5.0	-13.1	14.0
Japan Nikkei 225	27,915	0.0	5.8	-3.0	19.5
Russia MOEX	2,097	0.0	-4.9	-44.6	3.6
Hong Kong Hang Seng	20,609	0.0	-5.7	-11.9	7.5
South Korea KOSPI	2,393	0.0	2.6	-19.6	10.1
China Shanghai Composite	3,270	0.0	-3.8	-10.2	13.3
Australia ASX 200	6,792	0.0	3.4	-8.8	15.5
India Sensex	56,072	0.0	5.8	-3.7	21.9
MSCI EM	990	0.0	-1.0	-19.6	10.6
MSCI World	2,651	0.0	4.1	-18.0	17.3

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	108.9	0.0	-6.4	37.5
Brent Crude (\$/bbl)	103.2	0.0	-10.1	30.1
Texas crude (\$/bbl)	94.7	0.0	-10.5	23.0
Natural Gas (\$/mmbtu)	8.3	0.0	53.0	132.9
Gold (\$/oz)	1,727.6	0.0	-4.4	-4.8
Silver (\$/oz)	18.6	0.0	-8.3	-19.3
Steel (\$/ton)	923.0	0.0	-0.8	-35.3
Iron Ore (CNY/MT)	718.0	0.0	-18.2	4.7
Wheat (\$/bu)	759.0	0.0	-14.1	-2.2
Corn (\$/bu)	564.3	0.0	-9.0	3.4
Sugar (\$/lb)	17.9	0.0	-3.3	-1.8
SMP* (EUR/MT)	3,875.0	0.0	-2.0	15.2

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.77	0.0	0.5	2.6
Saudi Arabia (SAIBOR)	2.98	0.1	0.0	2.1
UAE (EIBOR)	2.51	0.0	0.6	2.1
Kuwait (KSE)	2.13	0.0	-0.1	0.6
Bahrain (BHIBOR)	4.02	0.0	0.5	2.5

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of July 24 2022



RESEARCH DIVISION

Head of Sell-Side Research  
Jassim Al-Jubran  
+966 11 2256248  
j.aljabran@aljaziracapital.com.sa

RESEARCH  
DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

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.

## Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities may, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Investment Banking | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068