



Major Economic News

- The General Authority for Competition issued 43 no-objection certificates for mergers and acquisitions in Q2-22, which represents an increase of 23.0% Y/Y. Economic concentration applications by foreign establishments accounted for 61.0% of total applications filed. (Source: Argaam)
- Consumer spending in Saudi Arabia rose 13.0% to SAR 103.6bn in June 2022, from SAR 91.3bn in June 2021. Point-of-sale transactions rose 19.0% Y/Y to SAR 46.0bn in June. (Source: Argaam)

Major Corporate News

- Saudi Arabian Oil Co. signed a purchase agreement to acquire Valvoline Global Products, a subsidiary of US-based Valvoline Inc., for USD 2.7bn. (Source: Argaam)
- Naseej International Trading Co. offset its accumulated losses in full, followed by a capital cut from SAR 211.6mn to SAR 109.0mn. (Source: Argaam)
- Maharah Human Resources Co.'s fully owned subsidiary, Growth Avenue Co. signed a sale and purchase agreement to fully acquire the 41.4% stake held by El Seif Commercial Investment Co. Ltd. and Saudi Medicare Co. Ltd. in Care Shield Holding Co. (Source: Argaam)
- Saudi Arabian Mining Co. commenced commercial operations at the third ammonia plant in Ras Al-Khair, with a design capacity close to 1.1 mtpa. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 1.1% to 12,339.0. The value traded stood at SAR 7.6bn (up 27.1% over previous day), while the advance-decline ratio stood at 182/25. The parallel market index increased 0.5% to 21,502.3 points. The value traded stood at SAR 56.7mn (up 3.3% over previous day). Most sectors in the main market ended in the green. Consumer Durables and Media (up 2.5% each) advanced the most; Diversified Financials (down 0.4%) was the only laggard.

Earnings update (Net Profit) (SAR mn)

Company	Q2-22	Q2-21	Y/Y %	Q1-22	Q/Q %
Najran Cement	13.3	32.7	-59.5	23.3	-43.1
Solutions	273.0	256.0	6.6	283.0	-3.5
BJAZ	257.8	251.2	2.6	374.9	-31.2
ARDCO	57.4	143.4	-60.0	139.0	-58.7

Top Gainers

Company	Price	Change%
ARAB SEA	80.00	9.9
ALINMA TOKIO M	22.62	7.2
SADR	45.35	7.1
WALAA	14.96	5.8
CHUBB	20.10	5.8

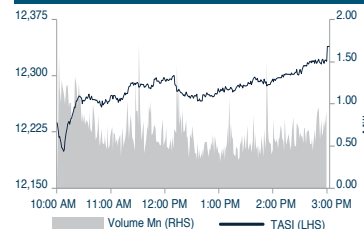
Top Losers

Company	Price	Change%
DAR ALARKAN	13.12	-1.7
JADWA REIT ALHARA	7.40	-1.6
TADAWUL GROUP	221.40	-1.4
CATERING	77.00	-1.2
FITNESS TIME	109.00	-1.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,339	12,339	12,197	1.1	9.4
NomuC	21,502	21,502	21,260	0.5	-17.2

TASI movement during session



TASI Ratios

P/E* (x)	20.4
Price-to-Book (x)	2.5
Dividend Yield (%)	2.2
Return on Equity (%)	24.7

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,729	0.8	22.0	18.4
Materials	7,162	1.6	-2.5	13.7
Capital Goods	6,106	2.2	-19.1	20.8
Commercial Service	3,781	0.2	-14.9	High
Transportation	4,904	0.8	-6.3	Neg
Consumer Durables	4,690	2.5	-26.1	Neg
Consumer Services	4,176	1.0	-10.0	High
Media	23,213	2.5	-0.2	29.7
Retailing	8,439	2.3	-14.3	29.6
Food & Staples	9,721	1.7	6.6	30.1
Food & Beverages	4,947	1.1	2.3	49.9
Healthcare	9,603	1.0	31.3	46.7
Pharma & Bio Tech	3,819	1.8	-26.4	High
Banks	14,044	1.0	14.9	22.4
Diversified Financial	8,134	-0.4	19.1	8.8
Insurance	5,282	2.4	-11.8	High
Telecom	7,085	1.1	-2.6	19.2
Utilities	8,066	1.9	35.9	15.8
REITs	4,146	0.4	-10.1	High
Real Estate	3,130	0.4	-1.3	High
Software & Services	34,037	1.5	18.8	34.7

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,142	12,017	11,715	7.64

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	13.7	387.1	757.4
Previous week	32.6	936.4	1,579.80

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	40.05	0.8
Al Rajhi	89.30	0.4
SNB	70.80	1.6
SABIC	102.00	1.2
STC	101.20	0.4



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.2% each. Oman, Qatar, and Kuwait increased 1.3%, 0.7%, and 0.4%, respectively; while Bahrain remained flat. Meanwhile, Egypt declined 0.5%.
- US ISM manufacturing index slid to 52.8 in July (consensus: 52.2) versus 53.0 in June. (Source: Econoday)
- UK PMI manufacturing index came at 52.1 in July (consensus: 52.2) versus 52.8 in June. (Source: Econoday)
- Eurozone unemployment rate remained unchanged at 6.6% in June, in line with consensus and same rate as seen in May. The youth jobless rate was 13.6% in June which reduced from 13.2% in May. (Source: Econoday, RTT news)
- China Caixin PMI slipped to 50.4 in July from 51.7 in June, while the non-manufacturing PMI declined to 53.8 from 54.7 in June. (Source: RTT news)
- Oil prices dropped 9.1%, as weak manufacturing data from major economies weighed on outlook for demand adding to investor's concerns of global slowdown.
- Gold inched up 0.4%, on account of softer dollar, while investors await economic data that could have a prospective impact on pace of US Federal Reserve rate hikes.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.5	-0.4	-0.4	10.2
Euro	1.0	0.4	0.4	-9.7
Japanese Yen	131.6	-1.2	-1.2	14.4
Sterling Pound	1.2	0.6	0.6	-9.5
Chinese Yuan	6.8	0.5	0.5	6.7
Indian Rupee	79.0	-0.3	-0.3	6.3
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.0	0.0	0.3
Kuwaiti Dinar	0.3	0.0	0.0	1.4
Omani Rial	0.4	-0.0	-0.0	-0.0
Bahraini Dinar	0.4	0.0	0.0	-0.0
Egyptian Pound	18.9	0.1	0.1	20.5

Corporate Calendar

Date	Company	Event
04 th Aug	BSFR	Cash Dividend Distribution
04 th Aug	MULKIA REIT	Cash Dividend Distribution
07 th Aug	Raoom Trading	EGM
09 th Aug	AMAK	Cash Dividend Distribution
11 th Aug	RIBL	Cash Dividend Distribution
11 th Aug	DERAYAH REIT	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,377	1.2	1.2	5.7	10.9
Abu Dhabi (ADX)	9,778	1.2	1.2	15.2	20.2
Kuwait (KSE)	5,897	0.4	0.4	0.2	9.2
Qatar (QE)	13,469	0.7	0.7	15.9	15.1
Oman (MSM)	4,590	1.3	1.3	11.2	12.2
Bahrain (BSE)	1,906	0.0	0.0	6.1	7.1
Egypt (EGX30)	9,423	-0.5	-0.5	-21.1	5.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,798	-0.1	-0.1	-9.7	18.2
Nasdaq	12,941	-0.1	-0.1	-20.7	27.6
S&P 500	4,119	-0.3	-0.3	-13.6	20.4
FTSE 100	7,413	-0.1	-0.1	0.4	13.9
Germany DAX 30	13,480	-0.0	-0.0	-15.1	12.4
France CAC 40	6,437	-0.2	-0.2	-10.0	13.1
Japan Nikkei 225	27,993	0.7	0.7	-2.8	19.3
Russia MOEX	2,180	-1.5	-1.5	-42.4	3.7
Hong Kong Hang Seng	20,166	0.0	0.0	-13.8	7.4
South Korea KOSPI	2,452	0.0	0.0	-17.6	10.1
China Shanghai Composite	3,260	0.2	0.2	-10.4	13.3
Australia ASX 200	6,993	0.7	0.7	-6.1	16.1
India Sensex	58,116	0.9	0.9	-0.2	22.6
MSCI EM	995	0.1	0.1	-19.2	11.0
MSCI World	2,749	0.1	0.1	-14.9	17.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	112.6	0.6	0.6	42.2
Brent Crude (\$/bbl)	100.0	-9.1	-9.1	26.1
Texas crude (\$/bbl)	93.9	-4.8	-4.8	22.0
Natural Gas (\$/mmbtu)	8.3	0.7	0.7	132.4
Gold (\$/oz)	1,772.2	0.4	0.4	-2.3
Silver (\$/oz)	20.4	0.0	0.0	-11.6
Steel (\$/ton)	832.0	-2.7	-2.7	-41.7
Iron Ore (CNY/MT)	824.0	-1.0	-1.0	20.1
Wheat (\$/bu)	800.3	-0.9	-0.9	3.2
Corn (\$/bu)	609.8	-1.7	-1.7	11.7
Sugar (\$/lb)	17.6	0.3	0.3	-3.4
SMP* (EUR/MT)	3,700.0	0.0	0.0	10.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.79	0.0	0.0	2.6
Saudi Arabia (SAIBOR)	3.09	-0.0	-0.0	2.2
UAE (EIBOR)	2.68	-0.0	-0.0	2.3
Kuwait (KSE)	2.31	0.0	0.0	0.8
Bahrain (BHIBOR)	4.13	0.0	0.0	2.6

Data Sources: Tadawul, Bloomberg, Reuters

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

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RESEARCH
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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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