



Major Economic News

- The OPEC+ Joint Technical Committee (JTC) lowered its forecast for the FY22 oil market surplus by about 200,000 bpd to 800,000 bpd. (Source: Argaam)
- PIF invested SAR 1.1bn in Oman Infrastructure Fund, which is co-managed by Oman Infrastructure Investment Management and Equitix. (Source: Argaam)
- Saudi banks' investments in treasury bonds surged by SAR 7.8bn M/M to SAR 492.7bn in June. (Source: Argaam)
- Residential real estate finance provided for individuals by Saudi Arabian banks rose by 58.0% Y/Y to SAR 13.1bn in June. (Source: Argaam)
- Expatriate remittances in Saudi Arabia decreased 2.0% Y/Y to SAR 13.2bn, while increased 17.0% M/M or SAR 1.9bn. (Source: Argaam)

Major Corporate News

- Naqi Water's retail offering was covered 13.5x with total orders worth SAR 560.1mn and minimum two shares were allocated per individual subscriber. The remaining shares will be allocated on a pro-rata basis with an allocation factor of 1.8%. (Source: Argaam)
- East Pipes Integrated Co. signed a Shariah-compliant working capital facility agreement with National Bank of Kuwait, worth SAR 275.0mn. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.2% to 12,310.6. The value traded stood at SAR 7.8bn (down 2.0% over previous day), while the advance-decline ratio stood at 100/98. The parallel market index increased 0.2% to 21,547.2 points. The value traded stood at SAR 40.3mn (down 29.0% over previous day). Most sectors in the main market ended in the red. Consumer Durables and Commercial Services (up 2.3% and 1.8%, respectively) advanced the most; Media and Real Estate (down 1.3% and 1.2%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q2-22	Q2-21	Y/Y %	Q1-22	Q/Q %
Saudi Telecom Co.	2,837.0	2,821.0	0.6	3,035.0	-6.5
SABB	1,297.0	1,136.0	14.2	1,179.0	10.0
Herfy Foods	20.2	26.7	-24.3	28.4	-28.9

Top Gainers

Company	Price	Change%
ARAB SEA	88.00	10.0
SIECO	41.80	7.7
SADR	48.85	7.7
ALAHLI REIT 1	11.10	6.7
NASEEJ	35.40	6.6

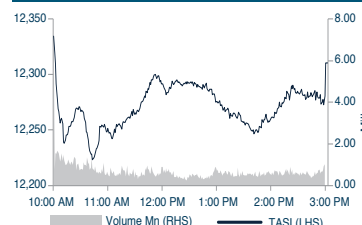
Top Losers

Company	Price	Change%
BJAZ	24.28	-7.3
NAJRAN CEMENT	14.66	-4.4
ARDCO	22.74	-3.2
JOUF CEMENT	10.20	-3.0
EIC	25.05	-2.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,311	12,334	12,221	-0.2	9.1
NomuC	21,547	21,576	21,390	0.2	-17

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	6,695	-0.5	21.4	18.3
Materials	7,191	0.4	-2.1	13.8
Capital Goods	6,133	0.4	-18.7	20.8
Commercial Service	3,850	1.8	-13.4	High
Transportation	4,866	-0.8	-7.0	Neg
Consumer Durables	4,797	2.3	-24.4	Neg
Consumer Services	4,155	-0.5	-10.5	High
Media	22,916	-1.3	-1.5	29.5
Retailing	8,500	0.7	-13.7	29.7
Food & Staples	9,781	0.6	7.2	30.2
Food & Beverages	4,943	-0.1	2.2	49.9
Healthcare	9,571	-0.3	30.8	46.8
Pharma & Bio Tech	3,786	-0.9	-27.1	High
Banks	13,991	-0.4	14.5	22.3
Diversified Financial	8,133	0.0	19.1	8.8
Insurance	5,314	0.6	-11.3	High
Telecom	7,097	0.2	-2.5	19.2
Utilities	7,985	-1.0	34.6	15.6
REITs	4,183	0.9	-9.3	High
Real Estate	3,092	-1.2	-2.5	High
Software & Services	33,794	-0.7	17.9	34.3

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,211	12,072	11,745	7.72

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	21.4	597.4	1,189.30
Previous week	32.6	936.4	1,579.80

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	39.85	-0.5
Al Rajhi	88.10	-1.3
SNB	72.10	1.8
SABIC	101.60	-0.4
STC	101.20	0.0



Regional and International Markets

- Among other regional markets, Dubai decreased 0.9%, while Abu Dhabi increased 1.2%. Oman and Egypt increased 1.2% and 0.2%, respectively. Meanwhile, Qatar, Kuwait and Bahrain declined 1.2%, 0.8%, and 0.3%, respectively.
- US construction spending contracted 1.1% M/M in June (consensus: rebound by 0.2%) after narrowing 0.1% M/M in May. On an annual basis, construction spending improved 8.3% in June as compared to 9.7% in May. (Source: Econoday)
- UK house price index logged growth of 11.0% in July (consensus: 11.5%) versus the 10.7% rise in June. (Source: RTT news)
- China's PMI composite index slipped to 54.0 in July versus 55.3 in June. The services index increased 55.5 in July (consensus: 54.2) versus 54.5 in June. (Source: Econoday).
- Japan's PMI composite index slipped to 50.2 in July from 53.0 in June, the services index slid to 50.3 in July versus 54.0 in June. (Source: Econoday)
- Oil prices edged up 0.5%, as investors expect lower US crude inventory and focus on OPEC's meeting with regards to determining future production levels.
- Gold prices edged lower 0.7%, as US dollar and US Treasury yields advanced post hawkish comments from US Federal Reserve.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.24	0.8	0.3	11.0
Euro	1.02	-0.9	-0.5	-10.6
Japanese Yen	133.17	1.2	-0.1	15.7
Sterling Pound	1.22	-0.7	-0.0	-10.1
Chinese Yuan	6.78	-0.1	0.4	6.6
Indian Rupee	78.72	-0.4	-0.7	5.9
UAE Dirham	3.67	-0.0	-0.0	-0.0
Qatari Rial	3.68	-0.0	0.0	0.3
Kuwaiti Dinar	0.31	-0.0	-0.0	1.3
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	0.0	-0.0
Egyptian Pound	19.03	0.5	0.6	21.1

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)	3,348	-0.9	0.3	4.8	10.8
Abu Dhabi (ADX)	9,895	1.2	2.4	16.6	20.4
Kuwait (KSE)	5,852	-0.8	-0.4	-0.6	9.2
Qatar (QE)	13,302	-1.2	-0.5	14.4	15.5
Oman (MSM)	4,646	1.2	2.5	12.5	12.3
Bahrain (BSE)	1,900	-0.3	-0.3	5.7	7.1
Egypt (EGX30)	9,442	0.2	-0.3	-21	5.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	32,396	-1.2	-1.4	-10.8	17.9
Nasdaq	12,902	-0.3	-0.4	-20.9	27.5
S&P 500	4,091	-0.7	-0.9	-14.2	20.0
FTSE 100	7,409	-0.1	-0.2	0.3	13.3
Germany DAX 30	13,449	-0.2	-0.3	-15.3	12.2
France CAC 40	6,410	-0.4	-0.6	-10.4	13.0
Japan Nikkei 225	27,595	-1.4	-0.7	-4.2	18.9
Russia MOEX	2,137	-2.0	-3.5	-43.6	3.5
Hong Kong Hang Seng	19,689	-2.4	-2.3	-15.8	7.2
South Korea KOSPI	2,440	-0.5	-0.5	-18.1	10.1
China Shanghai Composite	3,186	-2.3	-2.1	-12.5	13.1
Australia ASX 200	6,998	0.1	0.8	-6.0	16.1
India Sensex	58,136	0.0	1.0	-0.2	22.4
MSCI EM	984	-1.1	-1.0	-20.1	10.9
MSCI World	2,728	-0.8	-0.7	-15.6	17.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	110.2	-2.1	-1.5	39.2
Brent Crude (\$/bbl)	100.5	0.5	-8.6	26.8
Texas crude (\$/bbl)	94.4	0.6	-4.3	22.6
Natural Gas (\$/mmbtu)	7.7	-7.0	-6.4	116.2
Gold (\$/oz)	1,760.4	-0.7	-0.3	-3.0
Silver (\$/oz)	20.0	-1.9	-1.9	-13.3
Steel (\$/ton)	823.0	-1.1	-3.7	-42.3
Iron Ore (CNY/MT)	844.0	2.4	1.4	23.0
Wheat (\$/bu)	774.8	-3.2	-4.1	-0.1
Corn (\$/bu)	594.3	-2.5	-4.2	8.9
Sugar (\$/lb)	17.7	0.5	0.9	-2.9
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	2.80	0.0	0.0	2.6
Saudi Arabia (SAIBOR)	3.06	-0.0	-0.0	2.2
UAE (EIBOR)	2.68	0.0	-0.0	2.3
Kuwait (KSE)	2.38	0.1	0.1	0.9
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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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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