



## Major Economic News

- The Sakani Program stated that 87,500 households benefitted from housing options and financing solutions offered by the program electronically since the beginning of FY22 and until the end of July 2022. (Source: Argaam)

## Major Corporate News

- Fawaz Abdulaziz Alhokair Co. amortized all accumulated losses, bringing the value to 0.0% of capital. The company mentioned this followed a capital cut to SAR 1.15bn by amortizing SAR 952.3mn in accumulated losses. (Source: Argaam)
- Maharah Human Resources Co. signed a contract with Saudi Binladin Group worth SAR 306.4mn. (Source: Argaam)
- Saudi Tadawul Group Holding Co.'s subsidiary, Tadawul Advanced Solutions Co. (Wamid), entered into a non-binding preliminary agreement with Direct Financial Network Co. LLC (Direct FN) and its indirect majority shareholder, National Technology Group. The agreement includes the potential acquisition of 51.0% stake in Direct FN for deal value of SAR 140.3mn. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange closed flat at 12,545.1. The value traded stood at SAR 8.0bn (up 2.1% over previous day), while the advance-decline ratio stood at 111/79. The parallel market index decreased 0.3% to 22,034.7 points. The value traded stood at SAR 15.2mn (down 51.9% over previous day). Most sectors in the main market ended in the green. Media and Insurance (up 5.8% and 1.9%, respectively) advanced the most; Energy and Capital Goods (down 1.5% and 0.5%, respectively) led the laggards.

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,545	12,575	12,507	0.0	11.2
NomuC	22,035	22,175	21,962	-0.3	-15.2

## TASI movement during session



## TASI Ratios

P/E* (x)	20.1
Price-to-Book (x)	2.6
Dividend Yield (%)	2.1
Return on Equity (%)	27.2

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,700	-1.5	21.5	18.3
Materials	7,705	0.1	4.9	15
Capital Goods	6,580	-0.5	-12.8	22.4
Commercial Service	3,898	0.4	-12.3	High
Transportation	5,102	0.6	-2.5	Neg
Consumer Durables	5,165	0.1	-18.7	Neg
Consumer Services	4,227	0.3	-8.9	High
Media	24,499	5.8	5.4	31.4
Retailing	8,806	0.1	-10.6	30.9
Food & Staples	10,225	0.4	12.1	31.3
Food & Beverages	5,031	-0.4	4	High
Healthcare	9,359	0.7	28	46.1
Pharma & Bio Tech	4,083	0.3	-21.3	High
Banks	14,019	0.2	14.7	22.4
Diversified Financial	8,168	-0.3	19.6	8.9
Insurance	5,513	1.9	-8	High
Telecom	7,294	0.1	0.2	19.8
Utilities	8,076	0.8	36.1	15.9
REITs	4,304	0.6	-6.7	High
Real Estate	3,183	-0.3	0.4	High
Software & Services	34,519	1.3	20.5	34.8

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

Company	Q2-22	Q2-21	Y/Y %	Q1-22	Q/Q %
SRMG	168.7	134.6	25.3	112.5	50.0
ALHOKAIR*	57.7	45.7	26.3	-44.6	NM
Al Yamamah Steel	0.6	65.1	-99.2	35.2	-98.4
AMANA INSURANCE	-2.1	-39.6	NM	-29.2	NM
MCDC	74.0	-4.0	NM	9.0	722.2
ALINMA TOKIO M	1.1	-2.5	NM	1.4	-20.1
WATANIYA	-12.9	-7.1	NM	1.2	NM
ENAYA	2.8	-8.6	NM	-16.8	NM
ALMRAKEZ*	127.7	126.3	1.1	106.6	19.8

\*Companies with March as financial year end

## Top Gainers

Company	Price	Change%
ALRAJHI TAKAFUL	87.00	10.0
SRMG	208.00	6.3
SABB TAKAFUL	18.32	4.5
CARE	65.60	4.1
TCC	16.76	4.1

## Top Losers

Company	Price	Change%
NAQI	84.50	-2.8
ALKATHIRI	50.30	-2.7
SHAKER	21.60	-2.5
QACCO	79.70	-2.5
EXTRA	122.40	-2.2

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,513	12,399	12,236	7.27

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	22.9	631.1	1,273.20
Previous week	34.4	864.7	1,977.50

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	39.80	-1.6
Al Rajhi	88.00	0.0
SNB	72.70	0.6
SABIC	105.60	0.6
STC	104.60	0.2



## Regional and International Markets

- Among other regional markets, Dubai increased 0.5%, while Abu Dhabi decreased 0.2%. Qatar and Oman increased 0.4% and 0.2%, respectively. Meanwhile, Egypt, Bahrain and Kuwait declined 0.7%, 0.2% and 0.1%, respectively.
- US industrial production edged higher 0.6% M/M in July (consensus: 0.3% M/M) versus a revised unchanged reading in June. Manufacturing output increased 0.7% M/M in July (consensus: 0.2% M/M) versus a decline of 0.4% M/M in June. Capitalization rate in the industrial sector rose to 80.3% in July (consensus: 80.1%) from a revised 79.9% in June. (Source: Econoday, RTT news)
- US housing starts plunged by 9.6% to annual rate of 1.446mn in July (consensus: 1.540mn) versus a revised rate of 1.599mn in June. Building permits fell by 1.3% to an annual rate of 1.674mn versus a revised rate of 1.696mn in June. (Source: Econoday)
- Oil prices fell 2.9%, as recent economic data raised concerns over potential global recession while the markets await the prospect of additional supply through Iranian nuclear deal revival.
- Gold prices edged lower 0.2%, as the US dollar continued to appreciate while investors await US Federal Reserve's rate hike direction.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.50	-0.0	0.6	11.3
Euro	1.02	0.1	-0.5	-10.5
Japanese Yen	134.22	0.7	0.7	16.6
Sterling Pound	1.21	0.3	-0.6	-10.6
Chinese Yuan	6.79	-0.3	0.6	6.8
Indian Rupee	79.39	-0.2	0.2	6.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	0.0	-0.0	0.2
Kuwaiti Dinar	0.31	0.1	0.1	1.5
Omani Rial	0.38	-0.0	-0.0	-0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	19.15	-0.0	1.2	21.8

## Corporate Calendar

Date	Company	Event
17 <sup>th</sup> Aug	JARIR	Cash Dividend Distribution
18 <sup>th</sup> Aug	ASLAK	Cash Dividend Distribution
18 <sup>th</sup> Aug	SEDCO CAPITAL REIT	Cash Dividend Distribution
18 <sup>th</sup> Aug	AICTEC	EGM
21 <sup>st</sup> Aug	Enaya	EGM
24 <sup>th</sup> Aug	FITNESS TIME	Cash Dividend Distribution

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,415	0.5	2.3	6.8	10.4
Abu Dhabi (ADX)	10,183	-0.2	5.4	20	21.2
Kuwait (KSE)	5,797	-0.1	-1.3	-1.5	9.1
Qatar (QE)	13,749	0.4	2.8	18.3	15.3
Oman (MSM)	4,652	0.2	2.6	12.6	12.5
Bahrain (BSE)	1,899	-0.2	-0.3	5.7	7.1
Egypt (EGX30)	9,843	-0.7	4	-17.6	5.4

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,152	0.7	4.0	-6.0	18.8
Nasdaq	13,635	-0.2	5.3	-16.5	28.0
S&P 500	4,305	0.2	4.2	-9.7	21.2
FTSE 100	7,536	0.4	1.5	2.1	14.6
Germany DAX 30	13,910	0.7	3.2	-12.4	13.4
France CAC 40	6,593	0.3	2.2	-7.8	13.7
Japan Nikkei 225	28,869	-0.0	3.8	0.3	29.5
Russia MOEX	2,208	2.0	-0.2	-41.7	3.6
Hong Kong Hang Seng	19,831	-1.0	-1.6	-15.2	7.5
South Korea KOSPI	2,534	0.2	3.3	-14.9	10.5
China Shanghai Composite	3,278	0.1	0.8	-9.9	13.4
Australia ASX 200	7,105	0.6	2.3	-4.6	15.3
India Sensex	59,842	0.6	3.9	2.7	23.2
MSCI EM	1,014	-0.1	2.1	-17.7	11.2
MSCI World	2,844	0.1	3.6	-12.0	18.3

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	102.41	-1.3	-8.5	29.4
Brent Crude (\$/bbl)	92.34	-2.9	-16.1	16.4
Texas crude (\$/bbl)	86.53	-3.2	-12.3	12.4
Natural Gas (\$/mmbtu)	9.33	6.9	13.4	161.8
Gold (\$/oz)	1,775.69	-0.2	0.6	-2.1
Silver (\$/oz)	20.15	-0.6	-1.0	-12.6
Steel (\$/ton)	795.00	-1.0	-7.0	-44.3
Iron Ore (CNY/MT)	787.00	-0.8	-5.5	14.7
Wheat (\$/bu)	802.75	-1.8	-0.6	3.5
Corn (\$/bu)	610.25	-2.9	-1.6	11.8
Sugar (\$/lb)	18.27	-1.5	4.2	0.3
SMP* (EUR/MT)	3,650.00	0.0	-1.4	8.5

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.94	0.0	0.2	2.7
Saudi Arabia (SAIBOR)	3.03	0.0	-0.1	2.1
UAE (EIBOR)	2.77	-0.0	0.1	2.4
Kuwait (KSE)	2.56	0.0	0.3	1.1
Bahrain (BHIBOR)	4.14	0.0	0.0	2.6

Data Sources: Tadawul, Bloomberg, Reuters

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

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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.
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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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