



Major Economic News

- According to IMF, Saudi Arabia is recovering strongly from a pandemic induced recession and expects inflation in the Kingdom to decline to 2.8% in FY22. IMF expects the Kingdom's current account surplus to reach more than 17.0% of GDP. (Source: Argaam)
- Saudi Arabia's oil exports increased by 2.0% M/M to 7.2mn bpd in June 2022. On Y/Y basis, oil exports rose 21.0% from 6.0mn bpd in June 2021. (Source: Argaam)

Major Corporate News

- ACWA Power Co. announced its intention to sign an agreement with Uzbekistan's Ministry of Energy and Ministry of Investment and Foreign Trade for a 1,500 MW wind power project in Karakalpakstan, Uzbekistan. The agreement value is estimated at USD 2.4bn as the project is expected to close financially by end of FY23 and be fully operational by Q1-26. (Source: Argaam)
- Salama Cooperative Insurance Co.'s board of directors proposed increasing capital by SAR 200.0mn to SAR 300.0mn, through a rights issue to support the company's future plans and solvency margin. (Source: Argaam)
- Wataniya Insurance Co. was awarded an insurance contract by Samsung C&T Corp. Saudi Arabia, worth SAR 53.6mn. (Source: Argaam)

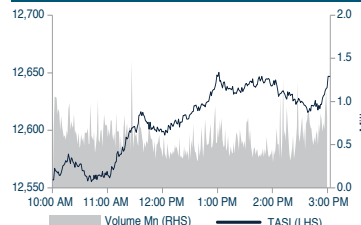
Market Analysis

- The Saudi Stock Exchange increased 0.8% to 12,646.7. The value traded stood at SAR 7.1bn (down 11.4% over previous day), while the advance-decline ratio stood at 97/100. The parallel market index decreased 2.3% to 21,533.2 points. The value traded stood at SAR 126.2mn (up 728.1% over previous day). Most sectors in the main market ended in the green. Media and Software & Services (up 8.7% and 3.5%, respectively) advanced the most; Capital Goods and Consumer Durables (down 1.2% and 0.3%, respectively) led the laggards.

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,647	12,652	12,550	0.8	12.1
NomuC	21,533	21,865	21,533	-2.3	-17.1

TASI movement during session



TASI Ratios

P/E* (x)	20.3
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	0.0	21.5	18.3
Materials	7,705	0.0	4.9	15
Capital Goods	6,503	-1.2	-13.8	22.2
Commercial Service	3,897	0.0	-12.3	High
Transportation	5,107	0.1	-2.4	Neg
Consumer Durables	5,148	-0.3	-18.9	Neg
Consumer Services	4,229	0.0	-8.9	High
Media	26,623	8.7	14.5	33.6
Retailing	8,843	0.4	-10.2	31.1
Food & Staples	10,192	-0.3	11.7	31.1
Food & Beverages	5,085	1.1	5.2	High
Healthcare	9,381	0.2	28.2	46.1
Pharma & Bio Tech	4,090	0.2	-21.2	High
Banks	14,223	1.5	16.4	22.7
Diversified Financial	8,232	0.8	20.5	8.9
Insurance	5,549	0.7	-7.4	High
Telecom	7,330	0.5	0.7	19.9
Utilities	8,124	0.6	36.9	15.9
REITs	4,305	0.0	-6.7	High
Real Estate	3,206	0.7	1.1	High
Software & Services	35,733	3.5	24.7	36.1

Earnings update (Net Profit) (SAR mn)

Company	Q2-22	Q2-21	Y/Y %	Q1-22	Q/Q %
Gulf General	-16.5	-19.7	NM	-18.1	NM
Malath Insurance	-3.9	-8.6	NM	-21.0	NM
CHUBB	1.0	4.3	-76.4	2.0	-50.0
CHEMANOL	92.2	60.2	53.2	102.7	-10.2
A. OTHAIM MARKET	46.6	47.9	-2.7	91.3	-48.9
TAIBA	34.5	-12.9	NM	20.4	69.5

Top Gainers

Company	Price	Change%
SRMG	228.80	10.0
ALRAJHI TAKAFUL	95.70	10.0
ALHOKAIR	22.12	9.9
ALHOKAIR GROUP	13.54	6.8
ELM	309.20	5.5

Top Losers

Company	Price	Change%
ALYAMAMAH STEEL	34.60	-5.0
WAFRAH	40.50	-4.3
ARAB SEA	92.00	-3.3
SAUDI CERAMICS	39.00	-3.0
TANMIAH	83.10	-2.8

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,556	12,435	12,275	7.25

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	30	813.4	1,667.80
Previous week	34.4	864.7	1,977.50

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	39.80	0.0
Al Rajhi	89.40	1.6
SNB	72.80	0.1
SABIC	107.00	1.3
STC	104.80	0.2



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.3% and 0.7%, respectively. Egypt, Qatar, Kuwait, and Bahrain increased 2.2%, 1.7%, 0.3% and 0.1%, respectively. Meanwhile, Oman declined 0.1%.
- According to EIA, oil inventories in the US decreased 7.1mn barrels (prior: up 5.5mn) to 425.0mn in the week ended August 12. Gasoline inventories decreased 4.6mn barrels (prior: down 5.0mn) to 215.7mn, while distillate inventories increased 0.8mn barrels (prior: up 2.2mn) to 112.3mn. (Source: EIA, Econoday)
- US retail sales remained flat M/M in July (consensus: rise of 0.1% M/M) versus a revised rise of 0.8% M/M in June. (Source: Econoday).
- UK CPI increased 10.1% Y/Y in July (consensus: 9.8% Y/Y) as compared to a rise of 9.4% Y/Y in June. On M/M basis, prices increased 0.6% in July (consensus: 0.4% M/M) versus a rise of 0.8% M/M in June. (Source: Econoday)
- Oil prices rose 1.4%, as steeper than expected drawdown in US crude stockpiles outweighed concerns of recession as well as rising Russian output.
- Gold prices fell 0.8%, as US dollar strengthened while investors awaited direction from US Federal Reserve regarding their upcoming stance on interest rate hikes.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.57	0.1	0.6	11.4
Euro	1.02	0.1	-0.4	-10.5
Japanese Yen	135.05	0.6	1.3	17.4
Sterling Pound	1.20	-0.4	-1.0	-11.0
Chinese Yuan	6.79	0.0	0.7	6.9
Indian Rupee	79.45	0.1	0.2	6.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	0.0	0.0	0.2
Kuwaiti Dinar	0.31	0.0	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
18 th Aug	ASLAK	Cash Dividend Distribution
18 th Aug	SEDCO CAPITAL REIT	Cash Dividend Distribution
18 th Aug	AICTEC	EGM
21 st Aug	Enaya	EGM
24 th Aug	FITNESS TIME	Cash Dividend Distribution
25 th Aug	STC	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,458	1.3	3.6	8.2	10.6
Abu Dhabi (ADX)	10,252	0.7	6.1	20.8	21.3
Kuwait (KSE)	5,812	0.3	-1.1	-1.3	9.2
Qatar (QE)	13,989	1.7	4.6	20.3	15.4
Oman (MSM)	4,648	-0.1	2.6	12.6	12.6
Bahrain (BSE)	1,900	0.1	-0.3	5.7	7.1
Egypt (EGX30)	10,058	2.2	6.2	-15.8	5.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,980	-0.5	3.5	-6.5	18.7
Nasdaq	13,471	-1.2	4.0	-17.5	27.6
S&P 500	4,274	-0.7	3.5	-10.3	20.9
FTSE 100	7,516	-0.3	1.2	1.8	14.6
Germany DAX 30	13,627	-2.0	1.1	-14.2	13.1
France CAC 40	6,528	-1.0	1.2	-8.7	13.5
Japan Nikkei 225	29,223	1.2	5.1	1.5	29.2
Russia MOEX	2,189	-0.9	-1.1	-42.2	3.5
Hong Kong Hang Seng	19,922	0.5	-1.2	-14.9	7.5
South Korea KOSPI	2,516	-0.7	2.7	-15.5	10.6
China Shanghai Composite	3,293	0.4	1.2	-9.5	13.4
Australia ASX 200	7,128	0.3	2.6	-4.3	15.1
India Sensex	60,260	0.7	4.7	3.4	23.2
MSCI EM	1,016	0.1	2.2	-17.6	11.3
MSCI World	2,823	-0.8	2.8	-12.7	18.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	101.06	-1.3	-9.7	27.6
Brent Crude (\$/bbl)	93.65	1.4	-14.9	18.1
Texas crude (\$/bbl)	88.11	1.8	-10.7	14.4
Natural Gas (\$/mmbtu)	9.24	-0.9	12.3	159.4
Gold (\$/oz)	1,761.77	-0.8	-0.2	-2.9
Silver (\$/oz)	19.80	-1.7	-2.7	-14.1
Steel (\$/ton)	795.00	0.0	-7.0	-44.3
Iron Ore (CNY/MT)	777.00	-1.3	-6.7	13.3
Wheat (\$/bu)	780.50	-2.8	-3.4	0.6
Corn (\$/bu)	612.00	0.3	-1.3	12.1
Sugar (\$/lb)	18.24	-0.2	4.0	0.1
SMP* (EUR/MT)	3,598.00	-1.4	-2.8	6.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	2.96	0.0	0.2	2.8
Saudi Arabia (SAIBOR)	3.02	0.0	-0.1	2.1
UAE (EIBOR)	2.85	0.1	0.1	2.5
Kuwait (KSE)	2.50	-0.1	0.2	1.0
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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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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