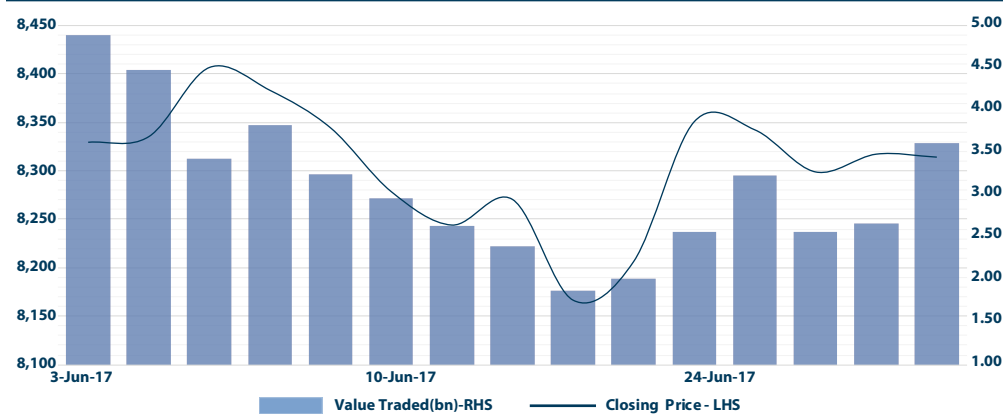


TASI ended the month at 8,314.19 points, a 1.9%MoM increase. Total value traded stood at SAR 46.4bn. Basic Materials and Banks sectors accounted for 58.4% of the total value traded. Energy and Commercial Services were the best performing sectors, showing an increase of 7.2%MoM and 5.9%MoM respectively. While Consumer Durables and Utilities sectors were the worst performers showing a decline of 6.3%MoM and 2.7%MoM respectively. TASI index gained 15.1%YTD, while Dubai index declined 16.3%YTD.

TASI Movement During June

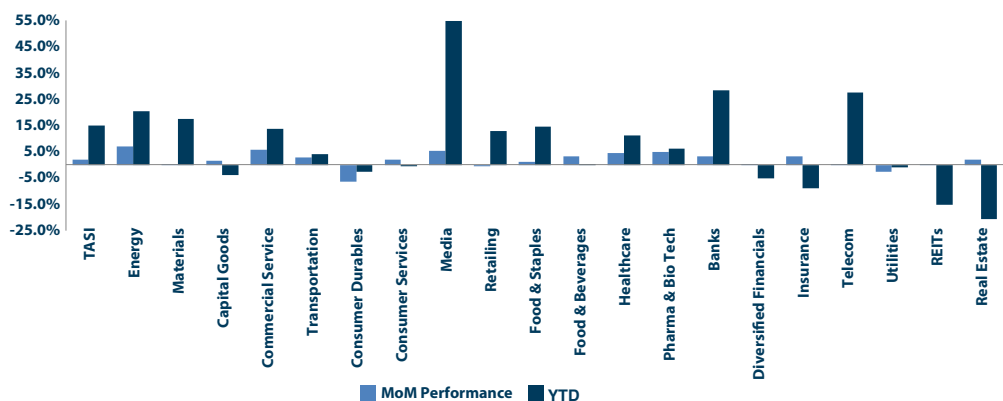
Source: TADAWUL, Aljazira Capital



TASI started the month at 8,161.08 points and closed at 8,314.19 with an average daily value traded of SAR 3.09bn compared to 3.70bn in May.

Sectors Performance

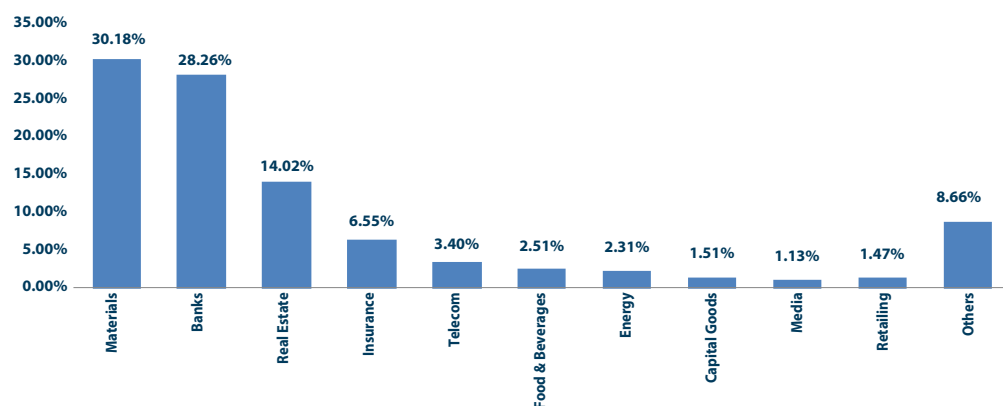
Source: Bloomberg, Aljazira Capital



TASI increased 1087.9 points (up 15.1%YTD). Media and Banks sectors showed the highest YTD increase of 54.9% and 28.6% respectively. On other hand, Real Estate and REITs were the worst performing sectors recording a decline of 20.7% and 15.1% respectively.

Value Traded per Sector (%)

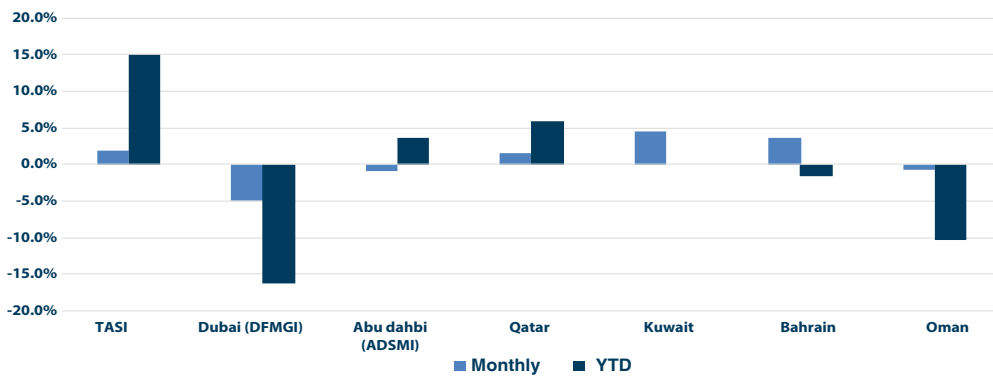
Source: TADAWUL, Aljazira Capital



Materials and Banks registered the highest traded values among the sectors, accounting for 30.2% and 28.3%, respectively, of total value traded in June. On the other hand, Pharma and Diversified Financials were the lowest, accounting for 0.18% and 0.20% respectively.

GCC Market Performance *

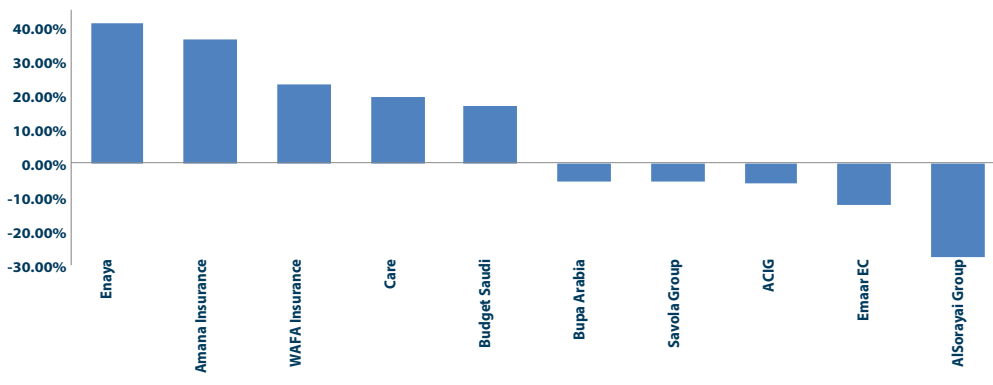
Source: Bloomberg, Aljazira Capital



On a Monthly basis, Kuwait index was the best performing index, rising 4.6%MoM. Dubai index was the worst performing index, a decline of 4.8%MoM.

Top/Worst Performing Companies

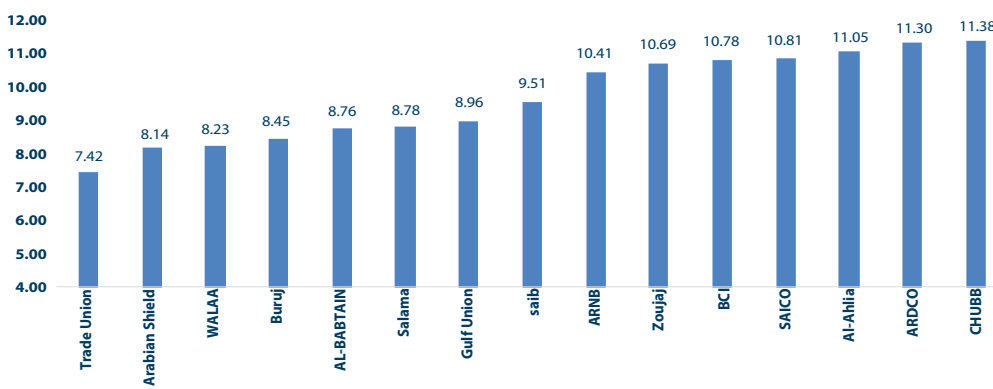
Source: TADAWUL, Aljazira Capital



Enaya was the best performing stock in June recording an increase of 40.9%MoM, followed by Nama Amana Insurance which showed an increase of 36.5%MoM. On the other hand, AlSorayai Group was the worst performing stock recording a decline of 27.7%MoM, followed by Emaar EC which showed a decline of 12.1%MoM.

Companies with lowest PE

Source: TADAWUL, Aljazira Capital



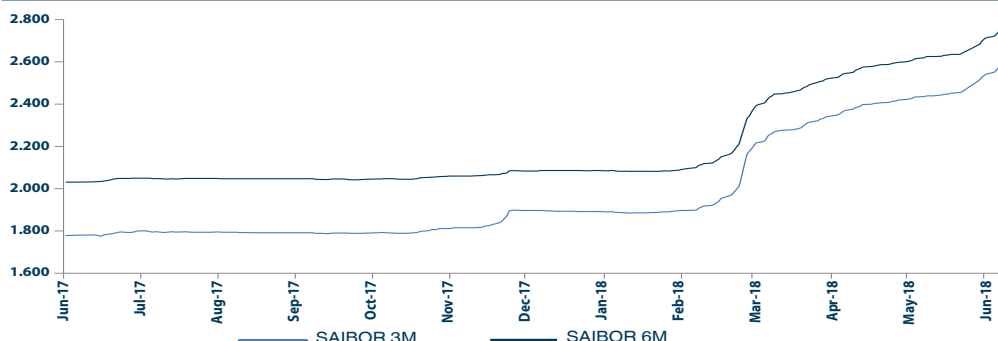
Trade Union had the lowest P/E of 7.42x, followed by Arabian Shield at 8.14x and WALAA at 8.23x.

* Kuwait index started at 1st of April

Economic Data

SAIBOR

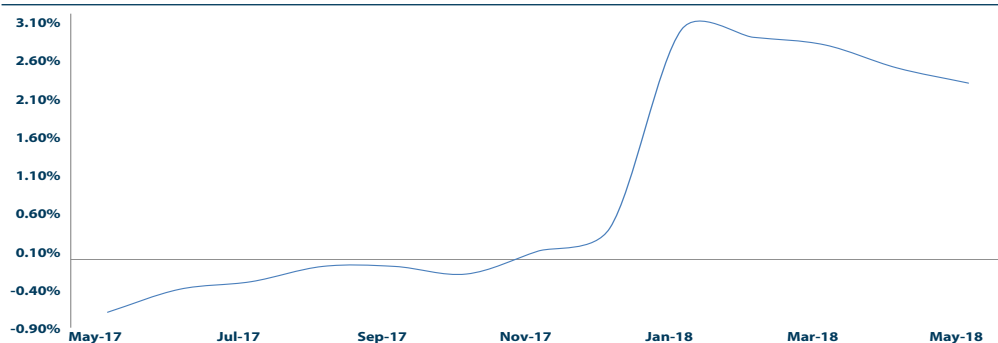
Source: Bloomberg, Aljazira Capital



3-month and 6-month SAIBOR ended the month at 2.594% and 2.765% respectively. The 3-month and 6-month SAIBOR showed a MoM increase of 6.4% and 5.3% respectively.

Inflation Rate

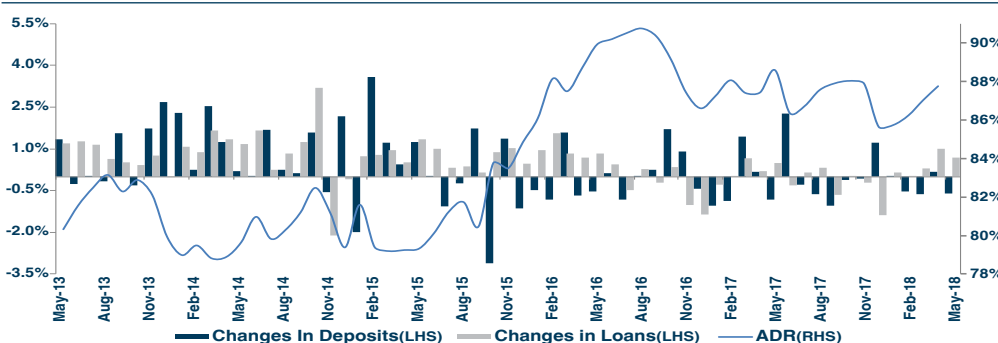
Source: SAMA, Aljazira Capital



Saudi Arabia inflation rate stood at 2.3% at the end of May, a decrease from 2.5% in April.

Deposits & loans

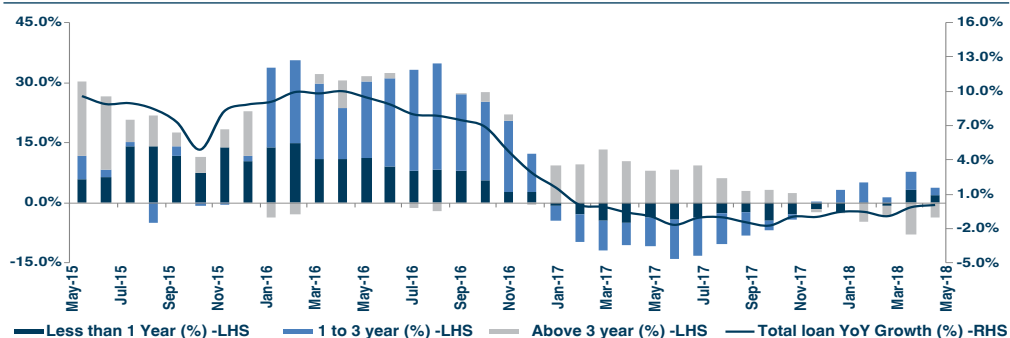
Source: SAMA, Aljazira Capital



Deposits showed an increase of SAR 2.72bn (0.2%MoM), while loans showed an increase of SAR 13.9bn (1.0%MoM) by end of April.

Change in Loans by Maturity (%)

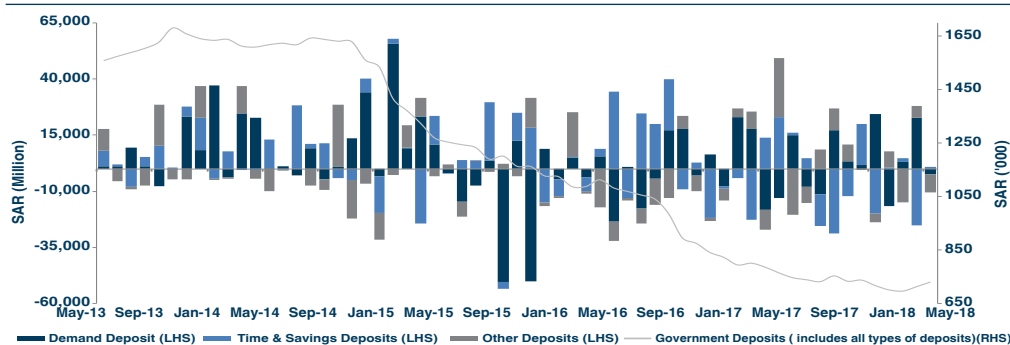
Source: SAMA, Aljazira Capital



Total loans showed an increase of 0.1%YoY in May. Loans with maturity of above 3 years showed a decline of 3.8%YoY, while loans of maturity of 1-3 years showed an increase of 2.0%YoY. Loans with maturity less than 1 year showed an increase of 1.8%YoY.

Change in Demand - Time and Saving Deposits

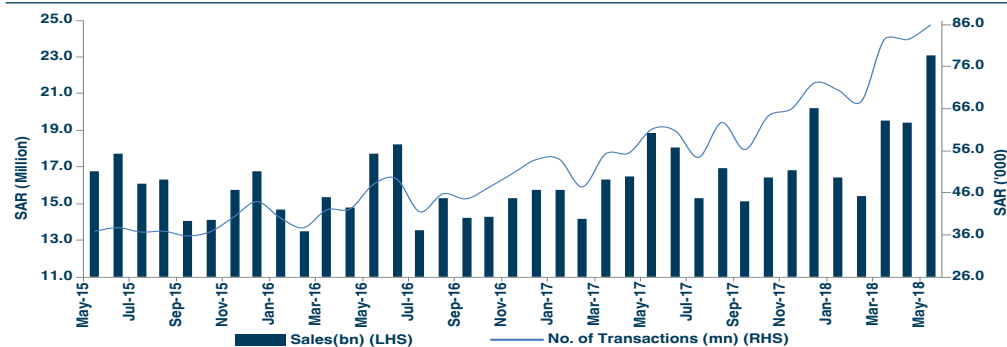
Source: SAMA, Aljazira Capital



Demand deposits showed a decline of SAR 2.4bn (0.2%MoM) in May. Time & Savings deposits showed an increase of SAR 0.74bn (0.2%MoM). In addition, government deposits showed an increase of 2.4% MoM.

POS (Point of Sale)

Source: SAMA, Aljazira Capital

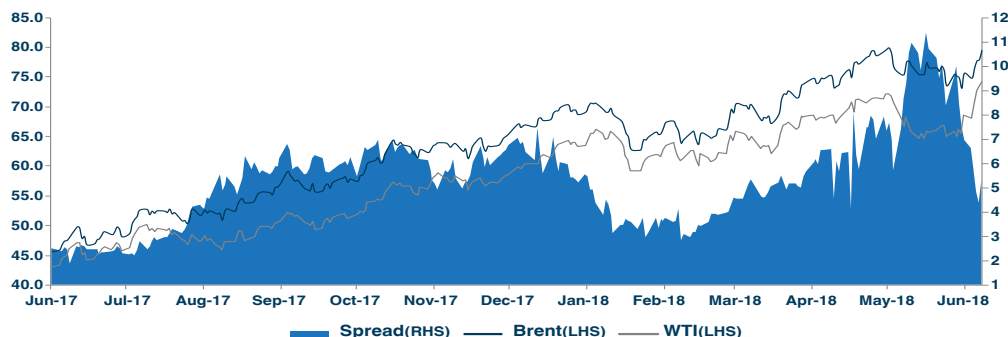


Point of Sales showed an increase of 18.9%MoM in May and stood at SAR 23.1bn, with total number of transactions standing at 86.0mn(up 4.3%MoM).

Commodities Prices

Oil Prices (USD) *

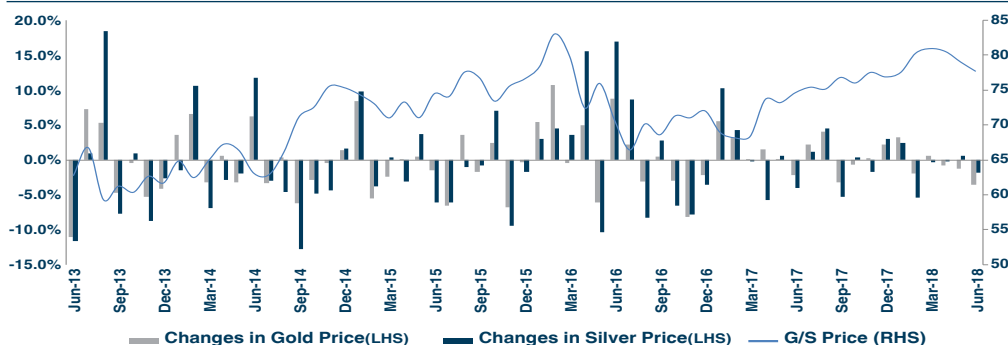
Source: Bloomberg, Aljazira Capital



Brent and WTI showed an increase of 2.4%MoM and 10.6%MoM respectively, closing at \$79.4 and \$74.2 respectively.

Gold & Silver (% Monthly change)

Source: Bloomberg, Aljazira Capital



Gold and Silver showed a decline of 3.5%MoM and 1.9%MoM respectively, closing the month at \$1252.6 and \$16.1 respectively.

Copper

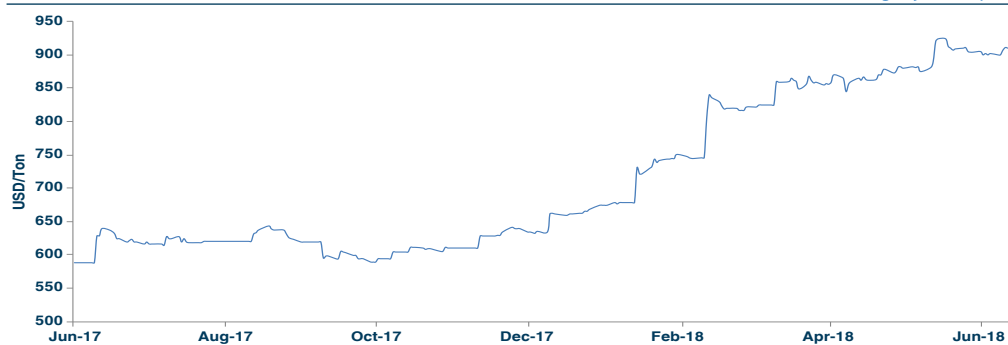
Source: Bloomberg, Aljazira Capital



Copper showed a decrease of 3.7%MoM, ending the month on 2.951 USD/lb.

Steel **

Source: Bloomberg, Aljazira Capital



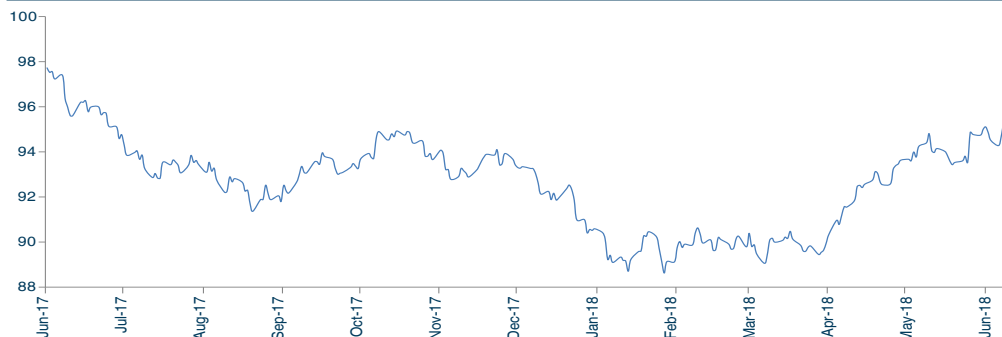
Steel showed a decline of 1.1%MoM and ended the month at 910 USD/ton.

*August 2018 contract for Brent, July 2018 contract for WTI ** HRC1 Index

Exchange Rate

Dollar Index

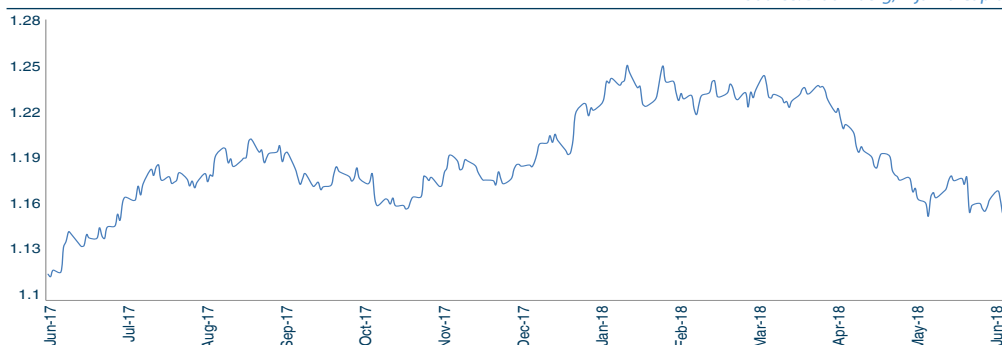
Source: Bloomberg, Aljazira Capital



Dollar Index showed an increase of 0.5%MoM by the end of June standing at 94.47 points.

EUR/USD

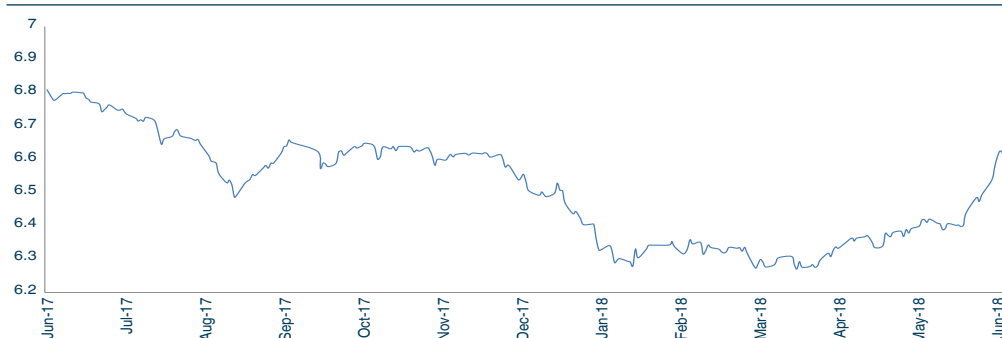
Source: Bloomberg, Aljazira Capital



Euro depreciated against the Dollar by 0.1%MoM standing at 1.168 EUR/USD.

USD/YUAN

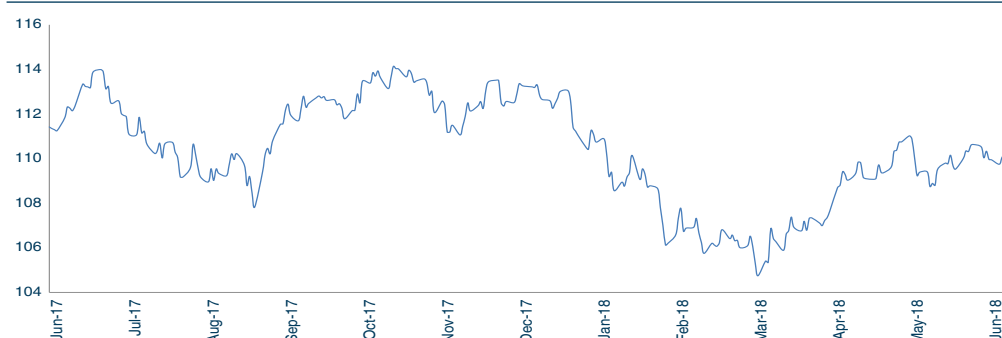
Source: Bloomberg, Aljazira Capital



YUAN depreciated by 3.3%MoM against the Dollar standing at 6.621 YUAN/USD.

USD/YEN

Source: Bloomberg, Aljazira Capital



YEN depreciated by 1.8%MoM against the Dollar closing at 110.76 YEN/USD.

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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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