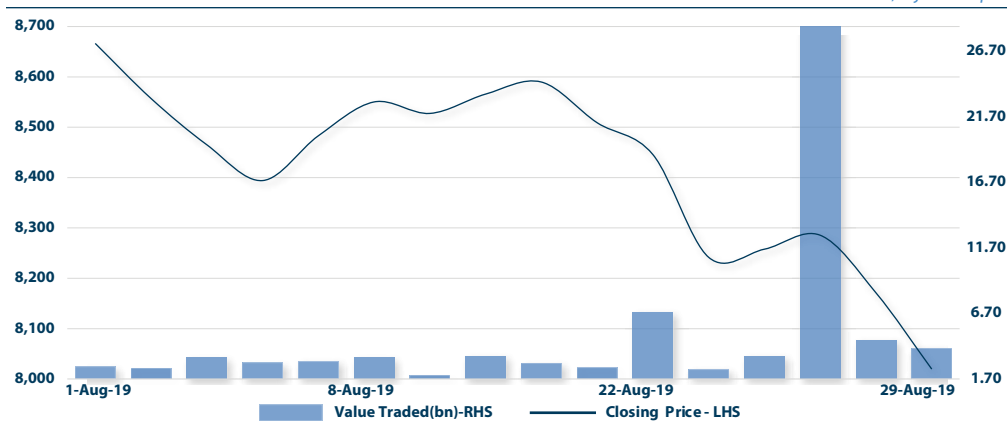


TASI ended the month at 8,019.77 points, a decline of 8.2%M/M. Total value traded stood at SAR 78.7bn. Basic Materials and Banks sectors accounted for 66.0% of the total value traded. Utilities and Energy were the best performing sectors, showing an increase of 4.0%M/M and 3.0%M/M, respectively. While banks and Software & Services sectors were the worst performers showing a decrease of 11.7%M/M and 11.6%M/M, respectively.

TASI Movement During August

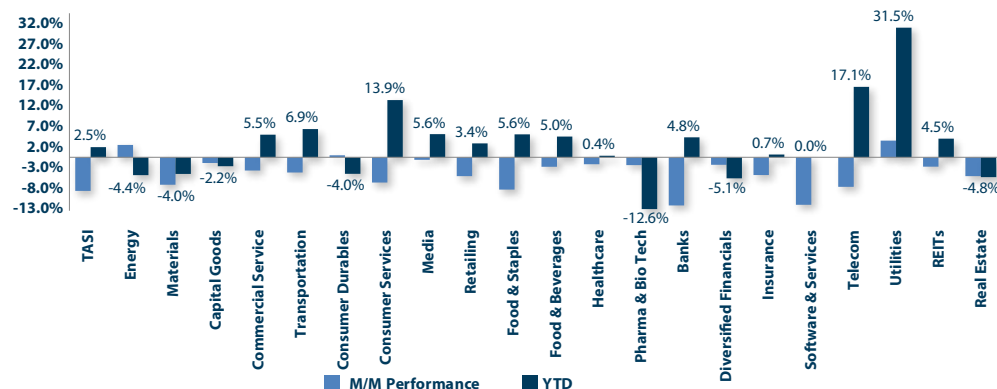
Source: TADAWUL, Aljazira Capital



TASI started the month at 8,732.6 points and closed at 8,019.8 with an average daily value traded of SAR 4.92bn compared to SAR 2.83bn in July.

Sectors Performance during August

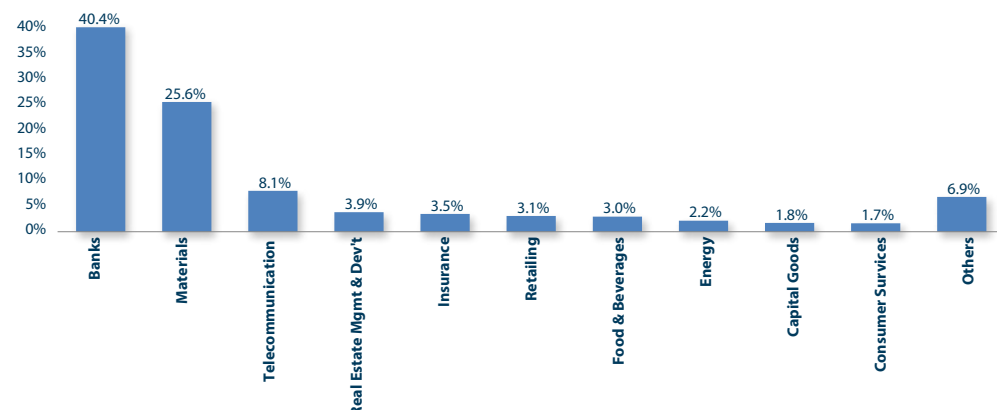
Source: Bloomberg, Aljazira Capital



TASI increased 193.0 points (up 2.5%YTD), while decreased by 712.9 points (down 8.2%M/M). Utilities and Energy sectors showed the highest M/M increase of 4.0% and 3.0%, respectively. On other hand, Banks and Software & Services were the worst performing sectors recording a decline of 11.7% M/M and 11.6%M/M, respectively.

Value Traded per Sector (%)

Source: TADAWUL, Aljazira Capital

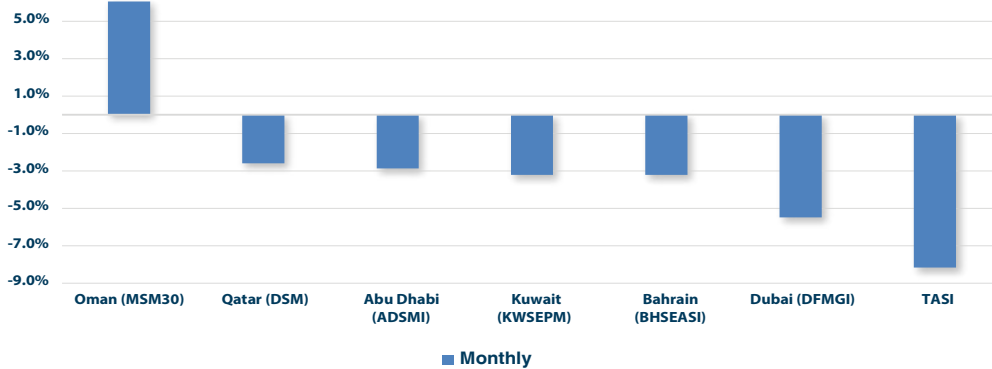


Banks and Materials registered the highest traded values among the sectors, accounting for 40.4% and 25.6%, respectively, of total value traded in August. On the other hand, pharma & bio tech and Diversified Financials. were the lowest, accounting for 0.1% and 0.2% respectively.



GCC Market Performance *

Source: Bloomberg, Aljazira Capital

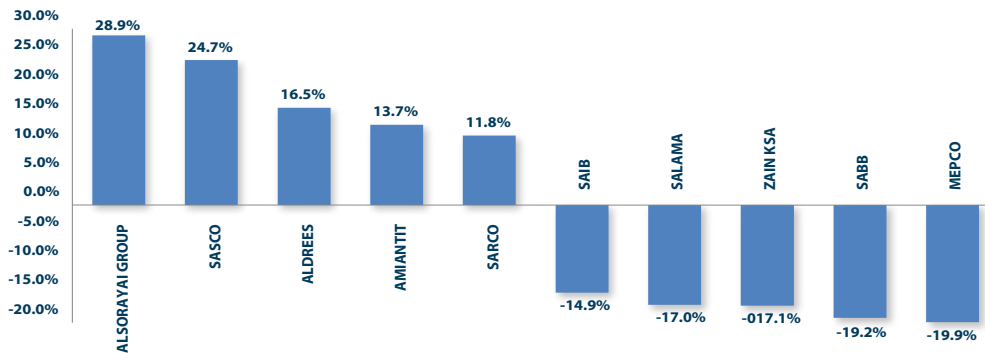


* Kuwait index started at 1st of April

On a Monthly basis, Oman index was the best performing index, showed an increase of 6.1%M/M. On the other hand, TASI was the worst performing index showing a decline of 8.2%M/M.

Top/Worst Performing Companies

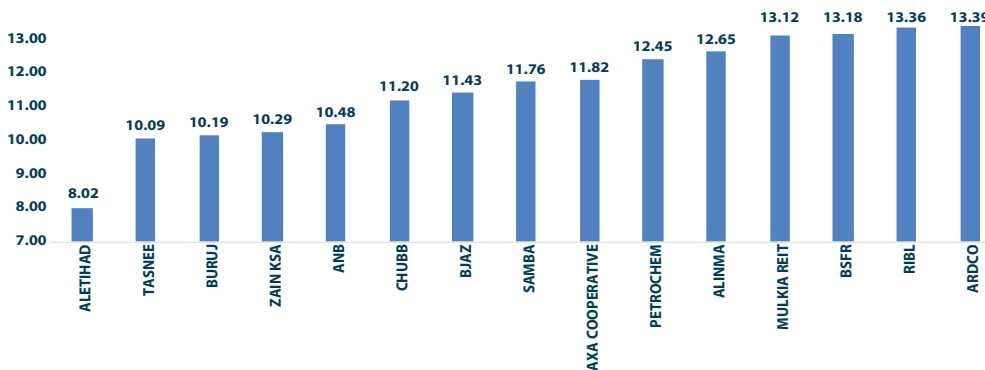
Source: TADAWUL, Aljazira Capital



ALSORAYAI GROUP was the best performing stock in August, recording an increase of 28.9%M/M followed by SASCO which showed an increase of 24.7%M/M. On the other hand, MEPCO was the worst performing stock recording a decline of 19.9%M/M, followed by SABB which showed a decline of 19.2%M/M.

Companies with lowest PE

Source: TADAWUL, Aljazira Capital



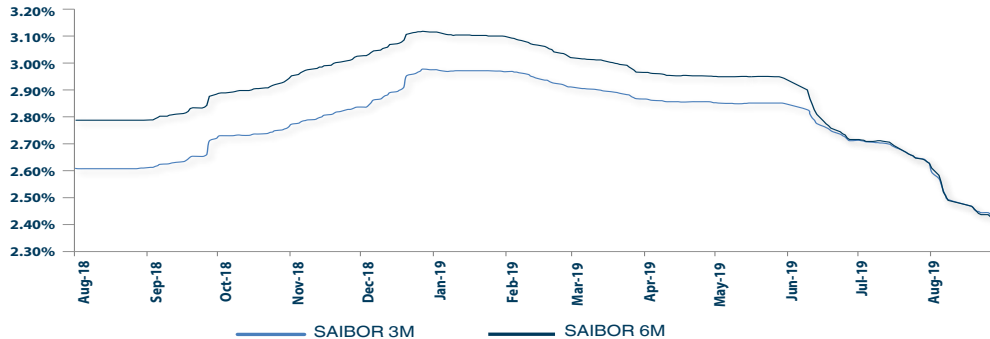
Aletihad and TASNEE traded at the lowest P/E of 8.02x and 10.09x, respectively. Followed by BURUJ at 10.19x, and ZAIN KSA at 10.29x.



Economic Data

SAIBOR

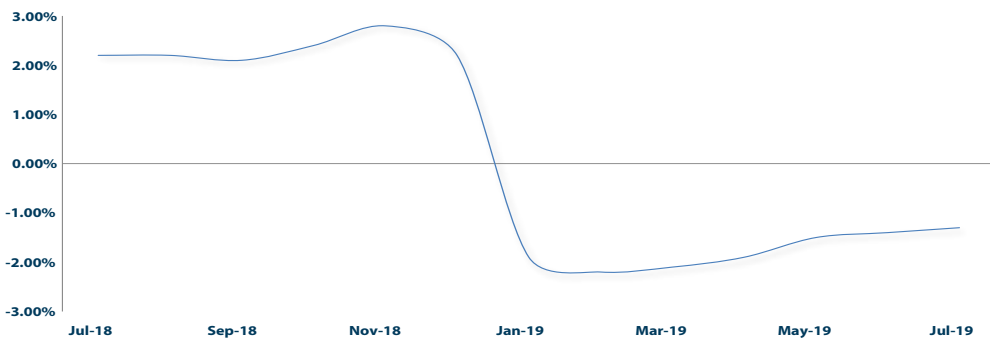
Source: Bloomberg, Aljazira Capital



3-month and 6-month SAIBOR ended the month at 2.42% and 2.40%, respectively. The 3-month and 6-month SAIBOR showed a M/M decline of 20.7bps and 23.0bps, respectively.

Inflation Rate

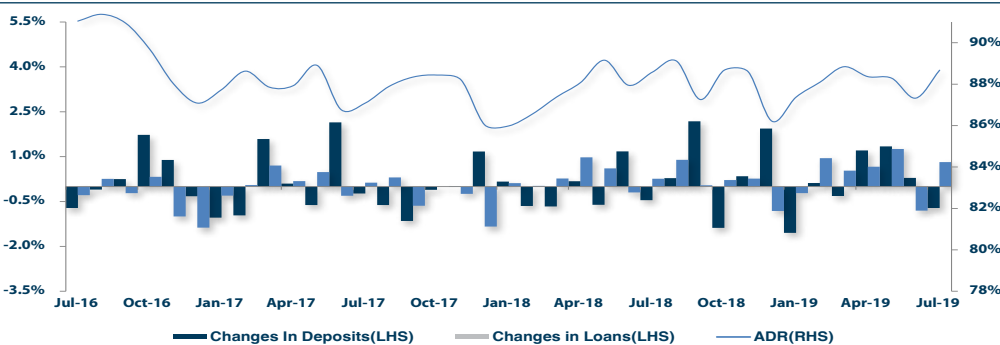
Source: SAMA, Aljazira Capital



Saudi Arabia inflation rate remained negative at -1.30% in July compared to -1.40% in Jun.

Deposits & loans

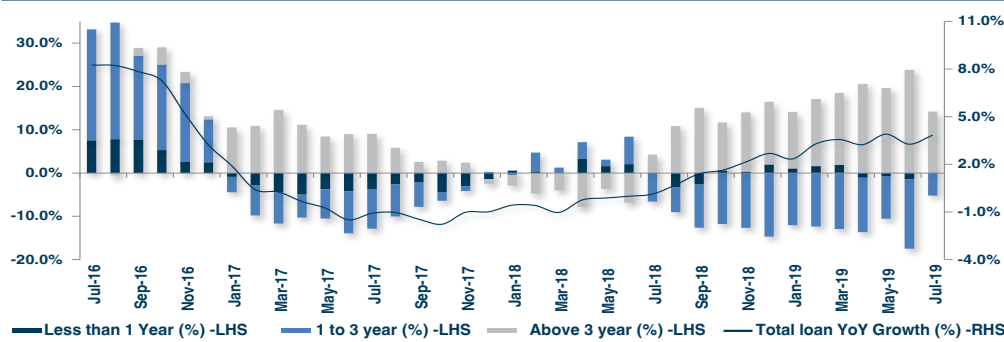
Source: SAMA, Aljazira Capital



Bank Deposits showed a decline of 12.1bn (0.71% M/M) by the end of July. While Loans showed an increase of 12.1bn (0.82% M/M).

Change in Loans by Maturity (%)

Source: SAMA, Aljazira Capital

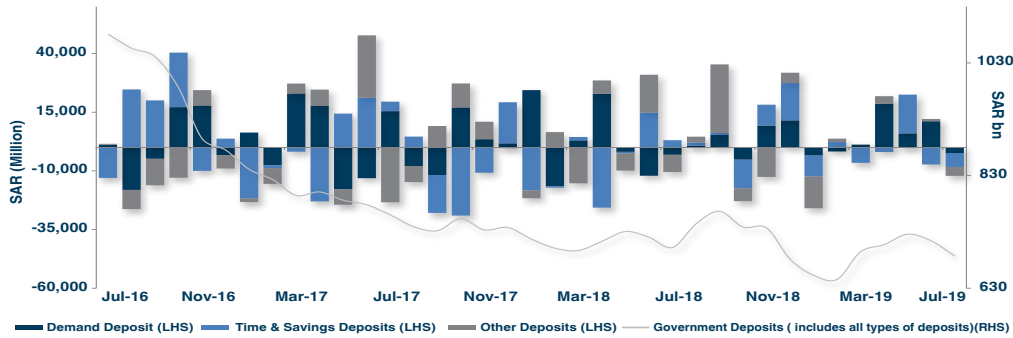


Total loans showed an increase of 3.8% Y/Y in July. Loans with maturity of above 3 years showed an increase of 14.1% Y/Y, while loans of maturity of 1-3 years showed a decline of 5.2% Y/Y. Loans with maturity less than 1 year increased by 0.1% Y/Y.



Change in Demand - Time and Saving Deposits

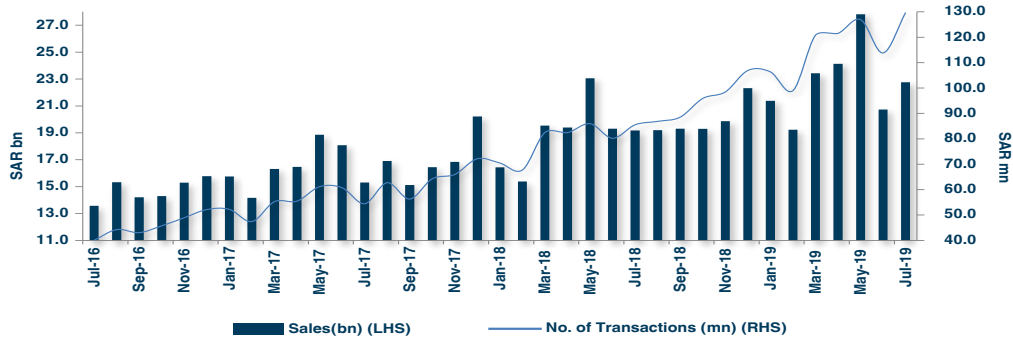
Source: SAMA, Aljazira Capital



Demand deposits showed a decline of SAR 2.4bn(0.2%M/M) in July. Time & Saving Deposits showed a decline of SAR 5.9bn (1.4%M/M). Government deposits showed a decline of 3.7% M/M.

POS (Point of Sale)

Source: SAMA, Aljazira Capital

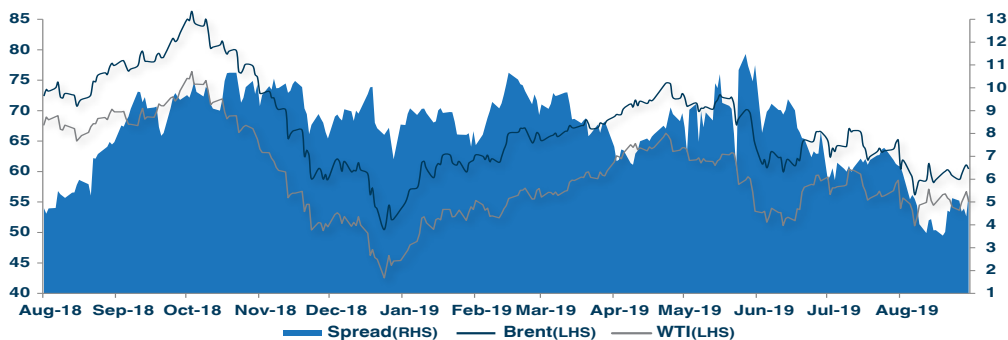


Point of Sale showed an increase of 9.8%M/M in July and stood at SAR 22.8bn, with total number of transactions standing at 129.7mn (up 14.0%M/M).

Commodities Prices

Oil Prices (USD) *

Source: Bloomberg, Aljazira Capital



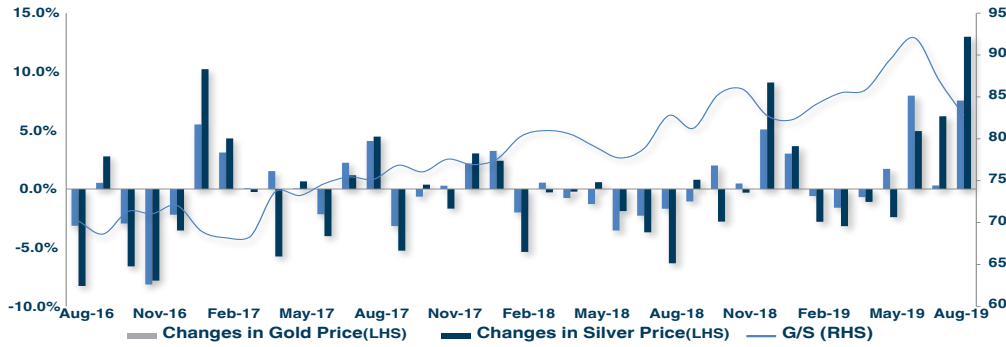
Brent showed a decline of 7.3%M/M, and closed at \$60.4. Moreover WTI showed a decline of 5.9%M/M, and closed at \$55.1.

* April 2019 contract for Brent, March 2019 contract for WTI



Gold & Silver (% Monthly change)

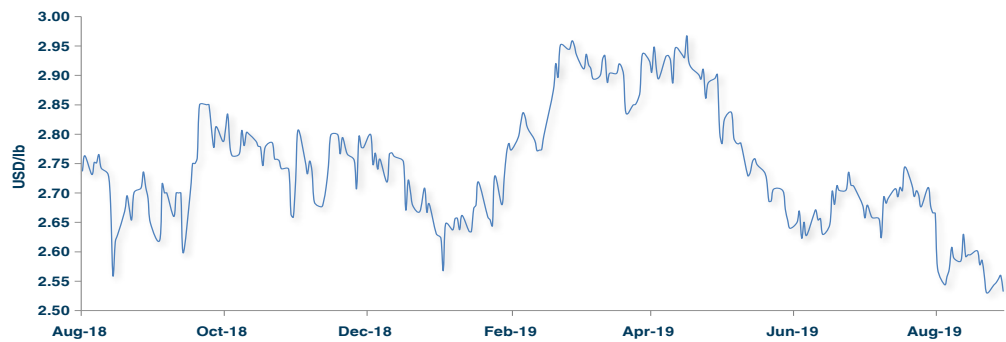
Source: Bloomberg, Aljazira Capital



Gold and silver showed an increase of 7.5%M/M and 13.0%M/M, and closed the month at \$1,520.4 and \$18.4, respectively.

Copper

Source: Bloomberg, Aljazira Capital



Copper showed a decline of 5.0%M/M and ended the month at 2.5USD/lb.

Steel*

Source: Bloomberg, Aljazira Capital



Steel showed a decline of 7.6%M/M and ended the month at 560 USD/ton.

* HRC1 Index

VLCC Rate

Source: Bloomberg, Aljazira Capital



VLCC rate showed an increase of 177.0%M/M by end of August, standing at USD 31.1K/day.



Exchange Rate

Dollar Index

Source: Bloomberg, Aljazira Capital



Dollar Index increased by 0.4%M/M at the end of August and stood at 98.9 points.

EUR/USD

Source: Bloomberg, Aljazira Capital



Euro M/M declined against the Dollar by 0.8%, standing at 1.1 EUR/USD.

USD/YUAN

Source: Bloomberg, Aljazira Capital



YUAN decreased by 4.0%M/M against the Dollar and stood at 7.2 USD/YUAN.

USD/YEN

Source: Bloomberg, Aljazira Capital



YEN increased by 2.3%M/M against the Dollar and stood at 106.3 USD/YEN.



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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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