

## Petrochemical prices continue the uptrend in June with considerable increase on YTD basis

- **Propane and butane prices rise:** Propane prices rose to USD 555 per ton and butane prices to USD 570 per ton in June. The PP-propane spread contracted to USD 709 per ton in June from USD 743 per ton in May, and the PP-butane spread to USD 706 per ton from USD 738 per ton.
- **Naphtha prices decline:** Naphtha prices decreased 3.6% MoM to USD 660 per ton in June, compared with May figures.
- **PP prices improve, while PE prices fall:** PP prices rose marginally 0.8% MoM to USD 1,265 per ton in June in spite of a fall in propylene prices (down 2.8% MoM). HDPE, LDPE, and LLDPE were down 1.5%, 2.5%, and 3.4%, respectively.
- **Polystyrene prices fall:** Polystyrene prices dropped 1.3% to USD 1,540 per ton in June, driven by a 5.4% fall in styrene prices to USD 1,310 per ton. During the month, PVC prices increased 3.3% MoM to USD 940 per ton.
- **MEG prices decline, ethylene advances:** MEG prices inched 0.5% lower MoM to USD 905 per ton in June. Ethylene prices increased 3.1% MoM to USD 1,320 per ton and methanol prices to USD 490 per ton.
- **Titanium dioxide edges higher:** The weighted average price of titanium dioxide rose 0.5% MoM to USD 3,454 per ton in June from USD 3,436 per ton in May.
- **Urea surges, and DAP and ammonia rise:** Ammonia prices rose 1.9% MoM to USD 275 per ton, with urea prices surging 17.0% to USD 275 per ton in June. DAP prices increased 2.4% to USD 430 per ton.

Table 1: Petchem Prices – June 2018

Name	Price (USD per ton)	MoM %	YTD %
Naphtha	660	-3.6%	7.3%
Saudi Propane	555	11.0%	-5.9%
Saudi Butane	570	12.9%	0.0%
Ethylene	1,320	3.1%	-0.8%
Propylene-Asia	1,055	-2.8%	11.6%
HDPE	1,350	-1.5%	5.5%
LDPE	1,175	-2.5%	-1.3%
LLDPE	1,150	-3.4%	-0.4%
PP-Asia	1,265	0.8%	9.1%
Styrene-Asia	1,310	-5.4%	1.9%
Polystyrene	1,540	-1.3%	6.2%
TiO2*	3,454	0.5%	5.9%
PVC-Asia	940	3.3%	7.4%
MEG – Asia	905	-0.5%	-4.7%
Methanol - Methnex	490	6.5%	4.3%
DAP-Gulf	430	2.4%	6.2%
Urea-Gulf	275	17.0%	14.6%
Ammonia-Gulf	275	1.9%	-16.7%
MTBE-Asia	750	-13.3%	7.1%
EDC	315	0.0%	70.3%
Butyl-A	1,265	0.0%	2.4%
BPA	1,850	5.7%	25.0%
PX-Asia	975	-3.0%	7.1%
EVA	1,505	2.4%	1.3%
Vinyl Acetate Monomer-VAM	1,400	6.5%	18.1%

Source: Argam, Reuters Eikon, Aljazira Capital Research

\*The weighted average price of TiO2

## Brent ends month on high

- **Brent ends June on high, but starts declining in July due to oversupply fears:** Oil prices rose in June amid production outages in Iran, disruption in Libya and export concerns in Iran. However, in initial trades of July, prices have declined to a three-month low as Libyan ports have reopened last week and eased supply chain concerns. This might increase export sales by up to 700,000 barrels a day. Also, escalating concerns that US-China trade tensions may affect oil demand led to further decline in Brent prices, registering its biggest one-day drop in two years. The prices recently are slightly volatile amid US-Iran row over sanctions as US aims to squeeze Iranian oil exports from the market.
- **Oil prices rise in June, but falls nearly 8% since then:** Brent gained 3.9% MoM and WTI surged 9.2% MoM in June to end at USD 79.4 per barrel and USD 74.2 per barrel, respectively. The Brent-WTI spread contracted to nearly USD 5.3 per barrel in June from USD 8.6 per barrel in May. Brent currently trades at around USD 73.0 in July. Natural gas prices at Henry Hub decreased a marginal 0.5% MoM to USD 2.9 per MMBtu.
- **EIA increases US crude production estimates for 2018 and 2019:** In its latest short-term energy outlook, the EIA expects oil output in the US to average 10.8 mbpd in 2018. It further increased the forecast to 11.9 mbpd for 2019.
- **OPEC oil production raises 173 kbpd in June:** According to the Monthly Oil Market Report (MOMR), OPEC's oil production rose to 32.3 mbpd in June. OECD commercial inventories declined 40 mn barrels from the latest five-year average, with a forward cover of 58.8 days.

Table 2: Economic Calendar

Date	Country	Event
Jul 03,10,17,24,31	US	Weekly Petroleum Status Report
15-Jul to 25-Jul	KSA	CPI YoY
19-Jul	US	Initial Jobless Claims
18-Jul	KSA	May Crude Oil Output Exports: JODI
20-Jul to 05-Aug	KSA	Non-Oil Exports YoY
27-Jul	US	GDP Annualized QoQ
31-Jul	KSA	M1, M2, M3 Money Supply YoY
31-Jul	KSA	SAMA Net Foreign Assets SAR
26-Jul to 05-Aug	KSA	Unemployment Rate
5-Aug	KSA	Emirates NBD Saudi Arabia PMI
3-Aug	US	Trade Balance
07-Aug		EIA Short-term Energy Outlook
10-Aug	US	Monthly Budget Statement
10-Aug		IEA Oil Market Report
13-Aug		OPEC Monthly Oil Market Report

Source: Bloomberg, IEA, EIA, OPEC

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## Key comments from international energy agencies

### IEA – Oil Market Report (Published on July 12)

- The global demand growth forecast for 1H2018 would average 1.5 mbpd, falling 1.3 mbpd in 2H2018.
- OPEC's oil output rose to 31.87 mbpd in June as a surge in KSA offset loss in Angola, Libya, and Venezuela.
- Global oil supplies grew 370 kbpd in June, led by higher output from Saudi Arabia and Russia.
- OECD commercial inventories increased to 2,840 million barrels in May, reflecting just the third monthly increase since July 2017.
- Global refining throughput is expected to rise 2 mbpd to 3Q2018 from 2Q2018. Runs are expected to reach 82.8 mbpd, 0.7 mbpd higher than the previous record level in 4Q2017.

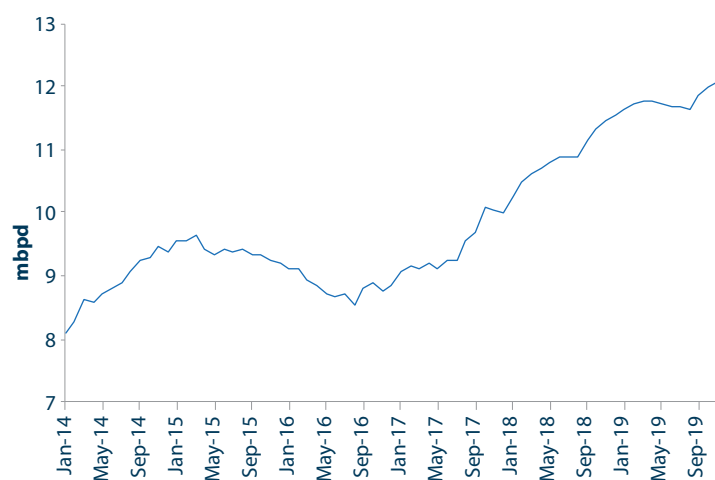
### OPEC – Monthly Oil Market Report (Published on July 11)

- Oil consumption is expected to grow 1.65 mbpd to an average of 98.9 mbpd in 2018 (unchanged from the previous month's estimate). It is estimated to further increase 1.45 mbpd, surpassing 100.0 mbpd in 2019.
- OPEC's oil production rose 173 kbpd to 32.33 mbpd in June, according to secondary sources.
- Non-OPEC supplies averaged an estimated 57.5 mbpd in 2017. Non-OPEC oil supply is projected to grow 1.82 mbpd (up 0.19 mbpd from the previous month's estimate) to an average of 59.54 mbpd in 2018.
- OECD commercial oil stocks rose to 2,823 mn barrels in May from 2,815 mn barrels in April.
- OECD commercial inventories fell 40 mn barrels from the latest five-year average, with a forward cover of 58.8 days (down 2.4 days from the latest five-year average).
- Demand for OPEC crude is forecast to decline 0.5 mbpd to an average of 32.9 mbpd in 2018. In 2019, demand is estimated to stand at 32.2 mbpd (down 0.8 mbpd from that in 2018).

### EIA – Short-Term Energy Outlook (Published on July 10)

- Brent averaged USD 74 per barrel in June (down USD 3 per barrel in May), and is expected to average USD 73 per barrel in 2H2018 and USD 69 per barrel in 2019 (up USD 1 per barrel from the previous month's estimate).
- WTI is estimated to average USD 6 per barrel (down USD 1 per barrel from previous month's estimate) and USD 7 per barrel lower (up USD 1 per barrel from the previous month's estimate) than the average for Brent in 2H2018 and 2019, respectively.
- US crude production averaged 10.9 mbpd in June 2018, up 0.1 mbpd from the May average, according to EIA estimates. Furthermore, production is expected to average 10.8 mbpd for 2018 (up from 9.4 mbpd in 2017) and expected to average 11.9 mbpd in 2019 (up 0.1 mbpd from the previous month's estimate).
- As of June 29, natural gas inventories in the US stood at 2,152 bn cubic feet (up 24.8% MoM).
- Global consumption of petroleum and other liquid fuels is expected to increase 1.72 mbpd in 2018 and 1.71 mbpd in 2019.
- Non-OPEC production is projected to grow 2.15 mbpd in 2018 and 2.39 mbpd in 2019.
- On average, OPEC members produced 34.5 mbpd of crude in 2017. They are estimated to produce 33.6 mbpd in 2018 and 33.1 mbpd in 2019.
- OPEC's unplanned oil supply disruptions averaged 1.7 mbpd in June (up 0.3 mbpd in May).
- OECD inventories are anticipated to rise to 2.8bn barrels by end- 2018 (down 0.1 mbpd from the previous month's estimates) and further increase to 3.0bn barrels in 2019.

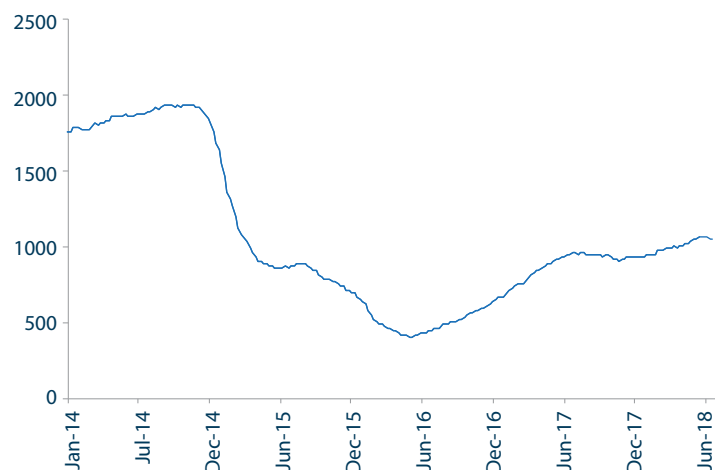
Figure 1: US oil production



Source: US EIA, AlJazira Capital Research

US oil production averaged 10.86 mbpd in June 2018. Production edged up 0.5% MoM in June from 10.81 mbpd in May; it rose 17.5% YoY from 9.24 mbpd in June 2017. The US is expected to reclaim the title of the world's largest oil producer for the first time since 1974, surpassing KSA and Russia.

Figure 2: US weekly Rig count



Source: Baker Hughes, AlJazira Capital Research

In the week ended July 13, the rotary rig count in the US rose by 2 WoW to 1,054. The rig count was up 10.5% YoY. Of the total number of rigs, 863 (unchanged WoW) were used to drill for oil and 189 (up by 2 WoW) for natural gas.

The average number of rigs rose 1.0% MoM in June, vis-à-vis a 3.4% MoM increase posted in May. In the US, oil exploration rose 13.1% YoY, while gas exploration was down 1.1%.

Table 3: World Oil Demand and Supply

(mbpd)	2017				2018E				2016	2017	2018E	2019E
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>World Crude Oil &amp; Liq. Fuels Supply</b>												
OPEC Supp.	38.84	39.31	39.68	39.29	39.23	38.90	38.55	38.62	39.24	39.28	38.83	38.94
Non-OPEC Suppl.	58.25	58.35	58.70	59.58	59.32	61.30	62.03	62.63	58.00	58.73	61.33	63.60
<b>Total World Supply</b>	<b>97.09</b>	<b>97.66</b>	<b>98.38</b>	<b>98.87</b>	<b>98.55</b>	<b>100.20</b>	<b>100.58</b>	<b>101.25</b>	<b>97.24</b>	<b>98.01</b>	<b>100.16</b>	<b>102.54</b>
<b>World Crude Oil &amp; Liq. Fuels Cons.</b>												
OECD Consumption.	46.71	46.88	47.44	47.72	47.62	46.88	47.95	48.18	46.75	47.19	47.66	48.11
Non-OECD Consumption.	50.79	51.46	51.45	51.44	52.02	52.71	52.70	52.72	50.20	51.29	52.54	53.80
<b>Total World Cons.</b>	<b>97.50</b>	<b>98.34</b>	<b>98.89</b>	<b>99.16</b>	<b>99.64</b>	<b>99.59</b>	<b>100.65</b>	<b>100.90</b>	<b>96.95</b>	<b>98.48</b>	<b>100.20</b>	<b>101.91</b>
OECD Inventory (mn bbls)	3,028	3,012	2,961	2,844	2,802	2,834	2,850	2,842	2,967	2,844	2,842	2,981
OPEC Surplus Crude Oil Prod. Cap.	2.19	2.13	1.95	2.10	1.91	1.82	1.47	1.58	1.15	2.09	1.69	1.33

Source: EIA STEO July 2018, AlJazira Capital Research

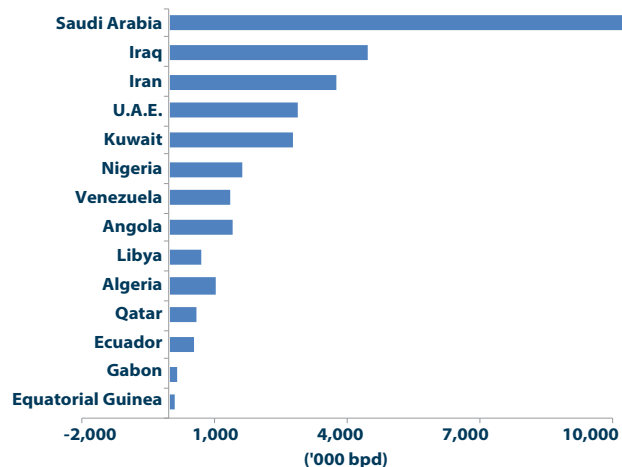
- The gap between crude supply and consumption had contracted to 0.61 mbpd by 2Q18 (higher supply than consumption) from a negative 1.09 mbpd in 1Q18.
- OECD crude inventories declined to 2,834 mn barrels in 2Q18.
- OPEC's surplus production capacity fell to 1.82 mbpd in 2Q18 from 1.91 mbpd in 1Q18

Table 4: OPEC monthly oil production

Prod. ('000bpd)	Cap.	Mar	Apr	May	Jun	% MoM Chg.
Equatorial Guinea	150	130	130	120	130	8.3%
Gabon	220	190	190	180	190	5.6%
Ecuador	555	520	520	520	520	0.0%
Qatar	780	610	610	600	610	1.7%
Algeria	1,150	1,000	990	1,020	1,050	2.9%
Libya	1,000	990	990	990	690	-30.3%
Angola	1,710	1,540	1,500	1,530	1,410	-7.8%
Venezuela	1,900	1,510	1,490	1,440	1,380	-4.2%
Nigeria	1,900	1,810	1,810	1,560	1,620	3.8%
Kuwait	3,000	2,700	2,700	2,710	2,760	1.8%
U.A.E.	3,150	2,860	2,860	2,870	2,890	0.7%
Iran	4,000	3,810	3,780	3,810	3,780	-0.8%
Iraq	4,700	4,430	4,430	4,480	4,500	0.4%
Saudi Arabia	11,500	9,870	9,900	9,970	10,300	3.3%
<b>Total OPEC</b>	<b>34,755</b>	<b>31,970</b>	<b>31,900</b>	<b>31,800</b>	<b>31,830</b>	<b>0.1%</b>

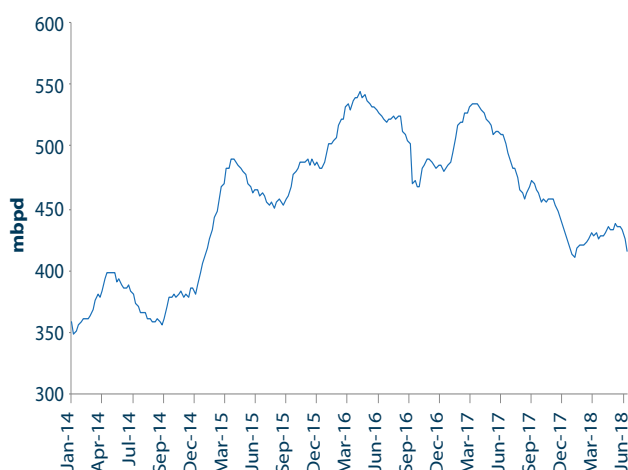
Source: Bloomberg

Figure 3: OPEC Jun Oil Production



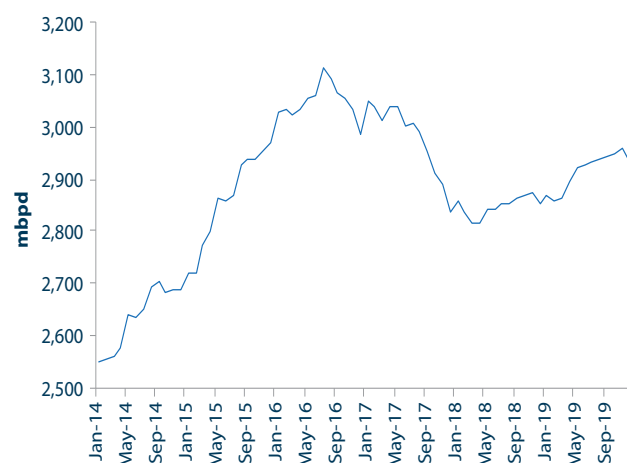
Source: Bloomberg

Figure 4: World Oil Production and Forecast



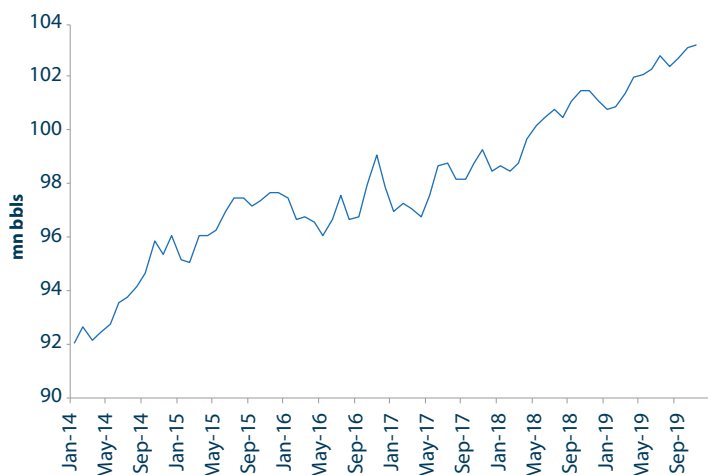
Source: Bloomberg

Figure 5: OECD Monthly Oil Inventories



Source: US EIA, AlJazira Capital Research

Figure 6: US Weekly Oil Inventories



Source: US EIA, AlJazira Capital Research

US weekly oil inventories declined 3.0% WoW to 405.2 mbpd for the week ended July 6; moreover, inventories decreased 6.3% MoM from 432.4 mbpd on June 08.

World oil production forecasts for 2018 and 2019 remained unchanged at 101.09 mbpd and 102.88 mbpd, respectively.

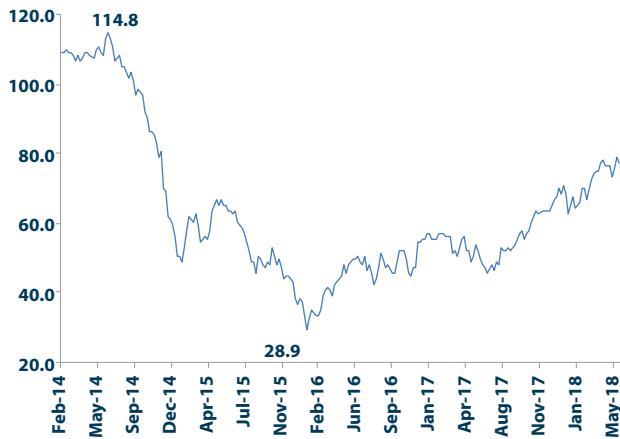
## Corporate announcements

Name of company	Date	Announcement
Saudi Basic Industries Corp. (SABIC)	Jan 02, 2018	SABIC has started construction works of the plant in relation to its agreement with Celanese Corporation for the establishment of Polyacetal plant with an annual capacity of 50,000 metric tons within Ibn Sina Complex in Jubail Industrial City. The total cost is estimated to be USD 387 mn.
Saudi Basic Industries Corp. (SABIC)	Jan 25, 2018	SABIC bought 25% stake in Swiss chemical maker Clariant becoming the largest shareholder of the Company. SABIC bought approximately 83 mn shares from 40 North and Corvex Management to acquire its share.
Saudi Basic Industries Corp. (SABIC)	March 12, 2018	SABIC decided to willingly liquidate wholly owned subsidiary SABIC Sukuk Co. after loss increased to 50.0% of the capital. The company was established with a capital of SAR 500,000; its offerings comprised services related to the bonds and sukuk issued by SABIC and affiliates
Saudi Basic Industries Corp. (SABIC)	Apr 02, 2018	SABIC announced the successful conclusion of the pilot operation of methyl methacrylate monomer (MMA) and poly methyl methacrylate (PMMA) plants and the commencement of commercial operations of Samac a joint venture of SABIC and Japan's Mitsubishi Chemical Corporation (MMC).
Saudi Basic Industries Corp. (SABIC)	May 01, 2018	SABIC announced it reached an agreement to create joint venture petrochemical industries with ExxonMobil Chemical to advance the project, which is estimated to cost about USD 7.3bn and includes the establishment of 1.8mn tons of ethane cracker. The facility would also include a monoethylene glycol unit and two polyethylene units. This would be SABIC's first polyolefin production in North America and the facility is expected to become functional in 2021 or 2022.
National Industrialization Co. (TASNEE)	May 10, 2018	TASNEE announced that its subsidiary, Advanced Metal Industries Cluster Company Limited (AMIC) has entered into an Option Agreement with Tronox Ltd, in which the latter shall acquire 90% of AMIC ownership in a world-class titanium slag smelter facility (the Slagger). Further to this, the announcement was inked on May 10.
Rabigh Refining and Petrochemical Co. (Petro Rabigh)	Jan 07, 2018	Rabigh Refining announced latest developments in the Rabigh (Phase II). The company announced it has reached on-spec production at 10 of the total 12 projects. The remaining two units are scheduled to start in 1Q18. Upon completion, both Phases I and II will be integrated operationally within the Petro Rabigh Industrial Complex.

Source: Tadawul, AlJazira Capital Research

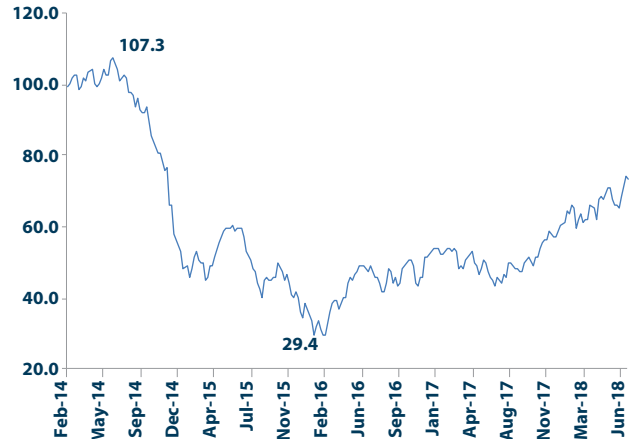
## Oil and gas price trends

Figure 7: Brent Crude (USD per Barrel)



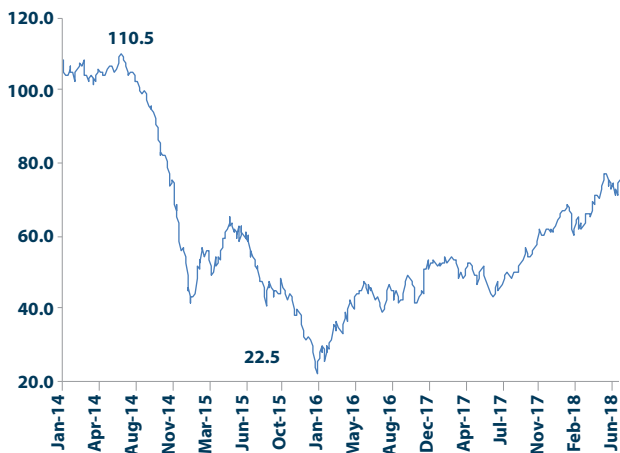
Source: Reuter Eikon, ALJazira Capital Research

Figure 8: WTI Crude (USD per Barrel)



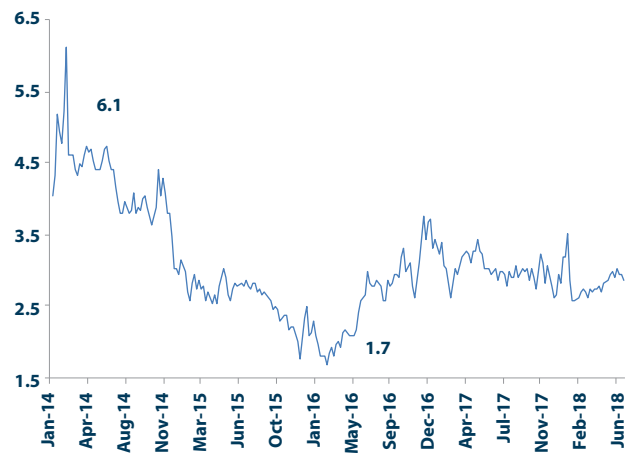
Source: Reuter Eikon, ALJazira Capital Research

Figure 9: OPEC Reference Basket (USD per Barrel)



Source: Reuter Eikon, ALJazira Capital Research

Figure 10: Henry Hub Natural Gas (USD per mmbtu)



Source: Reuter Eikon, ALJazira Capital Research

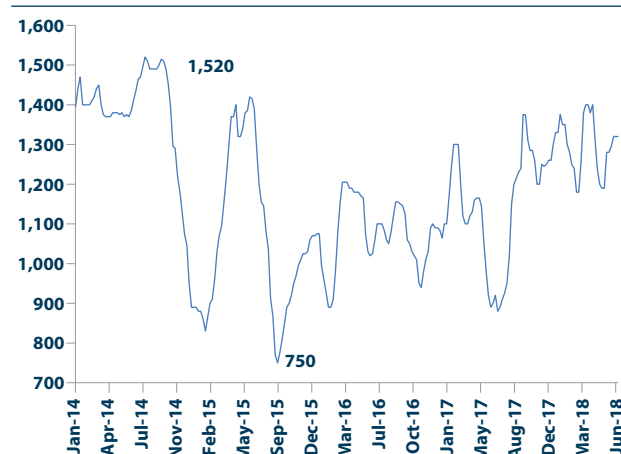
## Petchem price trends

Figure 11: Naphtha (USD per Ton)



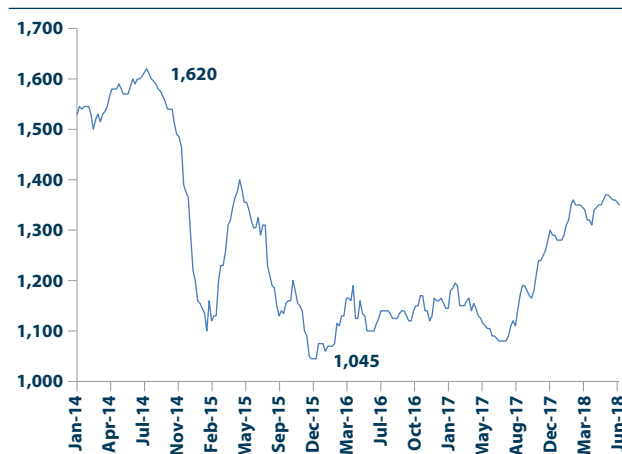
Source: Argaam, AlJazira Capital Research

Figure 12: Ethylene (USD per Ton)



Source: Argaam, AlJazira Capital Research

Figure 13: HDPE (USD per Ton)



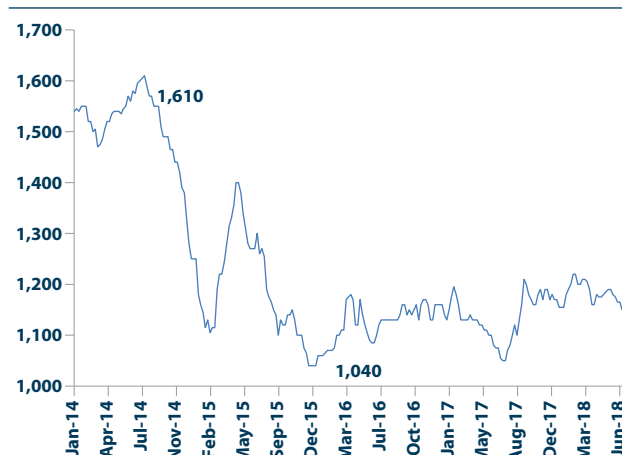
Source: Argaam, AlJazira Capital Research

Figure 14: LDPE (USD per Ton)



Source: Argaam, AlJazira Capital Research

Figure 15: LLDPE (USD per Ton)



Source: Argaam, AlJazira Capital Research

Figure 16: MTBE (USD per Ton)



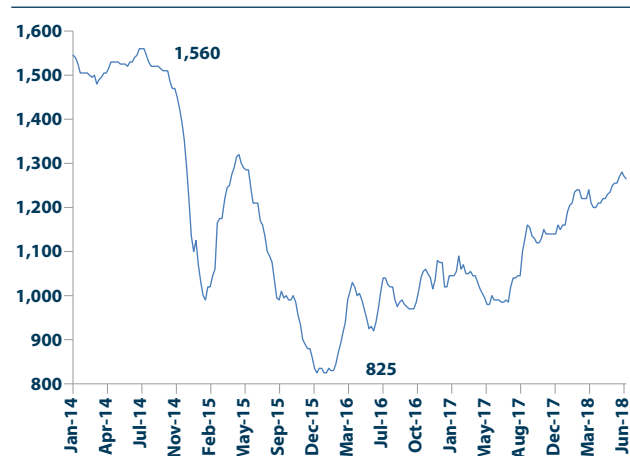
Source: Argaam, AlJazira Capital Research

Figure 17: Propylene (USD per Ton)



Source: Argaam, AlJazira Capital Research

Figure 18: Polypropylene (USD per Ton)



Source: Argaam, AlJazira Capital Research

Figure 19: Styrene (USD per Ton)



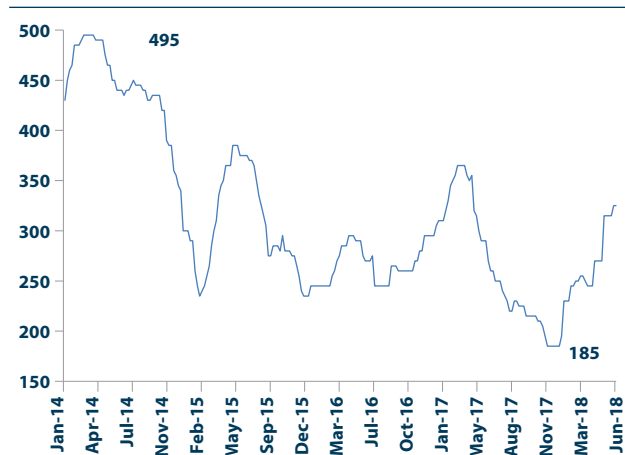
Source: Argaam, AlJazira Capital Research

Figure 20: Polystyrene (USD per Ton)



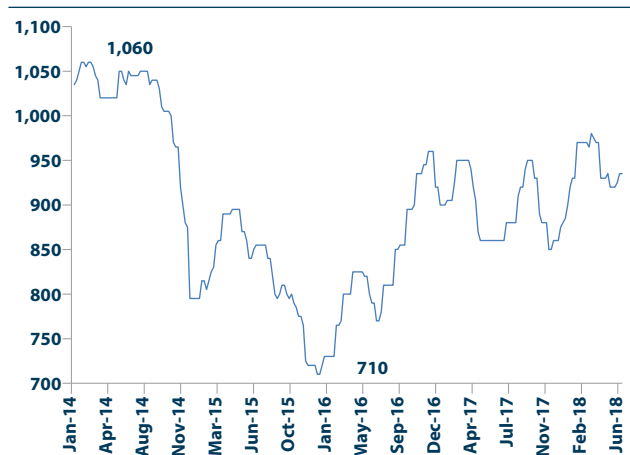
Source: Argaam, AlJazira Capital Research

Figure 21: EDC (USD per Ton)



Source: Reuter Eikon, AlJazira Capital Research

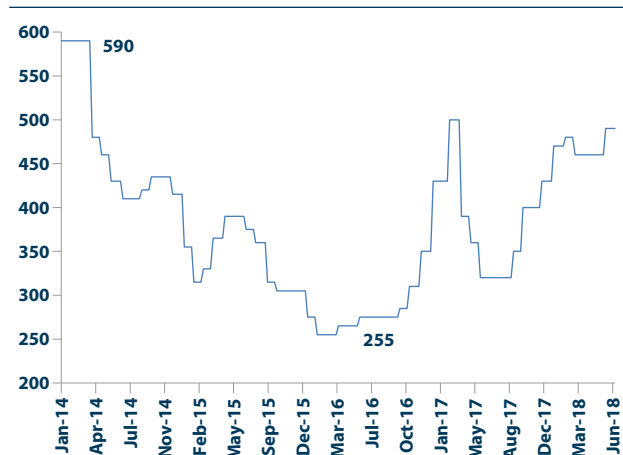
Figure 22: PVC (USD per Ton)



Source: Reuter Eikon, AlJazira Capital Research

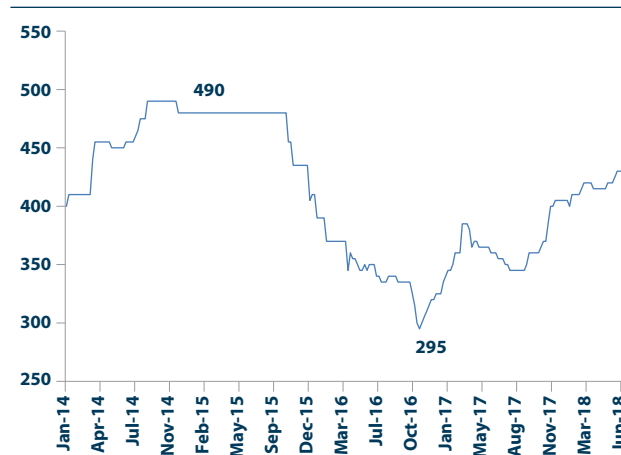


Figure 23: Methanol (USD per Ton)



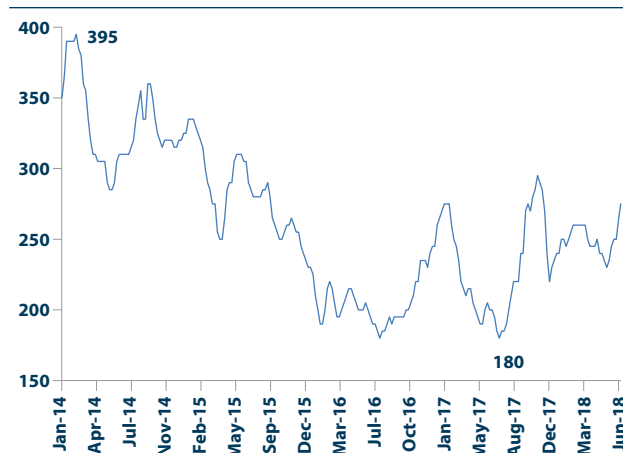
Source: Argaam, AlJazira Capital Research

Figure 24: DAP (USD per Ton)



Source: Argaam, AlJazira Capital Research

Figure 25: Urea (USD per Ton)



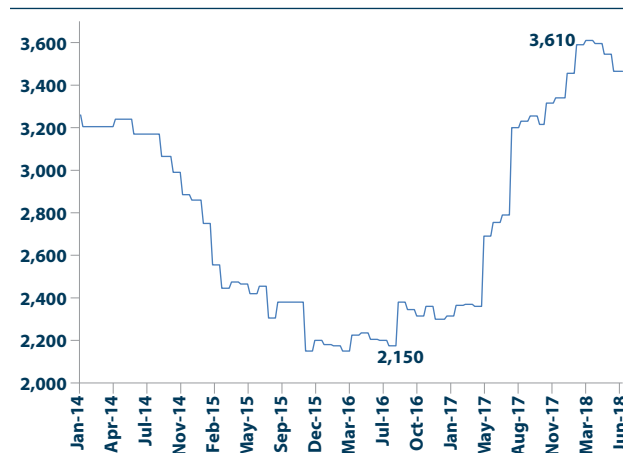
Source: Argaam, AlJazira Capital Research

Figure 26: Ammonia (USD per Ton)



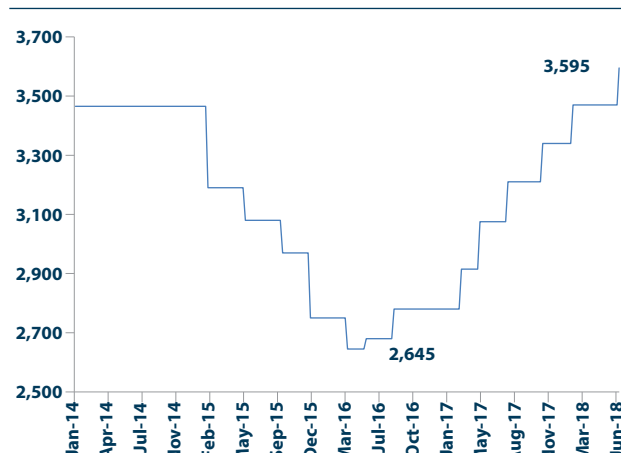
Source: Argaam, AlJazira Capital Research

Figure 27: TiO2 Europe (USD per Ton)



Source: Argaam, AlJazira Capital Research

Figure 28: TiO2 America (USD per Ton)

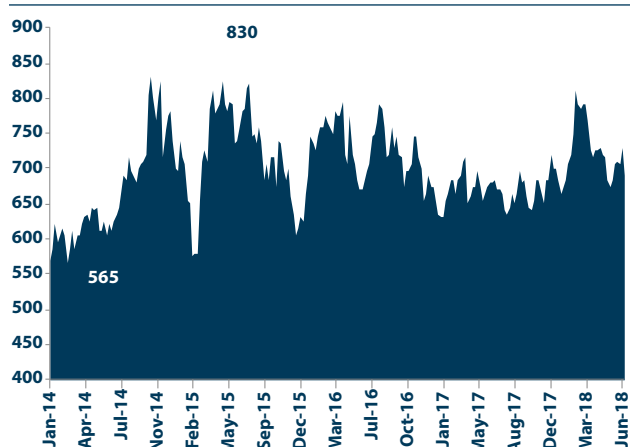


Source: Argaam, AlJazira Capital Research

## Petchem Spreads

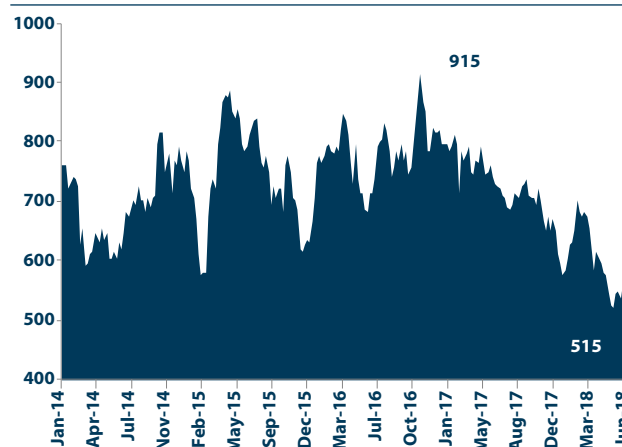
- Naphtha prices averaged USD 650 per ton in June, down from USD 673 per ton in May. Polypropylene prices rose to USD 1,268 per ton in June from USD 1,243 per ton in May.
- The HDPE-naphtha spread contracted to USD 708 per ton in June from USD 690 per ton in May. The PP-naphtha spread expanded to USD 618 per ton from USD 570 per ton. The LDPE-naphtha spread advanced marginally to USD 542 per ton, with the LLDPE-naphtha spread widening to USD 517 per ton in June.
- The PP-propane spread contracted to USD 709 per ton and the PP-butane spread to USD 706 per ton in June.
- The HDPE-ethylene and LDPE-ethylene spreads fell to 51 and a negative 115, respectively. The LLDPE-ethylene spread contracted to a negative 140 in June from a negative 29 in May.
- The PVC-EDC spread narrowed to USD 609 per ton in June from USD 634 per ton in May.

Figure 29: HDPE-Naphtha



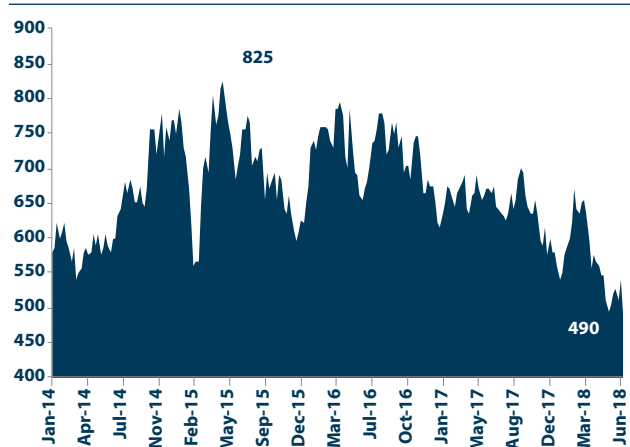
Source: Argaam, AlJazira Capital Research

Figure 30: LDPE-Naphtha



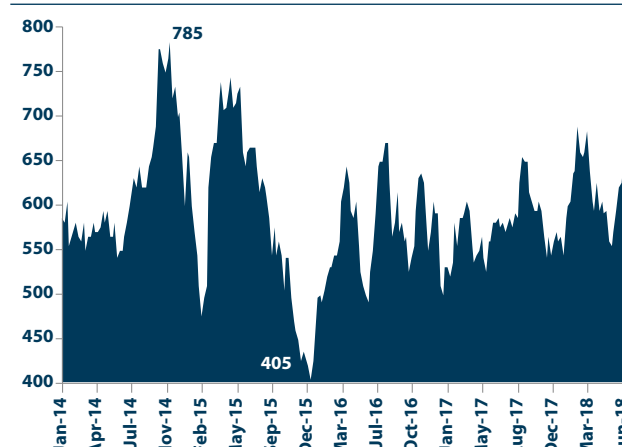
Source: Argaam, AlJazira Capital Research

Figure 31: LLDPE-Naphtha



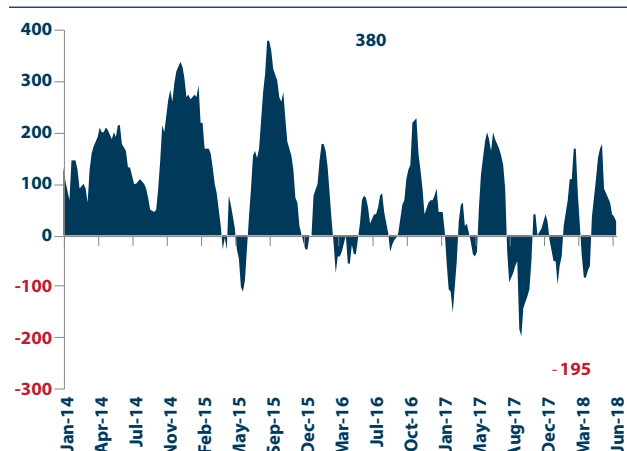
Source: Argaam, AlJazira Capital Research

Figure 32: PP-Naphtha



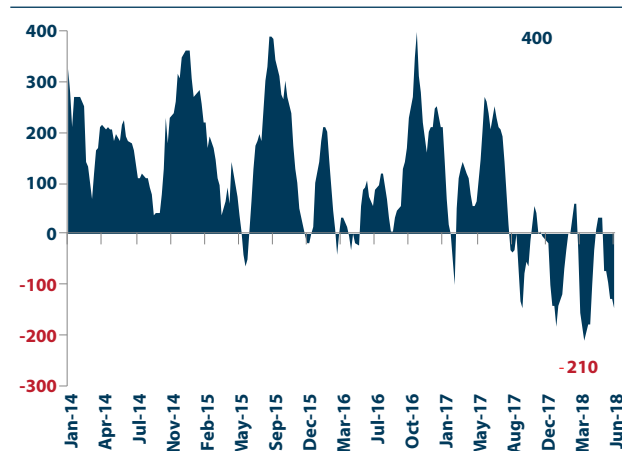
Source: Argaam, AlJazira Capital Research

Figure 33: HDPE-Ethylene



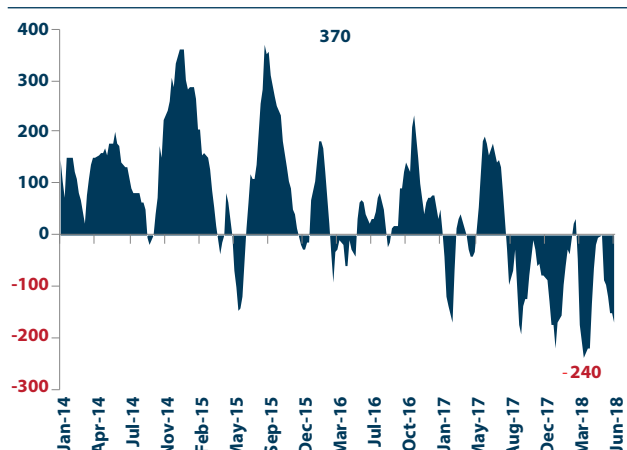
Source: Argaam, ALJazira Capital Research

Figure 34: LDPE-Ethylene



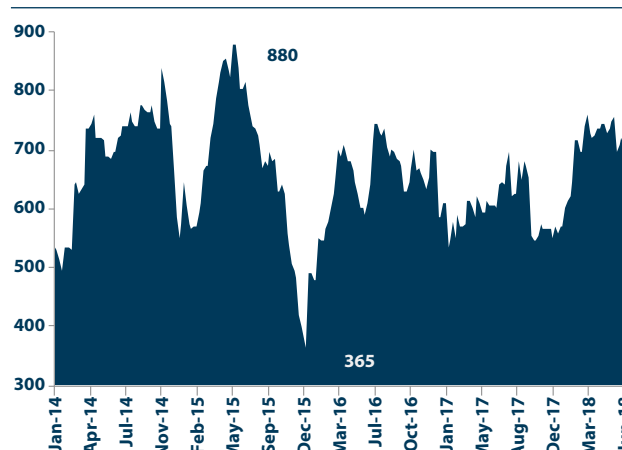
Source: Argaam, ALJazira Capital Research

Figure 35: LLDPE-Ethylene



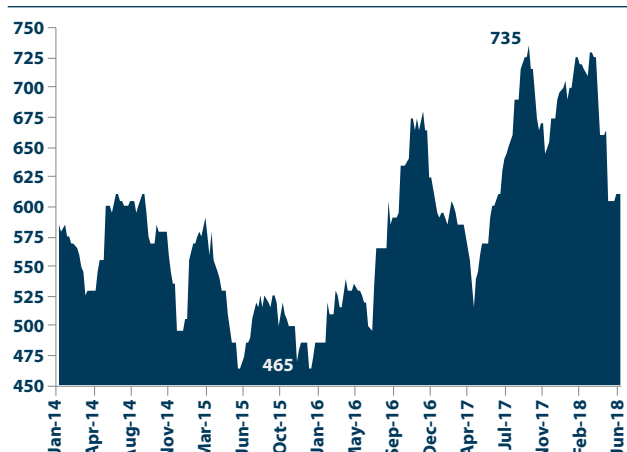
Source: Argaam, ALJazira Capital Research

Figure 36: PP-Propane (Saudi)



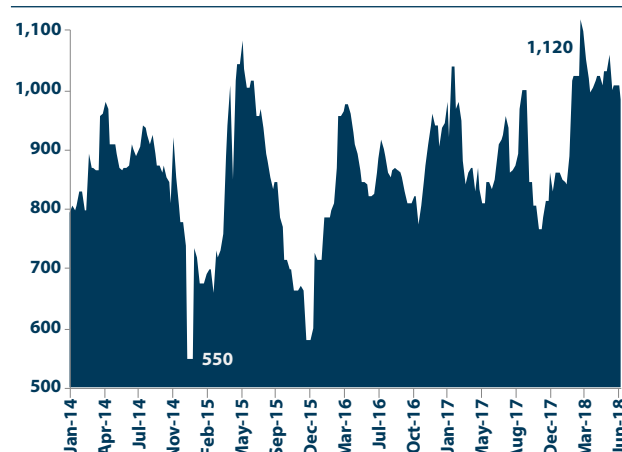
Source: Argaam, ALJazira Capital Research

Figure 37: PVC-EDC



Source: Argaam, ALJazira Capital Research

Figure 38: Polystyrene-Propane



Source: Argaam, ALJazira Capital Research

Table 5: Petchem Price Performance

Name	Price * (USD per ton)	MoM % Chg.	QoQ % Chg.	YoY % Chg.	YTD % Chg.
Naphtha	660	-3.6%	10.9%	65.0%	7.3%
Saudi Propane	555	11.0%	15.6%	44.2%	-5.9%
Saudi Butane	570	12.9%	22.6%	46.2%	0.0%
Ethylene	1,320	3.1%	-5.7%	43.5%	-0.8%
Propylene-Asia	1,055	-2.8%	3.4%	27.1%	11.6%
HDPE	1,350	-1.5%	2.3%	24.4%	5.5%
LDPE	1,175	-2.5%	-3.3%	4.4%	-1.3%
LLDPE	1,150	-3.4%	-3.4%	7.0%	-0.4%
PP-Asia	1,265	0.8%	5.4%	28.4%	9.1%
Styrene-Asia	1,310	-5.4%	5.2%	20.7%	1.9%
Polystyrene-Asia	1,540	-1.3%	2.7%	22.7%	6.2%
TiO2**	3,454	0.5%	0.2%	21.0%	5.9%
PVC-Asia	940	3.3%	-2.1%	8.7%	7.4%
MEG - Asia	905	-0.5%	0.6%	16.0%	-4.7%
Methanol - Methnex	490	6.5%	6.5%	53.1%	4.3%
DAP-Gulf	430	2.4%	2.4%	21.1%	6.2%
Urea-Gulf	275	17.0%	10.0%	41.0%	14.6%
Ammonia-Gulf	275	1.9%	-1.8%	31.0%	-16.7%
MTBE-Asia	750	-13.3%	-5.1%	35.1%	7.1%
EDC	315	0.0%	26.0%	21.2%	70.3%
Butyl-A	1,265	0.0%	0.0%	3.7%	2.4%
BPA	1,850	5.7%	10.8%	60.9%	25.0%
PX-Asia	975	-3.0%	4.8%	30.0%	7.1%
EVA	1,505	2.4%	-1.3%	13.2%	1.3%
Vinyl Acetate Monomer	1,400	6.5%	12.9%	41.4%	18.1%

Source: Argaam, Aljazira Capital Research \*Weighted average

Note: : \*Prices as of June 30, 2018 \*\*the weighted average price of Tio2

Table 6: Petrochemical Products by Saudi Petrochemical Companies

Company	Finished Products
<b>SABIC</b>	Polyethylene, polypropylene, poly styrene, ethylene glycol (MEG), methyl tert-butyl ether (MTBE), benzene, urea, ammonia, PVC, and PTA
<b>SAFCO</b>	Urea, ammonia
<b>YANSAB</b>	Polyethylene, polypropylene, MEG, MTBE, and benzene
<b>Tasnee</b>	Polyethylene, polypropylene, and propylene (TiO2)
<b>Saudi Kayan</b>	Polyethylene, polypropylene, MEG, polycarbonate, and bisphenol A
<b>Petro Rabigh</b>	Polyethylene, polypropylene, propylene oxide, and refined petroleum products
<b>Petrochem</b>	Polyethylene, polypropylene, and polystyrene
<b>Sahara Petrochemicals</b>	Polyethylene, polypropylene
<b>Saudi Group</b>	Styrene, benzene, cyclohexene, and propylene
<b>Sipchem</b>	Methanol, butanol, acetic acid, and vinyl acetate monomer
<b>Advanced</b>	Polypropylene
<b>Alujain</b>	Polypropylene
<b>CHEMANOL</b>	Formaldehyde – improvers concrete
<b>NAMA</b>	Epoxy resin, hydrochloric acid, liquid caustic soda, and soda granule
<b>MAADEN</b>	Ammonia and DAP

Source: Argaam Plus

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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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