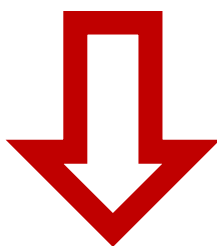




Market Wrap

TASI (-) 0.35%



TASI Statistics			
(Unit in SAR)	Last	Previous	% Change
Last Price	7,229.56	7,254.69	(0.35)%
Market Cap (bn)**	1,787.73	1,795.17	(0.41)%
Volume (mn)	137.36	138.91	(1.11)%
Value Traded (mn)	2,887.35	2,797.68	3.21 %
P/E (x)	17.15	17.21	(0.35)%
Dividend Yield	3.16%	3.15%	0.35 %

Sector Performance - (TASI)			
	% DOD	% 1 Month	% YTD
TASI	-0.35% ▼	2.60% ▲	0.27% ▲
Cons Dura & App	-0.10% ▼	4.84% ▲	-4.49% ▼
Food & Beverages	0.30% ▲	-0.18% ▼	16.72% ▲
Food & Stapl Ret	-1.54% ▼	8.95% ▲	11.94% ▲
Insurance	0.69% ▲	6.01% ▲	3.38% ▲
Retailing	0.11% ▲	9.07% ▲	23.60% ▲
Banks	-0.65% ▼	3.38% ▲	4.31% ▲
HC Equip & Svc	-0.55% ▼	3.79% ▲	-1.64% ▼
Diversified Fin	1.93% ▲	5.09% ▲	-9.07% ▼
Materials (L2)	-0.56% ▼	0.30% ▲	-4.40% ▼
Comm & Prof Svc	0.36% ▲	6.24% ▲	-16.15% ▼
Capital Goods	-0.26% ▼	3.07% ▲	-17.12% ▼
Phar, Bio & LS	-0.14% ▼	-0.43% ▼	-14.58% ▼
Consumer Svc	2.00% ▲	9.87% ▲	-10.11% ▼
Tel Svc (L2)	-0.39% ▼	3.49% ▲	-2.22% ▼
Utilities (L2)	0.24% ▲	4.90% ▲	6.97% ▲
Transportation	0.09% ▲	2.29% ▲	-24.10% ▼
Media	-2.61% ▼	66.93% ▲	29.64% ▲
Energy (L2)	0.40% ▲	3.85% ▲	-14.64% ▼
REIT's	0.88% ▲	-	-
RE Mgmt & Dev	-0.19% ▼	-	-

Saudi

TASI grappled for directions in today's skittish trade as flat oil prices and disappointing company earnings are fueling the selloff. Investors are cautiously waiting for a clearer picture on how the leading corporates of the Kingdom will play out in the second quarter of 2017. Every day, stocks are coming under heavy speculation which may be indicative of a tentative mood in days ahead. Alinma posted a gain of +2.79% on the back of strong second quarter performance. The bank's net profit recorded a growth of +19.32% Y-o-Y in the second quarter compared to the same period a year ago. The jump in profits resulted from a growth in gross revenues by 23% due to higher financing income and investments. On the other hand, Riyadh Bank lost -0.83% due to disappointing earnings performance. Its net profits fell -26% Y-o-Y in the second quarter and -19% Q-o-Q due to spike in total operating expenses. Most of the blue-chip stocks struggled for direction as growing losses in material sector and banks dragged the index down. There's not much conviction in the Saudi market. TASI started the session on a tentative note, showed some resistance before the noon but plunged into losses towards the end. At the end, TASI closed at 7,229.56 with a loss of (-) 25.13 points. The aggressive risk-off reverberations are taking the market by surprise right now. Ten of the twenty TASI sectors declined today. Among the leading losers were Food & Staples Retailing (-1.54%), Materials (-0.56%), Banks (-0.65%) and Telecom (-0.39%) whereas Consumer Services (+2.0%), Diversified Financials (+1.93%) and Insurance (+0.69%) tried to recover the losses. Among leading index losers were SABIC (-1.25%), Saudi Kayan (-1.34%) and Al Rajhi (-1.60%).

Global

Most of the stock markets across the world bounced back from yesterday's loss primarily due to well-received corporate earnings reports. Europe was up in the opening hour of trading. Germany's DAX (+0.02%) was flat in the early hours due to stronger euro and suppressed domestic spending. CAC 40 (+0.09%) and FTSE 100 (0.08%) was fractionally higher. In Asia, Japan's Nikkei (+0.10%) was flat amid a stabilized yen and as concerns swirl around U.S. policy direction. Meanwhile, Hong Kong's Hang Seng index was up by +0.56% and the Shanghai Composite Index added +1.36%.

Outlook

It's a bit frustrating to see continuous setbacks in the market. In this week, Saudi stocks have been moving in lock step with both oil prices as well as corporate earnings releases. The skeptical earnings forecasts along with some recent patches of crude price performance are not giving the traders much to work. In a market, where concerns about corporate performance have been casting a black cloud over trading, investors are advised to sit on the sidelines for a while and wait for the right opportunity.

Foreign Ownership in Top Stocks

Name of the Company	Closing Price	Bloomberg Target Price	QFI Holding	Foreign Ownership	DOD%	YTD%	PE (x)	Avg 5 Yr. PE (x)	PB (x)	Div. Yield
Tadawul All Share Index	7229.6	NA			(0.3)%	0 %	17.2	16.6	1.7	3.16%
Al Rajhi Bank	64.5	70.5	0.11%	43.88%	0.7 %	2.2 %	12.6	13.0	2.0	4.65%
SABIC	98.9	100.9	0.00%	7.62%	(1.2)%	8.1 %	15.1	12.5	1.8	4.04%
Jabal Omar D	69.5	60.0	0.00%	25.84%	(0.1)%	(7.0)%	73.7	NA	6.3	NA
NCB	50.2	50.2	0.08%	15.63%	(0.4)%	17.7 %	10.7	NA	1.8	4.17%
Samba	25.5	25.9	0.12%	24.45%	(0.5)%	4.6 %	10.2	9.4	1.2	3.73%
Almarai	84.1	63.3	0.41%	0.88%	1.3 %	22.7 %	32.4	23.4	5.3	1.07%
STC	74.0	71.1	0.06%	8.41%	(0.3)%	2.0 %	17.1	13.3	2.4	5.41%
Maaden	49.2	40.9	0.00%	12.25%*	(0.6)%	26.2 %	NM	NA	2.2	NA
Banque Saudi Fransi	30.7	30.9	0.09%	82.00%	(2.0)%	17.9 %	10.4	10.0	1.2	5.05%
Savola	46.2	43.0	0.01%	23.64%	(1.6)%	15.3 %	NM	NA	3.0	1.08%
SEC	24.0	29.0	0.00%	0.05%	0.0 %	6.5 %	10.9	29.1	1.4	2.91%
Riyadh Bank	10.8	11.0	0.00%	26.14%	(0.8)%	(6.8)%	11.1	10.5	0.9	6.04%
Alinma	15.1	14.5	0.01%	20.08%	2.9 %	0.5 %	14.0	20.4	1.1	3.30%
SABB	26.8	27.4	0.00%	14.04%	(0.4)%	7.2 %	10.6	10.5	1.3	2.61%

Source: Bloomberg , Tadawul Stock Exchange. **this is aggregate market cap of the Index,* & ** Foreign Stake holders /Collaboration

Contact: Research Department

Email:research@ithraacapital.com, Phone:+966 11 2072626



Market Activity - TASI

Top 5 Stocks by Volume

	Closing Price	DOD %	Vol (mn)
Alinma	15.14	2.92 %	45.74
Dar Al Arkan	5.91	0.00 %	13.28
Saudi Kayan	8.82	(1.23) %	5.94
SABIC	98.89	(1.16) %	3.91
Al Rajhi Bank	64.50	0.70 %	3.24

Top 5 Stocks Rising for 3 Consecutive Days

	17-Jul	18-Jul	19-Jul	% Up
Malath Coop Insur	19.38	21.20	22.48	17.6 %
Mediterranea	17.09	16.97	17.69	6.1 %
Amana Coop Insur	18.22	17.98	18.22	4.1 %
Ibrahim Shaker	13.30	13.46	13.79	3.8 %
Wataniya Insur	28.67	28.92	29.05	2.5 %

Top 5 Stocks by Value

	Closing Price	DOD %	Value (mn)
Alinma	15.14	2.92 %	696.86
SABIC	98.89	(1.16) %	387.75
Al Rajhi Bank	64.50	0.70 %	208.21
Saudi Research	51.47	(3.07) %	166.28
Al Tayyar Travel	33.35	2.36 %	101.84

Top 5 Stocks Falling for 3 Consecutive Days

	17-Jul	18-Jul	19-Jul	% Down
Tihama Adver	36.62	35.16	35.06	(6.2) %
Alujain	24.54	24.00	23.67	(4.9) %
Mouwasat	152.01	151.00	147.58	(4.8) %
Saudi Kayan	9.12	8.93	8.82	(4.2) %
EXTRA	38.18	37.95	37.16	(4.0) %

Top 5 Gainers

	Closing Price	DOD %	Vol (mn)
Malath Coop Insur	22.48	6.04 %	1.68
Mediterranea	17.69	4.24 %	1.13
Walaa Coop Insur	30.00	3.73 %	0.47
Kingdom Hld	10.31	3.20 %	0.76
Alinma	15.14	2.92 %	45.74

Companies Touching 52-Week High

	Closing Price	High	DOD %	Vol (mn)
N/A				

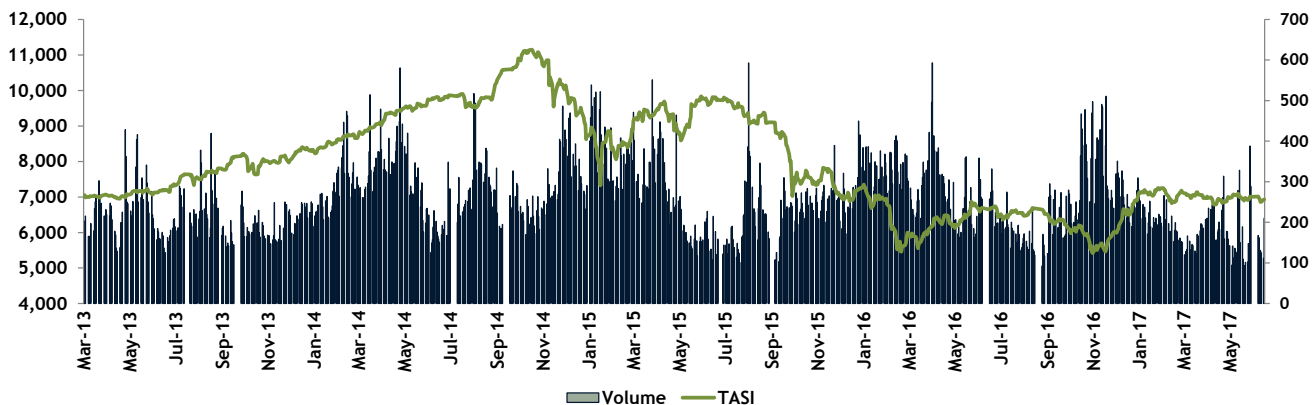
Top 5 Losers

	Closing Price	DOD %	Vol (mn)
Saudi Research	51.47	(3.07) %	3.14
Othaim	118.47	(2.89) %	0.01
ZAIN KSA	9.01	(2.38) %	3.23
Mouwasat	147.58	(2.26) %	0.03
EXTRA	37.16	(2.08) %	0.39

Companies Touching 52-Week Low

	Closing Price	Low	DOD %	Vol (mn)
N/A				

TASI - Value and Volume



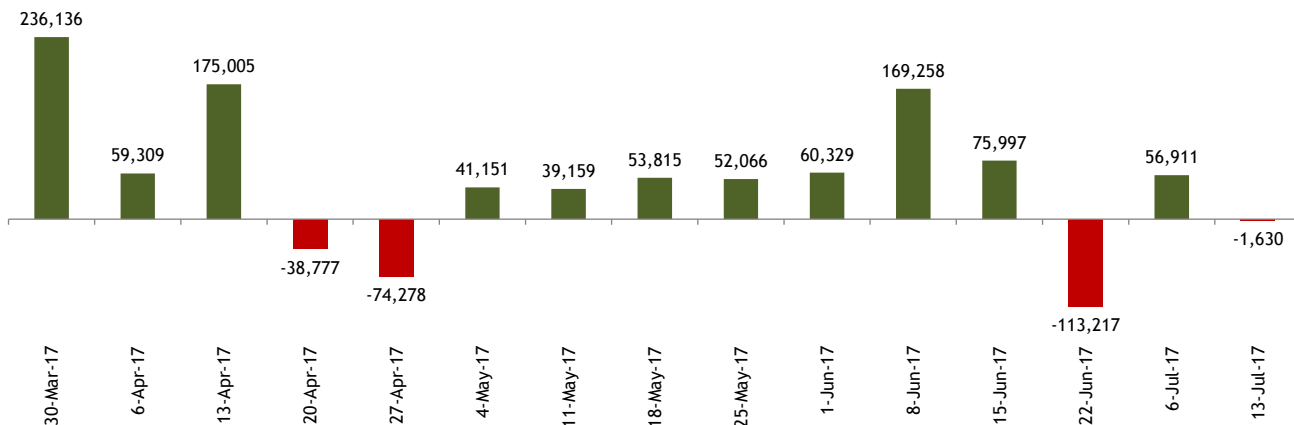
Source: Bloomberg , Tadawul Stock Exchange



Equity Market Indices									
Developed	Value	DOD %	YTD %	Div. Yield	52 week Low - High	Daily Vol. (Mn Shares)	Market Cap. (USD Bn)	P/E (x)	P/BV (x)
MSCI World Index	1,950	0.06 %	11.33 %	2.42 %	1,657 - 1,951	4,169	42,823	21.7	2.4
MSCI Europe Index	129	(1.14)%	5.37 %	3.38 %	111 - 134	1,760	9,681	23.8	1.8
DOW JONES INDUS. AVG	21,575	(0.25)%	9.17 %	2.31 %	17,884 - 21,682	64	6,059	18.8	3.6
S&P 500 INDEX	2,461	0.06 %	9.91 %	1.98 %	2,084 - 2,464	424	21,956	21.7	3.2
FTSE 100 INDEX	7,390	(0.19)%	3.76 %	4.11 %	6,616 - 7,599	635	2,001	32.1	1.8
CAC 40 INDEX	5,173	0.25 %	6.66 %	3.19 %	4,293 - 5,442	31	1,143	19.2	1.5
DAX INDEX	12,430	(0.03)%	8.26 %	2.70 %	9,924 - 12,952	38	1,346.1	20.0	1.7
NIKKEI 225	20,021	0.10 %	4.74 %	1.72 %	15,921 - 20,318	837	3,183.4	19.1	1.8
HANG SENG INDEX	26,672	0.56 %	21.23 %	3.34 %	21,489 - 26,683	1,388	1,082	14.4	1.3
Straits Times Index STI	1,409	0.31 %	15.22 %	1.61 %	1,166 - 1,409	3,641	15,344	24.9	5.5
Emerging									
MSCI Emerging Index	1,053	0.16 %	22.15 %	2.39 %	837 - 1,054	16,467	9,327	16.0	1.7
MSCI Asia Index	158	0.39 %	17.15 %	2.42 %	133 - 158	8,668	13,359	16.4	1.6
SHANGHAI SE COMPOSITE	3,231	1.36 %	4.10 %	1.94 %	2,932 - 3,301	27,217	4,621	17.4	1.8
S&P BSE SENSEX INDEX	31,955	0.77 %	20.01 %	1.16 %	25,718 - 32,132	114	469	23.9	3.0
Middle East									
TADAWUL ALL SH INDEX	7,230	(0.35)%	0.27 %	3.16 %	5,327 - 7,586	137.4	1,787.7	17.2	1.7
EGX 30 INDEX	13,707	(0.08)%	11.03 %	2.39 %	7,433 - 13,970	265.4	9.3	16.8	2.1
KUWAIT SE PRICE INDEX	6,794	(0.28)%	18.19 %	5.34 %	5,264 - 7,091	115.5	92.6	18.4	1.2
BB ALL SHARE INDEX	1,319	0.31 %	8.08 %	5.94 %	1,113 - 1,389	6.97	18.0	8.2	0.8
ADX GENERAL INDEX	4,594	0.49 %	1.05 %	4.47 %	4,179 - 4,715	47.6	58.4	16.6	1.4
DFM GENERAL INDEX	3,582	0.11 %	1.45 %	3.97 %	3,195 - 3,739	234.3	36.5	16.4	1.3
MSM30 Index	5,043	(0.41)%	(12.79)%	5.41 %	5,043 - 5,917	7.7	5.4	11.4	1.1
QE Index	9,502	1.16 %	(8.95)%	3.61 %	8,670 - 11,409	10.5	82.4	15.6	1.6
TASI Valuation -Annual									
TASI- Financial Measures	2011	2012	2013	2014	2015	Current 7/19/2017	2016E	2017E	2018E
Earnings Per Share	461.4	494.4	513.1	457.2	433.1	421.5	494.0	554.9	632.8
EPS Positive	516.9	568.1	593.1	522.4	518.4	484.3	510.7	559.2	636.9
Cash Flow Per Share	227.1	425.4	399.9	258.9	409.7	835.1	--	--	--
Dividends Per Share	212.2	258.4	306.9	270.7	254.7	228.4	225.3	247.8	275.4
Book Value Per Share	3,462	4,044	4,242	3,981	4,243	4,350	4,751	5,016	5,308
Sales Per Share	2,574	2,846	2,862	2,781	2,641	2,571	2,969	3,138	3,346
EBITDA Per Share	891.0	910.7	909.8	818.9	810.1	815.0	1,017.6	NA	--
EPS Long Term Growth	10.81	5.84	7.36	6.83	4.13	--	--	--	--
Net Debt Per Share	780.1	235.9	585.3	542.8	624	89	1,290	1,153	390
Enterprise Value Per Share	8,865	9,665	11,615	10,305	9,709	9,895	8,921	8,781	8,033
TASI Valuation Measure									
Price/EPS	13.9	13.8	16.6	18.2	16.0	17.2	14.6	13.0	11.4
Price/EPS Positive	12.4	12.0	14.4	16.0	13.3	14.9	14.2	12.9	11.4
Price/Cash Flow	12.8	9.6	11.8	13.2	8.5	8.7	--	--	--
Dividend Yield	3.3	3.8	3.6	3.2	3.7	3.2	3.1	3.4	3.8
Price/Book	1.9	1.7	2.0	2.1	1.6	1.7	1.5	1.4	1.4
Price/Sales	2.5	2.4	3.0	3.0	2.6	2.8	2.4	2.3	2.2
Price/EBITDA	7.2	7.5	9.4	10.2	8.5	8.9	7.1	NA	--
EV/EBITDA	9.9	10.6	12.8	12.6	12.0	12.1	9.7	NA	--
Net Debt/EBITDA	0.9	0.3	0.6	0.7	0.8	0.1	0.1	NA	--
Money Market									
	Dec-13	Dec-14	Dec-15	Current	Commodity Market				
US Fed Target Rate	0.25%	0.25%	0.50%	1.25%	WTI Spt (\$/bbl)	46.5	-13.5%	(13.5)%	
US Prime Rate	3.25%	3.25%	3.50%	4.25%	Gas (\$/MMBTU)	3.1	-16.8%	(16.8)%	
LIBOR (3M)	0.25%	0.26%	0.61%	1.31%	Gold (\$/OZ)	1242.6	7.8%	7.8 %	
Saudi Reverse Repo	0.25%	0.25%	0.50%	1.25%	Silver (\$/OZ)	16.3	2.5%	2.5 %	
Saudi Repo	2.00%	2.00%	2.00%	2.00%	Steel (\$/mt)	582.5	-11.7%	(11.7)%	
SAIBOR (3M)	0.96%	0.86%	1.55%	1.80%	Copper (\$/mt)	6007.0	8.5%	8.5 %	
Saudi Swap Rate 5 y	2.45%	2.18%	3.10%	3.19%	Ethylene r(\$/mt)'	905.0	1.7%	1.7 %	
Saudi Deposit Rate 1y	1.10%	0.70%	2.23%	2.36%	Propylene r(\$/m)	840.0	-1.8%	(1.8)%	
Tadawul Stock Exchange									

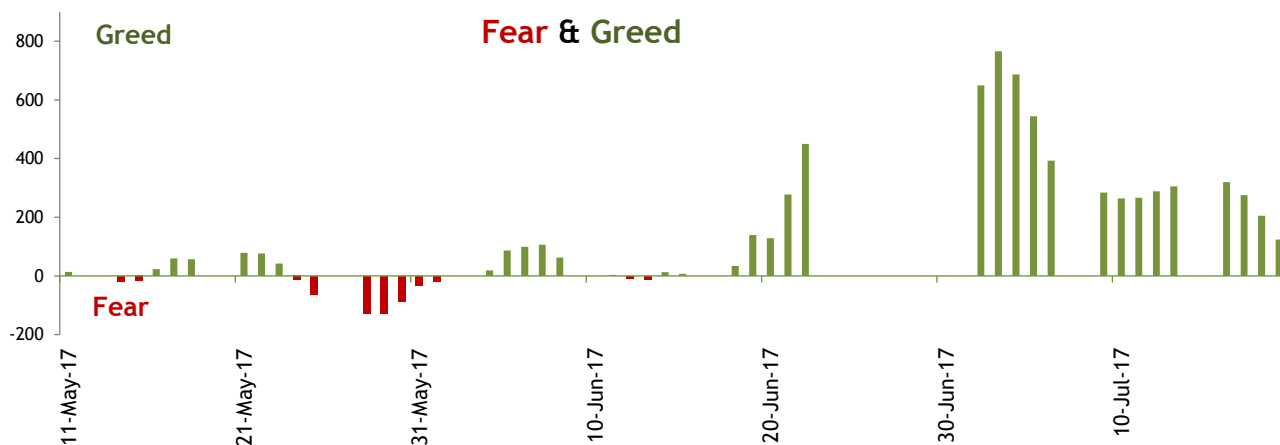
Foreign Institutional Investors in Saudi Market

Weekly Trend of QFI in Saudi Arabia - Net Buy/Sell (SR Million)



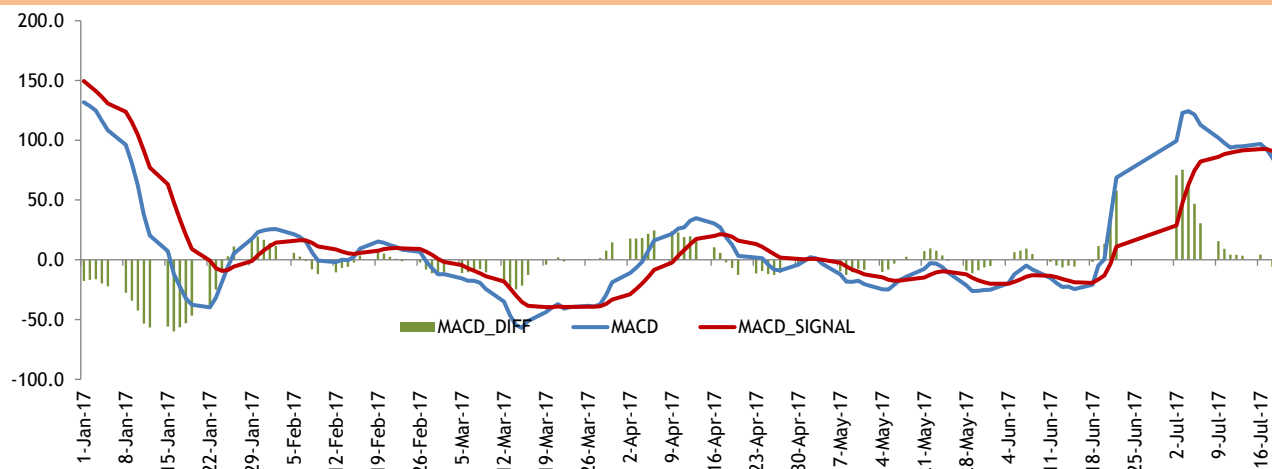
Technical Analysis - Fear Gauge

Fear and Greed Trend



Technical Analysis- Moving Average Convergence and Divergence

MACD Indicator



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Source: Bloomberg, Zawya, Tadawul Stock Exchange.