

Total Cement Sales Up by +13% Y/Y

In April 2024, local sales volume increased by +13% Y/Y but declined by -16% M/M for the third time since January, reaching a total of 3.1 million tons. 10 companies witnessed an increase in local sales, led by Alsafwa Cement and City Cement companies, with an annual increase of approximately 78% for both of them, while 7 companies witnessed a decrease in their sales volume, led by Northern Cement and United Cement companies by 67% and 21%, respectively. Export sales reached 180k tons, an increase of 24% Y/Y and a significant increase on a monthly basis of 55%. Export sales were led by 3 companies only, spearheaded by Saudi Cement with about 151k tons of the total.

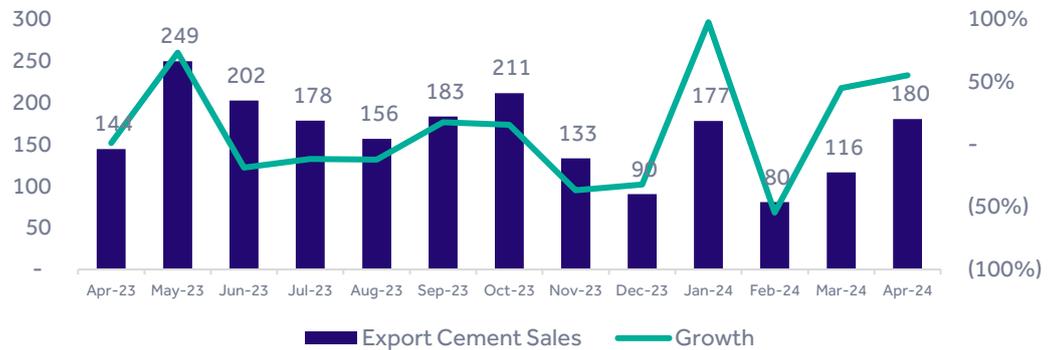
Exhibit 1: Local Cement Sales (000's tons)



Local sales increased by 13% Y/Y but decreased by 16% M/M.

Source: Riyad Capital, Yamama Cement

Exhibit 2: Exports of Saudi Cement Sector (000's tons)



Export sales increased Y/Y and M/M by 25% and 55%, respectively.

Table 1: Total Cement Sales (000's tons)

	Apr-23	Mar-24	Apr-24	Growth Y/Y	Growth M/M
Local Sales	2,597	3,582	2,922	13%	(18%)
Export Sales	144	116	180	25%	55%
Total Cement Sales	2,741	3,698	3,102	13%	(16%)

Source: Riyad Capital, Yamama Cement

Clinker Monthly Production

Clinker production fell by 7% Y/Y and 15% M/M to 4.9 million tons in April 2024. Only 5 companies in the sector showed an increase in production levels, while 12 companies showed a decrease Y/Y. As Yamama Cement production of clinker witnessed the largest growth on an annual basis, with an increase of 24% to 519k tons, while Northern Cement recorded the largest decline of 100% on an annual basis, as the company did not produce any quantities of clinker this month compared to 102k tons in the same period last year. On a monthly basis, all companies announced a decrease in production, with the exception of only two companies: United Cement and Saudi Cement, with an increase of 16% and 2%, respectively. Clinker inventories for the month rose by 3% M/M and 18% Y/Y to reach 43.3 million tons compared to 36.7 million tons recorded in the same month last year.

Exhibit 3: Clinker Production of Saudi Cement Sector (000's tons)

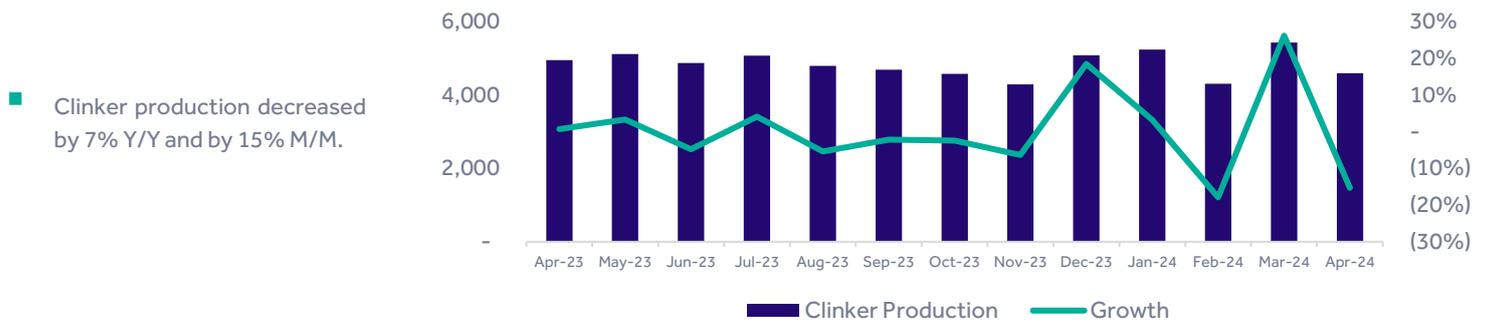
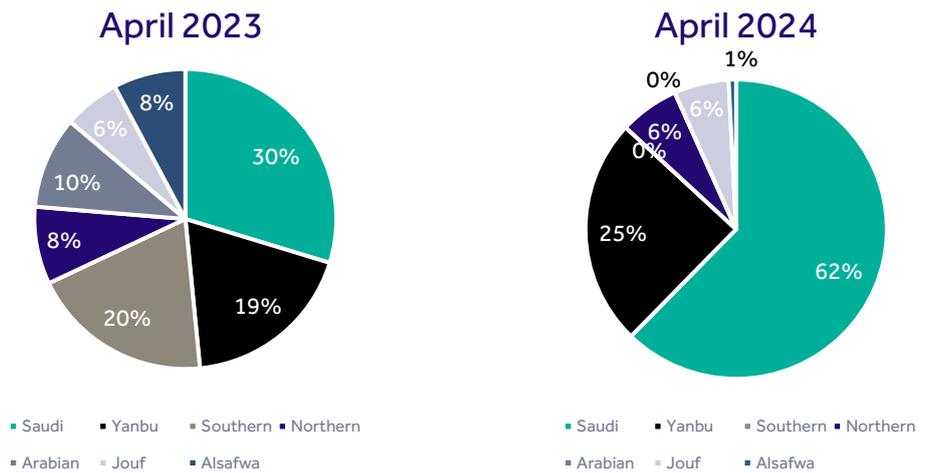
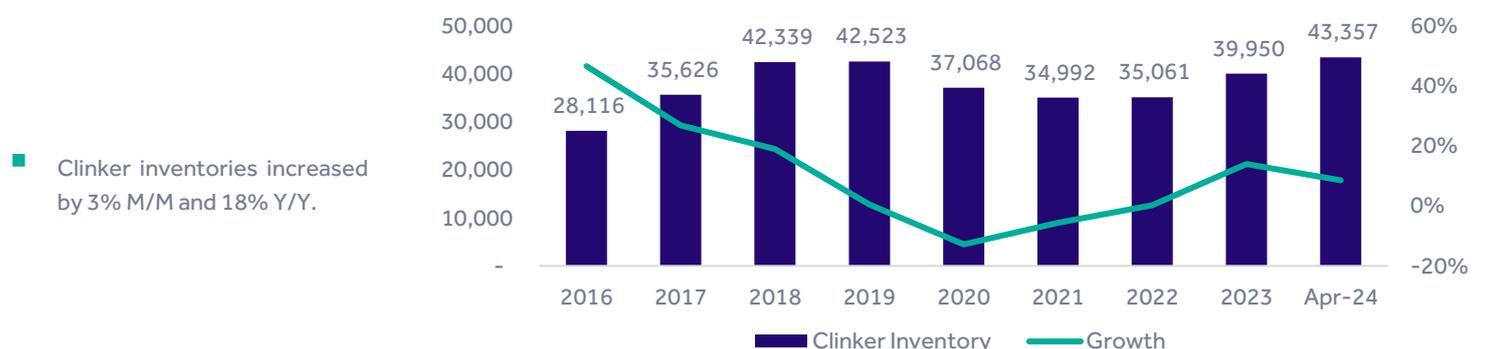


Exhibit 4: Clinker Exports by Companies (%)



Source: Riyad Capital, Yamama Cement

Exhibit 5: Clinker Inventory Levels (000's tons)

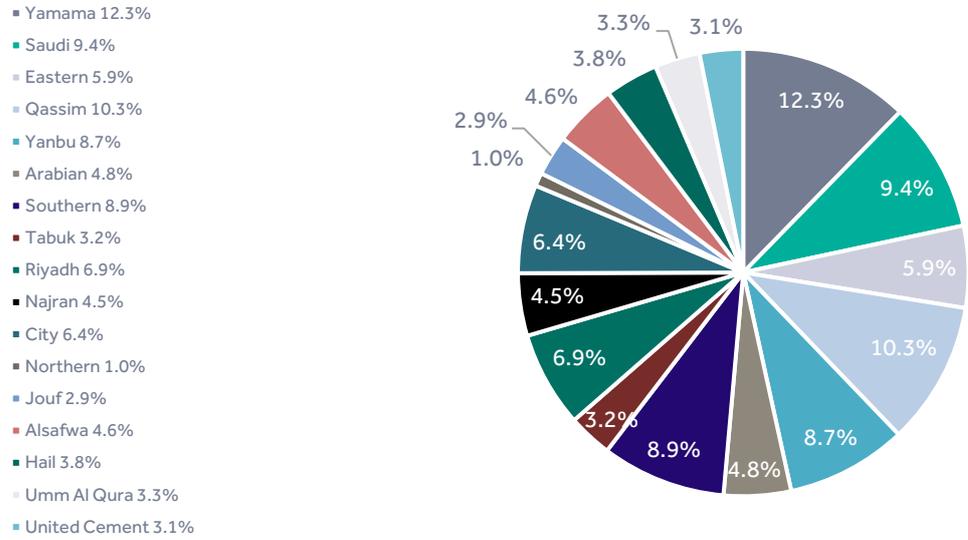


Source: Riyad Capital, Yamama Cement

Yamama Cement Lead the KSA Market Share

Yamama Cement Co. continues to maintain its position as the frontrunner in market share, holding 12.3% share in March 2024. Following closely behind is Qassim Cement Co. that secured a market share of 10.3%, then Saudi Cement Co. at 9.4%.

Exhibit 6: Local Market Share for April 2024



Source: Riyad Capital, Yamama Cement

■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

* The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors
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