Cement Sector

Monthly Tracker (December)

January 2025

Tharaa Financial Center

Summary

Total Sales

Total cement sales (local and exports) rose by 16.4% YoY and 9.6% MoM in Dec 2024, reaching 5.64 million tons. On a YTD basis, company-wise, total sales have fallen by -0.3%.

Saudi Cement Company secured the leading position in total sales within the sector during December, outperforming both Yamama and Yanbu.

Local deliveries

Monthly local dispatches rose 16.4% YoY in Dec '24 and 9% MoM. On a YTD basis, local deliveries rose by 3.8%.

With a 12% market share, Yamama Cement Company topped the sector in local dispatches during Dec '24.

Yamama Cement managed to maintain its overall leadership position, although its market share in local sales fell from 14% in Dec '23 to 12% in Dec '24.

Exports

Export dispatches increased by 14% MoM and 17% YoY in Dec '24. On a YTD basis, the total exports have decreased by -23%.

The industry's exports stood at 635K tons in Dec '24, compared to 543K tons in Dec '23.

Saudi Cement Company recorded the highest market share of exports in

Dec '24 with 60% of the total exports.

Production

In Dec '24, cement production rose by 4.7% MoM and 15.5% on a YoY basis.

Cement inventory showcased a decrease by -6.5% on a MoM basis in Dec '24.

The Clinker inventory increased by 0.5% MoM and 13.8% on a YoY in Dec '24.

The capacity utilization for clinker is estimated at 81.4% in Dec '24 vs. 82.2% in Dec '23.

Prices

In November '24, cement prices increased by 0.7% on a MoM basis, and 7% YoY.

In November '24, cement prices increased to 15.3 SAR per 50 Kg compared to 14.3 SAR in November '23.

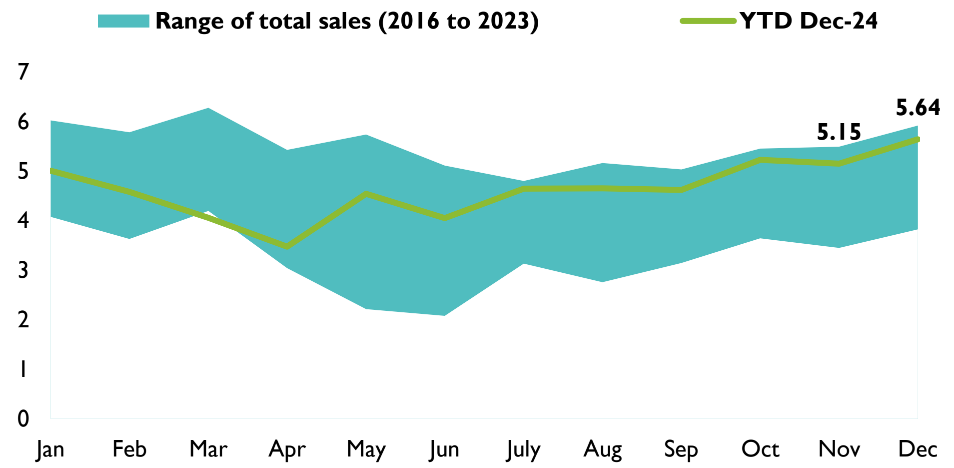
Performance & Valuation

Among TASI-listed cement stocks, Qassim Cement trades at the highest EV/Ton at 1,314 SAR, followed by Yamama Cement with an EV/Ton of 1,241 SAR. This can be compared to an average EV/Ton of 712 SAR for the sector. Meanwhile, Najran Cement (287 SAR) and Tabuk Cement (369 SAR) trade at the lowest valuations.

Umm Al-Qura and Yamama Cement are the only companies in the sector to post positive returns, with YTD gains of 9% and 3%, respectively. This stands in stark contrast to the rest of the sector, which has seen significant declines, including a 29% drop for Yanbu Cement. In comparison, the overall stock market, represented by TASI, has increased by 1%.

Total Sales (Local deliveries & Exports)

Total Sales (Local+Exports, mnton)



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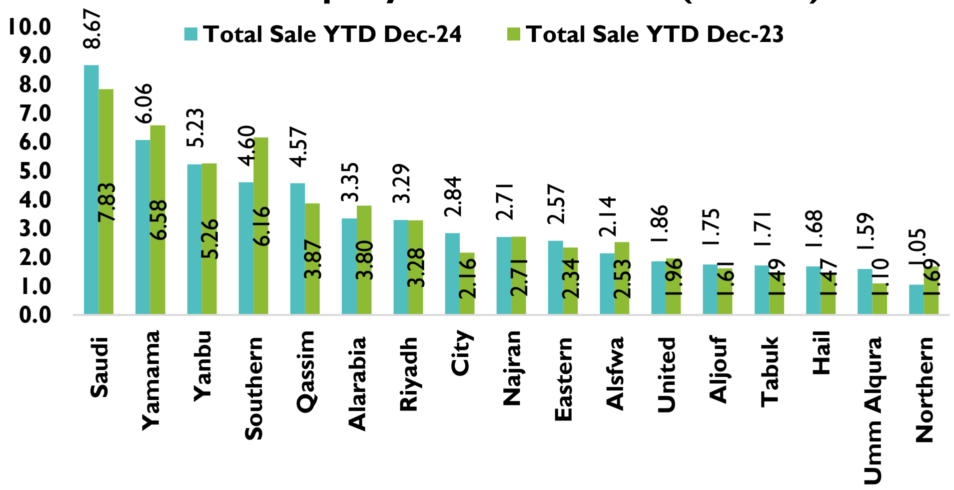
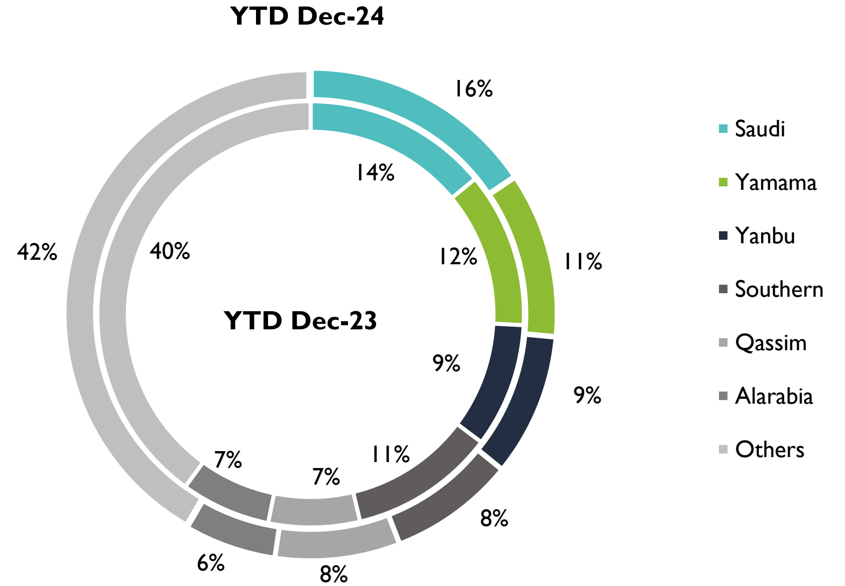
- Saudi Cement Company secured the leading position in total sales within the sector during December, outperforming both Yamama and Yanbu.

Company-wise Total Sale (mnton)



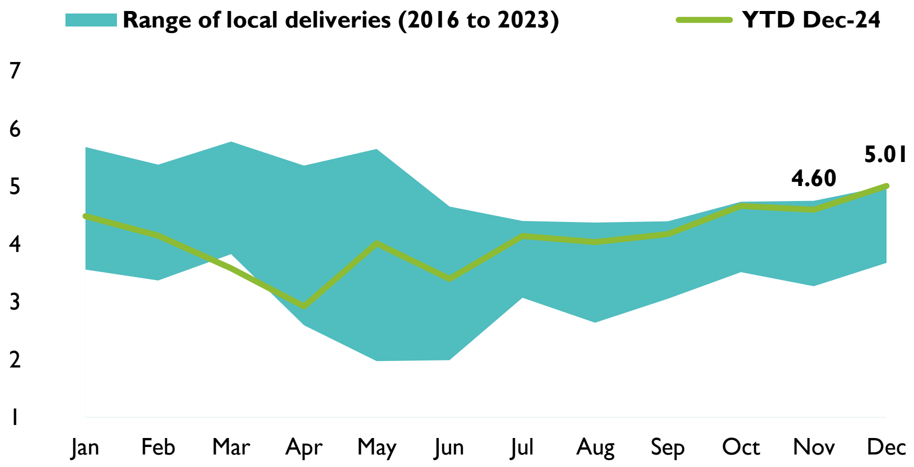
Market Share Comparison (%)



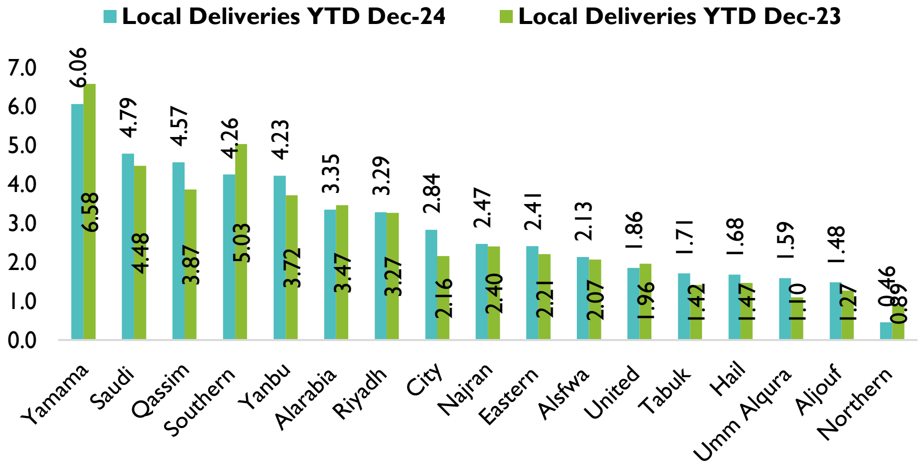
Source: Yamama Cement, Tharaa

Local Cement Deliveries

Local Deliveries (mnton)



Company-wise local Deliveries (mnton)



- Monthly local dispatches rose 16.4% YoY in Dec '24 and 9% MoM. On a YTD basis, local deliveries rose by 3.8%.
- With a 12% market share, Yamama Cement Company topped the sector in local dispatches during Dec '24.
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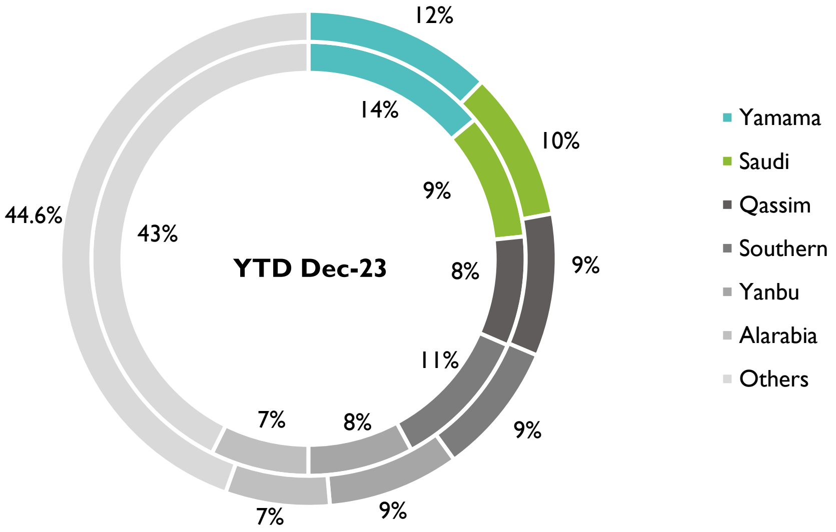
Market Share Comparison (%)

YTD Dec-2024

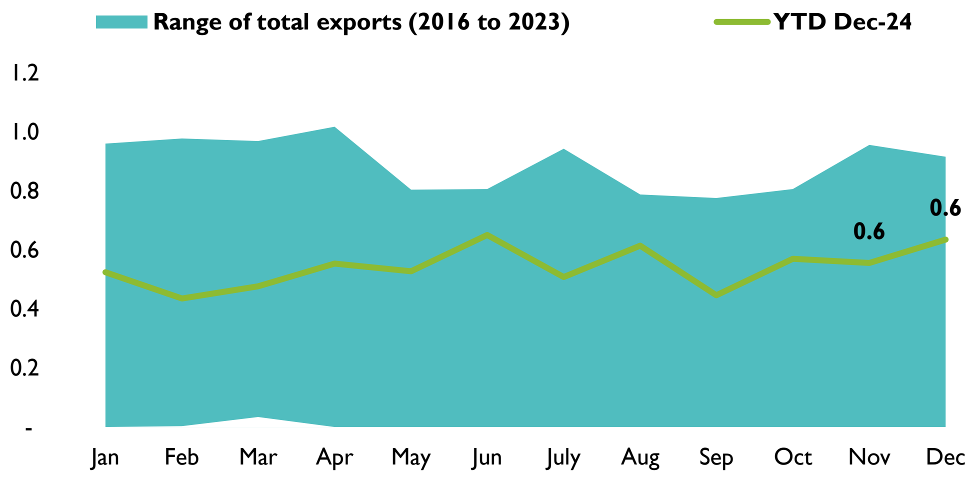


Source: Yamama Cement, Tharaa

Export Dispatches

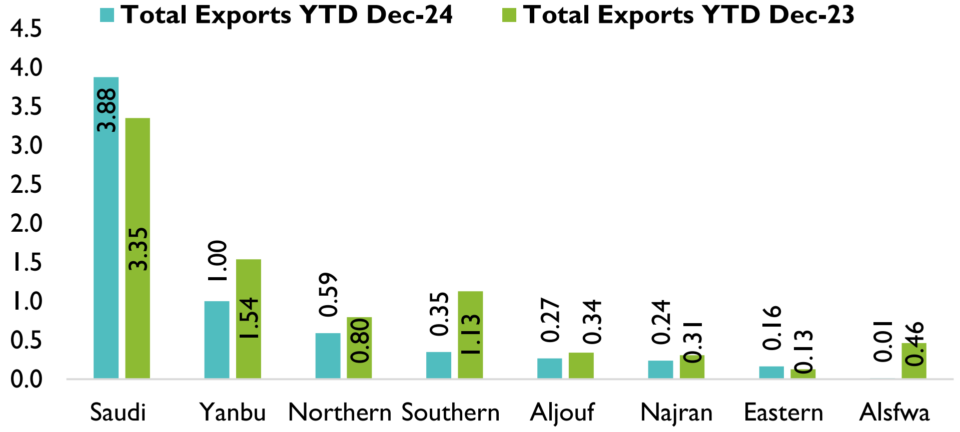
Tharaa Financial Center

Exports Dispatches (mnton)

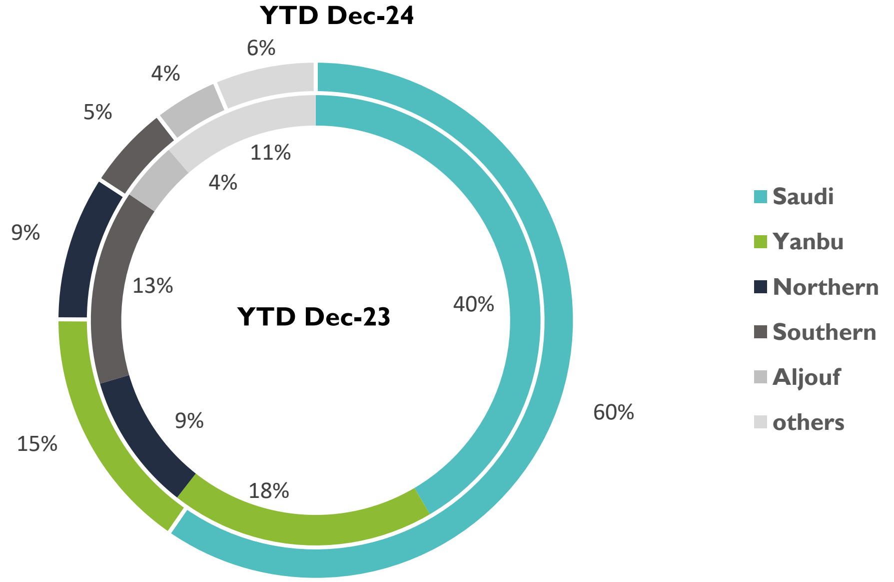


- Export dispatches increased by 14% MoM and 17% YoY in Dec '24. On a YTD basis, the total exports have decreased by -23%.
- The industry's exports stood at 635K tons in Dec '24, compared to 543K tons in Dec '23.
- Saudi Cement Company recorded the highest market share of exports in Dec '24 with 60% of the total exports.

Company-Wise Exports Sales (mnton)

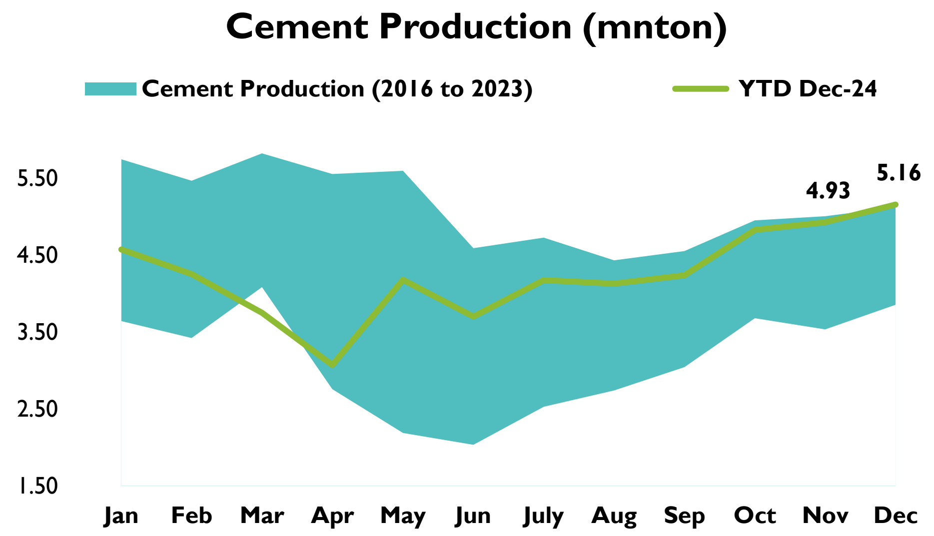


Market Share Comparison (%)



Source: Yamama Cement, Tharaa

Cement Production



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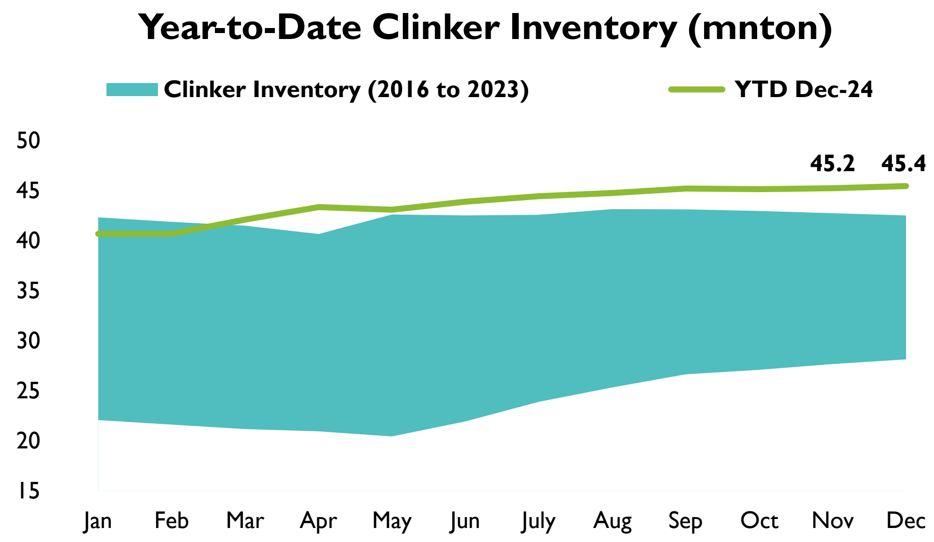
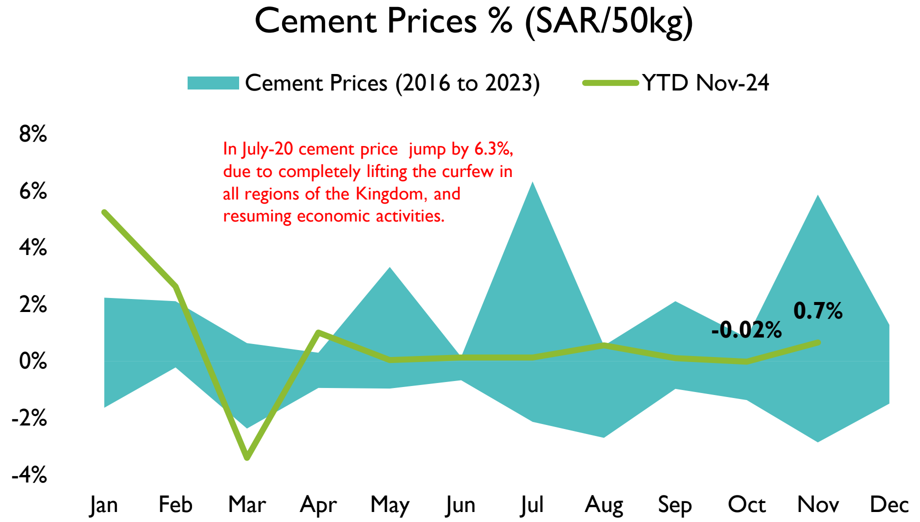


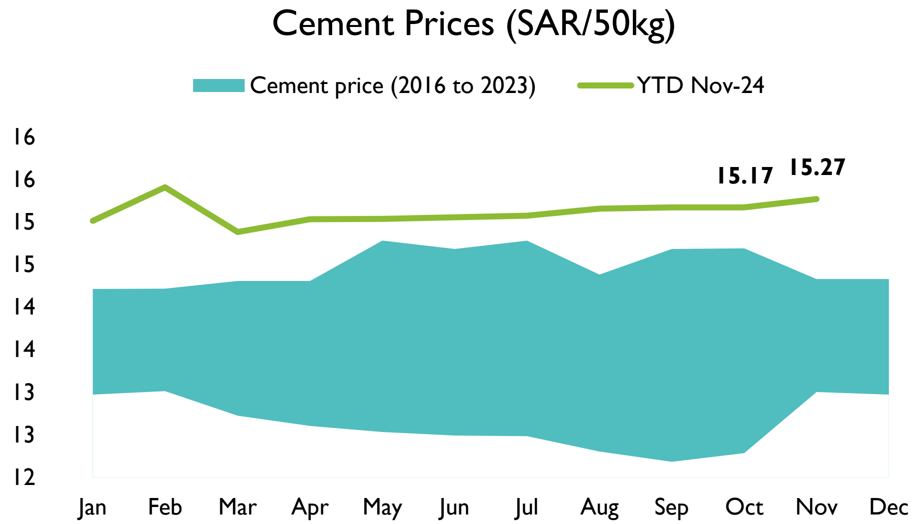
- The Clinker inventory increased by 0.5% MoM and 13.8% on a YoY in Dec '24.
- The capacity utilization for clinker is estimated at 81.4% in Dec '24 vs. 82.2% in Dec '23.

Source: Yamama Cement, Tharaa

Cement Prices change (50kg)



- In November '24, cement prices increased by 0.7% on a MoM basis, and 7% YoY.



- In November '24, cement prices increased to 15.3 SAR per 50 Kg compared to 14.3 SAR in November '23.

Source: Yamama Cement, Tharaa

Enterprise Value/Total Capacity

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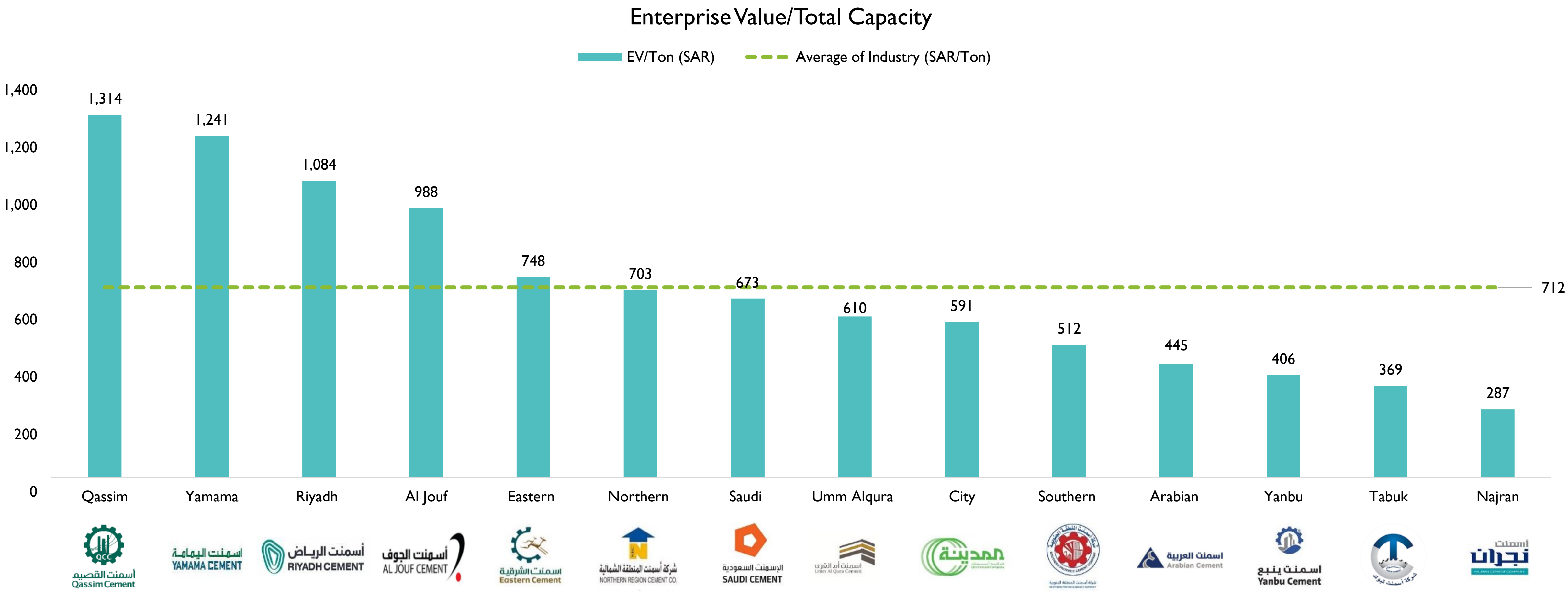
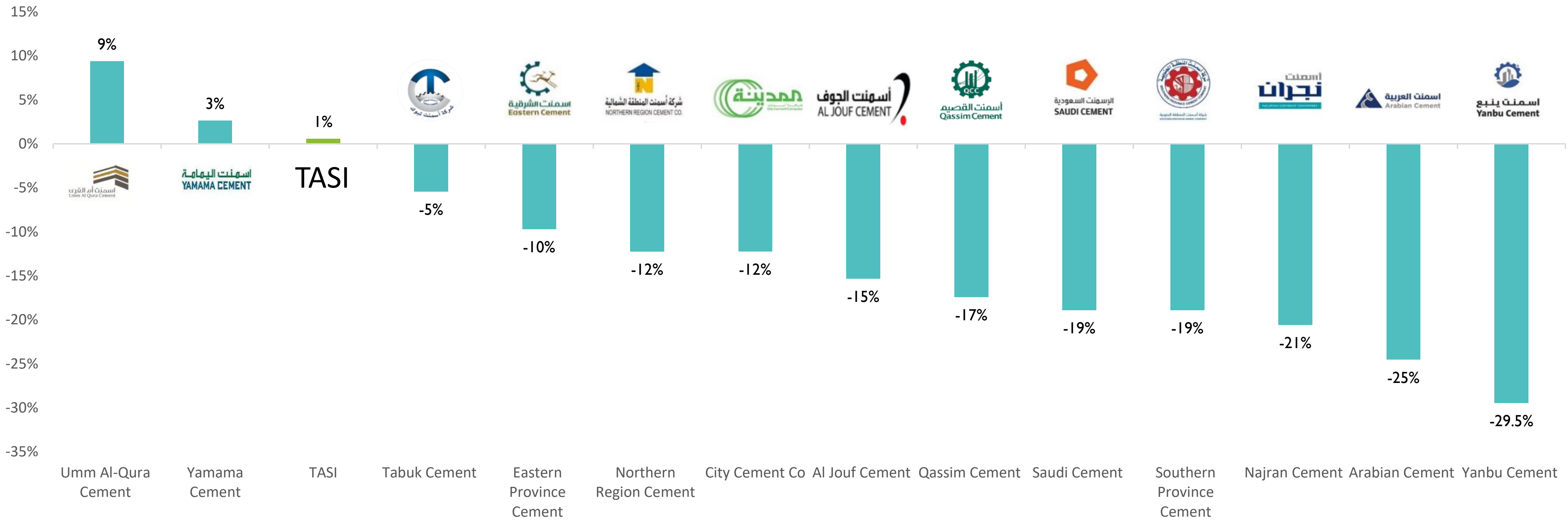


Source: Tadawul (Financial Statements Q3-2024 reports), Tharaa
**Enterprise Value: Equity Value + Debt(LT+ST) – (Cash + Liquid Assets)*
Mkt Stock Price as closed in 31-12-2024.

Cement Sector YTD Performance

Umm Al-Qura and Yamama Cement are the only companies in the sector to post positive returns, with YTD gains of 9% and 3%, respectively. This stands in stark contrast to the rest of the sector, which has seen significant declines, including a 29% drop for Yanbu Cement. In comparison, the overall stock market, represented by TASI, has increased by 1%.



Source: Bloomberg, Tharaa Financial Center
**Mkt Stock Price as closed in 31-12-2024*

Disclaimer

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