Tharaa Financial Center

Cement Sector

Monthly Tracker (January-2025)

February 2025

Summary

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Total Sales

- Total cement sales (local and exports) rose by 8.7% YoY, but declined -3.5% MoM in Jan ’25, reaching 5.45 million tons. On a YTD basis, company-wise, total sales have risen by 8.7%.
- Saudi Cement Company secured the leading position in total sales within the sector during January, outperforming both Yamama and Yanbu.

Local Cement Deliveries

- Monthly local dispatches rose 9.1% YoY in Jan ’25, while declining -2.3% MoM. On a YTD basis, local deliveries rose by 9.1%.
- With a 13% market share, Yamama Cement Company topped the sector in local dispatches during Jan ‘25.
- Yamama Cement managed to maintain its overall leadership position, with its market share in local sales rising from 11% in Jan ‘24 to 13% in Jan ‘25.

Export Dispatches

- Export dispatches decreased by -13% MoM, but increased by 5.3% YoY in Jan ‘25. On a YTD basis, the total exports have increased by 5.3%.
- The industry's exports stood at 552K tons in Jan ‘25, compared to 524K tons in Jan ‘24.
- Saudi Cement Company recorded the highest market share of exports in Jan ‘25 with 38% of the total exports.

Production

- In Jan ‘25, cement production declined by -0.4% MoM, while rising 12.3% on a YoY basis.
- Cement inventory showcased an increase of 13.7% on a MoM basis in Jan ’25, and rose 6.6% on a YoY basis.
- The clinker inventory decreased by -3.5% MoM, while rising 7.8% YoY in Jan ‘25.
- The capacity utilization for clinker is estimated at 66% in Jan ‘25 compared to about 85% in Jan ‘24.

Prices

- In Jan ‘25, cement prices decreased by -0.2% on a MoM, while rising 2.6% YoY.
- In Jan ‘25, cement prices declined to 15.4 SAR per 50 kg, increasing from 15 SAR in Jan ‘24.

Performance & Valuation

- Among TASI-listed cement stocks, Qassim Cement trades at the highest EV/Ton at 1,330 SAR, followed by Yamama Cement with an EV/Ton of 1,314 SAR. This can be compared to an average EV/Ton of 749 SAR for the sector. Meanwhile, Najran Cement (287 SAR) and Tabuk Cement (399 SAR) trade at the lowest valuations.
- Al Jouf Cement and City Cement posted the highest returns in the sector with YTD gains of 16.7% and 13.6%, respectively. Most companies in the sector registered positive returns with just one company in the sector experiencing a decline. Southern Province Cement was the only company to post a negative performance and also had the lowest return as it declined by -1.6%. In comparison, the overall stock market, represented by TASI, increased by 3.1%.

Total Sales (Local deliveries & Exports)

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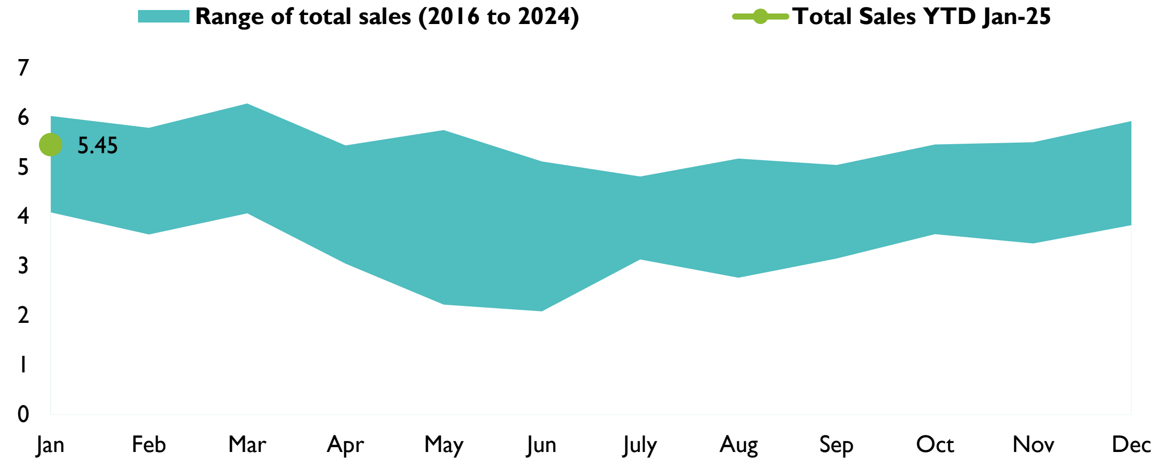
Total Sales (Local+Exports, mnton)



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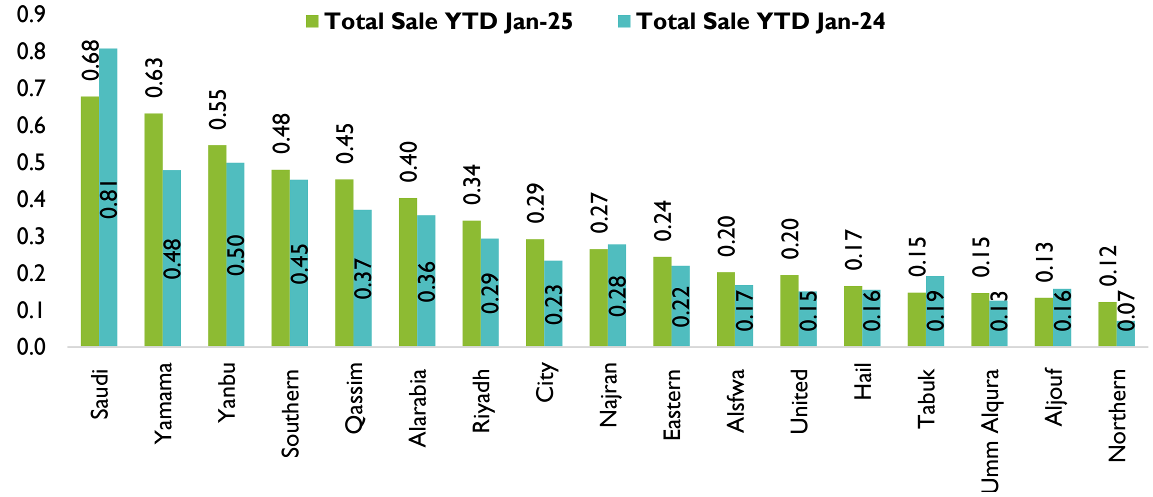
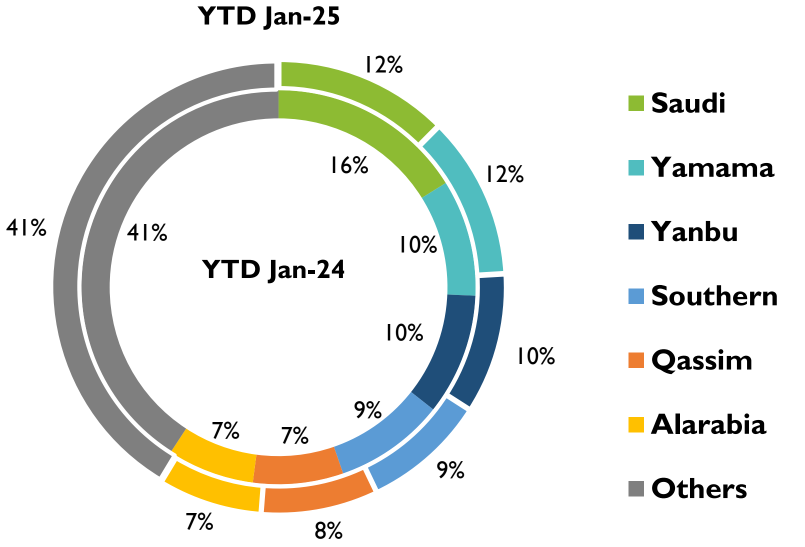
Company-wise Total Sale (mnton)

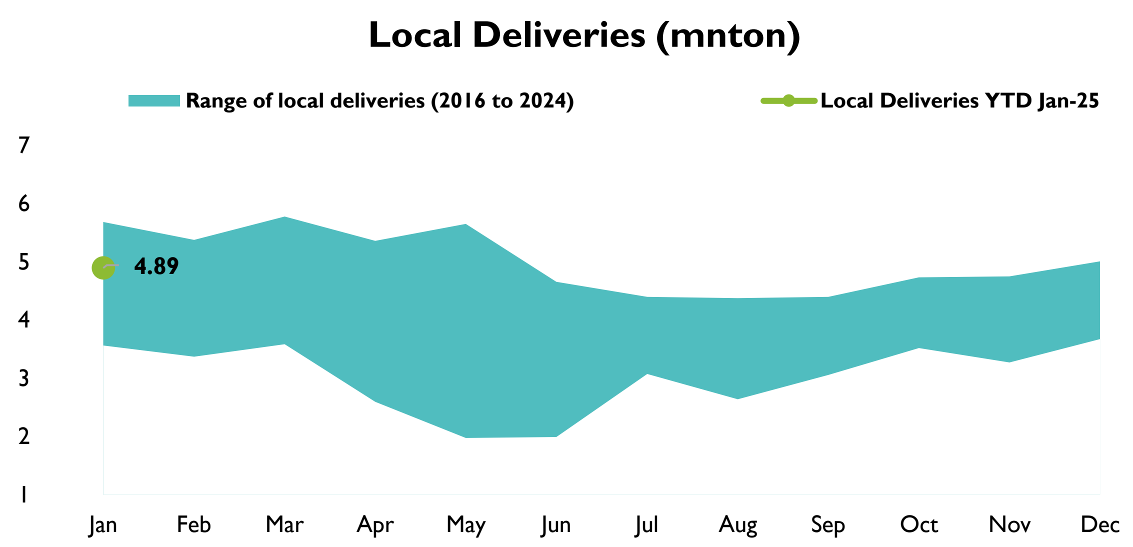


Market Share of Total Cement Sales Comparison (%)



Source: Yamama Cement, Tharaa

Local Cement Deliveries



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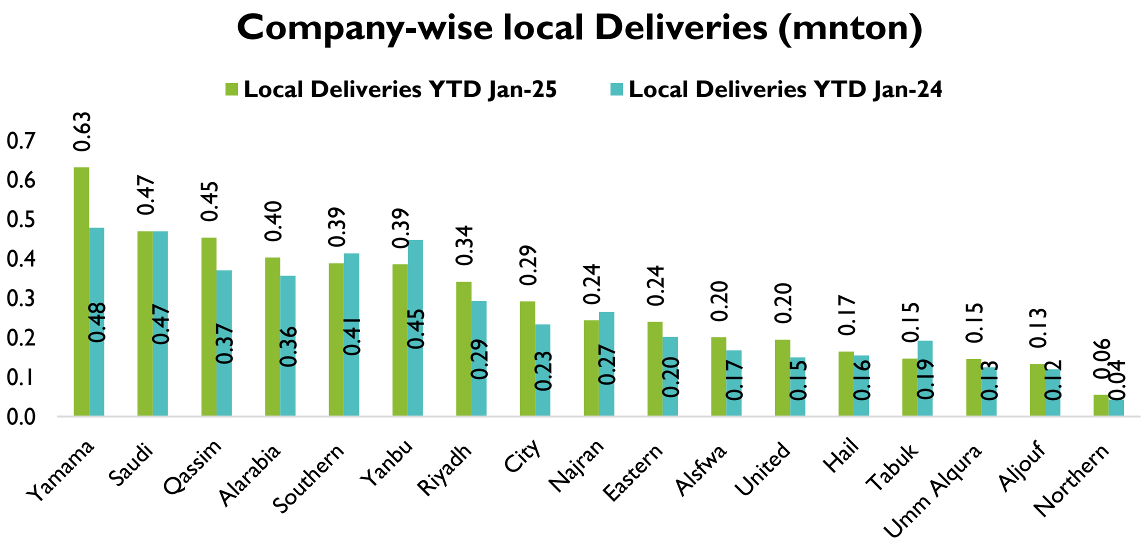

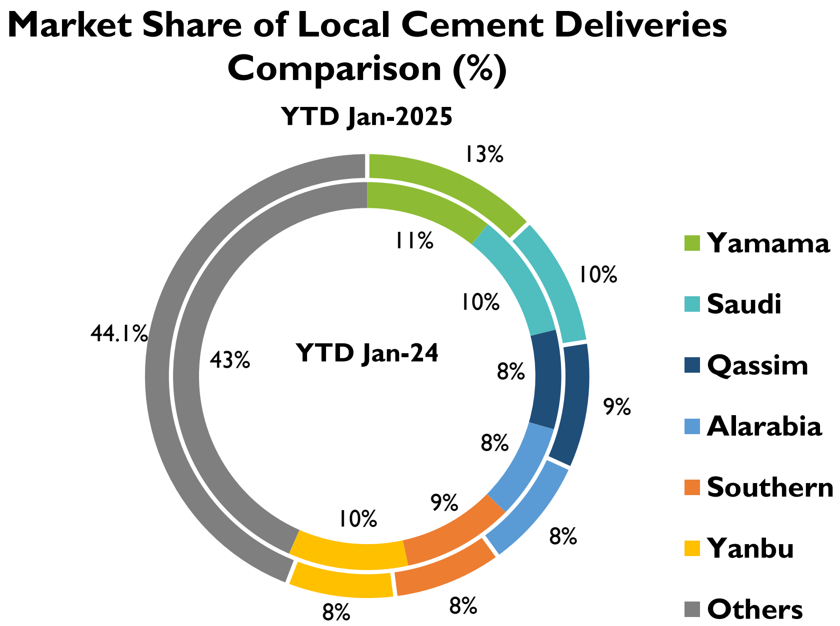

Source: Yamama Cement, Tharaa

Export Dispatches

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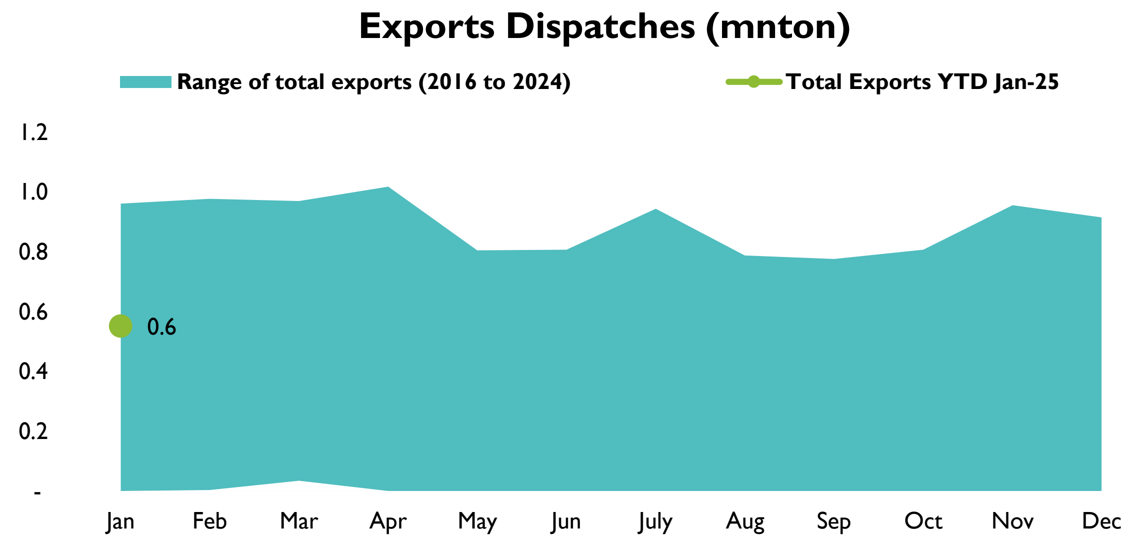

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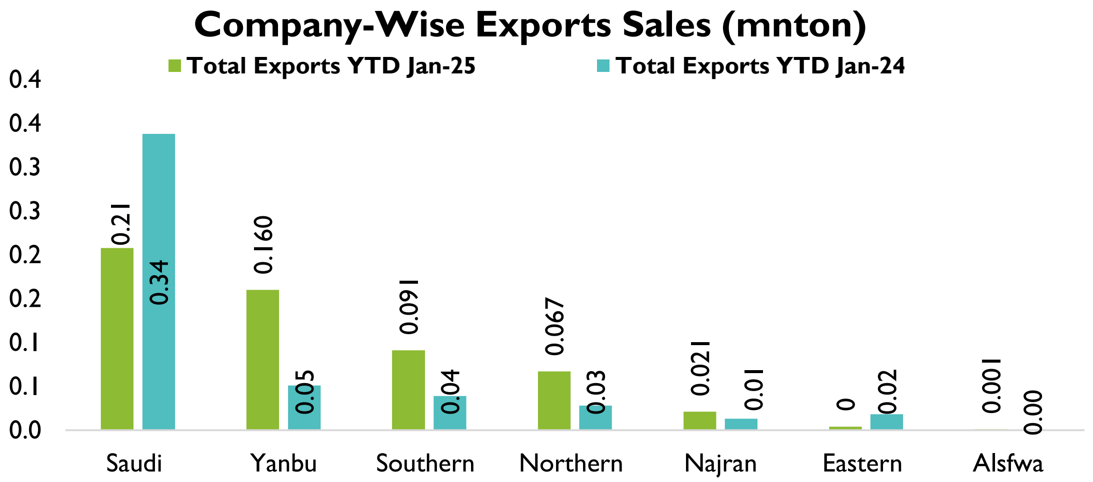
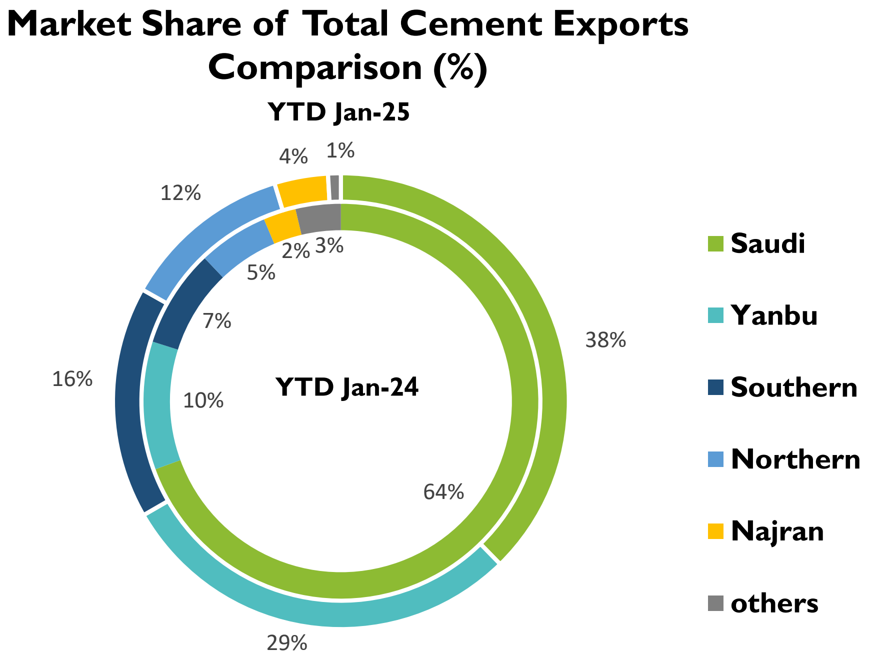
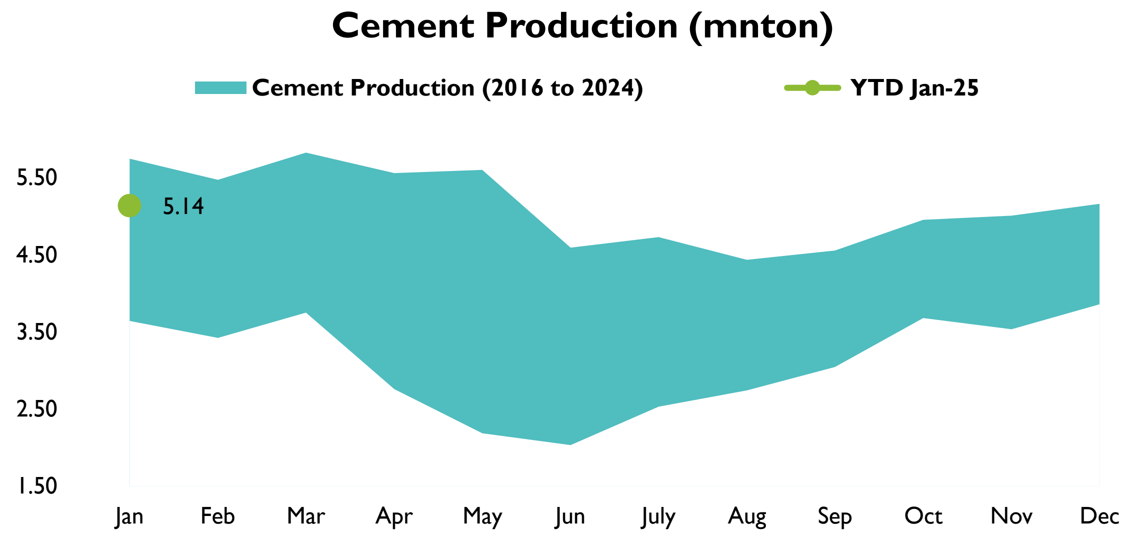




Source: Yamama Cement, Tharaa

Cement Production



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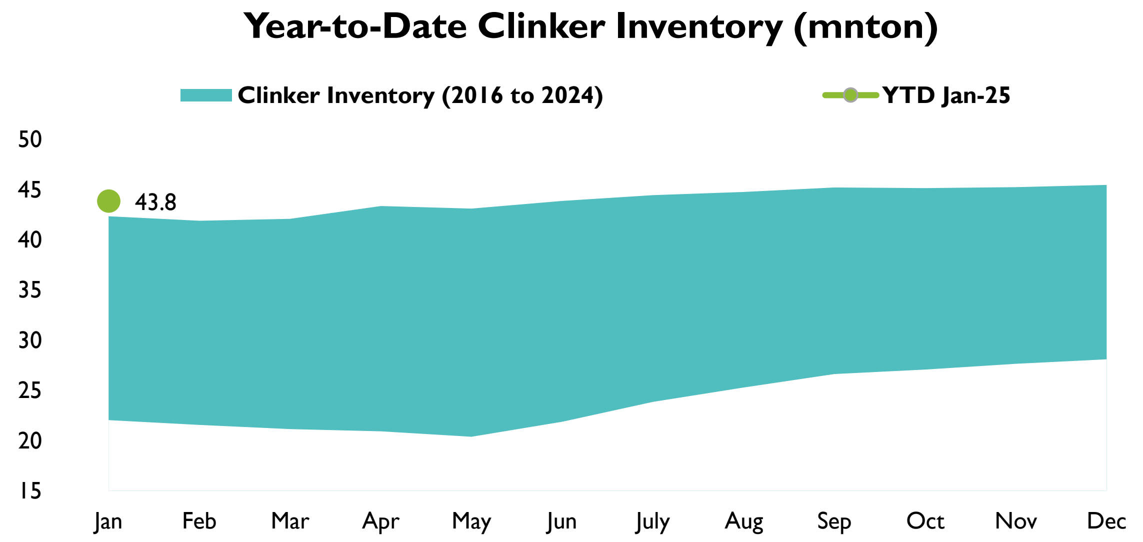

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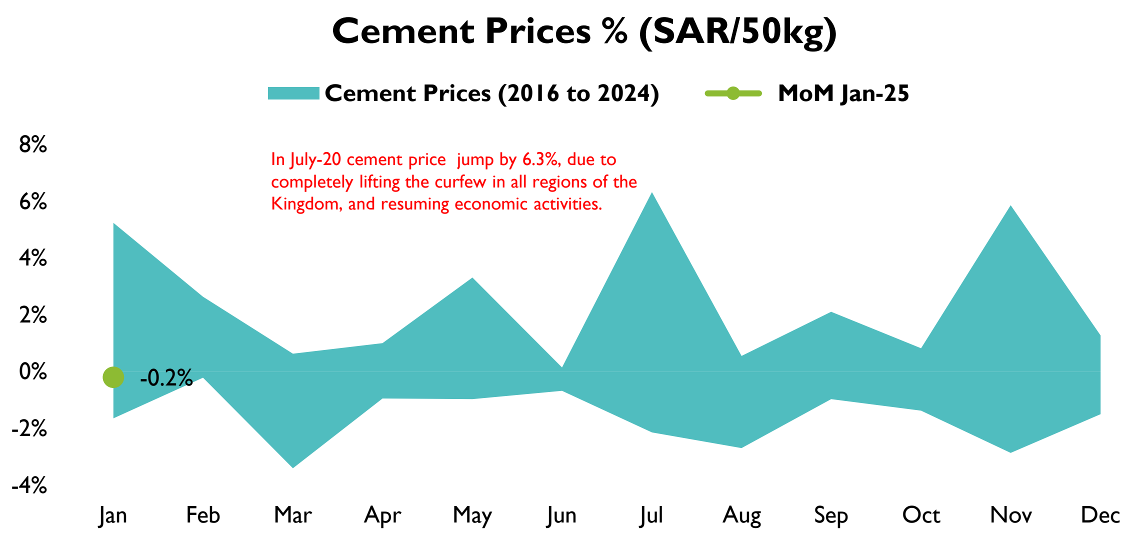
Cement Prices change (50kg)



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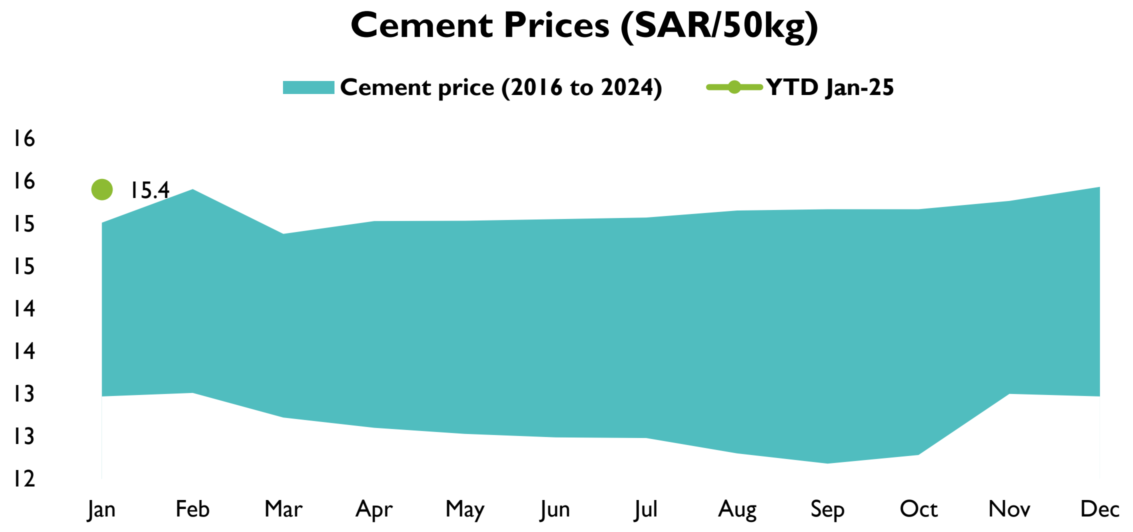

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Source: Yamama Cement, Tharaa

Enterprise Value / Total Capacity

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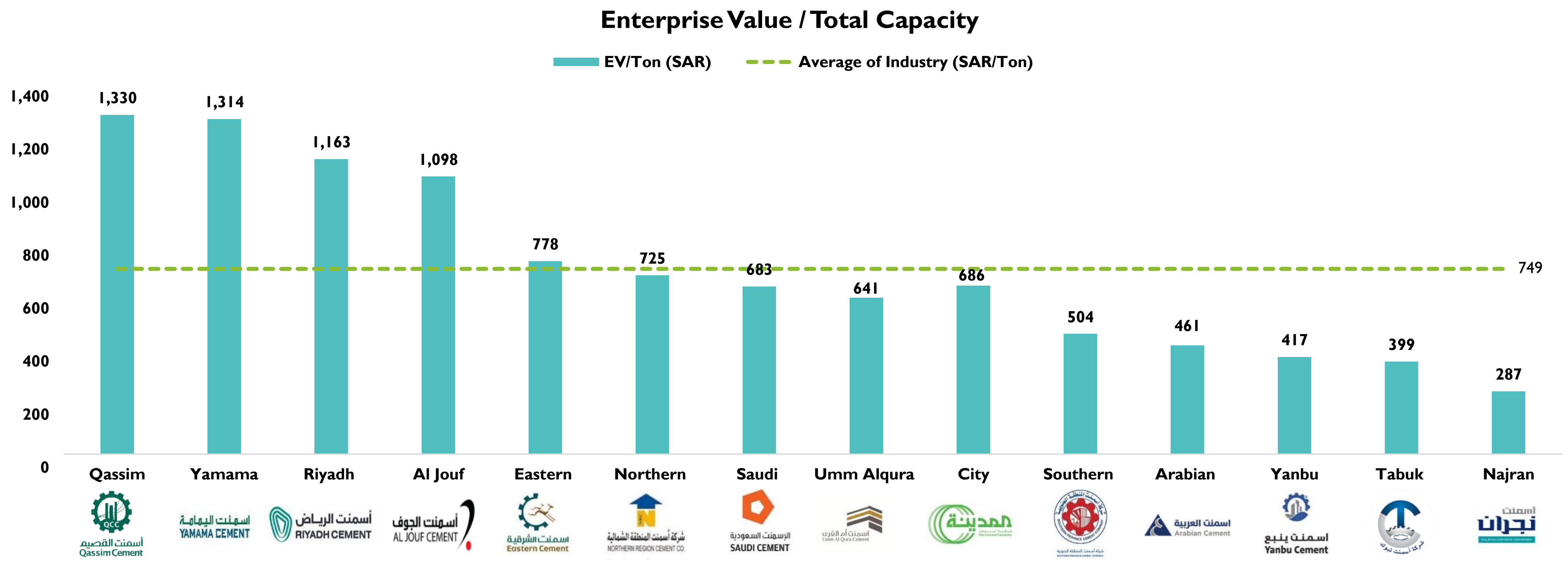
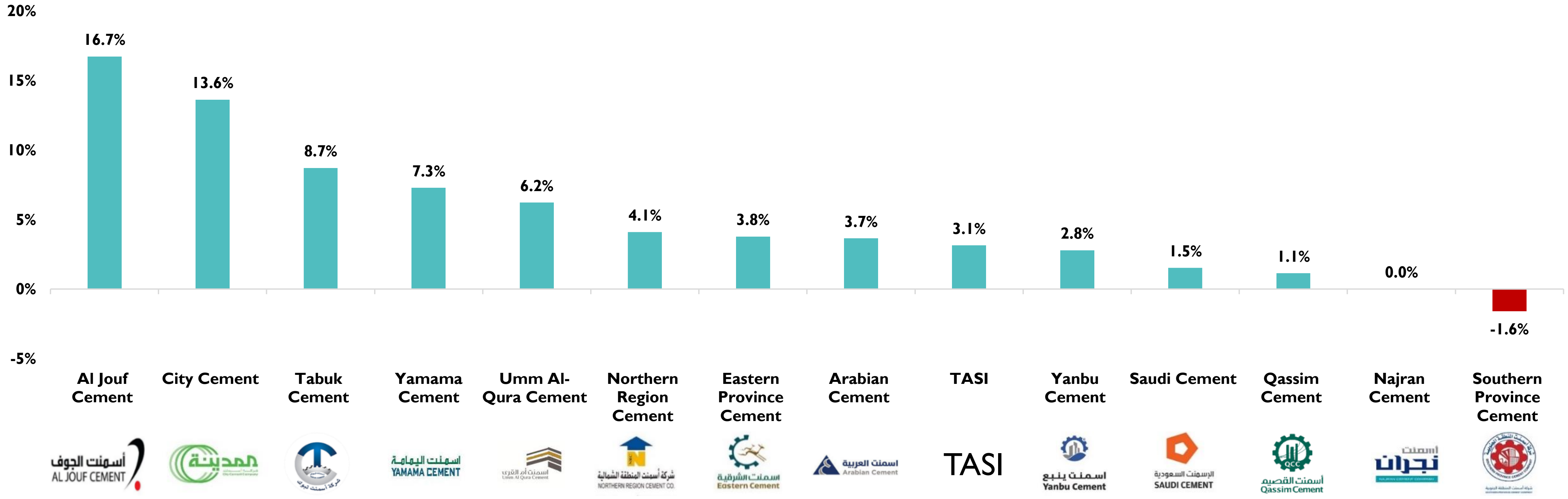


Source: Tadawul (Financial Statements Q3-2024 reports), Tharaa
*Enterprise Value: Equity Value + Debt(LT+ST) – (Cash + Liquid Assets)
Mkt Stock Price as closed in 31-01-2025.

Cement Sector YTD Performance

Al Jouf Cement and City Cement posted the highest returns in the sector with YTD gains of 16.7% and 13.6%, respectively. Most companies in the sector registered positive returns with just one company in the sector experiencing a decline. Southern Province Cement was the only company to post a negative performance and also had the lowest return as it declined by -1.6%. In comparison, the overall stock market, represented by TASI, increased by 3.1%.



Source: Bloomberg, Tharaa Financial Center
*Mkt Stock Price as closed in 31-01-2025

Disclaimer

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Contact Info

Tharaa Financial Center
011 494 8899
info@tharaafc.com
www.tharaafc.com
Building 107
Prince Sultan University
Rafha Street, Riyadh
Kingdom of Saudi Arabia