

Cement Sector Monthly Tracker (June)

July 2024



Tharaa
Financial
Center



Summary



Total Sales

Total cement sales (Local+Exports) dropped by -10.8% MoM (-0.4% YoY) in June '24 to reach 4.05mn tons. On a YTD basis, total sales have decreased by -4.2%.

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



Local deliveries

Monthly local dispatches fell by -15.3% MoM (-3.6% YoY) in June '24 . On a YTD basis, local deliveries fell by -0.8%.

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

While Yamama Cement managed to maintain its overall leadership position, its market share in local sales dropped from 13% in June '23 to 12% in June '24.



Exports

Exports dispatches increased by 23% MoM (20% YoY) in June '24. On a YTD basis, the total exports have decreased by -23%.

The industry's exports stood at 651K tons in June '24, compared to 541K tons in June '23.

Saudi Cement Company recorded the highest market share of exports in June '24 with 61% of the total exports.



Production

In June '24, cement production showed a decrease of -11.4% MoM, and -3.0% on a YoY basis.

Cement inventory showed an increase of 14.7% on a MoM basis in June '24.

The Clinker inventory increased by 1.8% on a MoM basis, and 13.8% on a YoY basis in June '24.

The capacity utilization for clinker is estimated at 73.1% in June '24 vs. 78.8% in June '23.



Prices

In June '24, cement prices increased 0.1% on a MoM basis, culminating in an increase of 2.6% YoY.

In June '24, cement prices increased to 15.05 SAR per 50 Kg compared to 14.68 in June '23.



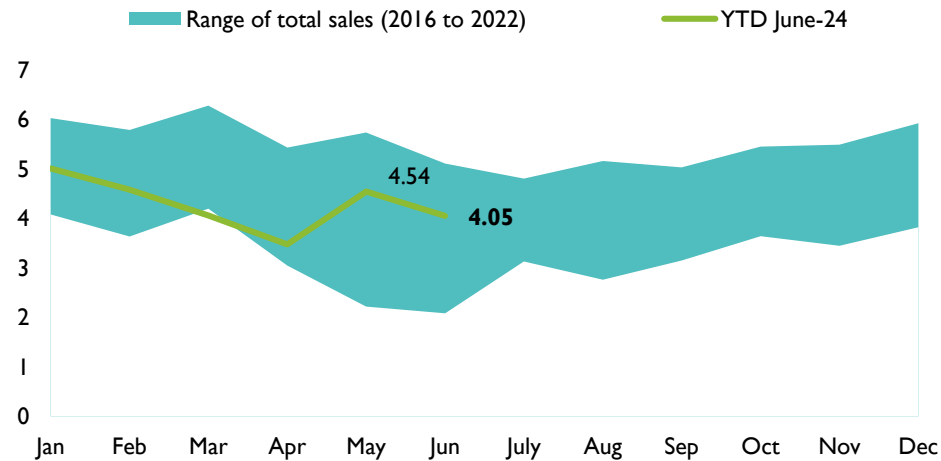
Performance & Valuation

Among TASI-listed cement stocks, Qassim Cement trades at the highest EV/Ton at SAR 1,189, followed by Yamama Cement with an EV/Ton of SAR 1,128. This can be compared to an average EV/Ton of 710 SAR for the sector. Meanwhile, Tabuk Cement (SAR376) and Najran Cement (SAR254) trade at the lowest valuations.

All cement companies except Yammama reported negative returns YTD. TASI recorded a positive return of 2%.

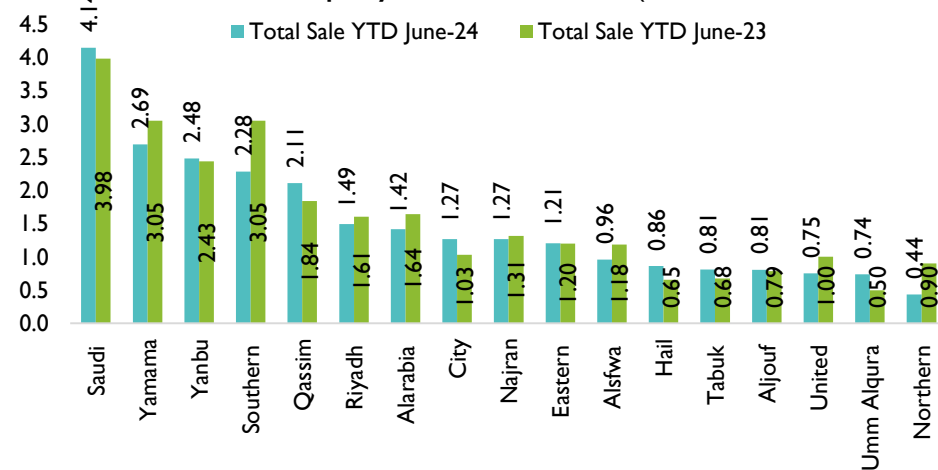
Total Sales (Local deliveries & Exports)

Total Sales (Local+Exports, mnton)

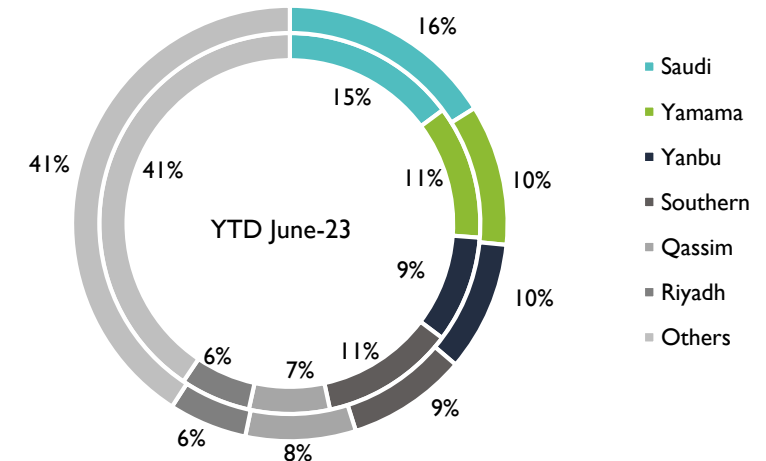


- Total cement sales (Local+Exports) dropped by -10.8% MoM (-0.4% YoY) in June '24 to reach 4.05mn tons. On a YTD basis, total sales have decreased by -4.2%.
- Saudi Cement Company secured the leading position in total sales within the sector during June, outperforming both Yamama and Yanbu.

Company-wise Total Sale (mnton)

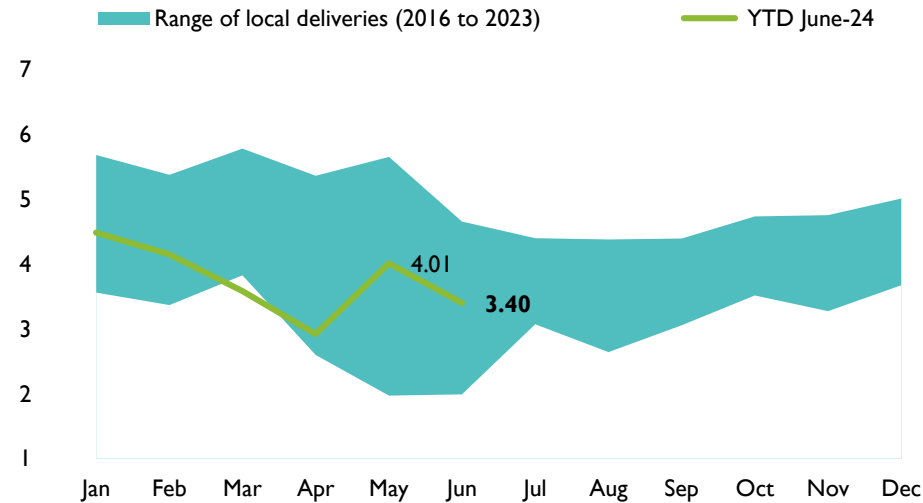


Market Share Comparison (%)
YTD June-24

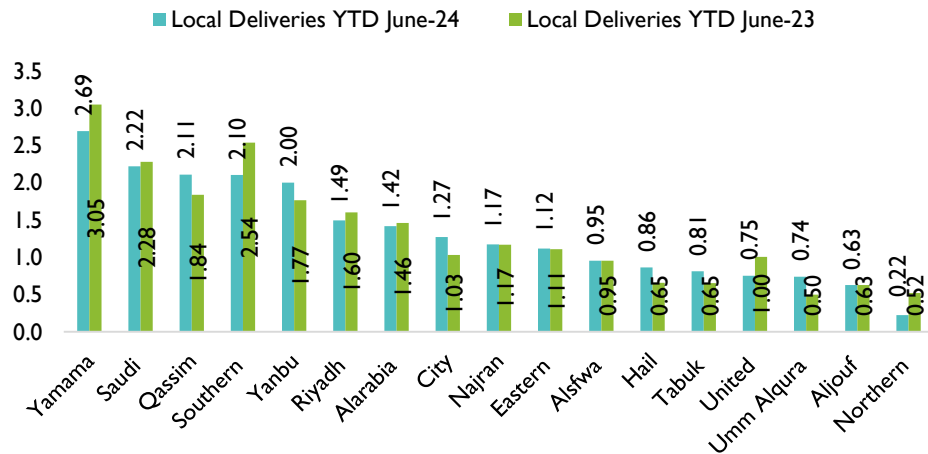


Local Cement Deliveries

Local Deliveries (mnton)

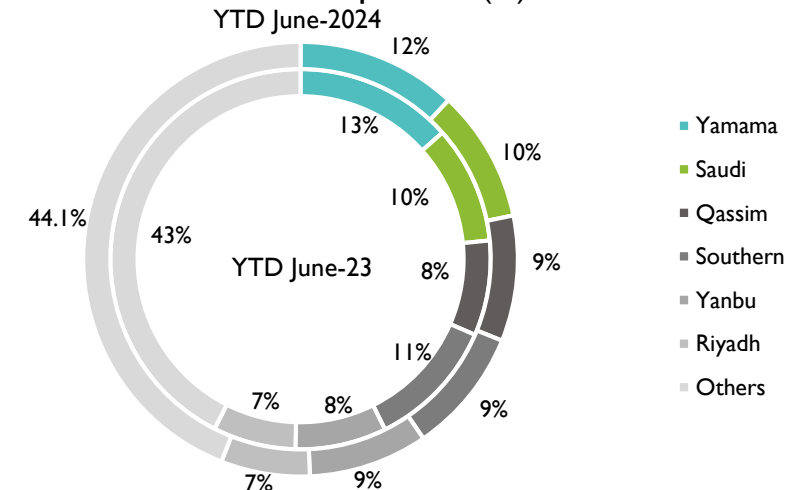


Company-wise local Deliveries (mnton)



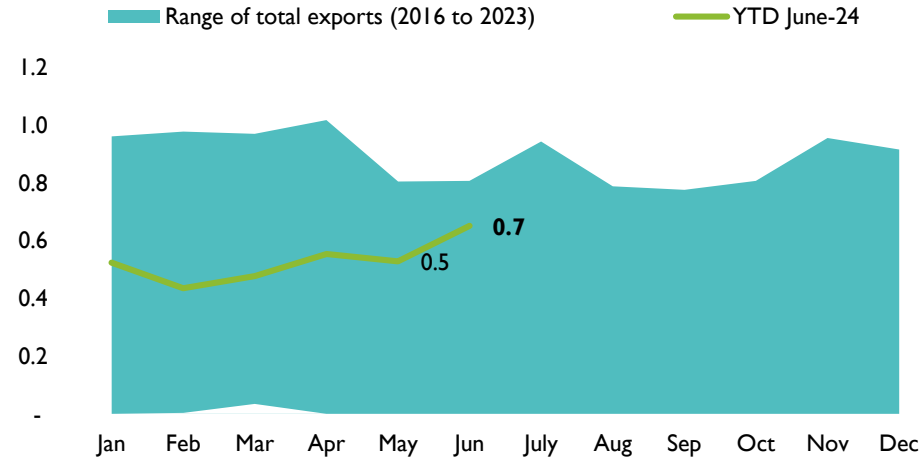
- Monthly local dispatches fell by -15.3% MoM (-3.6% YoY) in June '24 . On a YTD basis, local deliveries fell by -0.8%.
- With a 12% market share, Yamama Cement Company topped the sector in local dispatches during June '24.
- While Yamama Cement managed to maintain its overall leadership position, its market share in local sales dropped from 13% in June '23 to 12% in June '24.

Market Share Comparison (%)

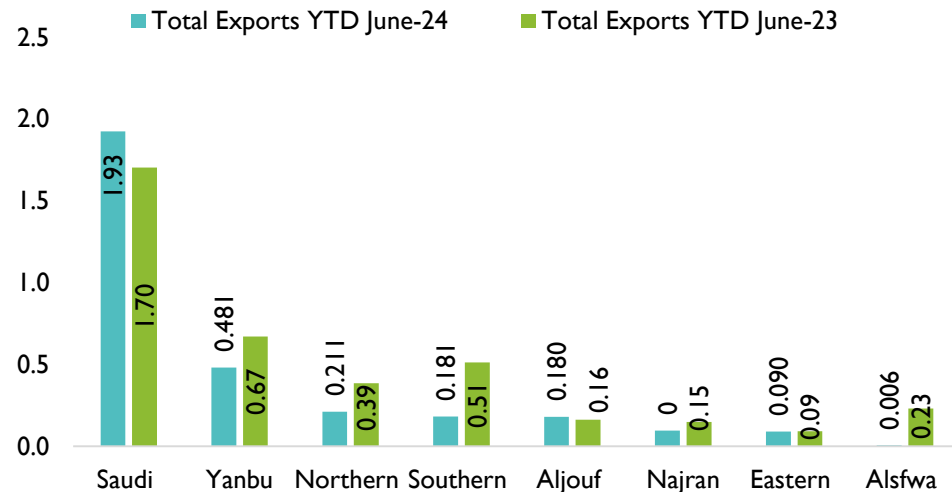


Export Dispatches

Exports Dispatches (mnton)

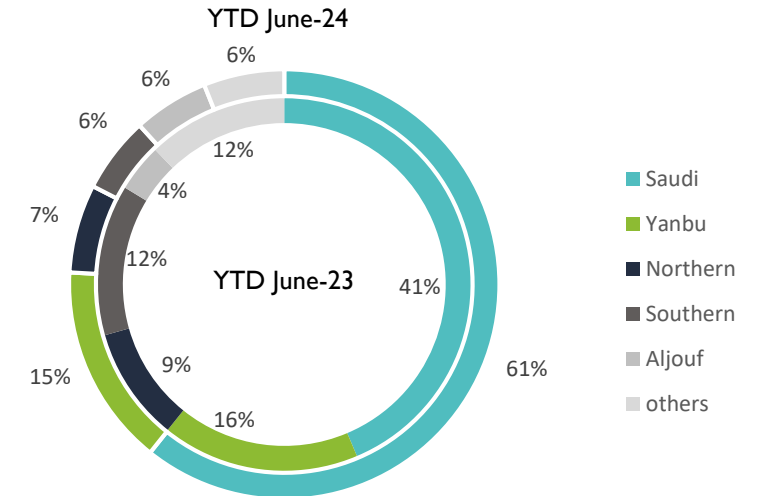


Company-Wise Exports Sales (mnton)



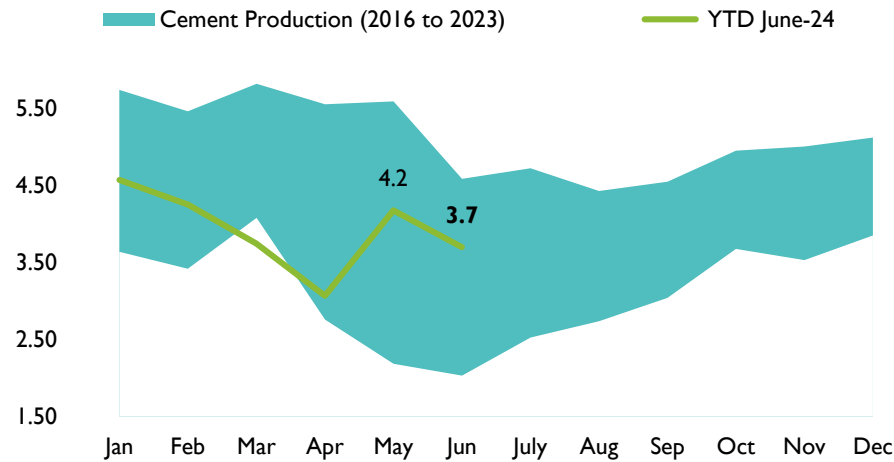
- Exports dispatches increased by 23% MoM (20% YoY) in June '24. On a YTD basis, the total exports have decreased by -23%.
- The industry's exports stood at 651K tons in June '24, compared to 541K tons in June '23.
- Saudi Cement Company recorded the highest market share of exports in June '24 with 61% of the total exports.

Market Share Comparison (%)



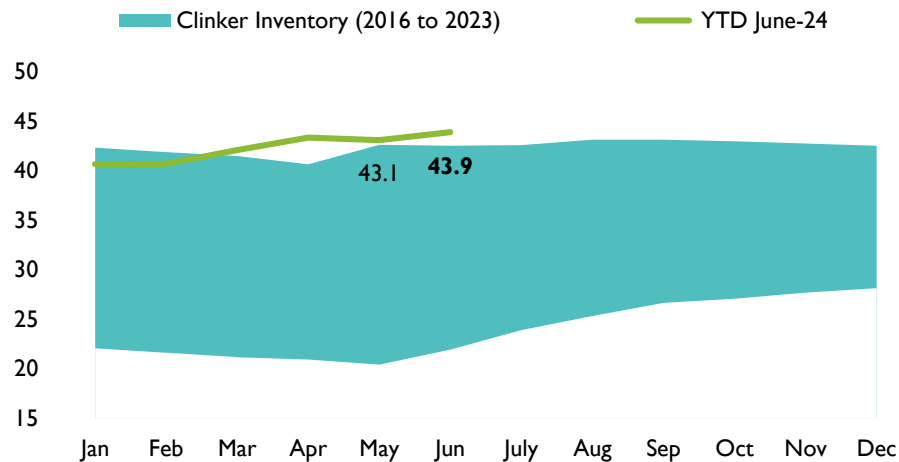
Cement Production

Cement Production (mnton)



- In June '24, cement production showed a decrease of -11.4% MoM, and -3.0% on a YoY basis.
- Cement inventory showed an increase of 14.7% on a MoM basis in June '24.

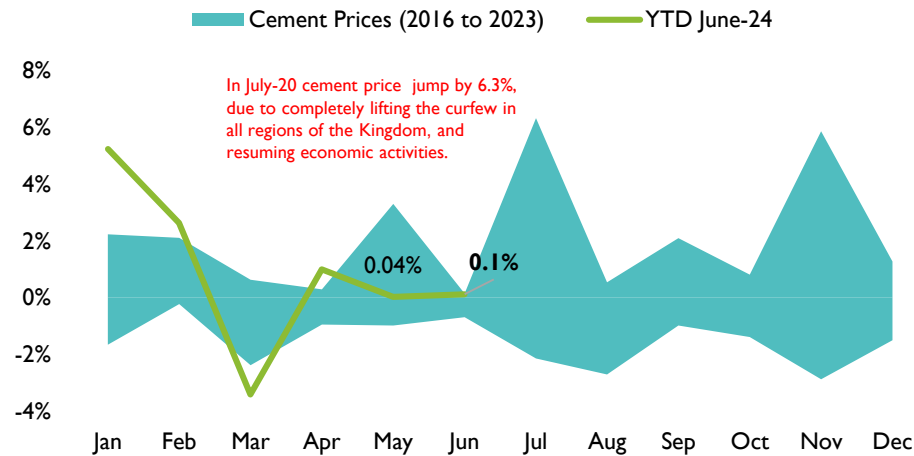
Year-to-Date Clinker Inventory (mnton)



- The Clinker inventory increased by 1.8% on a MoM basis, and 13.8% on a YoY basis in June '24.
- The capacity utilization for clinker is estimated at 73.1% in June '24 vs. 78.8% in June '23.

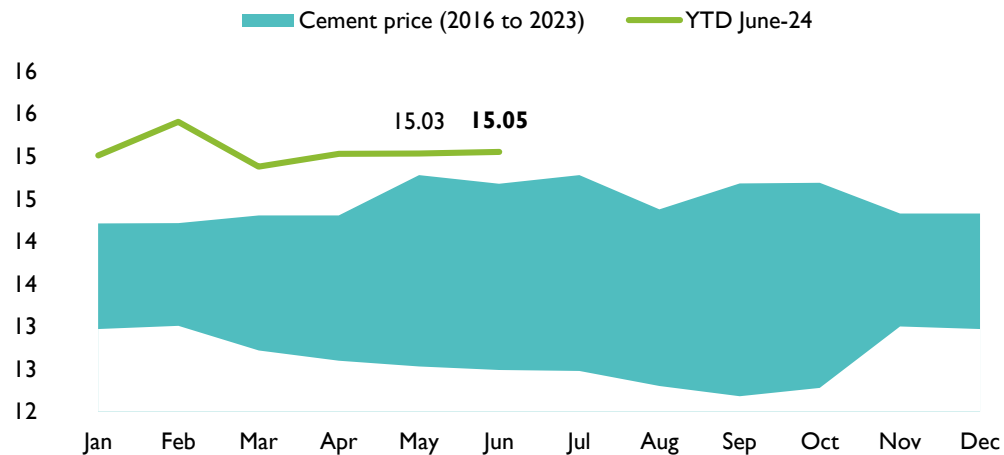
Cement Prices change (50kg)

Cement Prices % (SAR/50kg)



- In June '24, cement prices increased 0.1% on a MoM basis, culminating in an increase of 2.6% YoY.

Cement Prices (SAR/50kg)



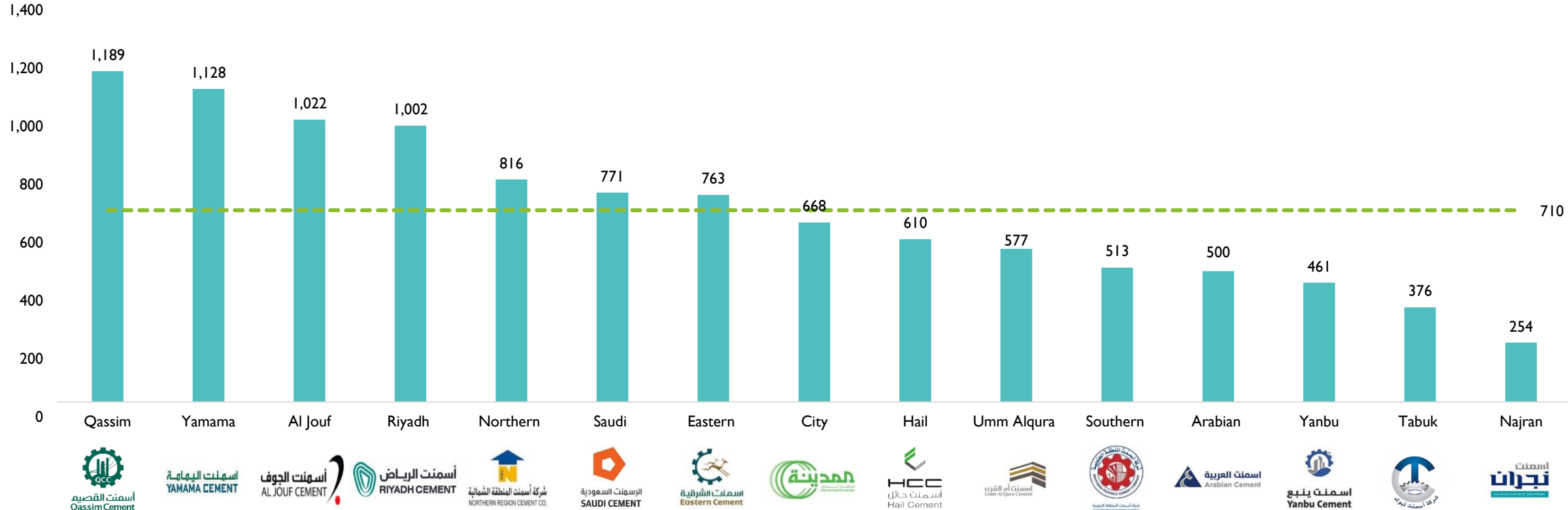
- In June '24, cement prices increased to 15.05 SAR per 50 Kg compared to 14.68 in June '23.

Enterprise Value/Total Capacity

Among TASI-listed cement stocks, Qassim Cement trades at the highest EV/Ton at SAR 1,189, followed by Yamama Cement with an EV/Ton of SAR 1,128. This can be compared to an average EV/Ton of 710 SAR for the sector. Meanwhile, Tabuk Cement (SAR376) and Najran Cement (SAR254) trade at the lowest valuations.

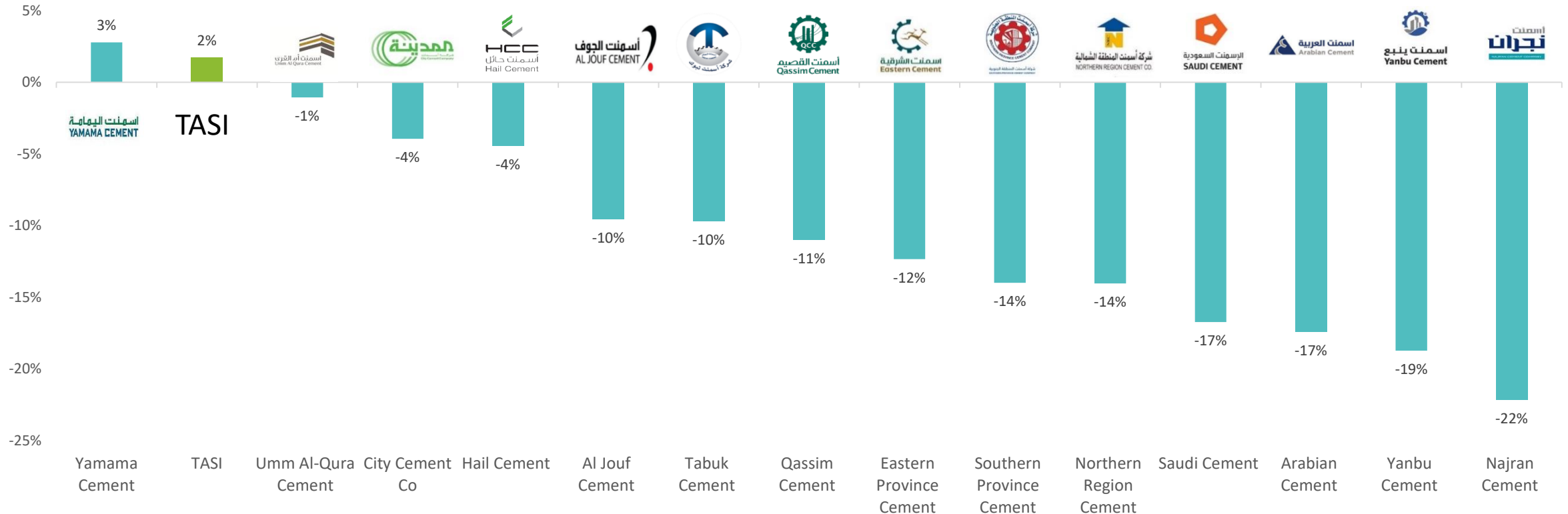
Enterprise Value/Total Capacity

EV/Ton (SAR) Average of Industry (SAR/Ton)



Cement Sector YTD Performance

All cement companies except Yammama reported negative returns YTD. TASI recorded a positive return of 2%.



Disclaimer

The document has been prepared by Tharra Financial Center (TFC, Tharaa) at Prince Sultan University. The information contained in this document was obtained from several sources such as Bloomberg, Reuters, SAMA, IMF, IEA, OPEC, Tadawul and other national and international agencies. Tharra tried its best effort to acquire the data from most reliable sources. However, Tharaa does not guarantee the accuracy of the data. Therefore, Tharaa makes no representation whether expressed or implied concerning the accuracy and completeness of any information contained in this report.

The report is not intended to provide personal investment advice nor it gives recommendation to buy or to sell any securities or any type of investment products. Tharaa shall not be liable for any direct or indirect consequences resulting from the use of the information in this document.

Contact Info

Tharaa Financial Center
011 494 8899
info@tharaafc.com
www.tharaafc.com
Building 105
Prince Sultan University
Rafha Street, Riyadh
Kingdom of Saudi Arabia

