Cement Sector

Monthly Tracker (November)

December 2024

Tharaa
Financial
Center

Summary

Tharaa Financial Center

Total Sales

Total cement sales (local and exports) rose by 3.7% YoY in Nov 2024. On the other hand, sales fell by -1.5% MoM, reaching 5.15 million tons. On a YTD basis, company-wise, total sales have fallen by -1.9%.

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

Local deliveries

Monthly local dispatches rose 7% YoY in Nov '24 but showcased a decline by -1.4% MoM. On a YTD basis, local deliveries rose by 2.1%.

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

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

Exports

Export dispatches decreased by -2% MoM and -18% YoY in Nov '24. On a YTD basis, the total exports have decreased by -26%.

The industry's exports stood at 556K tons in Nov '24, compared to 675K tons in Nov '23.

Saudi Cement Company recorded the highest market share of exports in

Nov '24 with 60% of the total exports.

Production

In Nov '24, cement production rose by 2.1% MoM and 14.3% on a YoY basis.

Cement inventory showcased an increase of 13.9% on a MoM basis in Nov '24.

The Clinker inventory increased by 0.2% MoM and 15% on a YoY in Nov '24.

The capacity utilization for clinker is estimated at 82.3% in Nov '24 vs. 69.4% in Nov '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.

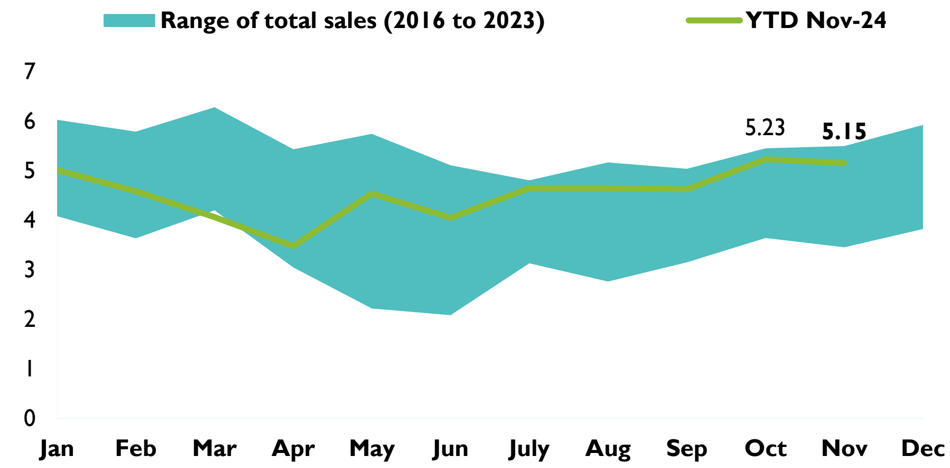
Performance & Valuation

Among TASI-listed cement stocks, Qassim Cement trades at the highest EV/Ton at 1,325 SAR, followed by Yamama Cement with an EV/Ton of 1,131 SAR. This can be compared to an average EV/Ton of 693 SAR for the sector. Meanwhile, Najran Cement (285 SAR) and Tabuk Cement (350 SAR) trade at the lowest valuations.

Umm Al-Qura Cement is the only company in the sector with a positive return, posting a 4% gain YTD. This contrasts with the rest of the sector, which has experienced significant declines, including a -32% drop for Yanbu Cement. Meanwhile, the overall stock market, represented by the TASI, registered a -3% decrease.

Total Sales (Local deliveries & Exports)

Total Sales (Local+Exports, mnton)



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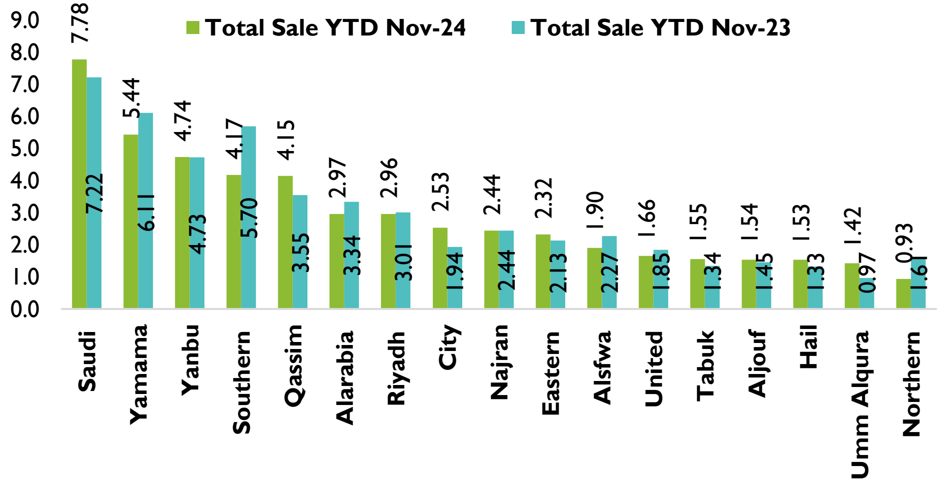
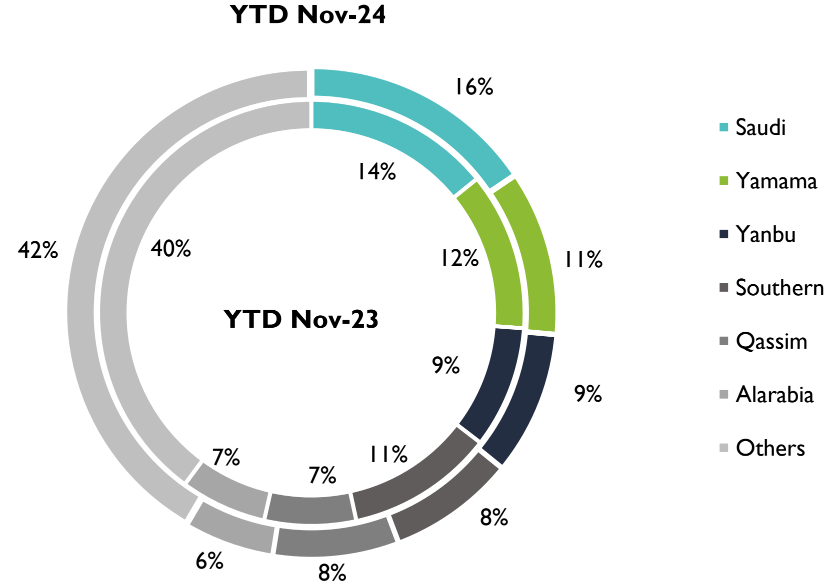
- Saudi Cement Company secured the leading position in total sales within the sector during November, outperforming both Yamama and Yanbu.

Company-wise Total Sale (mnton)



Market Share Comparison (%)



Source: Yamama Cement, Tharaa

Local Cement Deliveries

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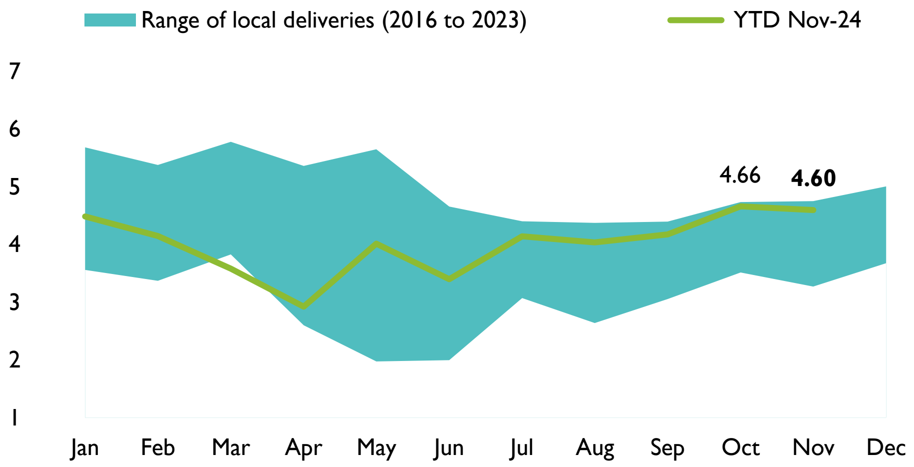
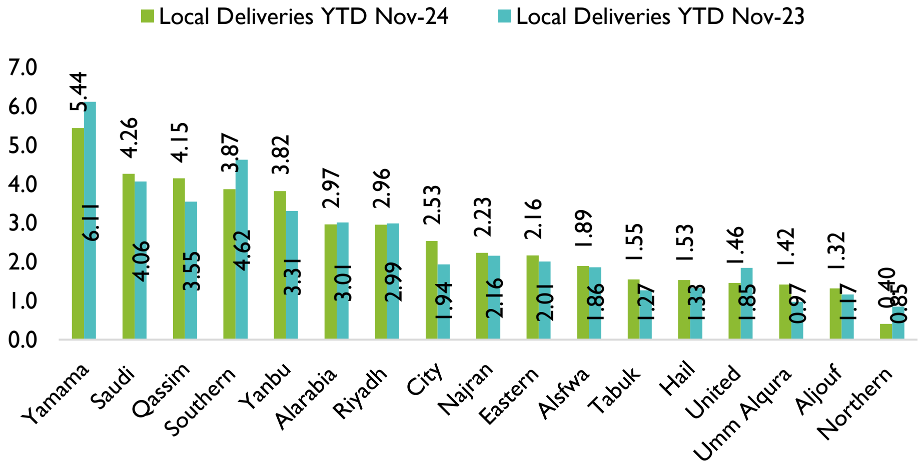
Local Deliveries (mnton)



Company-wise local Deliveries (mnton)



- Monthly local dispatches rose 7% YoY in Nov ’24 but showcased a decline by -1.4% MoM. On a YTD basis, local deliveries rose by 2.1%.
- With a 12% market share, Yamama Cement Company topped the sector in local dispatches during Nov ‘24.
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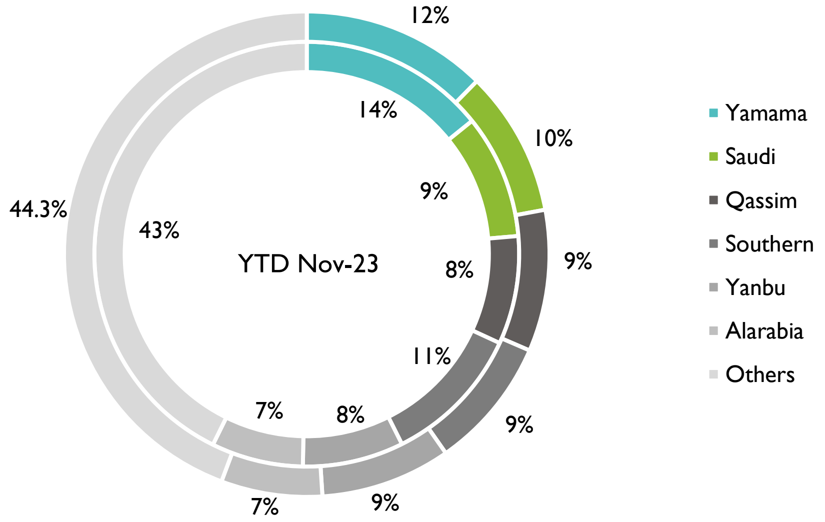
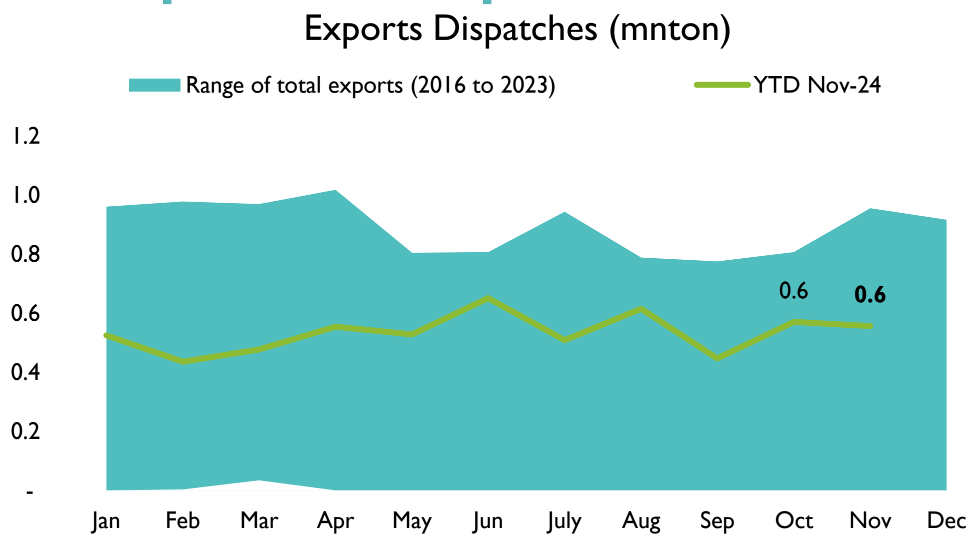
Market Share Comparison (%)

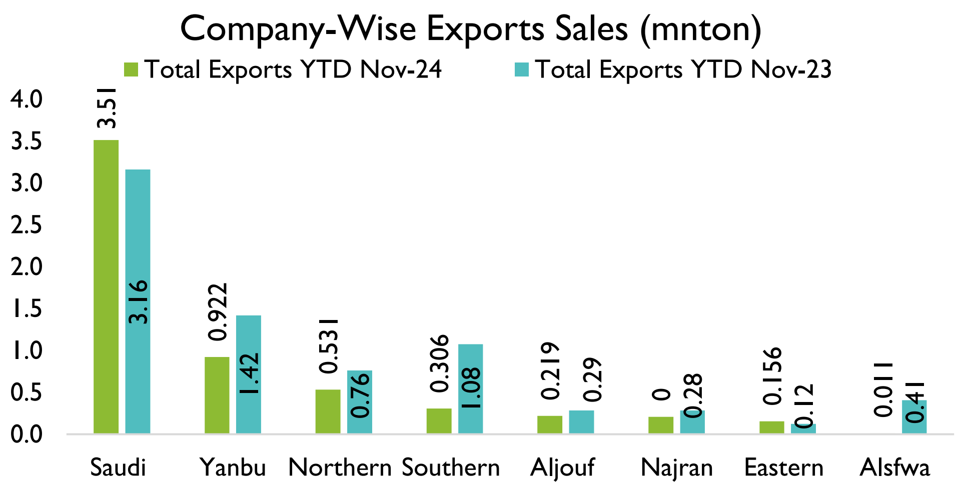
YTD Nov-2024



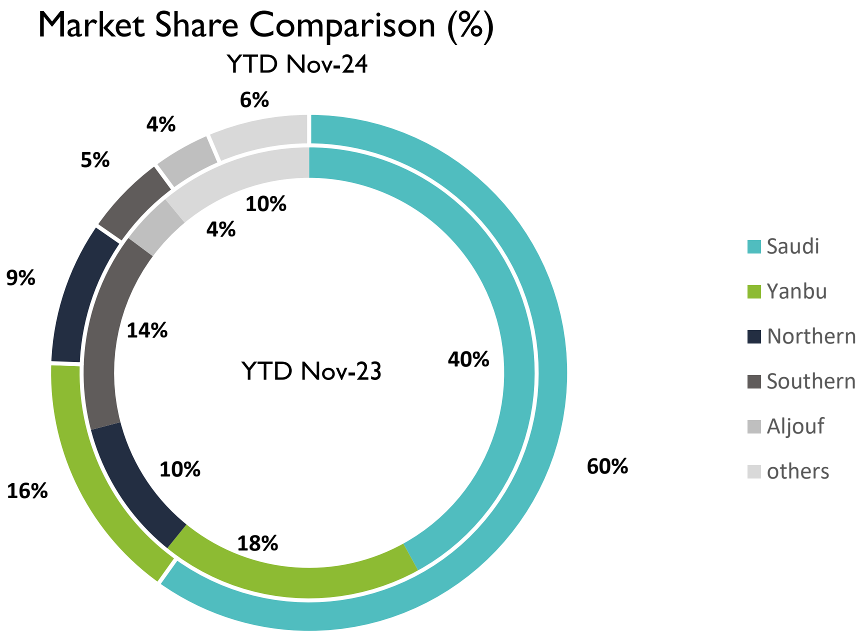
Source: Yamama Cement, Tharaa

Export Dispatches





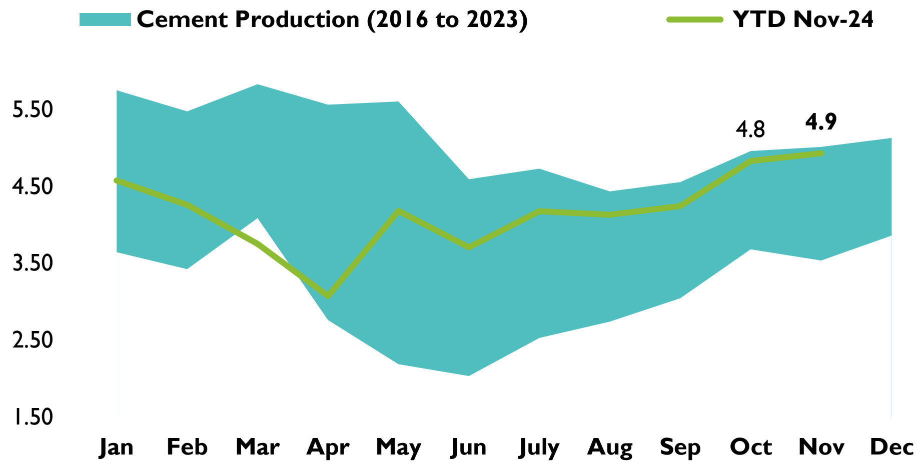
- Export dispatches decreased by -2% MoM and -18% YoY in Nov '24. On a YTD basis, the total exports have decreased by -26%.
- The industry's exports stood at 556K tons in Nov '24, compared to 675K tons in Nov '23.
- Saudi Cement Company recorded the highest market share of exports in Nov '24 with 60% of the total exports.



Source: Yamama Cement, Tharaa

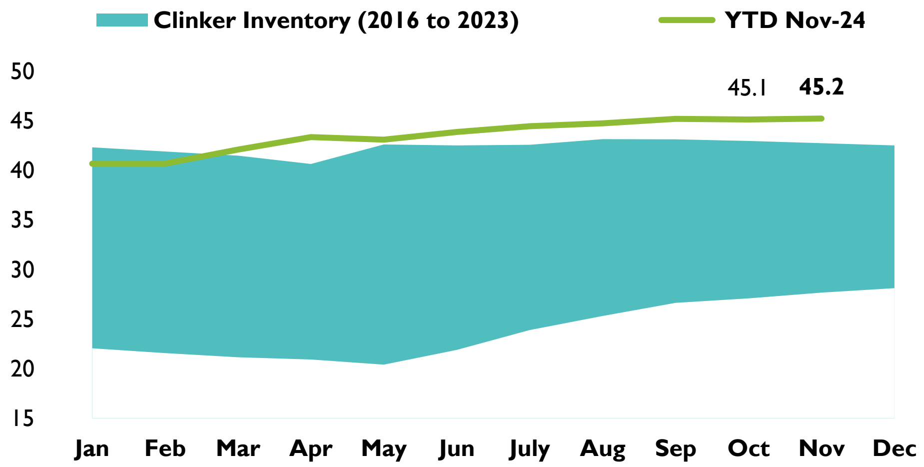
Cement Production

Cement Production (mnton)



- In Nov '24, cement production rose by 2.1% MoM and 14.3% on a YoY basis.
- Cement inventory showcased an increase of 13.9% on a MoM basis in Nov '24.

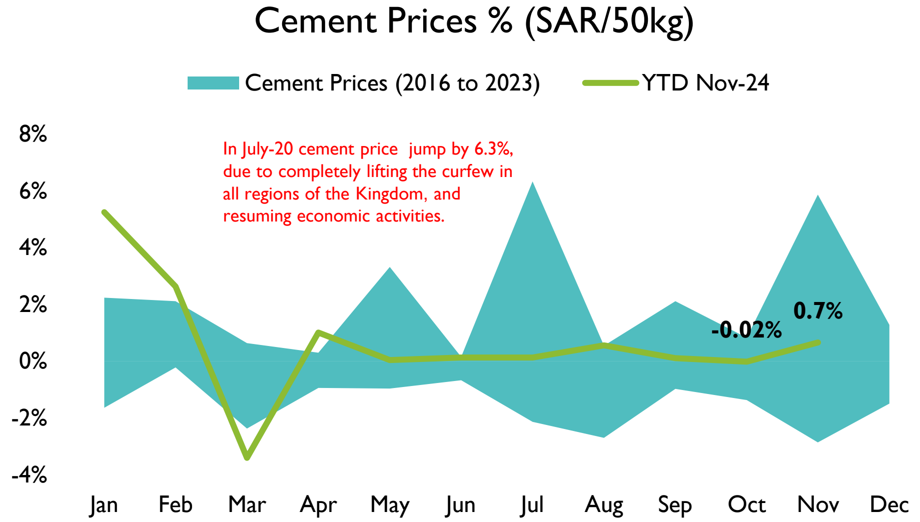
Year-to-Date Clinker Inventory (mnton)



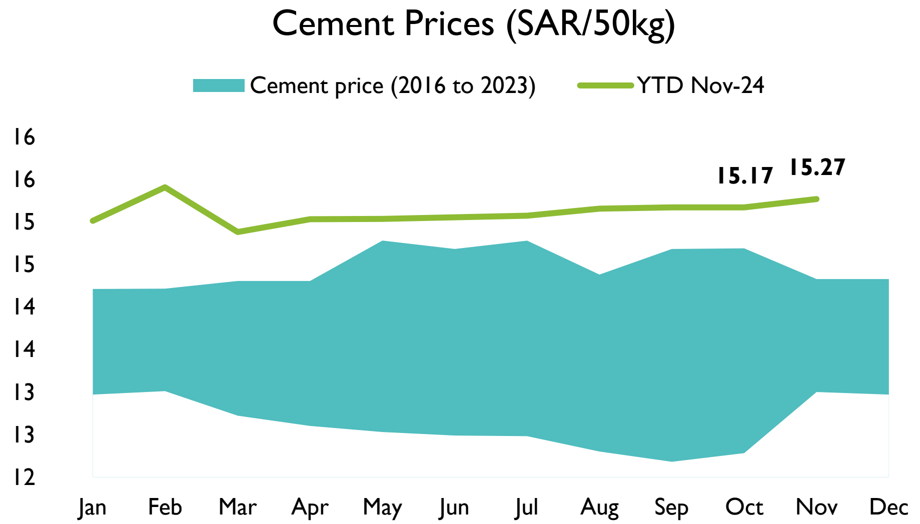
- The Clinker inventory increased by 0.2% MoM and 15% on a YoY in Nov '24.
- The capacity utilization for clinker is estimated at 82.3% in Nov '24 vs. 69.4% in Nov '23.

Source: Yamama Cement, Tharaa

Cement Prices change (50kg)



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

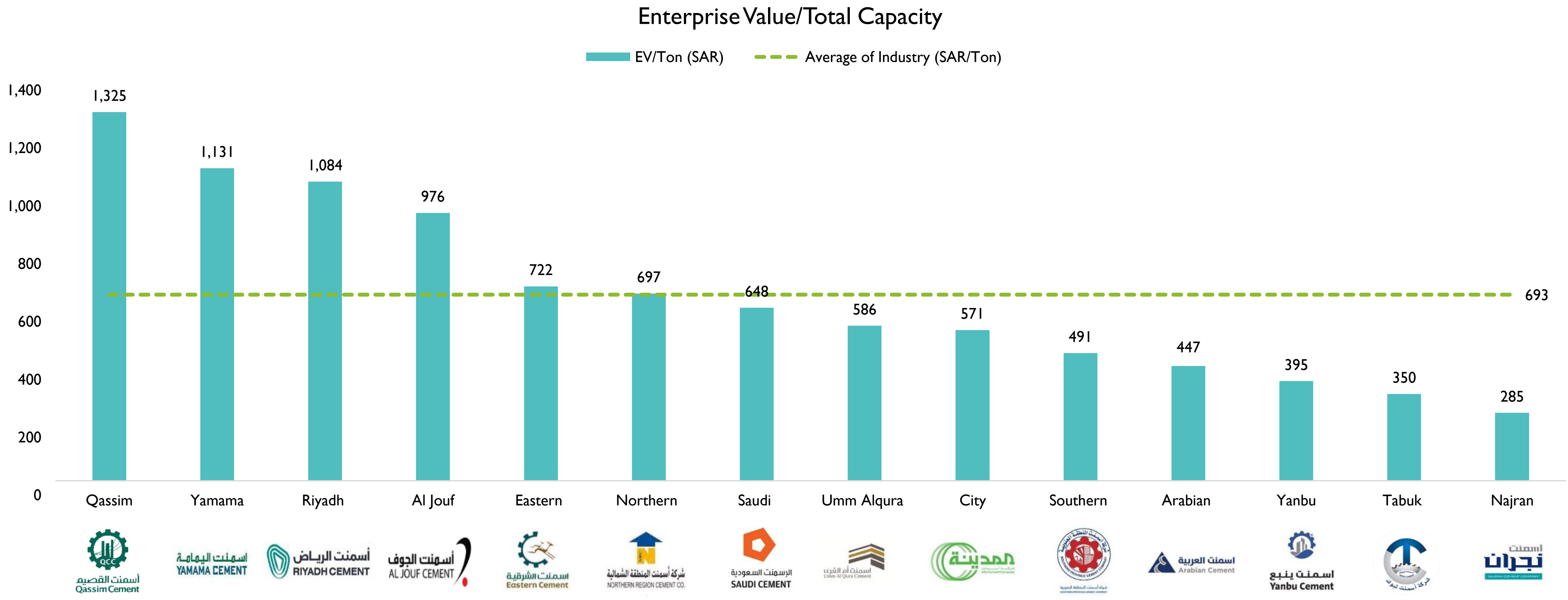


- In November '24, cement prices increased to 15.3 SAR per 50 Kg compared to 14.3 SAR in November '23.

Source: Yamama Cement, Tharaa

Enterprise Value/Total Capacity

Among TASI-listed cement stocks, Qassim Cement trades at the highest EV/Ton at 1,325 SAR, followed by Yamama Cement with an EV/Ton of 1,131 SAR. This can be compared to an average EV/Ton of 693 SAR for the sector. Meanwhile, Najran Cement (285 SAR) and Tabuk Cement (350 SAR) trade at the lowest valuations.



Source: Tadawul (Financial Statements Q3-2024 reports), Tharaa
**Enterprise Value: Equity Value + Debt(LT+ST) – (Cash + Liquid Assets)*
Mkt Stock Price as closed in 29-11-2024.

Cement Sector YTD Performance

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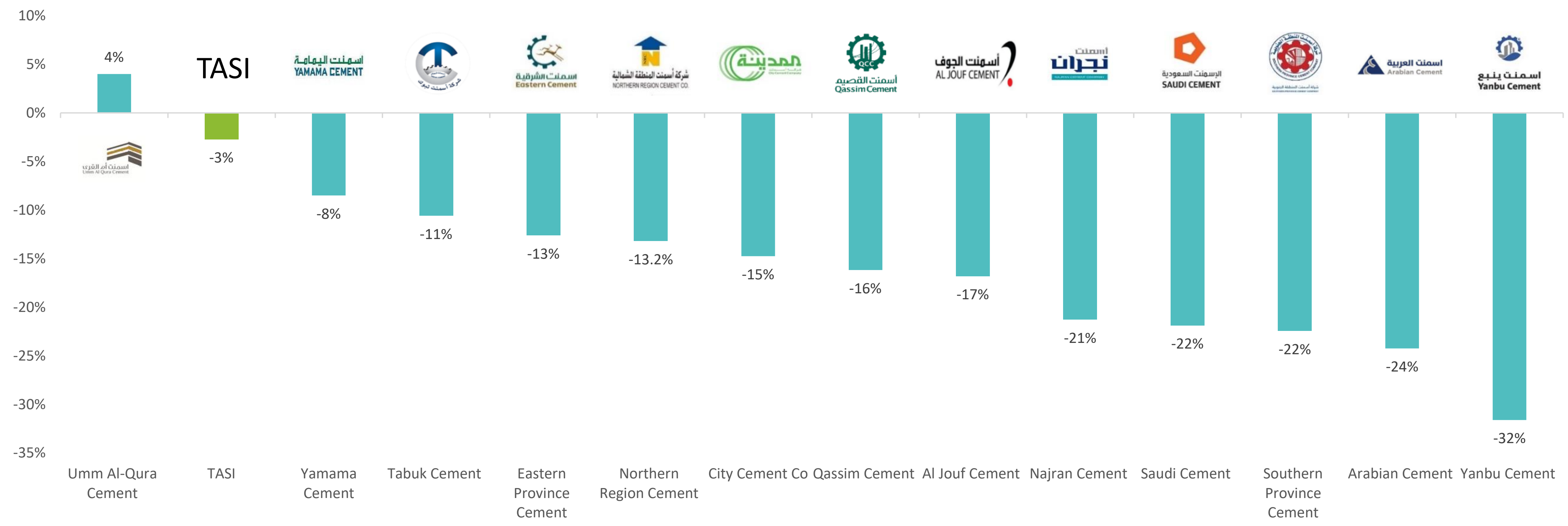
Umm Al-Qura Cement is the only company in the sector with a positive return, posting a 4% gain YTD. This contrasts with the rest of the sector, which has experienced significant declines, including a -32% drop for Yanbu Cement. Meanwhile, the overall stock market, represented by the TASI, registered a -3% decrease.



Source: Bloomberg, Tharaa Financial Center
**Mkt Stock Price as closed in 29-11-2024*

Disclaimer

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