

Major Economic News

- The Governor of Riyadh Region, Faisal bin Bandar, laid the cornerstone of the cargo village at King Khalid International Airport (KKIA). It is expected to be a multi-modal shipment and clearance destination and is set to transform KSA into a global logistics hub. (Source: Argaam)
- Saudi Arabia's King Salman met on Sunday with Japan's Prime Minister Shinzo Abe. They reviewed bilateral relations and cooperation in line with the Saudi-Japanese Vision 2030. The discussions also covered topics related to tourism, security of supplies, artificial intelligence and renewable energy, as well as recent developments on the regional and international levels. (Source: Argaam)

Major Corporate News

- Saudi Aramco Energy Ventures (SAEV), the corporate venturing subsidiary of Aramco is planning to launch a new USD 500.0mn (SAR 1.9bn) fund in 2020, stated CEO Majid Mufti. The new fund will be financed by returns on the previous investment, which has backed 45 technology companies, primarily in the US and Europe. (Source: Argaam)
- United Wire Factories Co.'s (Aslak) board of directors recommended a 20% capital cut to SAR 351.0mn from SAR 438.8mn due to the increase of capital above the company's needs. (Source: Argaam)
- Raydan Cuisines and Restaurants Co. signed 2 franchise agreements with Al Bundqia Sweets for 5 renewable years in Taif. The deal covers the Raydan branch at Shehar Street and also the Raydan Express branch. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.8% to 8,441.1 on Monday. The value traded stood at SAR 4.4bn (up 12.4% over previous day), while the advance-decline ratio stood at 156/27. The parallel market index increased 2.9% to 7,173.4 points. The value traded stood at SAR 28.5mn (up 47.5% over previous day). Most sectors in the main market ended in the green. Consumer Services and Capital Goods (up 2.3% and 1.9%, respectively) advanced the most; Software & Services and Food & Staples (down 0.8% and 0.4%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
AL HASSAN SHAKER	11.72	7.5
ABDULMOHSEN ALHOKAIR GROUP	20.00	6.6
EASTERN PROVINCE CEMENT	40.50	5.7
ARAB NATIONAL BANK	27.90	4.9
DUR HOSPITALITY	25.70	4.6

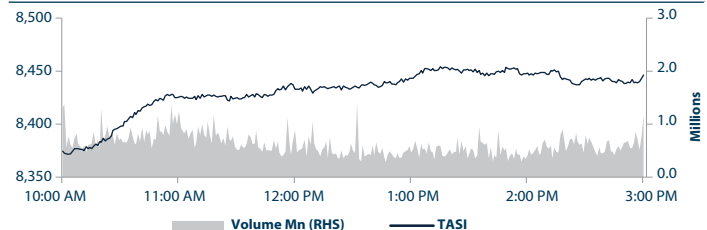
Top Losers

Company	Price	Change%
TALEEM REIT FUND	13.32	-3.2
UMM AL-QURA CEMENT	23.68	-1.3
NAMA CHEMICALS	25.05	-1.0
AL SORAYAI GROUP	35.65	-1.0
AL MOAMMAR INFORMATION SYSTEMS	46.90	-0.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,441	8,455	8,370	0.8	0.6
NomuC	7,173	7,323	6,933	2.9	(0.1)

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,388	0.0	(1.0)	18.8
Materials	5,227	1.3	1.2	35.8
Capital Goods	4,543	1.9	4.9	-12.1
Commercial Service	4,687	0.7	(1.8)	18.9
Transportation	4,502	0.5	2.4	21.6
Consumer Durables	3,591	1.6	2.4	-46.9
Consumer Services	4,159	2.3	5.0	39.9
Media	9,457	0.6	0.6	36.0
Retailing	7,827	0.2	1.7	33.5
Food & Staples	7,270	(0.4)	9.9	224.3
Food & Beverages	4,394	0.5	0.9	237.3
Healthcare	3,736	0.4	0.2	25.4
Pharma & Bio Tech	3,714	1.8	3.3	-22.8
Banks	8,147	1.0	0.5	14.3
Diversified Financials	3,435	1.6	4.0	624.6
Insurance	4,581	1.2	1.5	-294.2
Telecom	6,469	(0.2)	(0.1)	20.5
Utilities	4,441	1.6	0.9	-69.8
REITs	4,212	0.1	0.3	20.7
Real Estate	3,138	1.1	0.2	77.4
Software & Services	5,211	(0.8)	5.6	NA

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,296	8,303	8,318	3.97

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	8.4	358.2	340.0
Previous week	20.6	821.7	879.1

Top Weighted Companies

Company	Price	Change%
AL RAJHI	65.90	0.3
SAUDI ARAMCO	34.75	-0.1
NCB	47.70	0.0
SABIC	92.70	0.9
STC	99.00	-0.3

Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.8% and 0.6%, respectively. Qatar and Bahrain rose 0.6% and 0.1%, respectively. Meanwhile, Egypt decreased 0.8%. Kuwait and Oman remained closed.
- The US removed China from a list of countries considered currency manipulators just two days before top trade negotiators for Washington and Beijing sign a key "phase one" trade deal, as announced by the US Treasury Department. (Source: CNBC)
- The US budget gap continued to widen in 2019, but lower than the prior year when Republican tax cuts lowered revenue and a bipartisan budget deal boosted government spending. The federal deficit totaled USD1.02tn over the 12 months that ended in December, marking the first year the deficit has surpassed USD 1tn since 2012. (Source: WSJ)
- Oil prices declined 1.2% on Monday on account of easing worries in the Middle East and oversupply concerns despite prospects of US-China trade deal.
- Gold prices fell 0.9% on Monday as investors abandoned safe havens to take up risk amid anticipation of US-China phase one trade deal and reduced geopolitical pressure in Middle East.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.3	0.0	1.0	1.0
Euro	1.11	0.1	-0.7	-0.7
Japanese Yen	109.9	0.4	1.2	1.2
Sterling Pound	1.30	-0.5	-2.0	-2.0
Chinese Yuan	6.89	-0.4	-1.0	-1.0
Indian Rupee	70.7	-0.4	-0.9	-0.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.5	0.6	0.6
Kuwaiti Dinar	0.30	0.0	0.1	0.1
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.88	-0.4	-0.7	-0.7

Corporate Calendar

Date	Company	Event
14 th Jan	NCLE	Cash Dividend Distribution
19 th Jan	Wafa Insurance	OGM
20 th Jan	Sharqiya Dev Co.	EGM
20 th Jan	Ataa Educational	EGM
21 st Jan	Atheeb Telecom	EGM
21 st Jan	Takween	EGM

*EGM: Extra Ordinary Meeting
*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,776	0.8	0.4	0.4	6.8
Abu Dhabi (ADX)	5,114	0.6	0.7	0.7	13.0
Kuwait (KSE)	4,846	0.0	-1.3	-1.3	11.1
Qatar (QE)	10,568	0.6	1.4	1.4	14.7
Oman (MSM)	3,977	0.0	-0.1	-0.1	8.1
Bahrain (BSE)	1,602	0.1	-0.5	-0.5	11.0
Egypt (EGX30)	13,699	-0.8	-1.9	-1.9	9.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,907	0.3	1.3	1.3	21.0
Nasdaq	9,071	1.2	3.9	3.9	29.0
S&P 500	3,288	0.7	1.8	1.8	23.4
FTSE 100	7,618	0.4	1.0	1.0	16.0
Germany DAX 30	13,452	-0.2	1.5	1.5	18.0
France CAC 40	6,036	0.0	1.0	1.0	19.9
Japan Nikkei 225	23,851	0.0	0.8	0.8	18.8
Hong Kong Hang Seng	28,955	1.1	2.7	2.7	11.6
China Shanghai Composite	3,116	0.8	2.1	2.1	12.4
Australia ASX 200	6,904	-0.4	3.3	3.3	18.0
India Sensex	41,860	0.6	1.5	1.5	23.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	69.5	0.8	0.9	0.9
Brent Crude (\$/bbl)	64.2	-1.2	-2.7	-2.7
Texas crude (\$/bbl)	58.2	-1.4	-4.9	-4.9
Natural Gas (\$/mmbtu)	2.18	-0.9	-0.3	-0.3
Gold (\$/oz)	1,548	-0.9	2.0	2.0
Silver (\$/oz)	18.0	-0.7	0.8	0.8
Steel (\$/ton)	584	0.0	-0.7	-0.7
Iron Ore (CNY/MT)	723	-0.6	4.0	4.0
Wheat (\$/bu)	562	-0.4	0.6	0.6
Corn (\$/bu)	390	1.0	0.5	0.5
Sugar (\$/lb)	14.2	0.6	5.5	5.5
SMP* (EUR/MT)	2,550	0.0	-0.8	-0.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.838	0.0	-7.1	-7.1
Saudi Arabia(SAIBOR)	2.224	0.0	-0.7	-0.7
UAE (EIBOR)	2.055	-1.3	-15.4	-15.4
Qatar (QIBOR)	2.300	0.0	5.0	5.0
Bahrain (BHIBOR)	2.667	0.0	0.0	0.0

Data Sources: Tadawul, Bloomberg, Reuters
*Three-month Interbank rate **NA: Not Available
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1. **Overweight:** This rating implies that the stock is currently trading at a discount to its 12 months price target. Stocks rated "Overweight" will typically provide an upside potential of over 10% from the current price levels over next twelve months.
2. **Underweight:** This rating implies that the stock is currently trading at a premium to its 12 months price target. Stocks rated "Underweight" would typically decline by over 10% from the current price levels over next twelve months.
3. **Neutral:** The rating implies that the stock is trading in the proximate range of its 12 months price target. Stocks rated "Neutral" is expected to stagnate within +/- 10% range from the current price levels over next twelve months.
4. **Suspension of rating or rating on hold (SR/RH):** This basically implies suspension of a rating pending further analysis of a material change in the fundamentals of the company.

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