

Major Economic News

- Foreign investments in KSA rose by 11.0% Y/Y to SAR 1.7tn in 9M-19. FDIs accounted for 50.0% of total foreign investments in KSA, equivalent to SAR 877.2bn. Portfolio investments hit SAR 454.4bn, while other investments stood at SAR 407.3bn. (Source: Argaam)
- KSA's Communication and Information Technology Commission (CITC) released a Request for Application to issue licenses to foreign mobile virtual network operators and to enable them to invest in KSA. (Source: Argaam)

Major Corporate News

- Jazan Energy and Development Company (JAZADCO) signed MoU with Tabuk Fisheries Co., Tharawat Seas, and Aquaculture Sharq Farms Company to conduct a feasibility study of the three companies' merger with JAZADCO's aquaculture sector. The six-month MoU states that the potential merger entails establishing a new limited liability company headquartered in Riyadh with a capital of SAR0.5mn. (Source: Argaam)
- Industrialization and Energy Services Company (TAQA) signed an agreement with UAE's AlMansoori Petroleum Services to make a foray into hydraulic fracturing (FRAC) market. Under the agreement, TAQA and AMPS will collaborate to provide fully-integrated fracturing and stimulation solutions. The alliance will expand TAQA's capabilities and allow it access into the integrated stimulation FRAC market of Saudi Aramco and provide its customers with capabilities from a new supplier. (Source: Argaam)
- Saudi-based Rezayat Logistics Group signed an agreement to set up a logistics hub at the Port of Duqm with an investment of USD 15.0mn (SAR 56.2mn). Under the agreement, the company leased 4 hectares of land within the port's logistics zone to set up Rezayat Logistics Oman (Duqm branch). (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.5% to 8,432.6 on Wednesday. The value traded stood at SAR 4.3bn (down 5.0% over previous day), while the advance-decline ratio stood at 75/106. The parallel market index increased 3.3% to 7,157.7 points. The value traded stood at SAR 13.4mn (down 33.1% over previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech and Food & Beverages (up 1.6% and 0.9%, respectively) advanced the most; Food & Staples and Real Estate (down 3.7% and 1.5%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
HCC	14.16	6.5
UACC	25.35	4.7
AXA COOPERATIVE	31.45	4.3
ALINMA TOKIO M	13.22	3.3
MALATH INSURANCE	10.46	3.2

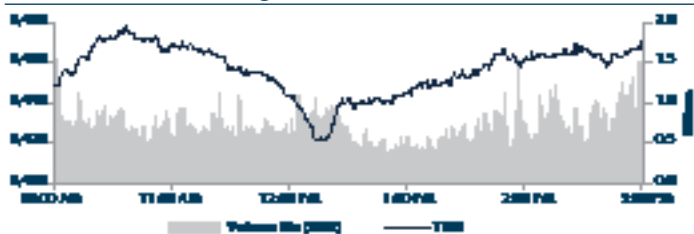
Top Losers

Company	Price	Change%
DAR ALARKAN	10.04	-6.0
A.OTHAIM MARKET	89.00	-3.9
MOUWASAT	84.00	-3.1
ATC	28.80	-3.0
ANAAM HOLDING	162.20	-3.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,433	8,481	8,433	(0.5)	0.5
NomuC	7,158	7,165	6,847	3.3	(0.3)

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	4,657	(0.7)	(2.4)	18.8
Materials	4,561	(0.2)	3.8	21.8
Capital Goods	3,601	(0.1)	2.7	-47.1
Commercial Service	4,126	(0.7)	4.2	39.6
Transportation	9,712	(1.0)	3.3	37.0
Consumer Durables	7,800	(0.9)	1.3	33.3
Consumer Services	7,187	(3.7)	8.6	221.8
Media	4,453	0.9	2.3	240.5
Retailing	3,686	(1.5)	(1.2)	25.1
Food & Staples	3,819	1.6	6.2	-23.4
Food & Beverages	8,162	(0.3)	0.7	14.3
Healthcare	3,472	(0.4)	5.1	631.2
Pharma & Bio Tech	4,651	0.4	3.1	-298.7
Banks	6,406	(0.8)	(1.0)	20.3
Diversified Financials	4,396	(0.7)	(0.1)	-69.1
Insurance	4,249	0.3	1.2	20.9
Telecom	3,069	(1.5)	(2.0)	75.6
Utilities	5,161	(0.5)	4.6	N.A.
REITs	4,236	0.6	0.9	20.8
Real Estate	3,116	(0.7)	(0.5)	76.8
Software & Services	5,189	(0.4)	5.2	NA

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,413	8,319	8,341	4.05

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	17.2	782.1	721.3
Previous week	20.6	821.7	879.1

Top Weighted Companies

Company	Price	Change%
AL RAJHI	66.00	-0.6
SAUDI ARAMCO	34.70	-0.4
NCB	47.30	-0.8
SABIC	92.40	-0.9
STC	98.00	-0.9

Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.5% and 0.1%, respectively. Oman, Bahrain, and Egypt rose 1.6%, 1.0% and 0.1%, respectively. Kuwait decreased 0.1%. Meanwhile, Qatar remained flat.
- US and China signed phase one of trade deal. China will increase purchases of US goods and services by USD 200bn over two years in exchange for the cut back of some tariffs under an initial trade deal. US exports to China is expected to reach USD 263bn and USD 309bn in 2020 and 2021, respectively. (Source: Reuters,CNBC)
- The US PPI-FD rose 0.1% M/M in December (consensus: 0.2%). PPI-FD less food & energy increased 0.1% M/M in December (consensus: 0.2%). (Source: Econoday)
- Eurozone industrial production rose 0.2% M/M in November (consensus: 0.3%) compared with a decline of 0.9% in October. On a Y/Y basis, it declined 1.5% in November (consensus: -1.3%) against a decrease of 2.6% in October. (Source: Econoday, RTT News)
- Oil prices fell 0.8% to a five-week low, as US petroleum stockpiles rose by 14mn barrels.
- Gold prices rose 0.6% despite US-China trade deal, as the US kept tariffs on China unchanged.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.2	-0.1	0.9	0.9
Euro	1.11	0.2	-0.5	-0.5
Japanese Yen	109.9	-0.1	1.2	1.2
Sterling Pound	1.30	0.1	-1.7	-1.7
Chinese Yuan	6.89	0.1	-1.0	-1.0
Indian Rupee	70.7	-0.2	-0.9	-0.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.3	0.3	0.3
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	15.82	-0.1	-1.1	-1.1

Corporate Calendar

Date	Company	Event
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
22 th Jan	AlSorayai Group	EGM

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

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,818	0.5	1.9	1.9	6.9
Abu Dhabi (ADX)	5,174	0.1	1.9	1.9	13.1
Kuwait (KSE)	4,886	-0.1	-0.5	-0.5	11.2
Qatar (QE)	10,635	0.0	2.0	2.0	14.8
Oman (MSM)	4,039	1.6	1.5	1.5	8.3
Bahrain (BSE)	1,636	1.0	1.6	1.6	11.3
Egypt (EGX30)	13,770	0.1	-1.4	-1.4	9.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	29,030	0.3	1.7	1.7	21.0
Nasdaq	9,036	0.0	3.5	3.5	29.2
S&P 500	3,289	0.2	1.8	1.8	23.5
FTSE 100	7,643	0.3	1.3	1.3	16.0
Germany DAX 30	13,432	-0.2	1.4	1.4	18.0
France CAC 40	6,033	-0.1	0.9	0.9	19.9
Japan Nikkei 225	23,917	-0.5	1.1	1.1	18.9
Hong Kong Hang Seng	28,774	-0.4	2.1	2.1	11.5
China Shanghai Composite	3,090	-0.5	1.3	1.3	12.2
Australia ASX 200	6,995	0.5	4.6	4.6	18.2
India Sensex	41,873	-0.2	1.5	1.5	23.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	67.6	-1.2	-1.8	-1.8
Brent Crude (\$/bbl)	64.0	-0.8	-3.0	-3.0
Texas crude (\$/bbl)	57.9	-0.8	-5.4	-5.4
Natural Gas (\$/mmbtu)	2.12	-3.1	-3.2	-3.2
Gold (\$/oz)	1,556	0.6	2.6	2.6
Silver (\$/oz)	18.0	1.1	0.9	0.9
Steel (\$/ton)	582	0.0	-1.0	-1.0
Iron Ore (CNY/MT)	716	-2.7	2.9	2.9
Wheat (\$/bu)	573	0.8	2.6	2.6
Corn (\$/bu)	388	-0.4	-0.1	-0.1
Sugar (\$/lb)	14.5	1.4	8.2	8.2
SMP* (EUR/MT)	2,600	0.0	1.2	1.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.0	-6.6	-6.6	-7.7
Saudi Arabia(SAIBOR)	0.0	-1.0	-1.0	-1.0
UAE (EIBOR)	0.5	-18.7	-18.7	-19.2
Qatar (QIBOR)	0.0	5.0	5.0	5.0
Bahrain (BHIBOR)	0.0	0.0	0.0	0.0

Data Sources: Tadawul, Bloomberg, Reuters
* Three-month Interbank rate **NA: Not Available
Updated as of January 15, 2020



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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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