

Major Economic News

- Foreign direct investment to Saudi Arabia rose 10% from USD 3.18bn in 9M-18 to USD 3.50bn in 9M-19. The increase is the biggest the kingdom has seen over the past 10 years, with 1,130 foreign companies having been set up in the country in 2019, marking a 54% rise Y/Y. (Source: Arabian Business)
- Saudi Arabia's oil exports rose 4% M/M to 7.37mbpd in November 2019, according to the Joint Organizations Data Initiative (JODI). Oil exports edged down 10% Y/Y in November. The Kingdom's crude output dropped to 9.89 mbpd in the same period, a drop of 4% M/M. Crude local consumption fell 22% M/M to 2.52 mbpd from 3.25 mbpd in the previous month. (Source: Argaam)

Major Corporate News

- The proposed deal between Indian company Reliance Industries Ltd (RIL) and Aramco, wherein RIL would sell 20% stake in its oil to chemicals business to Aramco for an estimated USD 15bn will miss the planned March 31 timeline, as per a senior company executive of RIL. (Source: Arabian Business)
- Middle East Healthcare Co. signed a cooperation agreement with Mayo Clinic Healthcare Network. The deal aims at providing high quality medical services to patients, in addition to reviewing and making research on critical cases with doctors from Mayo Clinic. (Source: Argaam)
- Aljazira Takaful Taawuni Company and Solidarity Saudi Takaful Co. signed a modified non-binding MoU on January 19 to evaluate the feasibility of a merger. The companies will conduct technical, financial, legal, and actuarial due diligence, and engage in non-binding discussions on the terms and conditions of the potential merger. (Source: Argaam)
- Bahri received an approval letter from the Ministry of Interior to extend the contract for transportation and shipping services for 1 year. The new contract will expire on February 17, 2021. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.2% to 8,469.7 on Monday. The value traded stood at SAR 3.7bn (up 11.1% over previous day), while the advance-decline ratio stood at 97/84. The parallel market index decreased 2.2% to 7,356.8 points. The value traded stood at SAR 14.3mn (down 34.6% over previous day). Most sectors in the main market ended in the green. Commercial Service and Transportation (up 1.5% and 1.1%, respectively) advanced the most; Food & Staples and Consumer Services (down 1.4% and 0.8%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SHAKER	13.70	8.7
SISCO	23.12	4.7
SARCO	47.45	3.8
ZAIN KSA	12.64	3.3
AXA COOPERATIVE	31.90	3.2

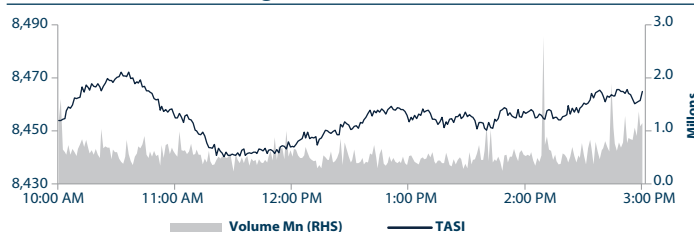
Top Losers

Company	Price	Change%
SAUDI CERAMICS	39.35	-2.8
ALKHABEER REIT	11.50	-2.7
CITY CEMENT	18.94	-2.6
YCC	38.60	-2.3
EXTRA	80.30	-2.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,470	8,474	8,438	0.2	1.0
NomuC	7,357	7,531	7,276	(2.2)	2.5

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,337	0.5	(1.9)	18.7
Materials	5,254	0.0	1.7	36.0
Capital Goods	4,640	(0.2)	7.1	-12.4
Commercial Service	4,706	1.5	(1.4)	19.0
Transportation	4,712	1.1	7.2	22.6
Consumer Durables	3,657	0.6	4.3	-47.8
Consumer Services	4,118	(0.8)	4.0	39.5
Media	9,780	(0.4)	4.0	37.3
Retailing	8,014	0.0	4.1	34.3
Food & Staples	7,193	(1.4)	8.7	221.9
Food & Beverages	4,437	0.0	1.9	239.6
Healthcare	3,786	0.3	1.5	25.7
Pharma & Bio Tech	3,813	0.5	6.1	-23.4
Banks	8,186	0.4	1.0	14.3
Diversified Financials	3,553	0.8	7.6	646.0
Insurance	4,734	0.6	4.9	-304.0
Telecom	6,453	0.5	(0.3)	20.4
Utilities	4,419	(0.7)	0.4	-69.5
REITs	4,302	0.1	2.5	21.1
Real Estate	3,092	0.1	(1.3)	76.2
Software & Services	5,244	0.4	6.3	NA

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,457	8,377	8,359	3.93

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	7.0	332.5	340.2
Previous week	20.7	950.8	884.8

Top Weighted Companies

Company	Price	Change%
AL RAJHI	66.40	0.3
SAUDI ARAMCO	34.60	0.7
NCB	47.25	0.1
SABIC	92.90	0.8
STC	98.50	0.1

Regional and International Markets

- Among other regional markets, Dubai decreased 0.4%, while Abu Dhabi increased 0.8%. Oman and Bahrain rose 0.1% each, while Qatar and Egypt fell 0.2% and 1.0%, respectively. Meanwhile, Kuwait remained flat.
- The IMF slashed the global growth forecasts for 2020 and 2021, primarily due to the weaker than expected expansion in India. Global growth for 2020 and 2021 is projected at 3.3% and 3.4% respectively, 0.1% and 0.2% lower than the prior forecast. The growth estimate for 2019 was also lowered to 2.9% from 3.0%. (Source: RTT news)
- The Bank of Japan upgraded its growth outlook and GDP estimate to 0.9% and 1.1% in FY20 and FY21 respectively from 0.7% and 1.0%, citing government's economic measures. (Source: RTT news)
- China maintained one-year loan prime rate and the five-year loan prime rate at 4.15% and 4.80%, respectively in January. (Source: RTT news)
- Oil prices rose 0.5% on Monday as Libya announced that its two major oil fields had begun shutting down amid military blockade.
- Gold prices increased 0.3% on Monday as investors sought for safe-haven after sluggish outlook from IMF on global economy.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.6	0.0	1.3	1.3
Euro	1.11	0.1	-1.0	-1.0
Japanese Yen	110.2	0.0	1.4	1.4
Sterling Pound	1.30	0.0	-1.9	-1.9
Chinese Yuan	6.87	0.1	-1.4	-1.4
Indian Rupee	71.0	-0.1	-0.4	-0.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	-0.6	0.0	0.0
Kuwaiti Dinar	0.30	0.1	0.2	0.2
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.75	-0.2	-1.6	-1.6

Corporate Calendar

Date	Company	Event
21 st Jan	Atheeb Telecom	OGM
21 st Jan	Takween	EGM
22 nd Jan	AlSorayai Group	EGM
27 th Jan	GASCO	EGM
27 nd Jan	Walaa Insurance	EGM
27 th Jan	MetLife AIG Alarabi	EGM

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

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,851	-0.4	3.1	3.1	7.0
Abu Dhabi (ADX)	5,213	0.8	2.7	2.7	13.3
Kuwait (KSE)	4,909	0.0	0.0	0.0	11.3
Qatar (QE)	10,690	-0.2	2.5	2.5	14.8
Oman (MSM)	4,076	0.1	2.4	2.4	8.4
Bahrain (BSE)	1,643	0.1	2.0	2.0	11.3
Egypt (EGX30)	13,774	-1.0	-1.3	-1.3	9.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	29,348	0.0	2.8	2.8	21.3
Nasdaq	9,174	0.0	5.0	5.0	29.7
S&P 500	3,330	0.0	3.1	3.1	23.8
FTSE 100	7,651	-0.3	1.4	1.4	16.1
Germany DAX 30	13,549	0.2	2.3	2.3	18.1
France CAC 40	6,079	-0.4	1.7	1.7	20.0
Japan Nikkei 225	24,084	0.2	1.8	1.8	19.0
Hong Kong Hang Seng	28,796	-0.9	2.2	2.2	11.6
China Shanghai Composite	3,096	0.7	1.5	1.5	12.2
Australia ASX 200	7,080	0.2	5.9	5.9	18.4
India Sensex	41,529	-1.0	0.7	0.7	23.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	68.2	0.4	-0.9	-0.9
Brent Crude (\$/bbl)	65.2	0.5	-1.2	-1.2
Texas crude (\$/bbl)	58.6	0.0	-4.2	-4.2
Natural Gas (\$/mmbtu)	2.00	0.0	-8.5	-8.5
Gold (\$/oz)	1,561	0.3	2.9	2.9
Silver (\$/oz)	18.1	0.4	1.3	1.3
Steel (\$/ton)	581	0.0	-1.2	-1.2
Iron Ore (CNY/MT)	713	-0.1	2.6	2.6
Wheat (\$/bu)	571	0.0	2.1	2.1
Corn (\$/bu)	389	0.0	0.4	0.4
Sugar (\$/lb)	14.5	0.0	7.7	7.7
SMP* (EUR/MT)	2,620	0.0	1.9	1.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.819	0.0	-8.9	-8.9
Saudi Arabia(SAIBOR)	2.211	-0.1	-2.0	-2.0
UAE (EIBOR)	1.965	-6.8	-24.4	-24.4
Qatar (QIBOR)	2.318	3.0	6.7	6.7
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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RESEARCH DIVISION

Head of Research

Talha Nazar

+966 11 2256250

t.nazar@aljaziracapital.com.sa

Senior Analyst

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

Analyst

Abdulrahman Al-Mashal

+966 11 2256374

A.Almashal@Aljaziracapital.com.sa

BROKERAGE AND INVESTMENT CENTERS DIVISION

General Manager – Brokerage Services & sales

Alaa Al-Yousef

+966 11 2256060

a.yousef@aljaziracapital.com.sa

AGM-Head of international and institutional brokerage

Luay Jawad Al-Motawa

+966 11 2256277

l.almutawa@aljaziracapital.com.sa

AGM-Head of Qassim & Eastern Province

Abdullah Al-Rahit

+966 16 3617547

a.alrahit@aljaziracapital.com.sa

AGM-Head of Sales And Investment Centers

Central Region, & acting head Western and

Southern Region Investment Centers

Sultan Ibrahim AL-Mutawa

+966 11 2256364

s.almutawa@aljaziracapital.com.sa

RESEARCH DIVISION

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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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Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068