



Major Economic News

- The government spending on information and communication technologies (ICT) in Saudi Arabia will increase at a compound annual growth rate of 6.4% over the next 4 years, according to the latest forecast from International Data Corporation. The Saudi ICT market is set to grow in FY20 and will be driven by cloud services. (Source: Argaam)
- The Saudi Stock Exchange approved the request of Finance Ministry to list debt instruments issued by the government from a previously listed class, for a total value of SAR 6.0bn. The listing of government debt instruments reissue will start tomorrow January 28. (Source: Argaam)
- The value of Saudi Arabia's oil exports reached around SAR 62.3bn in November 2019, down 15% Y/Y. Oil exports accounted for 78.1% of the total exports for the month. Oil exports increased by SAR 4.7mn M/M. (Source: Argaam)
- The Ministry of Finance closed the January 2020 issuance under the Saudi Arabian Government SAR-denominated Sukuk Program. The issuance size was set at SAR 6.7bn divided into two tranches. (Source: Argaam)

Major Corporate News

- Edarat Telecommunications and Information Technology, which is 50% owned by Al Moammar Information Systems, obtained a license to provide cloud computing services (level 1). (Source: Argaam)
- Saudi Enaya Cooperative Insurance Co. inked an agreement with International Medical Center to provide medical insurance services to the latter's staff and their dependents. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 1.8% to 8,178.5. The value traded stood at SAR 3.9bn (up 10.9% over previous day), while the advance-decline ratio stood at 22/169. The parallel market index decreased 1.1% to 7,376.8 points. The value traded stood at SAR 9.9mn (down 3.6% over previous day). Most sectors in the main market ended in the red. Food & Staples (up 0.8%) was the only gainer; Banks and Capital Goods (down 2.6% and 2.0%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-19	Q4-18	Y/Y %	Q3-19	Q/Q %
SIIG	62	26	138.5	160	-61.3
National Petrochemical Co.	131	236	-44.5	171	-23.4

Top Gainers

Company	Price	Change%
MEDGULF	22.78	3.7
SABB TAKAFUL	18.80	3.4
ALHOKAIR	29.00	3.4
DUR	27.55	2.4
THOB ALASEEL	44.20	2.3

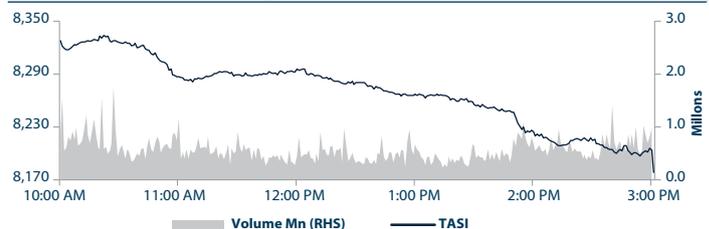
Top Losers

Company	Price	Change%
ALSORAYAI GROUP	20.64	-9.6
UCA	10.22	-6.4
SABB	32.35	-5.6
WALAA	17.48	-5.5
METLIFE AIG ANB	18.44	-5.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,178	8,335	8,178	(1.8)	(2.5)
NomuC	7,377	7,535	7,334	(1.1)	2.8

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,245	(0.5)	(3.6)	18.3
Materials	5,068	(1.8)	(1.9)	34.7
Capital Goods	4,619	(2.0)	6.6	-12.3
Commercial Service	4,591	(1.4)	(3.8)	18.5
Transportation	4,579	(1.7)	4.2	21.9
Consumer Durables	3,689	(1.5)	5.2	-48.2
Consumer Services	4,164	(0.7)	5.2	39.9
Media	9,430	(1.3)	0.3	35.9
Retailing	7,883	(0.8)	2.4	33.7
Food & Staples	7,279	0.8	10.0	224.6
Food & Beverages	4,293	(1.3)	(1.4)	231.8
Healthcare	3,723	(1.8)	(0.2)	25.3
Pharma & Bio Tech	3,786	(0.9)	5.3	-23.2
Banks	7,810	(2.6)	(3.7)	13.7
Diversified Financials	3,473	(1.1)	5.2	631.5
Insurance	4,673	(1.9)	3.5	-300.1
Telecom	6,028	(1.8)	(6.9)	19.1
Utilities	4,306	(0.8)	(2.1)	-67.7
REITs	4,290	0.0	2.2	21.1
Real Estate	3,086	(0.8)	(1.5)	76.1
Software & Services	5,111	(1.4)	3.6	NA

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,353	8,405	8,354	3.88

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	7.3	349.9	336.3
Previous week	18.4	858.3	873.0

Top Weighted Companies

Company	Price	Change%
Al Rajhi	64.70	-1.2
Saudi Aramco	34.25	-0.1
NCB	45.25	-3.1
SABIC	88.50	-1.4
STC	91.50	-1.2



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 1.2% each. Qatar, Egypt, and Bahrain fell 0.9%, 0.6%, and 0.1%, respectively. Kuwait and Oman declined 0.3% each.
- The US new home sales fell 0.4% M/M to annual rate of 694,000 in December (consensus: 728,000) compared with 697,000 in November. The decline was largely attributed to decrease in new home sales in the South, which plunged by 15.4% to a rate of 347,000. (Source: Econoday, RTT News)
- Deaths from coronavirus increased by 25 to at least 106 in China as the US and other governments prepared to fly their citizens out of the locked-down city at center of the outbreak. (Source: Marketwatch)
- Japanese Economy Minister Yasutoshi Nishimura warned that factory production and corporate profits might impact from the coronavirus outbreak in China. China is Japan's second largest export destination and a huge market for its retailers. (Source: Investing.com)
- Oil prices declined 2.3% to a three-month low, as coronavirus death toll continued to increase, which could result in decrease in demand for oil.
- Gold prices rose 0.7%, as investors relied on yellow metal amid fears of fast spreading coronavirus.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	98.0	0.1	1.6	1.6
Euro	1.10	-0.1	-1.7	-1.7
Japanese Yen	108.9	-0.3	0.3	0.3
Sterling Pound	1.31	-0.2	-1.6	-1.6
Chinese Yuan	6.94	0.0	-0.4	-0.4
Indian Rupee	71.4	0.2	0.1	0.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.6	0.6	0.6
Kuwaiti Dinar	0.30	0.0	0.2	0.2
Omani Rial	0.38	-0.1	0.0	0.0
Bahraini Dinar	0.38	-0.1	0.0	0.0
Egyptian Pound	15.74	-0.1	-1.6	-1.6

Corporate Calendar

Date	Company	Event
28 th Jan	SABB	OGM
30 th Jan	Jouf Cement	EGM
2 nd Feb	ADC	EGM
2 nd Feb	Derayah REIT	Cash Dividend Distribution
4 th Feb	Alujain	EGM
4 th Feb	Mulkia - Gulf REIT	OGM

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

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,789	-1.2	0.9	0.9	6.9
Abu Dhabi (ADX)	5,167	-1.2	1.8	1.8	13.2
Kuwait (KSE)	4,862	-0.3	-1.0	-1.0	11.3
Qatar (QE)	10,489	-0.9	0.6	0.6	14.5
Oman (MSM)	4,071	-0.3	2.3	2.3	8.3
Bahrain (BSE)	1,647	-0.1	2.3	2.3	11.3
Egypt (EGX30)	13,640	-0.6	-2.3	-2.3	9.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,536	-1.6	0.0	0.0	21.1
Nasdaq	8,952	-2.1	2.5	2.5	29.4
S&P 500	3,244	-1.6	0.4	0.4	23.6
FTSE 100	7,412	-2.3	-1.7	-1.7	15.5
Germany DAX 30	13,205	-2.7	-0.3	-0.3	17.7
France CAC 40	5,863	-2.7	-1.9	-1.9	19.3
Japan Nikkei 225	23,344	-2.0	-1.3	-1.3	18.5
Hong Kong Hang Seng	27,950	0.0	-0.9	-0.9	11.2
China Shanghai Composite	2,977	0.0	-2.4	-2.4	11.7
Australia ASX 200	7,091	0.0	6.1	6.1	18.5
India Sensex	41,155	-1.1	-0.2	-0.2	22.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	65.1	0.0	-5.4	-5.4
Brent Crude (\$/bbl)	59.3	-2.3	-10.1	-10.1
Texas crude (\$/bbl)	53.1	-1.8	-13.2	-13.2
Natural Gas (\$/mmbtu)	1.90	0.5	-13.1	-13.1
Gold (\$/oz)	1,582	0.7	4.3	4.3
Silver (\$/oz)	18.1	0.0	1.4	1.4
Steel (\$/ton)	582	0.0	-1.0	-1.0
Iron Ore (CNY/MT)	710	0.0	2.1	2.1
Wheat (\$/bu)	572	-0.2	2.4	2.4
Corn (\$/bu)	381	-1.7	-1.9	-1.9
Sugar (\$/lb)	14.2	-1.3	5.9	5.9
SMP* (EUR/MT)	2,640	0.0	2.7	2.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.795	0.0	-11.3	-11.3
Saudi Arabia(SAIBOR)	2.196	-0.1	-3.6	-3.6
UAE (EIBOR)	1.979	-3.1	-23.0	-23.0
Qatar (QIBOR)	2.285	-5.4	3.5	3.5
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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- 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.
- 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.
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