



Major Economic News

- Saudi Arabia's trade balance surplus decreased to SAR 42.0bn in November 2019, compared to SAR 54.9bn a year earlier. The kingdom's trade surplus grew by SAR 10.1bn M/M. Total exports retreated by 15% Y/Y to SAR 79.8bn, while imports declined by 3% to SAR 37.8bn. (Source: Argaam)
- Assets held by SAMA decreased by SAR 6.8bn M/M to SAR 1.9tn in December 2019. In 2019, SAMA's assets increased by SAR 12.9bn. (Source: Argaam)

Major Corporate News

- Vodafone Group announced its plans to sign a MoU with Saudi Telecom Co. (STC) for the possible sale of a stake in Vodafone Egypt. Vodafone Group holds a 55% stake in Vodafone Egypt, with the remaining 45% held by Telecom Egypt. Telecom Egypt said on Sunday it had no intention of selling its stake. (Source: Egypt Today).
- The European Union antitrust regulators will decide by February 27, whether to clear Aramco's USD69.1bn (SAR 259.1bn) acquisition of SABIC. (Source: Argaam)
- Alandalus Property Co. said that Sulaiman Al-Habib hospital in Jeddah is expected to be completed by Q2-23 and will launch operations in Q3-23, with a cost of SAR 1.6bn. (Source: Argaam)
- Ataa Educational Co. is planning a 5-year expansion strategy to support its business growth and increase the number students to 37,000 from 27,560. The new strategy also aims to enhance partnerships with international universities and scientific institutes and promoting e-learning services and summer activities to increase its non-tuition revenue. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.2% to 8,166.1. The value traded stood at SAR 3.2bn (down 16.8% over previous day), while the advance-decline ratio stood at 67/116. The parallel market index decreased 1.7% to 7,254.3 points. The value traded stood at SAR 12.7mn (up 28.6% over previous day). Most sectors in the main market ended in the red. Food & Beverages and REITs (up 0.9% and 0.8%, respectively) advanced the most; Retailing and Media (down 1.6% and 1.5%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-19	Q4-18	Y/Y %	Q3-19	Q/Q %
SABIC	-0.7	3.2	NM	0.8	NM
National Commercial Bank	3.4	2.7	25.3	2.6	32.9

Top Gainers

Company	Price	Change%
SVCP	56.60	5.6
BAHRI	36.80	4.1
NGC	17.14	4.0
WALAA	18.12	3.7
SAUDI GERMAN	32.80	3.5

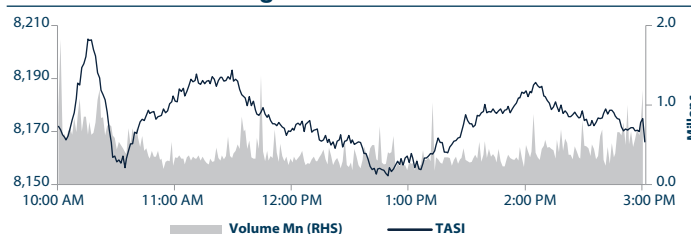
Top Losers

Company	Price	Change%
MEDGULF	20.76	-8.9
METLIFE AIG ANB	17.48	-5.2
YSCC	28.20	-3.8
ALALAMIYA	19.54	-3.5
ALHOKAIR GROUP	19.02	-3.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,166	8,206	8,153	(0.2)	(2.7)
NomuC	7,254	7,384	7,170	(1.7)	1.0

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,262	0.3	(3.3)	18.4
Materials	5,067	0.0	(1.9)	34.7
Capital Goods	4,580	(0.8)	5.7	-12.2
Commercial Service	4,554	(0.8)	(4.6)	18.4
Transportation	4,555	(0.5)	3.6	21.8
Consumer Durables	3,693	0.1	5.3	-48.3
Consumer Services	4,157	(0.2)	5.0	39.9
Media	9,286	(1.5)	(1.2)	35.4
Retailing	7,759	(1.6)	0.8	33.2
Food & Staples	7,214	(0.9)	9.0	222.6
Food & Beverages	4,333	0.9	(0.5)	234.0
Healthcare	3,739	0.4	0.2	25.4
Pharma & Bio Tech	3,773	(0.3)	5.0	-23.1
Banks	7,794	(0.2)	(3.9)	13.6
Diversified Financials	3,473	0.0	5.2	631.5
Insurance	4,637	(0.8)	2.7	-297.8
Telecom	5,992	(0.6)	(7.4)	19.0
Utilities	4,305	0.0	(2.2)	-67.7
REITs	4,326	0.8	3.1	21.3
Real Estate	3,074	(0.4)	(1.9)	75.8
Software & Services	5,111	0.0	3.6	0.0

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,297	8,374	8,343	3.85

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	10.5	483.6	497.7
Previous week	18.4	858.3	873.0

Top Weighted Companies

Company	Price	Change%
Al Rajhi	64.70	0.0
Saudi Aramco	34.25	0.0
NCB	45.10	-0.3
SABIC	88.90	0.5
STC	90.90	-0.7



Regional and International Markets

- Among other regional markets, Abu Dhabi and Dubai increased 0.2% and 0.1%, respectively. Kuwait and Oman rose 1.0% and 0.4%, respectively. Qatar fell 0.6%, while Egypt and Bahrain declined 0.1% each.
- The US consumer confidence rose to 131.6 in January (consensus: 127.8) from 128.2 in December. Consumers expecting more jobs ahead increased to 17.2% from 15.5%, while those anticipating fewer jobs declined to 13.4% from 13.9%. (Source: Econoday, RTT News)
- New orders for US manufactured durable goods rose 2.4% M/M in December (consensus: 0.5%) compared to a decline of 3.1% in November. The increase in orders was driven by orders for transportation equipment (+7.6%). (Source: RTT News)
- The Trump administration is considering suspending flights from China to the US amid rising outbreak of coronavirus, as per the message received by US airlines from the White House. (Source: CNBC)
- Oil prices rose 0.3%, recovering from coronavirus outbreak fears aided by speculations that OPEC might continue with its production cuts through June.
- Gold prices fell 1.0%, as more investors abandoned safe havens to take up risk after a four-day rally.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	98.0	0.1	1.7	1.7
Euro	1.10	0.0	-1.7	-1.7
Japanese Yen	109.1	0.2	0.5	0.5
Sterling Pound	1.30	-0.2	-1.7	-1.7
Chinese Yuan	6.94	0.0	-0.4	-0.4
Indian Rupee	71.2	-0.3	-0.2	-0.2
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	0.1	0.1	0.1
Bahraini Dinar	0.38	0.1	0.0	0.0
Egyptian Pound	15.75	0.1	-1.6	-1.6

Corporate Calendar

Date	Company	Event
30 th Jan	Jouf Cement	EGM
02 nd Feb	ADC	EGM
02 nd Feb	Derayah REIT	Cash Dividend Distribution
04 th Feb	Alujain	EGM
04 th Feb	Mulkia - Gulf REIT	OGM
12 th Feb	Northern Cement	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,793	0.1	1.0	1.0	6.9
Abu Dhabi (ADX)	5,178	0.2	2.0	2.0	13.4
Kuwait (KSE)	4,912	1.0	0.0	0.0	11.3
Qatar (QE)	10,423	-0.6	0.0	0.0	14.4
Oman (MSM)	4,088	0.4	2.7	2.7	8.3
Bahrain (BSE)	1,646	-0.1	2.2	2.2	11.3
Egypt (EGX30)	13,619	-0.1	-2.5	-2.5	9.7

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,723	0.7	0.6	0.6	20.7
Nasdaq	9,091	1.5	4.1	4.1	28.6
S&P 500	3,276	1.0	1.4	1.4	23.2
FTSE 100	7,481	0.9	-0.8	-0.8	15.7
Germany DAX 30	13,324	0.9	0.6	0.6	17.8
France CAC 40	5,926	1.1	-0.9	-0.9	19.5
Japan Nikkei 225	23,216	-0.5	-1.9	-1.9	18.4
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	6,995	-1.4	4.6	4.6	18.2
India Sensex	40,967	-0.5	-0.7	-0.7	22.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	61.6	-5.5	-10.6	-10.6
Brent Crude (\$/bbl)	59.5	0.3	-9.8	-9.8
Texas crude (\$/bbl)	53.3	0.5	-12.8	-12.8
Natural Gas (\$/mmbtu)	1.93	1.7	-11.6	-11.6
Gold (\$/oz)	1,566	-1.0	3.2	3.2
Silver (\$/oz)	17.4	-3.6	-2.2	-2.2
Steel (\$/ton)	582	0.0	-1.0	-1.0
Iron Ore (CNY/MT)	710	0.0	2.1	2.1
Wheat (\$/bu)	570	-0.4	2.0	2.0
Corn (\$/bu)	387	1.6	-0.3	-0.3
Sugar (\$/lb)	14.5	2.3	8.3	8.3
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	1.775	0.0	-13.4	-13.4
Saudi Arabia(SAIBOR)	2.186	-1.0	-4.6	-4.6
UAE (EIBOR)	2.034	5.5	-17.5	-17.5
Qatar (QIBOR)	2.289	0.4	3.9	3.9
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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