



Major Economic News

- The Saudi budget is expected to support local GDP growth to exceed 2% by 2021, according to S&P Global Ratings. The ratings agency stated that growth will rely mainly on oil prices volatility, and the global and regional geopolitical and economic instability. It predicted that real estate mortgages will support the growth of loans in FY20 and FY21 on lower costs. (Source: Argaam)
- Saudi gross savings decreased 9% Y/Y to SAR 253.1bn in Q3-19., according to GASTAT. The gross savings to GDP ratio declined to 33.9% in Q3-19, when compared to 37.5% in the same period last year. On a sequential basis, gross savings grew 3% in Q3-19 from SAR 246.9bn. (Source: Argaam)
- Abdulrahman Mohsen Al-Fadhli, Saudi Minister of Environment, Water and Agriculture and Chairman of Saline Water Conversion Corp (SWCC), signed a SAR 1.6bn, the first bridge finance deal with local banks, in coordination with DMO. (Source: Argaam)

Major Corporate News

- SACO announced opening of new store in Riyadh City, with an area of 6,089 Sq. m. The financial impact of this new Store will start as of Q1-20. This opening will increase the total number of SACO stores to 34 stores, covering 18 cities. (Source: Tadawul)
- Tihama Advertising and Public Relations Co. announced the publication of the priority rights issue prospectus. Last month, the CMA approved Tihama's request to raise its capital to SAR 175mn from SAR 75mn through SAR 100mn rights issue to boost the company's expansions. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 1.1% to 8,157.5 on Sunday. The value traded stood at SAR 3.8bn (up 3.0% over previous day), while the advance-decline ratio stood at 36/151. The parallel market index decreased 1.5% to 7,225.0 points. The value traded stood at SAR 8.4mn (up 73.5% over previous day). Most sectors in the main market ended in the red. Software & Services and Food & Staples (up 1.3% and 0.6%, respectively) were the only gainers; Media and Commercial Service (down 2.7% and 1.9%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-19	Q4-18	Y/Y %	Q3-19	Q/Q %
Samba Financial Group	765.0	-586.0	N.M.	1,226.0	-37.6

Top Gainers

Company	Price	Change%
UACC	31.90	10.0
SHARQIYAH DEV	62.80	10.0
SARCO	52.00	7.4
ASLAK	20.44	3.6
HCC	14.68	3.2

Top Losers

Company	Price	Change%
ALINMA	24.94	-3.7
TALEEM REIT	11.54	-3.5
SOLIDARITY	12.98	-3.4
METLIFE AIG ANB	19.36	-3.4
GULF UNION	12.74	-3.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,158	8,188	8,139	(1.1)	(2.8)
NomuC	7,225	7,315	7,193	(1.5)	0.6

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,208	(0.7)	(4.3)	17.9
Materials	5,005	(0.8)	(3.1)	43.5
Capital Goods	4,513	(1.5)	4.2	-12.1
Commercial Service	4,545	(1.9)	(4.8)	18.3
Transportation	4,640	(1.2)	5.6	22.2
Consumer Durables	3,682	(1.4)	5.0	-388.8
Consumer Services	4,208	(0.2)	6.3	39.2
Media	9,019	(2.7)	(4.1)	34.4
Retailing	7,791	(0.5)	1.2	33.2
Food & Staples	7,273	0.6	9.9	224.4
Food & Beverages	4,363	(0.8)	0.2	47.7
Healthcare	3,698	(0.6)	(0.8)	25.1
Pharma & Bio Tech	3,760	0.0	4.6	-23.0
Banks	7,837	(1.6)	(3.3)	13.8
Diversified Financials	3,439	(1.1)	4.1	625.3
Insurance	4,648	(1.1)	3.0	-298.5
Telecom	6,029	(0.5)	(6.9)	20.3
Utilities	4,319	(0.3)	(1.8)	47.6
REITs	4,369	(0.2)	4.1	21.7
Real Estate	3,057	(1.1)	(2.4)	74.8
Software & Services	5,222	1.3	5.9	NA

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,187	8,299	8,325	3.82

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	3.8	157.7	166.2
Previous week	18.0	772.3	808.7

Top Weighted Companies

Company	Price	Change%
Al Rajhi	65.70	-1.1
Saudi Aramco	33.95	-0.6
NCB	46.50	-1.0
SABIC	86.50	-1.1
STC	91.30	1.6



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.9% and 0.8%, respectively. Oman and Bahrain rose 0.3% and 0.1%, respectively, while Kuwait, Qatar and Egypt declined 1.1%, 0.8% and 0.2%, respectively.
- Chinese Stocks sank over 9% today amid the worsening virus outbreak, as markets reopened after the markets opened after January 23. This is the most since it has lost since the equity bubble burst in 2015. (Source: Bloomberg)
- Fatalities from the coronavirus outbreak has crossed 360, with Philippines reporting the first casualty outside China. The total number of people with confirmed cases of Coronavirus has now crossed 17,000. (Source: Bloomberg)
- The UK officially left the European Union after 47 years of membership and more than three years after it voted to do so in a referendum. (Source: BBC)
- US Senate voted against calling witnesses and collecting new evidence in President Donald Trump's impeachment trial, clearing the way for Trump's almost certain acquittal next week. (Source: Reuters)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.4	-0.5	1.0	1.0
Euro	1.11	0.6	-1.0	-1.0
Japanese Yen	108.4	-0.5	-0.2	-0.2
Sterling Pound	1.32	0.8	-0.5	-0.5
Chinese Yuan	6.94	0.0	-0.4	-0.4
Indian Rupee	71.5	0.0	0.3	0.3
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	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.75	0.0	-1.6	-1.6

Corporate Calendar

Date	Company	Event
04 th Feb	Alujain	EGM
04 th Feb	Mulkia - Gulf REIT	OGM
06 th Feb	Mulkia - Gulf REIT	Cash Dividend Distribution
12 nd Feb	Northern Cement	EGM
18 th Feb	GACO	OGM
18 th Feb	QACCO	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,766	-0.9	-0.9	0.1	6.9
Abu Dhabi (ADX)	5,116	-0.8	-0.8	0.8	13.1
Kuwait (KSE)	4,869	-1.1	-1.1	-0.9	11.4
Qatar (QE)	10,362	-0.8	-0.8	-0.6	14.2
Oman (MSM)	4,093	0.3	0.3	2.8	8.5
Bahrain (BSE)	1,660	0.1	0.1	3.1	11.4
Egypt (EGX30)	13,889	-0.2	-0.2	-0.5	9.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,256	0.0	-1.0	-1.0	20.3
Nasdaq	8,992	0.0	3.0	3.0	28.0
S&P 500	3,226	0.0	-0.2	-0.2	22.7
FTSE 100	7,286	0.0	-3.4	-3.4	15.8
Germany DAX 30	12,982	0.0	-2.0	-2.0	17.3
France CAC 40	5,806	0.0	-2.9	-2.9	19.0
Japan Nikkei 225	23,205	0.0	-1.9	-1.9	18.2
Hong Kong Hang Seng	26,313	0.0	-6.7	-6.7	10.6
China Shanghai Composite	2,977	0.0	-2.4	-2.4	11.7
Australia ASX 200	7,017	0.0	5.0	5.0	18.2
India Sensex	40,723	0.0	-1.3	-1.3	21.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	61.7	0.0	-10.4	-10.4
Brent Crude (\$/bbl)	58.2	0.0	-11.9	-11.9
Texas crude (\$/bbl)	51.6	0.0	-15.6	-15.6
Natural Gas (\$/mmbtu)	1.84	0.0	-15.9	-15.9
Gold (\$/oz)	1,590	0.0	4.8	4.8
Silver (\$/oz)	18.0	0.0	1.1	1.1
Steel (\$/ton)	578	0.0	-1.7	-1.7
Iron Ore (CNY/MT)	710	0.0	2.1	2.1
Wheat (\$/bu)	554	0.0	-0.9	-0.9
Corn (\$/bu)	381	0.0	-1.7	-1.7
Sugar (\$/lb)	14.6	0.0	8.9	8.9
SMP* (EUR/MT)	2,604	0.0	1.3	1.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.751	0.0	-15.7	-15.7
Saudi Arabia(SAIBOR)	2.169	-1.0	-1.0	-6.3
UAE (EIBOR)	1.945	-12.7	-12.7	-26.4
Qatar (QIBOR)	2.300	-0.1	-0.1	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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TERMINOLOGY

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.
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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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