



Major Economic News

- The Saudi Ministry of Labor and Social Development said that no official decision has been issued about the abolition of expatriate sponsorship, dismissing media and social network reports. (Source: Argaam)

Major Corporate News

- The Saudi General Authority for Competition approved National Co. for Learning and Education's (NCLE) acquisition of Riyadh-based Al-Khwarizmi Co. for Education. In November 2019, NCLE signed two agreements to fully acquire Al-Khwarizmi for SAR 30mn. (Source: Argaam)
- Riyad Capital, the fund manager of Riyadh REIT Fund, announced the signing of a hotel management agreement with Marriott International for its Burj Rafal Hotel in Riyadh. The hotel will be handed over to Marriott in Q1-20. (Source: Argaam)
- Filling & Packing Material. MFG. CO. signed an agreement with Saudi Authority for Industrial Cities and Technology Zones to support the industrial transformation plan under the National Productivity Program initiative. The program aims to transform the Kingdom into a leading industrial power and international logistics hub in several promising fields, with a focus on the implementation of industrial 4G technology. (Source: Argaam)
- The Methanol Chemicals Co. resumed operations at its methanol and dimethylformamide plants on February 4, after successfully completing the scheduled maintenance. The maintenance work is expected to have a positive financial impact in Q1-20. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.3% to 8,138.4. The value traded stood at SAR 3.6bn (down 7.4% over previous day), while the advance-decline ratio stood at 114/69. The parallel market index increased 0.9% to 7,503.6 points. The value traded stood at SAR 8.6mn (down 33.5% over previous day). Most sectors in the main market ended in the green. Pharma & Bio Tech and Commercial Service (up 1.8% and 1.2%, respectively) advanced the most; Food & Beverages and Energy (down 0.7% and 0.4%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-19	Q4-18	Y/Y %	Q3-19	Q/Q %
Bank Albilad	327.1	-136.3	NM	326.6	0.2
Arabian Centres Co.*	110.6	275.8	-59.9	208.2	-46.9

* indicates Q3-19 as year ending is March

Top Gainers

Company	Price	Change%
SVCP	60.40	6.0
SABB TAKAFUL	20.40	4.6
SPM	25.60	4.2
ADC	12.60	4.1
ATAA	33.30	4.1

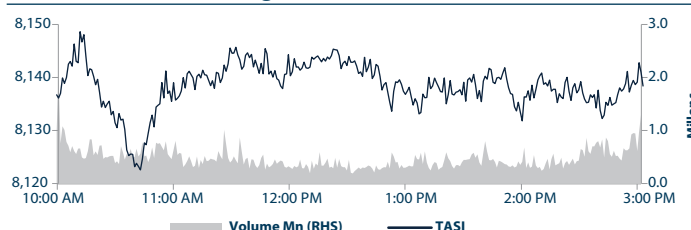
Top Losers

Company	Price	Change%
SAUDI CABLE	16.96	-10.0
UACC	28.90	-5.9
SADAFICO	140.20	-3.7
JADWA REIT ALHARAMAIN	8.60	-3.4
JOUF CEMENT	10.98	-3.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,138	8,149	8,121	0.3	(3.0)
NomuC	7,504	7,525	7,368	0.9	4.5

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,177	(0.4)	(4.9)	17.7
Materials	4,966	0.1	(3.9)	43.2
Capital Goods	4,541	0.6	4.8	-12.1
Commercial Service	4,565	1.2	(4.3)	18.4
Transportation	4,657	0.6	6.0	22.3
Consumer Durables	3,703	0.8	5.6	-391.0
Consumer Services	4,253	0.8	7.4	39.6
Media	9,182	0.5	(2.3)	35.0
Retailing	7,834	0.1	1.8	33.4
Food & Staples	7,347	(0.2)	11.1	226.7
Food & Beverages	4,325	(0.7)	(0.7)	47.3
Healthcare	3,745	0.2	0.4	25.5
Pharma & Bio Tech	3,813	1.8	6.1	-23.4
Banks	7,838	0.6	(3.3)	13.8
Diversified Financials	3,559	1.0	7.8	647.1
Insurance	4,637	0.2	2.7	-297.8
Telecom	5,938	0.3	(8.3)	20.0
Utilities	4,329	0.7	(1.6)	47.7
REITs	4,355	(0.1)	3.8	21.7
Real Estate	3,071	1.0	(2.0)	75.1
Software & Services	5,389	(0.2)	9.2	NA

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,168	8,233	8,317	3.75

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	11.3	457.4	511.9
Previous week	18.0	772.3	808.7

Top Weighted Companies

Company	Price	Change%
Al Rajhi	66.30	0.8
Saudi Aramco	33.85	-0.3
NCB	46.40	0.0
SABIC	87.00	0.8
STC	89.20	0.1



Regional and International Markets

- Among other regional markets, Dubai decreased 0.1%, while Abu Dhabi increased 0.4%. Oman, Kuwait, Egypt, Qatar and Bahrain rose 0.7%, 0.4%, 0.3%, 0.2% and 0.1%, respectively.
- US factory orders increased 1.8% M/M (consensus: 1.3%) in December compared to a revised decline of 1.2% in November. The higher than expected rise in factory order was due to rise in orders of durable goods. (Source: Econoday, RTT News)
- The Caixin China Composite PMI fell 51.9 in January compared to 52.6 in December. Services PMI decreased to 51.8 in January compared to 52.5 in December. (Source: Econoday, RTT News)
- According to the US Redbook, same-store sales increased 5.7% in the week ended January 02 versus 5.5% in the previous week. (Source: Econoday)
- Oil prices declined 0.9% on continued worries over coronavirus adverse impact on global economy, despite OPEC+ representatives stating that fundamentals for oil can be improved in the short-term with additional supply cuts.
- Gold prices fell 1.5% following the People's Bank of China's announcement to inject CNY 500bn (USD 71.4bn) in the money market to maintain adequate liquidity in the banking system.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	98.0	0.2	0.6	1.6
Euro	1.10	-0.1	-0.5	-1.5
Japanese Yen	109.5	0.8	1.0	0.8
Sterling Pound	1.30	0.3	-1.3	-1.7
Chinese Yuan	7.00	-0.3	0.9	0.5
Indian Rupee	71.1	-0.3	-0.6	-0.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	-0.6	0.0
Kuwaiti Dinar	0.30	0.0	0.1	0.4
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.75	-0.4	0.0	-1.6

Corporate Calendar

Date	Company	Event
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
19 th Feb	TADCO	EGM
19 th Feb	Tihama	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,767	-0.1	-0.8	0.1	6.9
Abu Dhabi (ADX)	5,096	0.4	-1.2	0.4	13.0
Kuwait (KSE)	4,885	0.4	-0.8	-0.5	11.2
Qatar (QE)	10,270	0.2	-1.6	-1.5	14.1
Oman (MSM)	4,145	0.7	1.6	4.1	8.6
Bahrain (BSE)	1,664	0.1	0.4	3.3	11.4
Egypt (EGX30)	13,915	0.3	0.0	-0.3	10.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,808	1.4	2.0	0.9	20.0
Nasdaq	9,334	2.3	3.8	6.9	28.3
S&P 500	3,298	1.5	2.2	2.1	23.0
FTSE 100	7,440	1.5	2.1	-1.4	16.2
Germany DAX 30	13,282	1.8	2.3	0.2	17.7
France CAC 40	5,935	1.8	2.2	-0.7	19.5
Japan Nikkei 225	23,085	0.5	-2.4	-2.4	18.1
Hong Kong Hang Seng	26,676	1.2	1.4	-5.4	10.7
China Shanghai Composite	2,783	1.3	-6.5	-8.7	11.0
Australia ASX 200	6,949	0.4	-1.0	4.0	18.1
India Sensex	40,789	2.3	0.2	-1.1	21.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	58.1	-2.0	-15.6	-15.6
Brent Crude (\$/bbl)	54.0	-0.9	-7.2	-18.2
Texas crude (\$/bbl)	49.6	-0.9	-3.9	-18.9
Natural Gas (\$/mmbtu)	1.87	2.9	1.7	-14.5
Gold (\$/oz)	1,552	-1.5	-2.4	2.3
Silver (\$/oz)	17.6	-0.4	-2.5	-1.4
Steel (\$/ton)	579	0.0	-1.5	-1.5
Iron Ore (CNY/MT)	730	5.2	5.0	5.0
Wheat (\$/bu)	557	0.3	0.6	-0.3
Corn (\$/bu)	382	0.9	0.3	-1.4
Sugar (\$/lb)	14.7	-1.2	0.7	9.6
SMP* (EUR/MT)	2,575	-0.3	0.2	0.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.741	0.0	-1.0	-16.7
Saudi Arabia(SAIBOR)	2.160	-0.4	-1.9	-7.1
UAE (EIBOR)	2.065	3.5	-0.8	-14.4
Qatar (QIBOR)	2.294	-2.6	-0.7	4.4
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.
- 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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