



Major Economic News

- Foreign direct investments (FDIs) in Saudi Arabia reached SAR 17.6bn in FY19, as per Minister of Commerce and Investment Majid Al-Qasabi. He added that the total FDI inflows increased by 10.2% Y/Y during the 9M-19. (Source: Argaam)
- The aggregate sales of 17 Saudi cement firms rose 30% Y/Y to 4.8mn tons in January 2020 as all cement producers reported higher sales. Clinker production grew by 7.5% Y/Y to 4.2mn tons in January. Clinker inventories stood at 41.9mn tons in the same period, down 1% Y/Y. (Source: Argaam)

Major Corporate News

- Mobile Telecommunications Co. Saudi Arabia's board of directors amended its recommendation to cut capital by 28% instead of 38% previously. The capital will be reduced to SAR 4.2bn from SAR 5.8bn through writing off 160.8mn shares to offset accumulated losses of SAR 1.6bn. Following the capital reduction, the company plans to increase its capital from SAR 4.2bn to SAR 8.7bn through a rights issue with a total value of SAR 4.5bn. (Source: Tadawul, Argaam)
- Mobile Telecommunications Co. announced that no settlement was reached with the Ministry of Finance to convert whole or part of the outstanding debts due to the ministry (Source: Tadawul, Argaam)
- Dr. Sulaiman Al Habib Medical Group set the price range for its upcoming IPO between SAR 43-50 per share. The medical group will float 52.50mn shares, or 15% of its capital in the planned offering. (Source: Argaam)
- US-based Paladion Technologies Inc. signed a strategic agreement with Saudi-headquartered Sejel Technologies to establish an AI-driven security operations center in the Kingdom. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.2% to 7,971.9. The value traded stood at SAR 3.1bn (down 19.9% over previous day), while the advance-decline ratio stood at 134/48. The parallel market index decreased 0.7% to 7,227.4 points. The value traded stood at SAR 3.9mn (down 33.4% over previous day). Most sectors in the main market ended in the green. Consumer Durables and Diversified Financials (up 1.3% and 1.2%, respectively) advanced the most; Utilities and Energy (down 1.7% and 1.2%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-19	Q4-18	Y/Y %	Q3-19	Q/Q %
Al Rajhi Bank	2,153	-3,528	NM	2,829	-23.9

Top Gainers

Company	Price	Change%
METLIFE AIG ANB	18.72	10.0
ALBAHA	17.96	7.5
SHAKER	13.02	7.1
SFICO	53.10	7.1
WALAA	17.90	4.9

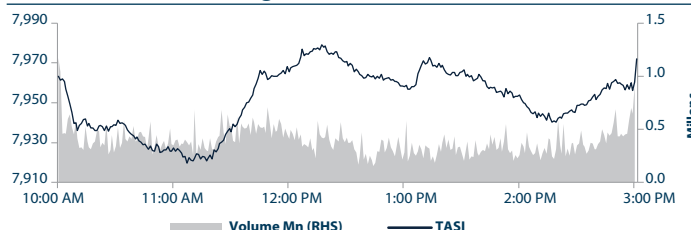
Top Losers

Company	Price	Change%
SARCO	49.50	-7.8
JADWA REIT SAUDI	11.76	-2.8
ALJOUF	25.90	-2.5
SAUDI CERAMICS	35.75	-1.9
FITNESS TIME	82.40	-1.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	7,972	7,980	7,920	0.2	(5.0)
NomuC	7,227	7,299	7,128	(0.7)	0.7

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,120	(1.2)	(5.9)	17.6
Materials	4,846	0.6	(6.2)	42.1
Capital Goods	4,448	1.0	2.7	-11.9
Commercial Service	4,543	0.5	(4.8)	18.3
Transportation	4,669	(0.4)	6.2	22.3
Consumer Durables	3,710	1.3	5.8	-391.8
Consumer Services	4,241	1.1	7.1	39.5
Media	9,156	0.7	(2.6)	34.9
Retailing	7,716	0.5	0.2	32.9
Food & Staples	7,196	(1.0)	8.8	222.0
Food & Beverages	4,395	0.5	0.9	48.1
Healthcare	3,749	(0.2)	0.5	25.5
Pharma & Bio Tech	3,734	0.4	3.9	-22.9
Banks	7,639	0.5	(5.8)	13.5
Diversified Financials	3,560	1.2	7.8	647.2
Insurance	4,588	1.0	1.6	-294.6
Telecom	5,764	0.2	(10.9)	19.4
Utilities	4,223	(1.7)	(4.0)	46.5
REITs	4,236	(0.4)	0.9	21.1
Real Estate	2,998	0.4	(4.3)	73.3
Software & Services	5,389	0.8	9.2	NA

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,042	8,108	8,257	3.76

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	7.1	272.8	330.1
Previous week	19.3	782.4	860.9

Top Weighted Companies

Company	Price	Change%
Al Rajhi	64.80	-0.2
Saudi Aramco	33.60	-1.3
NCB	45.75	1.2
SABIC	84.00	-0.1
STC	87.00	0.2



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.5% and 0.1%, respectively. Kuwait and Bahrain rose 0.1% each, while Egypt, Qatar and Oman declined 0.9%, 0.5% and 0.3%, respectively.
- US President Donald Trump's annual budget proposes increase in defense and entitlement spending and reduction in social programs. Which increases gross federal debt above USD 30tn over the next decade. The budget anticipated economic growth above 3% in FY20. (Source: investing.com)
- The death toll in mainland China due to the coronavirus crossed 1,000 with a record daily rise in fatalities, although the number of new confirmed cases fell. (Source: Reuters)
- Eurozone investor confidence index dropped to 5.2 in February from 7.6 earlier. The decline was due to economic uncertainty created by the coronavirus outbreak in China. (Source: RTT News)
- Oil prices declined 2.2% due to delay from Russia to decide on 600,000 bpd output cut proposed by an OPEC technical committee to deal with the coronavirus impact.
- Gold prices rose 0.1% ahead of US Fed Chairman's testimony to Congress, which is expected to include Fed's defence plans to counter coronavirus crisis.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	98.8	0.1	1.5	2.5
Euro	1.09	-0.3	-1.7	-2.7
Japanese Yen	109.7	0.0	1.3	1.0
Sterling Pound	1.29	0.2	-2.2	-2.6
Chinese Yuan	6.98	-0.3	0.7	0.3
Indian Rupee	71.3	-0.3	-0.4	-0.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	-0.6	0.0
Kuwaiti Dinar	0.30	0.1	0.2	0.5
Omani Rial	0.38	0.1	0.0	0.1
Bahraini Dinar	0.38	0.1	0.1	0.0
Egyptian Pound	15.68	-0.3	-0.4	-2.0

Corporate Calendar

Date	Company	Event
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
19 th Feb	Wataniya	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,765	0.5	-0.9	0.0	6.9
Abu Dhabi (ADX)	5,093	0.1	-1.2	0.3	13.0
Kuwait (KSE)	4,859	0.1	-1.3	-1.0	11.2
Qatar (QE)	10,097	-0.5	-3.3	-3.1	13.9
Oman (MSM)	4,112	-0.3	0.8	3.3	8.5
Bahrain (BSE)	1,660	0.1	0.1	3.1	11.4
Egypt (EGX30)	13,980	-0.9	0.4	0.1	10.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	29,277	0.6	3.6	2.6	20.5
Nasdaq	9,517	1.2	5.8	9.0	28.8
S&P 500	3,352	0.7	3.9	3.8	23.5
FTSE 100	7,447	-0.3	2.2	-1.3	16.2
Germany DAX 30	13,494	-0.1	3.9	1.8	17.9
France CAC 40	6,016	-0.2	3.6	0.6	19.4
Japan Nikkei 225	23,686	-0.6	0.1	0.1	18.6
Hong Kong Hang Seng	27,241	-0.6	3.5	-3.4	10.9
China Shanghai Composite	2,890	0.5	-2.9	-5.2	11.5
Australia ASX 200	7,013	-0.1	-0.1	4.9	18.2
India Sensex	40,980	-0.4	0.6	-0.7	22.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	56.9	-2.2	-17.3	-17.3
Brent Crude (\$/bbl)	53.3	-2.2	-8.4	-19.3
Texas crude (\$/bbl)	49.6	-1.5	-3.9	-18.9
Natural Gas (\$/mmbtu)	1.77	-5.0	-4.1	-19.3
Gold (\$/oz)	1,572	0.1	-1.1	3.6
Silver (\$/oz)	17.8	0.4	-1.6	-0.4
Steel (\$/ton)	578	0.0	-1.7	-1.7
Iron Ore (CNY/MT)	681	5.0	-2.0	-2.0
Wheat (\$/bu)	552	-1.2	-0.3	-1.2
Corn (\$/bu)	382	-0.5	0.1	-1.5
Sugar (\$/lb)	15.0	0.8	2.9	12.1
SMP* (EUR/MT)	2,647	0.0	3.0	3.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.731	0.0	-2.0	-17.8
Saudi Arabia(SAIBOR)	2.153	-0.1	-2.6	-7.9
UAE (EIBOR)	1.919	-1.4	-15.3	-28.9
Qatar (QIBOR)	2.337	3.8	3.6	8.7
Bahrain (BHIBOR)	2.583	0.0	-8.3	-8.3

Data Sources: Tadawul, Bloomberg, Reuters

* Three-month Interbank rate **NA: Not Available

Updated as of February 10 2020



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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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