



Major Economic News

- The Industrial Production Index in Saudi Arabia decreased in December 2019 by 2.6% to 121.9 points, compared with 125.1 in November. The mining and quarrying activity declined by 3%, while manufacturing and electricity & gas supply decreased 2% and 1.7% respectively. (Source: Zawya)

Major Corporate News

- Sulaiman Al Habib Medical Group will inject SAR 6bn in 3 mega projects in Riyadh and Jeddah to boost capacity by 60% (or 1,180 beds) from 1,913 beds to 3,093 beds over the next 4 years, as per the CEO Nasser Al Huqbani. (Source: Argaam)
- Riyad Bank announced its intention to issue dollar-denominated international Tier 2 sukuk for a total value not exceeding SAR 11.3bn. The sukuk is intended to diversify sources of finance and its maturity, and strengthen the capital base of the bank, thus supporting the expansion of its credit business and other banking activities. (Source: Argaam)
- Sumou Real Estate Co. issued a prospectus for its IPO on the parallel market (Nomu). The company plans to float 7.5mn shares or 30% of its SAR 250mn capital in the planned IPO. The prospectus determined the offering price at SAR 24/ share for a total of SAR 180mn. (Source: Argaam)
- Bawan Co. announced that a fire broke out at one of the factories of its affiliate ARNON Plastic Industries Co. in Dammam. The fire was contained and did not result in any injuries. The company will announce financial impact of the incident and the reopening date of the plant in due course. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 1.0% to 7,895.6. The value traded stood at SAR 3.7bn (up 17.3% over previous day), while the advance-decline ratio stood at 65/122. The parallel market index increased 8.8% to 7,865.7 points. The value traded stood at SAR 21.7mn (up 453.0% over previous day). Most sectors in the main market ended in the red. Consumer Services and Pharma & Bio Tech (up 1.0% and 0.5%, respectively) advanced the most; Utilities and Software & Services (down 3.9% and 3.1%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-19	Q4-18	Y/Y %	Q3-19	Q/Q %
Tihama Advertising*	-3.5	1.4	NM	-8.7	NM
Fawaz Abdulaziz Alhokair*	36	25.7	40.1	-26.7	NM

Top Gainers

Company	Price	Change%
DUR	33.00	10.0
HCC	14.30	6.9
NAMA CHEMICALS	27.00	6.7
SASCO	30.00	2.7
JOUF CEMENT	10.58	2.7

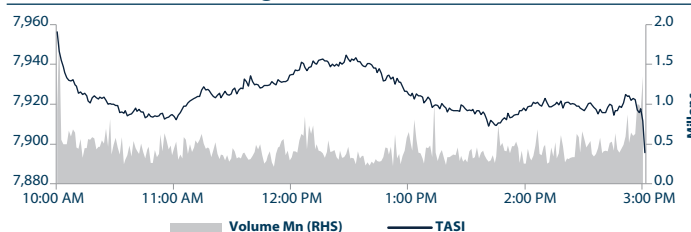
Top Losers

Company	Price	Change%
ZAIN KSA	10.90	-9.9
MEDGULF	20.80	-5.4
SAUDI ELECTRICITY	18.50	-4.2
SHAKER	12.52	-3.8
METLIFE AIG ANB	18.04	-3.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	7,896	7,956	7,896	(1.0)	(5.9)
NomuC	7,866	7,884	7,211	8.8	9.6

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,094	(0.5)	(6.4)	17.5
Materials	4,830	(0.3)	(6.5)	42.0
Capital Goods	4,440	(0.2)	2.5	-11.9
Commercial Service	4,475	(1.5)	(6.2)	18.1
Transportation	4,641	(0.6)	5.6	22.2
Consumer Durables	3,657	(1.4)	4.3	-386.2
Consumer Services	4,283	1.0	8.2	39.9
Media	9,129	(0.3)	(2.9)	34.8
Retailing	7,614	(1.3)	(1.1)	32.4
Food & Staples	7,156	(0.6)	8.2	220.8
Food & Beverages	4,331	(1.5)	(0.5)	47.4
Healthcare	3,757	0.2	0.7	25.5
Pharma & Bio Tech	3,753	0.5	4.4	-23.0
Banks	7,529	(1.4)	(7.1)	13.3
Diversified Financials	3,550	(0.3)	7.5	645.5
Insurance	4,508	(1.7)	(0.1)	-289.5
Telecom	5,689	(1.3)	(12.1)	19.1
Utilities	4,059	(3.9)	(7.7)	44.7
REITs	4,248	0.3	1.2	21.1
Real Estate	3,003	0.2	(4.1)	73.4
Software & Services	5,222	(3.1)	5.9	NA

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,994	8,081	8,228	3.75

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	10.8	409.4	489.6
Previous week	19.3	782.4	860.9

Top Weighted Companies

Company	Price	Change%
Al Rajhi	63.10	-2.6
Saudi Aramco	33.45	-0.4
NCB	45.30	-1.0
SABIC	83.50	-0.6
STC	86.20	-0.9



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.8% and 0.4%, respectively. Bahrain and Egypt rose 0.2% each, while Kuwait and Oman declined 0.5% and 0.1%, respectively. Meanwhile, Qatar remained closed.
- Job openings in the US decreased to 6.4mn in December (consensus: 6.8mn) compared to 6.8mn in November. (Source: Econoday)
- UK GDP expanded 0.3% M/M in December (consensus: 0.2%) compared with a fall of 0.3% in November. (Source: Econoday)
- UK industrial production rose 0.1% M/M in December (consensus: 0.3%) compared with a decline of 1.1% in November. On Y/Y basis, it declined 1.8% in December (consensus: -0.8%) against a fall of 2.5% in November. Manufacturing output rose 0.3% M/M in December (consensus: 0.5%) against decrease of 1.6% in November. On Y/Y basis, it fell 2.5% (consensus: -1.0%) compared to a decline of 3.3% earlier. (Source: Econoday)
- Oil prices rose 1.4%, as there was decrease in number of new cases of coronavirus.
- Gold prices fell 0.3%, as Federal Reserve Chairman Jerome Powell said that the US has been robust against the coronavirus crisis.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	98.7	-0.1	1.4	2.4
Euro	1.09	0.0	-1.6	-2.6
Japanese Yen	109.8	0.0	1.3	1.1
Sterling Pound	1.30	0.3	-1.9	-2.3
Chinese Yuan	6.97	-0.2	0.4	0.0
Indian Rupee	71.3	0.0	-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	0.0	0.3	0.5
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.67	-0.1	-0.5	-2.1

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)	2,742	-0.8	-1.7	-0.8	6.8
Abu Dhabi (ADX)	5,073	-0.4	-1.6	0.0	12.9
Kuwait (KSE)	4,836	-0.5	-1.8	-1.5	11.2
Qatar (QE)	10,097	0.0	-3.3	-3.1	14.1
Oman (MSM)	4,106	-0.1	0.6	3.1	8.5
Bahrain (BSE)	1,663	0.2	0.3	3.3	11.5
Egypt (EGX30)	14,009	0.2	0.7	0.3	10.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	29,276	0.0	3.6	2.6	20.5
Nasdaq	9,518	0.0	5.9	9.0	29.1
S&P 500	3,358	0.2	4.1	3.9	23.6
FTSE 100	7,499	0.7	2.9	-0.6	16.4
Germany DAX 30	13,628	1.0	5.0	2.9	18.1
France CAC 40	6,055	0.6	4.3	1.3	19.5
Japan Nikkei 225	23,686	0.0	0.1	0.1	18.6
Hong Kong Hang Seng	27,584	1.3	4.8	-2.1	11.1
China Shanghai Composite	2,902	0.4	-2.5	-4.9	11.5
Australia ASX 200	7,055	0.6	0.5	5.6	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)	57.0	0.1	-17.2	-17.2
Brent Crude (\$/bbl)	54.0	1.4	-7.1	-18.2
Texas crude (\$/bbl)	50.0	0.8	-3.1	-18.2
Natural Gas (\$/mmbtu)	1.79	1.2	-2.9	-18.3
Gold (\$/oz)	1,567	-0.3	-1.4	3.3
Silver (\$/oz)	17.6	-0.7	-2.2	-1.1
Steel (\$/ton)	577	-0.2	-1.9	-1.9
Iron Ore (CNY/MT)	681	0.0	-2.0	-2.0
Wheat (\$/bu)	542	-1.8	-2.1	-3.0
Corn (\$/bu)	380	-0.5	-0.4	-2.1
Sugar (\$/lb)	15.4	2.5	5.5	14.8
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	1.713	0.0	-3.8	-19.5
Saudi Arabia(SAIBOR)	2.147	-0.6	-3.1	-8.4
UAE (EIBOR)	1.965	4.6	-10.7	-24.4
Qatar (QIBOR)	2.337	0.0	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 11 2020



RESEARCH DIVISION

AGM-Head of Research
Talha Nazar
+966 11 2256250
t.nazar@aljaziracapital.com.sa

Senior Analyst
Jassim Al-Jubran
+966 11 2256248
j.aljabran@aljaziracapital.com.sa

Analyst
Abdulrahman Al-Mashal
+966 11 2256374
A.Almashal@Aljaziracapital.com.sa

BROKERAGE AND INVESTMENT CENTERS DIVISION

General Manager – Brokerage Services & sales
Alaa Al-Yousef
+966 11 2256060
a.yousef@aljaziracapital.com.sa

AGM-Head of international and institutional brokerage
Luay Jawad Al-Motawa
+966 11 2256277
lalmutawa@aljaziracapital.com.sa

AGM-Head of Qassim & Eastern Province
Abdullah Al-Rahit
+966 16 3617547
aalrahit@aljaziracapital.com.sa

AGM-Head of Central & Western Region Investment Centers
Sultan Ibrahim AL-Mutawa
+966 11 2256364
s.almutawa@aljaziracapital.com.sa

RESEARCH DIVISION

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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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Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068