



## Major Economic News

- Saudi Arabia's inflation stood at 0.4% M/M in January, according to recent data by the General Authority for Statistics. Restaurants and hotels, and miscellaneous goods and services saw the biggest increase of 3.2% and 3.1%, respectively, followed by Food & beverages. (Source: Argaam)
- The total margin trading facilities granted by brokerage firms to clients on Tadawul increased 17% Y/Y to SAR 11.2bn in Q4-19, the highest since 2016. The number of clients receiving facilities rose 21% to 2,601. (Source: Argaam)
- Jeddah's real estate market remained subdued across all sectors in Q4-19, as per JLL's Saudi Arabian real estate market 2019 review. Sale prices of apartments and villas in Jeddah fell 7% and 8% Y/Y in Q4-19, respectively. Average rents of apartments and villas also dropped 6% and 5% Y/Y, respectively. (Source: Argaam)

## Major Corporate News

- New York-listed CTS Corporation filed on February 18, an opposition proceeding with the Saudi Authority for Intellectual Property in Saudi Arabia to protect its valuable name and logo from trademark infringement by Saudi Telecom Co. Meanwhile, STC confirmed that it is the official owner of group's new logo and it will take the necessary legal procedures to protect the group and shareholders' rights. (Source: Argaam)
- SABIC will suspend production of ULTEM™ polymers in Spain's Cartagena plant this year, as part of its global operation optimization strategy. The non-cash financial impact was initially estimated at almost SAR 700mn and is expected to show in Q1-20. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.2% to 7,858.9. The value traded stood at SAR 2.5bn (up 3.0% over previous day), while the advance-decline ratio stood at 68/118. The parallel market index decreased 0.4% to 7,715.0 points. The value traded stood at SAR 24.8mn (down 38.2% over previous day). Most sectors in the main market ended in the red. Commercial Service and Consumer Services (up 1.5% and 1.3%, respectively) advanced the most; Media and Pharma & Bio Tech (down 1.9% and 1.1%, respectively) led the laggards.

## Earnings update (Net Profit) (SAR mn)

Company	Q4-19	Q4-18	Y/Y %	Q3-19	Q/Q %
Al Moammar Information Systems Co.	36.8	36.3	1.5	14.4	156.0

\* indicates Q3-19 as year ending is March

## Top Gainers

Company	Price	Change%
NAMA CHEMICALS	26.80	6.6
SHARQIYAH DEV	81.90	6.5
ALJOUF	26.25	3.8
DUR	29.00	3.6
ZAIN KSA	10.74	3.5

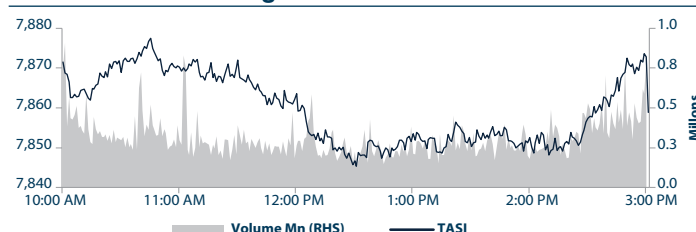
## Top Losers

Company	Price	Change%
TAPRCO	36.10	-5.5
ETIHAD ETISALAT	24.42	-3.3
SALAMA	13.20	-2.9
MEDGULF	20.10	-2.4
MALATH INSURANCE	10.50	-1.9

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	7,859	7,878	7,845	(0.2)	(6.3)	21.6
NomuC	7,715	7,826	7,507	(0.4)	7.5	37.7

## TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,035	0.3	(7.5)	17.3
Materials	4,715	(0.4)	(8.7)	41.0
Capital Goods	4,385	(0.7)	1.2	-11.7
Commercial Service	4,491	1.5	(5.9)	18.1
Transportation	4,606	0.2	4.8	22.0
Consumer Durables	3,617	0.0	3.1	-381.9
Consumer Services	4,173	1.3	5.4	38.9
Media	9,080	(1.9)	(3.4)	34.6
Retailing	7,582	(0.3)	(1.5)	32.3
Food & Staples	7,210	1.1	9.0	222.5
Food & Beverages	4,326	0.4	(0.6)	47.3
Healthcare	3,746	(0.5)	0.4	25.5
Pharma & Bio Tech	3,668	(1.1)	2.0	-22.5
Banks	7,577	(0.3)	(6.5)	13.4
Diversified Financials	3,468	0.3	5.0	630.5
Insurance	4,585	0.4	1.6	-294.5
Telecom	5,705	(0.5)	(11.9)	19.2
Utilities	3,834	(0.9)	(12.9)	42.3
REITs	4,206	0.0	0.2	20.9
Real Estate	3,023	(0.3)	(3.5)	73.9
Software & Services	5,289	0.2	7.2	NA

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,872	7,933	8,083	3.46

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	7.5	317.5	391.2
Previous week	18.3	746.1	818.1

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	64.00	0.0
Saudi Aramco	33.20	0.3
NCB	45.90	-0.3
SABIC	80.80	-0.2
STC	87.00	0.2



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.5% and 0.4%, respectively. Egypt rose 0.5%, while Oman and Bahrain gained 0.1% each. Qatar declined 0.4%. Meanwhile, Kuwait remained flat.
- Moody's Investors Service cut its 2020 growth projection for India from 6.6% earlier to 5.4%. The agency expects a lower recovery in Indian economy, considering that global growth will likely take a hit from the virus outbreak in China. (Source: Livemint)
- China is considering an unprecedented move to postpone its annual parliament session, which is to be held in early March, as the country faces the coronavirus outbreak that has claimed over 1,700 lives. (Source: News18)
- China will accept applications for new tariff exemptions for 696 products imported from the US including key agricultural and energy products such as pork, beef, soybeans, liquefied natural gas and crude oil. (Source: Reuters)
- Oil prices rose 0.6% as concerns over adverse economic impact from coronavirus outbreak was offset by hopes of potential output cut balancing the supply.
- Gold prices fell 0.2% as investors abandoned safe havens to take up risk amid China's economic stimulus through interest rate cut.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	99.4	0.4	2.1	3.2
Euro	1.08	-0.4	-2.7	-3.7
Japanese Yen	109.9	0.0	1.4	1.2
Sterling Pound	1.30	-0.1	-1.5	-2.0
Chinese Yuan	6.99	0.2	0.8	0.5
Indian Rupee	71.6	0.4	0.0	0.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	-0.6	0.0
Kuwaiti Dinar	0.31	0.1	0.5	0.7
Omani Rial	0.38	0.1	0.1	0.1
Bahraini Dinar	0.38	0.1	0.1	0.1
Egyptian Pound	15.56	-0.2	-1.2	-2.8

## Corporate Calendar

Date	Company	Event
19 <sup>th</sup> Feb	TADCO	EGM
19 <sup>th</sup> Feb	Tihama	EGM
20 <sup>th</sup> Feb	Wataniya	OGM
24 <sup>th</sup> Feb	Wafa Insurance	OGM
25 <sup>th</sup> Feb	Jouf Cement	EGM
25 <sup>th</sup> Feb	HB	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,749	0.0	-1.5	-0.6	7.0
Abu Dhabi (ADX)	5,056	-0.5	-1.9	-0.4	12.8
Kuwait (KSE)	4,830	-0.1	-1.9	-1.7	11.0
Qatar (QE)	9,776	0.7	-6.4	-6.2	13.8
Oman (MSM)	4,149	-0.4	1.7	4.2	8.6
Bahrain (BSE)	1,660	-0.2	0.1	3.1	12.6
Egypt (EGX30)	13,637	-1.2	-2.0	-2.3	9.9

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	29,232	-0.6	3.5	2.4	20.5
Nasdaq	9,630	0.1	7.1	10.3	29.5
S&P 500	3,370	-0.3	4.5	4.3	23.8
FTSE 100	7,382	-0.7	1.3	-2.1	16.8
Germany DAX 30	13,681	-0.7	5.4	3.3	18.2
France CAC 40	6,057	-0.5	4.3	1.3	23.2
Japan Nikkei 225	23,194	-1.4	-2.0	-2.0	19.3
Hong Kong Hang Seng	27,530	-1.5	4.6	-2.3	11.6
China Shanghai Composite	2,985	0.0	0.3	-2.1	11.8
Australia ASX 200	7,114	-0.2	1.4	6.4	18.3
India Sensex	40,894	-0.4	0.4	-0.9	22.4

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	60.3	1.2	-12.4	-12.4
Brent Crude (\$/bbl)	57.8	0.1	-0.7	-12.5
Texas crude (\$/bbl)	52.1	0.1	1.0	-14.8
Natural Gas (\$/mmbtu)	1.98	7.8	7.6	-9.5
Gold (\$/oz)	1,602	1.3	0.7	5.6
Silver (\$/oz)	18.2	2.2	0.7	1.9
Steel (\$/ton)	580	0.7	-1.4	-1.4
Iron Ore (CNY/MT)	676	1.4	-2.7	-2.7
Wheat (\$/bu)	567	4.4	2.3	1.4
Corn (\$/bu)	383	1.4	0.5	-1.2
Sugar (\$/lb)	15.3	1.5	4.6	13.9
SMP* (EUR/MT)	2,540	-1.9	-1.2	-1.2

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.693	0.0	-5.8	-21.6
Saudi Arabia(SAIBOR)	2.140	-0.1	-3.9	-9.1
UAE (EIBOR)	2.027	13.6	-4.5	-18.1
Qatar (QIBOR)	2.245	-4.0	-5.6	-0.5
Bahrain (BHIBOR)	2.583	0.0	-8.3	-8.3

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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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