



Major Economic News

- Saudi Arabia's oil exports were steady M/M at 7.4 mbd in December, according to the Joint Organizations Data Initiative. On Y/Y basis, oil exports declined 4% to 7.7 mbd. The Kingdom's crude output dropped 3% M/M to 9.6 mbd. Crude local consumption fell 12% M/M to 2.2 mbd in December. (Source: Argaam)
- The combined earnings of Saudi brokerage firms increased 25% Y/Y to SAR 780.9mn in Q4-19 compared to SAR 622.5mn a year earlier. Revenue jumped 21% Y/Y to SAR 2bn. Trading revenue grew by 3% Y/Y to SAR 319.8mn in Q4-19, and revenue from asset management also climbed 26% Y/Y to SAR 798.6mn in the same period. (Source: Argaam)

Major Corporate News

- Saudi Cable Co. expects to accelerate production capacity at its facilities from Q2-21. As part of its plan for FY20, the company is focusing on three pillars which include restructuring of working capital, increasing operational capacities to help access projects in GCC, and sell unwanted assets to pay off outstanding bank loans. (Source: Argaam)
- Saudi Water Partnership Company announced that a consortium comprising French multinational utility group Engie and Mowah Company is the preferred bidder to build the Yanbu-4 (potable water capacity of up to 450,000 cu. m. per day on completion) independent water project. (Source: Argaam)
- Dar Al Arkan Real Estate Development Co. is expected to issue USD300mn (SAR 1.13bn) sukuk. The purpose of the issuance is to obtain long-term financing, and the proceeds will be used to finance current and future projects. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.5% to 7,872.6. The value traded stood at SAR 2.4bn (down 7.7% over previous day), while the advance-decline ratio stood at 136/48. The parallel market index decreased 4.7% to 7,748.7 points. The value traded stood at SAR 40.1mn (up 153.2% over previous day). Most sectors in the main market ended in the green. Pharma & Bio Tech and Energy (up 1.1% and 1.0%, respectively) advanced the most; Utilities and Diversified Financials (down 1.0% and 0.3%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-19	Q4-18	Y/Y %	Q3-19	Q/Q %
Etihad Etisalat Co.	-125.0	80.0	NM	51.1	NM
Saudi Airlines Catering	101.3	76.2	32.9	142.0	-28.7

* indicates Q3-19 as year ending is March

Top Gainers

Company	Price	Change%
ALANDALUS	16.60	7.0
SHARQIYAH DEV	76.90	6.1
SALAMA	13.60	4.8
SVCP	61.00	4.1
SRECO	14.56	3.7

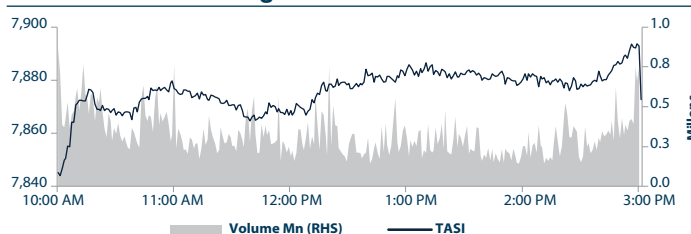
Top Losers

Company	Price	Change%
SABB TAKAFUL	19.70	-3.4
SAIC	15.34	-2.2
BAAZEEM	41.70	-1.9
DAR ALARKAN	9.53	-1.7
SAUDI GERMAN HOSPTL	30.00	-1.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	7,873	7,896	7,844	0.5	(6.2)
NomuC	7,749	8,637	7,722	(4.7)	7.9

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,017	1.0	(7.8)	17.2
Materials	4,733	0.3	(8.4)	41.2
Capital Goods	4,415	0.7	1.9	-11.8
Commercial Service	4,424	0.9	(7.3)	17.8
Transportation	4,597	0.3	4.6	22.0
Consumer Durables	3,617	0.9	3.2	-382.0
Consumer Services	4,119	0.9	4.1	38.4
Media	9,254	(0.2)	(1.6)	35.2
Retailing	7,604	0.2	(1.2)	32.4
Food & Staples	7,130	0.6	7.8	220.0
Food & Beverages	4,308	0.0	(1.0)	47.1
Healthcare	3,763	0.3	0.9	25.6
Pharma & Bio Tech	3,707	1.1	3.1	-22.7
Banks	7,597	0.5	(6.3)	13.4
Diversified Financials	3,456	(0.3)	4.7	628.4
Insurance	4,568	0.5	1.2	-293.4
Telecom	5,731	0.3	(11.5)	19.3
Utilities	3,867	(1.0)	(12.1)	42.6
REITs	4,207	0.1	0.2	20.9
Real Estate	3,033	0.7	(3.2)	74.2
Software & Services	5,278	0.4	7.0	NA

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
7,879	7,961	8,112	3.55

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.0	220.6	261.5
Previous week	18.3	746.1	818.1

Top Weighted Companies

Company	Price	Change%
Al Rajhi	64.00	0.3
Saudi Aramco	33.10	0.9
NCB	46.05	-0.3
SABIC	81.00	0.1
STC	86.80	-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	99.0	-0.1	1.7	2.7
Euro	1.08	0.0	-2.3	-3.4
Japanese Yen	109.9	0.1	1.4	1.2
Sterling Pound	1.30	-0.3	-1.5	-1.9
Chinese Yuan	6.98	-0.1	0.6	0.3
Indian Rupee	71.3	-0.3	-0.3	0.0
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	0.4	0.7
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.1	0.0	0.0
Egyptian Pound	15.59	-0.4	-1.0	-2.6

Corporate Calendar

Date	Company	Event
18 th Feb	GACO	OGM
18 th Feb	QACCO	Cash Dividend Distribution
19 th Feb	TADCO	EGM
19 th Feb	Tihama	EGM
20 th Feb	Wataniya	OGM
24 th Feb	Wafa Insurance	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,749	0.5	-1.5	-0.6	7.0
Abu Dhabi (ADX)	5,082	0.4	-1.4	0.1	12.8
Kuwait (KSE)	4,835	0.0	-1.8	-1.5	11.0
Qatar (QE)	9,709	-0.4	-7.0	-6.9	13.8
Oman (MSM)	4,165	0.1	2.1	4.6	8.6
Bahrain (BSE)	1,663	0.1	0.3	3.3	11.5
Egypt (EGX30)	13,800	0.5	-0.9	-1.2	10.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	29,398	0.0	4.0	3.0	20.5
Nasdaq	9,624	0.0	7.0	10.2	29.5
S&P 500	3,380	0.0	4.8	4.6	23.8
FTSE 100	7,433	0.3	2.0	-1.4	16.1
Germany DAX 30	13,784	0.3	6.2	4.0	18.3
France CAC 40	6,086	0.3	4.8	1.8	5.8
Japan Nikkei 225	23,523	-0.7	-0.6	-0.6	19.5
Hong Kong Hang Seng	27,960	0.5	6.3	-0.8	11.2
China Shanghai Composite	2,984	2.3	0.2	-2.2	11.8
Australia ASX 200	7,125	-0.1	1.5	6.6	18.2
India Sensex	41,056	-0.5	0.8	-0.5	22.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	59.6	0.5	-13.5	-13.5
Brent Crude (\$/bbl)	57.7	0.6	-0.8	-12.6
Texas crude (\$/bbl)	52.0	0.0	0.9	-14.9
Natural Gas (\$/mmbtu)	1.84	0.0	-0.2	-16.1
Gold (\$/oz)	1,581	-0.2	-0.6	4.2
Silver (\$/oz)	17.8	0.2	-1.5	-0.4
Steel (\$/ton)	576	0.0	-2.0	-2.0
Iron Ore (CNY/MT)	667	-2.8	-4.1	-4.1
Wheat (\$/bu)	543	0.0	-2.0	-2.9
Corn (\$/bu)	378	0.0	-0.9	-2.6
Sugar (\$/lb)	15.1	0.0	3.1	12.2
SMP* (EUR/MT)	2,590	0.0	0.8	0.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.692	0.0	-5.9	-21.7
Saudi Arabia(SAIBOR)	2.141	-0.3	-3.7	-9.0
UAE (EIBOR)	1.891	1.0	-18.1	-31.8
Qatar (QIBOR)	2.286	-5.7	-1.6	3.5
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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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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