



Major Economic News

- CITC launched open access agreements between the KSA's six telecom operators, to provide fiber-to-the-home broadband services through any subscriber-selected service provider, independent of infrastructure ownership. The agreements were signed between STC, Mobily, Zain KSA, GO, Integrated Telecom Co., and Dawiyat Telecom. (Source: Argaam)
- KSA is working on new regulations to raise capital requirements for the insurance sector, as per Ahmed Alkholifey, the Governor of SAMA. He added that the new rules would attract foreign investors to the insurance sector. (Source: Argaam)
- Shura Council asked the General Authority of Zakat and Tax to suspend tax fines imposed on property sellers, including those who are registered in the VAT system, until the automated system for collecting taxes is applied. (Source: Argaam)
- SAMA issued additional licensing guidelines and criteria for digital-only banks operating in Saudi Arabia to keep up with the developments in the financial and information technology sectors including the minimum requirements to be met for obtaining a license to establish a digital-only bank in KSA. (Source: Argaam)

Major Corporate News

- Saudi Aramco signed an agreement with Baker Hughes to set up a 50:50 non-metallic joint venture with total investments of USD 110mn (SAR 412.5mn). The new facility will be located at the King Salman Energy Park and will serve the MENA region. (Source: Argaam)
- Saudi Aramco signed 66 MoUs and strategic and commercial collaborations valued at more than USD21bn (SAR 78.8bn) with international entities from 11 countries, on the sidelines of the 5th In-Kingdom Total Value Add Forum & Exhibition. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 3.0% to 7,747.1. The value traded stood at SAR 4.5bn (down 49.2% over previous day), while the advance-decline ratio stood at 8/186. The parallel market index decreased 0.4% to 7,781.9 points. The value traded stood at SAR 14.1mn (down 48.0% over previous day). All sectors in the main market ended in the red. Consumer Durables and Diversified Financials (down 4.5% and 4.2%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

| Company | Q4-19 (SAR bn) | Q4-18 (SAR bn) | Y/Y % | Q3-19 (SAR bn) | Q/Q % |
|--------------------------------------|-------------------|-------------------|--------|-------------------|--------|
| Najran Cement Company | 35.92 | (17.87) | - | 14.13 | 154.1% |
| Arabian Shield Cooperative Insurance | 12.63 | 9.89 | 27.7 % | 3.35 | 276.5% |

**NA: Not Meaningful

Top Gainers

| Company | Price | Change% |
|------------------|-------|---------|
| NCLE | 35.95 | 9.9 |
| ATAA | 40.05 | 1.9 |
| FARM SUPERSTORES | 18.68 | 1.9 |
| ANB | 24.40 | 0.8 |
| MUSHARAKA REIT | 9.24 | 0.3 |

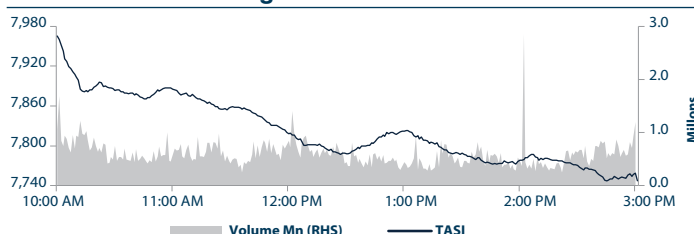
Top Losers

| Company | Price | Change% |
|--------------|-------|---------|
| BURUJ | 18.10 | -8.1 |
| SPM | 23.28 | -7.4 |
| TECO | 24.08 | -7.2 |
| SPPC | 13.04 | -7.0 |
| SABB TAKAFUL | 18.30 | -6.4 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % | PE (TTM) |
|-------|---------|-------|-------|---------------|-------|----------|
| TASI | 7,747 | 7,966 | 7,746 | (3.0) | (7.7) | 19.1 |
| NomuC | 7,782 | 7,809 | 7,569 | (0.4) | 8.4 | High |

TASI movement during session



| Index | Close | Daily Change% | YTD % | PE (TTM) |
|------------------------|-------|---------------|--------|----------|
| Energy | 5,055 | (2.1) | (7.1) | 18.6 |
| Materials | 4,670 | (3.4) | (9.6) | 29.9 |
| Capital Goods | 4,351 | (3.0) | 0.4 | Neg |
| Commercial Service | 4,493 | (2.8) | (5.8) | 18.5 |
| Transportation | 4,540 | (2.7) | 3.3 | 20.7 |
| Consumer Durables | 3,528 | (4.5) | 0.6 | Neg |
| Consumer Services | 4,137 | (3.5) | 4.5 | 32.4 |
| Media | 8,859 | (3.7) | (5.8) | 34.2 |
| Retailing | 7,649 | (1.1) | (0.6) | 26.2 |
| Food & Staples | 6,994 | (2.3) | 5.7 | 30.5 |
| Food & Beverages | 4,264 | (2.4) | (2.1) | 46.3 |
| Healthcare | 3,842 | (2.9) | 3.0 | 27.1 |
| Pharma & Bio Tech | 3,694 | (1.2) | 2.8 | Neg |
| Banks | 7,393 | (3.0) | (8.8) | 13.4 |
| Diversified Financials | 3,420 | (4.2) | 3.6 | High |
| Insurance | 4,487 | (2.8) | (0.6) | High |
| Telecom | 5,536 | (3.4) | (14.5) | 15.5 |
| Utilities | 3,648 | (3.8) | (17.1) | Neg |
| REITs | 4,212 | (0.8) | 0.3 | 22.6 |
| Real Estate | 3,045 | (3.7) | (2.8) | High |
| Software & Services | 5,967 | (2.7) | 20.9 | 16.7 |

**Neg: Negative

Average Index Value

| Average 5 days | Average 10 days | Average 20 days | Average value traded for the month (bn) |
|----------------|-----------------|-----------------|---|
| 7,913 | 7,896 | 8,002 | 3.48 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|--------------------------|------------------------|-------------------------|
| Current Week | 7.5 | 303.8 | 343.5 |
| Previous week | 14.2 | 577.1 | 698.2 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|-------|---------|
| Al Rajhi | 62.90 | -3.7 |
| Saudi Aramco | 33.40 | -1.9 |
| NCB | 45.15 | -2.1 |
| SABIC | 81.10 | -4.0 |
| STC | 84.10 | -3.3 |



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.8% and 2.2%, respectively. Egypt, Oman and Bahrain declined 1.8%, 1.0% and 0.5%, respectively. Meanwhile, Kuwait and Qatar fell 1.3% each.
- US Stocks fell sharply, as the number of coronavirus cases outside China surged, increasing fears of a prolonged global economic slowdown from the virus spreading. The Dow Jones Industrial Average, S&P 500 and Nasdaq Composite fell more than 3% each. Especially, South Korea and Italy have reported a rise in the number of confirmed cases of coronavirus in recent days (Source: CNBC)
- Producer prices in Japan were up 2.3% Y/Y (consensus: 2.1% Y/Y) in January compared to 2.1% in December. On a monthly basis, producer prices fell 0.3% following the flat reading in December. (Source: RTT News)
- Oil prices plunged 3.8% due to fears of greater economic impact of coronavirus, as the number of cases of the virus infection outside China rose sharply.
- Gold prices rose 1.0%, as the demand for the safe haven metal increased amid concerns over rapidly spreading coronavirus outside China.

Forex / Currency

| Currency | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index | 99.4 | 0.1 | 2.0 | 3.1 |
| Euro | 1.09 | 0.1 | -2.2 | -3.2 |
| Japanese Yen | 110.7 | -0.8 | 2.1 | 1.9 |
| Sterling Pound | 1.29 | -0.3 | -2.1 | -2.5 |
| Chinese Yuan | 7.03 | 0.0 | 1.3 | 1.0 |
| Indian Rupee | 71.9 | 0.1 | 0.5 | 0.8 |
| 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 | 0.8 | 1.1 |
| Omani Rial | 0.38 | 0.0 | 0.1 | 0.1 |
| Bahraini Dinar | 0.38 | 0.1 | 0.1 | 0.1 |
| Egyptian Pound | 15.51 | 0.0 | -1.5 | -3.1 |

Corporate Calendar

| Date | Company | Event |
|----------------------|----------------|-------|
| 25 th Feb | HB | OGM |
| 25 th Feb | Jouf Cement | EGM |
| 27 th Feb | AICC | OGM |
| 27 th Feb | Atheeb Telecom | EGM |
| 04 th Mar | QACCO | OGM |
| 05 th Mar | SFICO | EGM |

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 2,696 | -0.8 | -3.4 | -2.5 | 6.9 |
| Abu Dhabi (ADX) | 4,931 | -2.2 | -4.4 | -2.9 | 12.5 |
| Kuwait (KSE) | 4,769 | -1.3 | -3.1 | -2.9 | 10.8 |
| Qatar (QE) | 9,770 | -1.3 | -6.4 | -6.3 | 13.8 |
| Oman (MSM) | 4,156 | -1.0 | 1.9 | 4.4 | 8.8 |
| Bahrain (BSE) | 1,660 | -0.5 | 0.2 | 3.1 | 12.4 |
| Egypt (EGX30) | 13,442 | -1.8 | -3.4 | -3.7 | 9.8 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones | 27,961 | -3.6 | -1.0 | -2.0 | 20.3 |
| Nasdaq | 9,080 | -3.9 | 1.0 | 4.0 | 28.9 |
| S&P 500 | 3,226 | -3.4 | 0.0 | -0.2 | 23.5 |
| FTSE 100 | 7,157 | -3.3 | -1.8 | -5.1 | 16.4 |
| Germany DAX 30 | 13,035 | -4.0 | 0.4 | -1.6 | 17.5 |
| France CAC 40 | 5,792 | -3.9 | -0.2 | -3.1 | 21.5 |
| Japan Nikkei 225 | 23,387 | 0.0 | -1.1 | -1.1 | 19.4 |
| Hong Kong Hang Seng | 26,821 | -1.8 | 1.9 | -4.9 | 11.4 |
| China Shanghai Composite | 3,031 | -0.3 | 1.8 | -0.6 | 11.9 |
| Australia ASX 200 | 6,978 | -2.3 | -0.6 | 4.4 | 18.3 |
| India Sensex | 40,363 | -2.0 | -0.9 | -2.2 | 22.1 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|-------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 58.8 | -3.2 | -14.5 | -14.5 |
| Brent Crude (\$/bbl) | 56.3 | -3.8 | -3.2 | -14.7 |
| Texas crude (\$/bbl) | 51.4 | -3.7 | -0.4 | -16.0 |
| Natural Gas (\$/mmbtu) | 1.83 | -4.1 | -0.8 | -16.5 |
| Gold (\$/oz) | 1,660 | 1.0 | 4.4 | 9.5 |
| Silver (\$/oz) | 18.6 | 0.9 | 3.3 | 4.4 |
| Steel (\$/ton) | 581 | 0.0 | -1.2 | -1.2 |
| Iron Ore (CNY/MT) | 712 | 1.4 | 2.4 | 2.4 |
| Wheat (\$/bu) | 536 | -2.7 | -3.2 | -4.0 |
| Corn (\$/bu) | 372 | -1.3 | -2.4 | -4.0 |
| Sugar (\$/lb) | 15.3 | -2.1 | 4.5 | 13.8 |
| SMP* (EUR/MT) | 2,540 | 1.2 | -1.2 | -1.2 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|----------------------|-------|-------------------|-----------|-----------|
| USD LIBOR | 1.679 | -0.4 | -7.2 | -22.9 |
| Saudi Arabia(SAIBOR) | 2.123 | -0.4 | -5.6 | -10.9 |
| UAE (EIBOR) | 1.850 | -3.7 | -22.2 | -35.9 |
| Qatar (QIBOR) | 2.278 | -0.7 | -2.3 | 2.8 |
| Bahrain (BHIBOR) | 2.567 | 0.0 | -10.0 | -10.0 |

Data Sources: Tadawul, Bloomberg, Reuters

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

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- 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.
- 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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