



Major Economic News

- The volume of commodity exports is expected to rise by 16% in H2-20 to reach SAR 100bn, compared to H1-20, according to Secretary General of Saudi Exports Development Authority, Saleh Al Solami. (Source: Argaam)

Major Corporate News

- Dr. Sulaiman Al Habib Medical Group's board of directors approved the construction of a new maternity and pediatric hospital in Riyadh as a branch of Gharb Al-Takhassusi Hospital, at an estimated cost of SAR 472mn. Construction work is likely to start in Q3-20, subject to approval from relevant authorities and expected date of completion is Q4-23. (Source: Argaam)
- Arriyadh Development Co. recommended to repurchase a maximum of 10mn of its shares, with a value not exceeding SAR 150mn, to be retained as treasury shares. The purpose of the share buyback is to maintain the price stability of the stock, as the board of directors believes that the current market price is less than the fair value of the stock. (Source: Argaam)
- Saudi Paper Manufacturing Co. is expected to maintain positive performance, due to improved selling prices, reduced costs, promising market conditions and a potential company restructuring, as per CEO, Yousri Al Bashry. He added that the company will likely report strong operating performance in Q3-20. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange remained flat at 7,757.3. The value traded stood at SAR 9.0bn (up 38.6% over previous day), while the advance-decline ratio stood at 63/126. The parallel market index increased 4.4% to 8,549.4 points. The value traded stood at SAR 28.3mn (down 13.3% over previous day). Most sectors in the main market ended in the red. Food & Staples and Retailing (up 1.3% and 0.7%, respectively) advanced the most; Healthcare and Commercial Service (down 1.3% each) led the laggards.

Earnings update (Net Profit) (SAR mn)

| Company | Q2-20 | Q2-19 | Y/Y % | Q1-20 | Q/Q % |
|-----------------------|-------|-------|-------|-------|-------|
| Al Yamamah Steel | 0.9 | -2.0 | NM | 32.1 | -97.1 |
| Red Sea International | -27.3 | -27.5 | NM | -25.1 | NM |
| Bawan Co. | 15.5 | 3.0 | 410.9 | 15.2 | 1.7 |
| Arabian Centres Co. | 153.1 | 227.0 | -32.6 | 96.8 | 58.2 |
| Dallah Healthcare Co. | 7.0 | 15.3 | -54.2 | 19.2 | -63.5 |

Source: Tadawul, AJC

Top Gainers

| Company | Price | Change% |
|----------------|-------|---------|
| SFICO | 27.00 | 9.9 |
| SAICO | 13.08 | 9.9 |
| TAPRCO | 26.80 | 9.8 |
| JAZIRA TAKAFUL | 20.48 | 6.3 |
| UCA | 10.62 | 4.7 |

Top Losers

| Company | Price | Change% |
|-----------|-------|---------|
| ALOMRAN | 70.70 | -2.6 |
| ABO MOATI | 22.24 | -2.5 |
| FIPCO | 44.30 | -2.3 |
| CATERING | 80.50 | -2.3 |
| ATAA | 37.30 | -2.1 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % | PE (TTM) |
|-------|---------|-------|-------|---------------|-------|----------|
| TASI | 7,757 | 7,801 | 7,701 | 0.0 | (7.5) | 28.1 |
| NomuC | 8,549 | 8,700 | 8,058 | 4.4 | 19.1 | High |

TASI movement during session



| Index | Close | Daily Change% | YTD % | PE (TTM) |
|------------------------|-------|---------------|--------|----------|
| Energy | 5,111 | 0.2 | (6.1) | 21.8 |
| Materials | 4,829 | (0.4) | (6.5) | High |
| Capital Goods | 4,375 | (0.3) | 1.0 | Neg |
| Commercial Service | 3,985 | (1.3) | (16.5) | 16.7 |
| Transportation | 4,035 | (0.8) | (8.2) | 24.2 |
| Consumer Durables | 3,870 | (0.4) | 10.4 | Neg |
| Consumer Services | 3,669 | (1.1) | (7.3) | 11.7 |
| Media | 7,627 | (0.7) | (18.9) | 26.5 |
| Retailing | 7,662 | 0.7 | (0.5) | 46.9 |
| Food & Staples | 9,689 | 1.3 | 46.4 | 41.1 |
| Food & Beverages | 5,475 | (0.3) | 25.8 | 38.7 |
| Healthcare | 4,672 | (1.3) | 25.3 | 32.2 |
| Pharma & Bio Tech | 4,123 | (0.8) | 14.7 | Neg |
| Banks | 6,908 | 0.2 | (14.8) | 13.0 |
| Diversified Financials | 3,328 | (0.8) | 0.8 | High |
| Insurance | 5,306 | 0.4 | 17.6 | 37.1 |
| Telecom | 6,321 | 0.1 | (2.4) | 19.4 |
| Utilities | 3,467 | (0.4) | (21.2) | High |
| REITs | 3,866 | (0.5) | (7.9) | 24.2 |
| Real Estate | 2,769 | 0.0 | (11.6) | Neg |
| Software & Services | 8,670 | (1.3) | 75.7 | 16.4 |

**Neg: Negative

Average Index Value

| Average 5 days | Average 10 days | Average 20 days | Average value traded for the month (bn) |
|----------------|-----------------|-----------------|---|
| 7,699 | 7,599 | 7,509 | 6.60 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | 15.5 | 720.2 | 657.4 |
| Previous week | 33.1 | 1,618.5 | 1,468.2 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|-------|---------|
| Al Rajhi | 64.10 | 0.5 |
| Saudi Aramco | 33.50 | 0.4 |
| NCB | 37.85 | 0.7 |
| SABIC | 88.60 | -0.7 |
| STC | 96.70 | 0.3 |



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.0% and 0.4%, respectively. Bahrain and Qatar rose 1.5% and 1.0%, respectively; while Kuwait and Egypt gained 0.2% each. Meanwhile, Oman declined 0.3%.
- US NAHB/Wells Fargo Housing Market Index rose to 78 in August (consensus: 72) from 72 in July, matching the record high level. The increase was driven by strong demand for new single-family homes. (Source: Econoday, RTT News)
- UK house prices grew 4.6% Y/Y in August, compared to a 3.7% increase in July. On monthly basis prices fell 0.2% in August. (Source: RTT News)
- Japan's industrial production rose a seasonally adjusted 1.9% M/M in June compared to initial estimate of rise of 2.7% M/M. On a yearly basis, industrial production declined 18.2% in June against initial estimate of fall of 17.7%. The capacity utilization decreased by 0.1% Y/Y. (Source: RTT News)
- Oil prices increased 1.3% driven by reports of better compliance to the cuts by OPEC+ members and overall rally in commodities.
- Gold prices rose 2.1%, as investors turned to the safe-haven metal amid decline in US treasury yields.

Forex / Currency

| Currency | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index | 92.9 | -0.3 | -0.5 | -3.7 |
| Euro | 1.19 | 0.2 | 0.8 | 5.9 |
| Japanese Yen | 106.0 | -0.6 | 0.1 | -2.4 |
| Sterling Pound | 1.31 | 0.1 | 0.1 | -1.2 |
| Chinese Yuan | 6.93 | -0.3 | -0.6 | -0.4 |
| Indian Rupee | 74.7 | -0.2 | -0.2 | 4.8 |
| UAE Dirham | 3.67 | 0.0 | 0.0 | 0.0 |
| Qatari Rial | 3.64 | 0.0 | -0.3 | 0.0 |
| Kuwaiti Dinar | 0.31 | -0.1 | -0.1 | 0.7 |
| Omani Rial | 0.38 | 0.1 | 0.1 | 0.0 |
| Bahraini Dinar | 0.38 | 0.1 | 0.1 | 0.1 |
| Egyptian Pound | 15.89 | 0.1 | -0.2 | -0.7 |

Corporate Calendar

| Date | Company | Event |
|----------------------|--------------|----------------------------|
| 18 TH Aug | ALUJAIN | OGM |
| 19 th Aug | Arab Sea | EGM |
| 19 th Aug | TADCO | EGM |
| 20 th Aug | Taiba | Cash Dividend Distribution |
| 20 th Aug | Budget Saudi | Cash Dividend Distribution |
| 20 th Aug | AICC | OGM |

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 2,206 | 1.0 | 7.6 | -20.2 | 7.9 |
| Abu Dhabi (ADX) | 4,431 | 0.4 | 2.9 | -12.7 | 12.7 |
| Kuwait (KSE) | 4,143 | 0.2 | 1.4 | -15.6 | 12.0 |
| Qatar (QE) | 9,695 | 1.0 | 3.5 | -7.0 | 14.9 |
| Oman (MSM) | 3,551 | -0.3 | -0.5 | -10.8 | 8.5 |
| Bahrain (BSE) | 1,349 | 1.5 | 4.5 | -16.3 | 9.1 |
| Egypt (EGX30) | 11,143 | 0.2 | 5.1 | -20.2 | 8.1 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones | 27,845 | -0.3 | 5.4 | -2.4 | 23.0 |
| Nasdaq | 11,130 | 1.0 | 3.6 | 24.0 | 34.2 |
| S&P 500 | 3,382 | 0.3 | 3.4 | 4.7 | 25.1 |
| FTSE 100 | 6,127 | 0.6 | 3.9 | -18.8 | 18.0 |
| Germany DAX 30 | 12,921 | 0.1 | 4.9 | -2.5 | 23.0 |
| France CAC 40 | 4,972 | 0.2 | 3.9 | -16.8 | 44.0 |
| Japan Nikkei 225 | 23,097 | -0.8 | 6.4 | -2.4 | 23.0 |
| Hong Kong Hang Seng | 25,347 | 0.7 | 3.1 | -10.1 | 10.9 |
| China Shanghai Composite | 3,439 | 2.3 | 3.9 | 12.7 | 14.0 |
| Australia ASX 200 | 6,076 | -0.8 | 2.5 | -9.1 | 17.4 |
| India Sensex | 38,051 | 0.5 | 1.2 | -7.8 | 22.1 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|-------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 44.5 | -0.4 | 4.2 | -35.4 |
| Brent Crude (\$/bbl) | 45.4 | 1.3 | 4.8 | -31.3 |
| Texas crude (\$/bbl) | 42.9 | 2.1 | 6.5 | -29.8 |
| Natural Gas (\$/mmbtu) | 2.34 | -0.7 | 30.0 | 6.9 |
| Gold (\$/oz) | 1,986 | 2.1 | 0.5 | 30.9 |
| Silver (\$/oz) | 27.4 | 3.7 | 12.4 | 53.7 |
| Steel (\$/ton) | 452 | 0.0 | -6.2 | -23.1 |
| Iron Ore (CNY/MT) | 901 | -0.1 | 2.5 | 29.6 |
| Wheat (\$/bu) | 517 | 3.3 | -2.8 | -7.6 |
| Corn (\$/bu) | 331 | 2.0 | 4.7 | -14.6 |
| Sugar (\$/lb) | 13.1 | -0.3 | 3.3 | -2.7 |
| SMP* (EUR/MT) | 2,050 | 0.0 | 1.2 | -20.2 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|----------------------|-------|-------------------|-----------|-----------|
| USD LIBOR | 0.270 | -1.0 | 2.2 | -163.8 |
| Saudi Arabia(SAIBOR) | 0.917 | -0.1 | -1.4 | -131.4 |
| UAE (EIBOR) | 0.480 | 0.2 | -3.6 | -172.9 |
| Qatar (QIBOR) | 0.979 | -4.4 | -16.4 | -127.1 |
| Bahrain (BHIBOR) | 2.283 | 0.0 | -1.7 | -38.3 |

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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