



Major Economic News

- The Saudi insurance sector's aggregate gross written premiums rose by 6% Y/Y to SAR 21.4bn in H1-20. The sector recorded an average retention rate of 82% in H1-20, ranging between 22% and 100%. Saudi insurers reported SAR 11.4bn in net incurred claims in H1-20 versus SAR 12.4bn in H1-19. (Source: Argaam).

Major Corporate News

- Fitaihi Holding Group announced that it completed sale of 4.8% stake in Al-Jouf Agricultural Development Company's capital, achieving exceptional capital gains of SAR 30.0mn. (Source: Argaam)
- Al Kathiri Holding Co. announced the publication of its rights issue prospectus. The company plans to issue 4.5mn rights issue shares at SAR 10 per share to raise its capital to SAR 90.4mn from SAR 45.2mn. (Source: Argaam)
- Nama Chemicals Co. suspends operations at its chlor-alkaline (SODA) plant for a 20-day regular maintenance. The plant is expected to resume operations on October 4, 2020. The temporary suspension is likely to have a limited impact of SAR 1.8mn on the maintenance budget. (Source: Argaam)
- National Company for Learning & Education's shareholders will vote on October 6, 2020, on reallocating the unused IPO proceeds to finance the company's operational activities. The proceeds were designated for the projects of Doha Hills Schools Complex amounting to SAR 39.2mn, and Al-Qassim educational campus amounting to SAR 13.9mn. (Source: Argaam)
- The Capital Market Authority authorized Asyaf Investment Company to conduct management of private non real-estate investment funds and arranging and advising activities in the securities business. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.6% to 8,256.1. The value traded stood at SAR 18.6bn (up 42.2% over previous day), while the advance-decline ratio stood at 92/101. The parallel market index increased 1.1% to 11,848.6 points. The value traded stood at SAR 58.0mn (up 111.8% over previous day). Most sectors in the main market ended in the green. Diversified Financials and Consumer Durables (up 6.0% and 3.5%, respectively) advanced the most; Software & Services and Pharma & Bio Tech (down 2.8% and 1.6%, respectively) led the laggards.

Top Gainers

| Company | Price | Change% |
|---------|-------|---------|
| NASEEJ | 20.34 | 10.0 |
| ALBAHA | 34.30 | 9.9 |
| LAZURDE | 23.46 | 9.9 |
| TECO | 48.30 | 9.9 |
| TADCO | 38.85 | 9.9 |

Top Losers

| Company | Price | Change% |
|------------|-------|---------|
| ALKHALEEJ | 24.98 | -7.0 |
| EIC | 21.00 | -6.8 |
| ARABIAN S. | 21.46 | -4.6 |
| BURUJ | 21.42 | -4.6 |
| ALALAMIYA | 21.00 | -4.1 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % | PE (TTM) |
|-------|---------|--------|--------|---------------|-------|----------|
| TASI | 8,256 | 8,266 | 8,140 | 0.6 | (1.6) | 38.4 |
| NomuC | 11,849 | 11,944 | 11,257 | 1.1 | 65.0 | High |

TASI movement during session



| Index | Close | Daily Change% | YTD % | PE (TTM) |
|------------------------|--------|---------------|--------|----------|
| Energy | 5,497 | 0.3 | 1.0 | 28.9 |
| Materials | 5,079 | 0.2 | (1.7) | Neg |
| Capital Goods | 5,218 | (1.4) | 20.4 | Neg |
| Commercial Service | 4,220 | 0.3 | (11.6) | 31.2 |
| Transportation | 4,506 | 1.1 | 2.5 | High |
| Consumer Durables | 4,815 | 3.5 | 37.3 | Neg |
| Consumer Services | 4,232 | 1.4 | 6.9 | 18.5 |
| Media | 9,669 | (1.5) | 2.8 | 38.0 |
| Retailing | 8,245 | 0.8 | 7.1 | High |
| Food & Staples | 10,264 | (0.3) | 55.1 | 33.8 |
| Food & Beverages | 5,894 | 0.5 | 35.4 | 33.1 |
| Healthcare | 5,193 | 0.5 | 39.2 | 33.9 |
| Pharma & Bio Tech | 4,433 | (1.6) | 23.3 | Neg |
| Banks | 7,158 | 1.4 | (11.7) | 16.5 |
| Diversified Financials | 4,374 | 6.0 | 32.4 | Neg |
| Insurance | 5,562 | (1.0) | 23.2 | 23.6 |
| Telecom | 6,534 | (0.2) | 0.9 | 20.1 |
| Utilities | 3,713 | (0.8) | (15.6) | Neg |
| REITs | 4,043 | (0.0) | (3.7) | Neg |
| Real Estate | 3,316 | 1.0 | 5.8 | Neg |
| Software & Services | 10,370 | (2.8) | 110.2 | 18.3 |

**Neg: Negative

Average Index Value

| Average 5 days | Average 10 days | Average 20 days | Average value traded for the month (bn) |
|----------------|-----------------|-----------------|---|
| 8,076 | 8,026 | 7,951 | 12.63 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | 31.6 | 1,298.4 | 1,124.0 |
| Previous week | 60.4 | 2,415.9 | 2,280.7 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|-------|---------|
| Al Rajhi | 67.90 | 1.2 |
| Saudi Aramco | 36.05 | 0.3 |
| NCB | 38.00 | 2.7 |
| SABIC | 88.10 | 0.2 |
| STC | 99.20 | 0.1 |



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.4% and 0.1%, respectively. Bahrain and Kuwait rose 0.2% and 0.1%, respectively; while Egypt, Oman and Qatar declined 0.5%, 0.2% and 0.1%, respectively.
- China's industrial production grew 5.6% Y/Y in August (consensus: an increase of 5.1%), compared to a rise of 4.8% in July. Retail sales advanced 0.5% Y/Y (consensus: 0.0%) versus decline of 1.1% in July. China's unemployment rate stood at 5.6% (consensus: 5.7%), down from 5.7% in July. (Source: RTT News)
- Industrial production rose 4.1% Y/Y in July for a third straight month (consensus: an increase of 4.0%), versus 9.5% growth in June. The production growth was led by capital goods (+5.3%), durable consumer goods (+4.7%) and output of intermediate goods (+4.2%). (Source: RTT News)
- Oil prices fell 0.6%, dragged down by subdued demand outlook from OPEC.
- Gold prices rose 0.8% due to weaker US dollar ahead of US Federal Reserve meeting later in the week.

Forex / Currency

| Currency | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index | 93.1 | -0.3 | 1.0 | -3.5 |
| Euro | 1.19 | 0.2 | -0.6 | 5.9 |
| Japanese Yen | 105.7 | -0.4 | -0.2 | -2.7 |
| Sterling Pound | 1.28 | 0.4 | -3.9 | -3.1 |
| Chinese Yuan | 6.81 | -0.4 | -0.6 | -2.2 |
| Indian Rupee | 73.4 | -0.1 | 0.2 | 2.8 |
| UAE Dirham | 3.67 | 0.0 | 0.0 | 0.0 |
| Qatari Rial | 3.64 | 0.0 | 0.0 | 0.0 |
| Kuwaiti Dinar | 0.31 | -0.2 | 0.0 | 0.7 |
| Omani Rial | 0.38 | 0.1 | 0.0 | 0.0 |
| Bahraini Dinar | 0.38 | 0.1 | 0.2 | 0.1 |
| Egyptian Pound | 15.72 | 0.1 | -0.6 | -1.8 |

Corporate Calendar

| Date | Company | Event |
|----------------------|----------|----------------------------|
| 15 th Sep | SAIC | Cash Dividend Distribution |
| 16 th Sep | MIS | Cash Dividend Distribution |
| 20 th Sep | SABIC | Cash Dividend Distribution |
| 21 st Sep | ALHOKAIR | OGM |
| 22 nd Sep | Maharah | Cash Dividend Distribution |
| 22 nd Sep | Emaar EC | OGM |

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 2,282 | 0.4 | 1.7 | -17.5 | 8.6 |
| Abu Dhabi (ADX) | 4,515 | 0.1 | -0.1 | -11.0 | 12.9 |
| Kuwait (KSE) | 4,346 | 0.1 | 3.8 | -11.5 | 5.5 |
| Qatar (QE) | 9,873 | -0.1 | 0.3 | -5.3 | 15.2 |
| Oman (MSM) | 3,685 | -0.2 | -2.3 | -7.5 | 8.7 |
| Bahrain (BSE) | 1,402 | 0.2 | 1.5 | -13.0 | 9.1 |
| Egypt (EGX30) | 11,034 | -0.5 | -2.9 | -21.0 | 8.4 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones | 27,993 | 1.2 | -1.5 | -1.9 | 22.6 |
| Nasdaq | 11,057 | 1.9 | -6.1 | 23.2 | 33.6 |
| S&P 500 | 3,384 | 1.3 | -3.3 | 4.7 | 26.8 |
| FTSE 100 | 6,026 | -0.1 | 1.1 | -20.1 | 18.1 |
| Germany DAX 30 | 13,194 | -0.1 | 1.9 | -0.4 | 23.8 |
| France CAC 40 | 5,052 | 0.4 | 2.1 | -15.5 | 46.8 |
| Japan Nikkei 225 | 23,559 | 0.7 | 1.8 | -0.4 | 23.5 |
| Hong Kong Hang Seng | 24,640 | 0.6 | -2.1 | -12.6 | 12.4 |
| China Shanghai Composite | 3,279 | 0.6 | -3.4 | 7.5 | 13.7 |
| Australia ASX 200 | 5,900 | 0.7 | -2.7 | -11.7 | 18.8 |
| India Sensex | 38,757 | -0.3 | 0.3 | -6.1 | 22.9 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|-------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 39.8 | -0.8 | -15.3 | -42.2 |
| Brent Crude (\$/bbl) | 39.6 | -0.6 | -12.5 | -40.0 |
| Texas crude (\$/bbl) | 37.3 | -0.2 | -12.6 | -39.1 |
| Natural Gas (\$/mmbtu) | 2.31 | 1.8 | -12.2 | 5.5 |
| Gold (\$/oz) | 1,957 | 0.8 | -0.6 | 29.0 |
| Silver (\$/oz) | 27.2 | 1.6 | -3.8 | 52.3 |
| Steel (\$/ton) | 540 | 0.4 | 4.2 | -8.2 |
| Iron Ore (CNY/MT) | 943 | 0.2 | 0.7 | 35.6 |
| Wheat (\$/bu) | 549 | 2.8 | 0.8 | -1.8 |
| Corn (\$/bu) | 358 | -2.1 | 2.6 | -7.8 |
| Sugar (\$/lb) | 11.8 | -1.3 | -7.1 | -12.4 |
| SMP* (EUR/MT) | 2,145 | 0.0 | 0.7 | -16.5 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|----------------------|-------|-------------------|-----------|-----------|
| USD LIBOR | 0.250 | 0.1 | 0.9 | -165.8 |
| Saudi Arabia(SAIBOR) | 0.890 | 0.0 | 0.0 | -134.1 |
| UAE (EIBOR) | 0.445 | 2.7 | -8.3 | -176.4 |
| Qatar (QIBOR) | 1.015 | 3.9 | 6.1 | -123.5 |
| Bahrain (BHIBOR) | 2.283 | 0.0 | 0.0 | -38.3 |

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

Analyst

Faisal Alsuwelimy

+966 11 2256115
F.alsuwelimy@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 institutions

Ahmad Salman, CFA

+966 11 2256201
a.salman@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