



Major Economic News

- Saudi Arabia's oil exports rose by 15% M/M to 5.7mn bpd in July 2020. On Y/Y basis, oil exports plunged 17% in July, reaching to 6.9mn bpd. The Kingdom's crude output increased by 13% M/M to 8.5mn bpd. Local crude consumption edged up 10% M/M to 2.8mn bpd in July. (Source: Argaam)
- The National Debt Management Center announced closing the September 2020 issuance under the Saudi Arabian Government SAR-denominated Sukuk Program. The issuance size was set at SAR 1.2bn divided into two tranches, according to the Ministry of Finance. (Source: Argaam)

Major Corporate News

- Saudi Industrial Investment Group and National Petrochemical Co. received approval from their respective board of directors to start initial discussions to study the economic feasibility of merging the two companies. Both the companies said that no agreement has yet been reached on the final structure of the potential deal. (Source: Argaam)
- Saudi Ground Services Co. signed two credit facility agreements worth SAR 1.5bn with Bank Albilad and National Commercial Bank. Both agreements provide SGS a reserve source of liquidity, as the firm will be able to draw down cash upon request at a maximum limit of SAR 750mn with Bank Albilad and SAR 750mn with NCB. (Source: Argaam)
- Mobile Telecommunication Company Saudi Arabia will vote on a 23% capital cut to SAR 4.5bn from SAR 5.8bn in the extraordinary general meeting to be held on October 8. (Source: Argaam)
- Musharaka Capital and Alkhorayef Group signed an agreement to establish a specialized Water Infrastructure Investment Fund. The fund will invest in water infrastructure projects such as independent water plants, independent sewage treatment plants, and independent water transmission projects. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.3% to 8,337.9 on Thursday. The value traded stood at SAR 14.7bn (up 4.9% over previous day), while the advance-decline ratio stood at 106/79. The parallel market index increased 4.8% to 12,720.7 points. The value traded stood at SAR 72.1mn (up 163.8% over previous day). Most sectors in the main market ended in the green. Real Estate and REITs (up 2.4% and 1.7%, respectively) advanced the most; Pharma & Bio Tech and Telecom (down 4.2% and 0.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
WATANIYA	54.00	10.0
SFICO	51.20	8.7
TAPRCO	50.80	7.2
SAUDI CABLE	19.40	6.0
NASEEJ	20.70	5.6

Top Losers

Company	Price	Change%
CHEMICAL	32.20	-4.9
ENAYA	30.35	-4.7
SPIMACO	35.50	-4.2
SABB	25.95	-3.9
CHUBB	29.80	-3.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,338	8,339	8,280	0.3	(0.6)
NomuC	12,721	13,108	11,964	4.8	77.2

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	26.5
P/E (Bloomberg)	30.4
P/E*	38.8
P/E after exclusions*	37.2
P/E ex. loss-making comp.*	17.8
P/E: top 50 MCAP*	27.8

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,584	1.2	2.6	29.4
Materials	5,126	0.2	(0.8)	Neg
Capital Goods	5,035	0.3	16.2	Neg
Commercial Service	4,206	0.1	(11.9)	31.1
Transportation	4,438	0.2	1.0	High
Consumer Durables	4,660	0.4	32.9	Neg
Consumer Services	4,167	(0.1)	5.3	18.2
Media	9,555	1.1	1.6	37.6
Retailing	8,390	1.4	9.0	High
Food & Staples	10,341	0.4	56.3	34.0
Food & Beverages	5,862	1.4	34.7	33.0
Healthcare	5,360	0.3	43.7	34.8
Pharma & Bio Tech	4,683	(4.2)	30.3	Neg
Banks	7,213	(0.3)	(11.0)	16.6
Diversified Financials	4,344	(0.4)	31.5	Neg
Insurance	5,658	0.7	25.4	24.0
Telecom	6,688	(0.9)	3.3	20.6
Utilities	3,709	0.7	(15.7)	Neg
REITs	4,196	1.7	(0.0)	Neg
Real Estate	3,368	2.4	7.5	Neg
Software & Services	9,949	(0.1)	101.7	17.6

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,286	8,181	8,069	13.05

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	75.0	3,025.1	2,594.8

Top Weighted Companies

Company	Price	Change%
Al Rajhi	67.80	-0.7
Saudi Aramco	36.65	1.1
NCB	37.80	-0.7
SABIC	89.90	0.6
STC	102.00	-1.0



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.9% and 0.1%, respectively. Bahrain and Kuwait rose 1.2% and 0.1%, respectively; while Oman and Egypt declined 0.4% and 0.3%, respectively. Meanwhile, Qatar remained flat.
- US housing starts fell 5.1% to an annual rate of 1.416mn in August (consensus: 1.486mn), after surging 17.9% to the revised rate of 1.492mn in July. The bigger than expected decrease was due to a steep drop in multi-family starts. (Source: Econoday, RTT News)
- According to Baker Hughes, North America's rig count increased to 319 in the week ended September 18 from 306 earlier. The rig count rose 255 in the US from 254 earlier, while fell to 14 in the Gulf of Mexico from 15. The rig count in Canada increased to 64 from 52 earlier. (Source: Baker Hughes)
- US initial jobless claims dropped to 860,000 (consensus: 850,000), representing a fall of 33,000 from the previous week's revised level of 893,000. (Source: Econoday)
- Oil prices fell 0.3% on Friday, as Libya plans to lift ban on oil exports.
- Gold prices rose 0.3%, as demand for the yellow metal increase amid decline in equity markets.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.9	0.0	0.8	-3.6
Euro	1.18	-0.1	-0.8	5.6
Japanese Yen	104.6	-0.2	-1.3	-3.7
Sterling Pound	1.29	-0.4	-3.4	-2.6
Chinese Yuan	6.77	0.1	-1.2	-2.8
Indian Rupee	73.5	-0.1	0.4	3.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.68	1.0	1.0	1.0
Kuwaiti Dinar	0.30	-0.2	0.0	0.7
Omani Rial	0.38	-0.1	-0.1	0.0
Bahraini Dinar	0.38	-0.1	0.1	0.0
Egyptian Pound	15.71	0.0	-0.7	-1.8

Corporate Calendar

Date	Company	Event
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
24 th Sep	NORTHERN CEMENT	Cash Dividend Distribution
27 th Sep	SAUDI CABLE	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,321	0.9	3.4	-16.1	8.8
Abu Dhabi (ADX)	4,511	0.1	-0.2	-11.1	12.8
Kuwait (KSE)	4,332	0.1	3.5	-11.8	5.7
Qatar (QE)	9,942	0.0	1.0	-4.6	15.3
Oman (MSM)	3,648	-0.4	-3.3	-8.4	8.6
Bahrain (BSE)	1,435	1.2	3.9	-10.9	9.1
Egypt (EGX30)	11,051	-0.3	-2.8	-20.8	8.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	27,657	-0.9	-2.7	-3.1	22.9
Nasdaq	10,793	-1.1	-8.3	20.3	34.6
S&P 500	3,319	-1.1	-5.2	2.7	27.3
FTSE 100	6,007	-0.7	0.7	-20.4	18.3
Germany DAX 30	13,116	-0.7	1.3	-1.0	23.9
France CAC 40	4,978	-1.2	0.6	-16.7	46.1
Japan Nikkei 225	23,360	0.2	1.0	-1.3	23.4
Hong Kong Hang Seng	24,455	0.5	-2.9	-13.2	12.6
China Shanghai Composite	3,338	2.1	-1.7	9.4	13.7
Australia ASX 200	5,865	-0.3	-3.2	-12.3	18.9
India Sensex	38,846	-0.3	0.6	-5.8	23.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	43.3	4.1	-7.8	-37.2
Brent Crude (\$/bbl)	43.2	-0.3	-4.7	-34.6
Texas crude (\$/bbl)	41.1	0.3	-3.5	-32.8
Natural Gas (\$/mmbtu)	2.05	0.3	-22.1	-6.4
Gold (\$/oz)	1,951	0.3	-0.9	28.6
Silver (\$/oz)	26.8	-1.2	-5.2	50.1
Steel (\$/ton)	549	0.2	6.0	-6.6
Iron Ore (CNY/MT)	916	1.3	-2.1	31.7
Wheat (\$/bu)	575	3.4	5.6	2.9
Corn (\$/bu)	379	0.9	8.6	-2.4
Sugar (\$/lb)	12.8	1.2	0.9	-4.8
SMP* (EUR/MT)	2,158	-0.2	1.3	-16.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.227	-0.6	-1.4	-168.1
Saudi Arabia(SAIBOR)	0.878	-0.6	-1.3	-135.4
UAE (EIBOR)	0.442	2.4	-8.6	-176.7
Qatar (QIBOR)	0.875	-32.5	-7.9	-137.5
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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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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