



Major Economic News

- Saudi Arabia's non-oil exports fell 25% Y/Y, to SAR 42.3bn in Q2-20, recording its lowest quarterly level since Q3-16. Non-oil exports accounted for 36.2% of the Kingdom's total exports during the quarter, amounting to SAR 117.1bn. On quarterly basis, non-oil exports declined by SAR 5.6bn or ~ 12% in Q2-20. (Source: Argaam)

Major Corporate News

- Middle East Healthcare Co. inked a Sharia-compliant credit facility agreement with Al Rajhi Bank, at a total value of SAR 305mn. The credit facility will include SAR 120mn revolving loans, renewed periodically, and SAR 185mn for a period of 6 years, including a two-year grace period. (Source: Argaam)
- Dur Hospitality Co. signed a partnership deal with Awqaf Investment Co., the investment arm of General Authority of Awqaf (Endowment), to set up a special purpose vehicle and develop land plot number 125 in Madinah. Dur will own a 49% stake in the new entity, while the remaining 51% will be held by the General Authority of Awqaf. (Source: Argaam)
- Saudi Pharmaceutical Industries and Medical Appliances Corp (SPIMACO) sold a portion of a fair-value equity investment portfolio at SAR 482mn. The sale proceeds accounted for 10.1% of SPIMACO's total assets valued at SAR 4.8bn, as on June 30, 2020, and will be used to finance ongoing projects and support operations along with future plans. (Source: Argaam)
- Emaar the Economic City rescheduled the Murabaha financing agreement with Alinma Bank revising the terms of facilities amounting SAR 1.7bn. The rescheduling was done to facilitate cash flow position and enhance its ability to meet its commitments. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 8,311.2. The value traded stood at SAR 14.0bn (down 5.0% over previous day), while the advance-decline ratio stood at 70/121. The parallel market index decreased 3.3% to 12,135.8 points. The value traded stood at SAR 27.3mn (down 36.8% over previous day). Most sectors in the main market ended in the red. REITs and Healthcare (up 1.3% and 0.9%, respectively) advanced the most; Consumer Durables and Diversified Financials (down 3.4% and 2.8%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
BURUJ	24.10	10.0
AMANA INSURANCE	22.36	9.9
CHEMICAL	33.85	9.9
ASLAK	34.90	8.1
ALALAMIYA	22.78	7.6

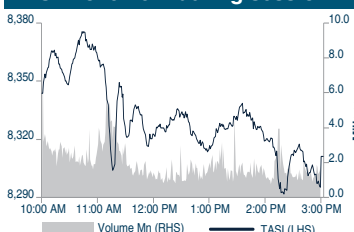
Top Losers

Company	Price	Change%
SFICO	47.10	-8.9
ALBAHA	32.65	-8.3
TAPRCO	47.40	-8.0
ABO M.	31.00	-7.6
LAZURDE	21.00	-7.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,311	8,378	8,290	(0.1)	(0.9)
NomuC	12,136	12,659	12,117	(3.3)	69.0

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	26.2
P/E (Bloomberg)	30.3
P/E*	38.7
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	5,517	0.1	1.4	29.1
Materials	5,116	0.1	(1.0)	Neg
Capital Goods	5,018	(2.6)	15.8	Neg
Commercial Service	4,202	(0.2)	(11.9)	31.1
Transportation	4,430	(1.6)	0.8	High
Consumer Durables	4,643	(3.4)	32.4	Neg
Consumer Services	4,170	(1.2)	5.3	18.2
Media	9,448	(1.5)	0.5	37.2
Retailing	8,275	(0.7)	7.5	High
Food & Staples	10,299	0.0	55.7	33.9
Food & Beverages	5,780	(0.1)	32.8	32.5
Healthcare	5,343	0.9	43.2	34.8
Pharma & Bio Tech	4,888	0.3	36.0	Neg
Banks	7,236	(0.3)	(10.7)	16.6
Diversified Financials	4,360	(2.8)	32.0	Neg
Insurance	5,621	0.7	24.5	23.8
Telecom	6,749	0.6	4.3	20.8
Utilities	3,684	(0.8)	(16.3)	Neg
REITs	4,126	1.3	(1.7)	Neg
Real Estate	3,288	(0.8)	5.0	Neg
Software & Services	10,156	(2.1)	105.9	17.9

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,246	8,152	8,044	12.92

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	60.3	2,505.6	2,170.4
Previous week	60.4	2,415.9	2,280.7

Top Weighted Companies

Company	Price	Change%
Al Rajhi	68.30	-0.4
Saudi Aramco	36.25	0.3
NCB	38.05	0.0
SABIC	89.40	0.4
STC	103.00	1.0



Regional and International Markets

- Among other regional markets, Dubai increased 0.4%, while Abu Dhabi decreased 0.1%. Bahrain gained 1.2%, while Egypt and Qatar rose 0.5% each. Meanwhile, Oman and Kuwait declined 0.4% and 0.1%, respectively.
- US Federal Reserve signalled that it would keep interest rates at near zero through FY23. The central bank also added that it does not see inflation rising to its 2% target until FY23. (Source: CNBC)
- According to EIA, oil inventories in the US decreased 4.4mn barrels (prior: up 2.0mn) to 496.0mn in the week ended September 11. Distillate inventories increased 3.5mn barrels (prior: down 1.7mn) to 179.3mn, while gasoline inventories fell 0.4mn barrels (prior: down 3.0mn) to 231.5mn. (Source: EIA, Econoday)
- US retail sales grew 0.6% M/M in August (consensus: 1.0% rise) compared to an increase of 0.9% in July. (Source: Econoday)
- Oil prices surged 4.2%, driven by drawdown in US crude inventories and impact of hurricane Sally in the Gulf of Mexico.
- Gold prices rose 0.3% ahead of US Fed's policy announcement on expectations of dovish stance.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.2	0.2	1.2	-3.3
Euro	1.18	-0.3	-1.0	5.4
Japanese Yen	104.9	-0.5	-0.9	-3.4
Sterling Pound	1.30	0.6	-3.0	-2.2
Chinese Yuan	6.75	-0.4	-1.4	-3.0
Indian Rupee	73.5	-0.1	0.4	3.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	-0.2	0.6	0.6
Kuwaiti Dinar	0.31	-0.1	0.0	0.8
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.2	0.0	-0.1
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)	2,301	0.4	2.5	-16.8	8.7
Abu Dhabi (ADX)	4,505	-0.1	-0.3	-11.2	12.8
Kuwait (KSE)	4,329	-0.1	3.4	-11.8	5.7
Qatar (QE)	9,941	0.5	1.0	-4.6	15.3
Oman (MSM)	3,663	-0.4	-2.9	-8.0	8.6
Bahrain (BSE)	1,418	1.2	2.7	-11.9	9.1
Egypt (EGX30)	11,088	0.5	-2.4	-20.6	8.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,032	0.1	-1.4	-1.8	22.9
Nasdaq	11,050	-1.2	-6.2	23.2	34.6
S&P 500	3,385	-0.5	-3.3	4.8	27.3
FTSE 100	6,078	-0.4	1.9	-19.4	18.3
Germany DAX 30	13,255	0.3	2.4	0.0	23.9
France CAC 40	5,074	0.1	2.6	-15.1	47.0
Japan Nikkei 225	23,476	0.1	1.5	-0.8	23.4
Hong Kong Hang Seng	24,726	0.0	-1.8	-12.3	12.6
China Shanghai Composite	3,284	-0.4	-3.3	7.7	13.7
Australia ASX 200	5,956	1.0	-1.7	-10.9	18.9
India Sensex	39,303	0.7	1.7	-4.7	23.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	41.1	2.6	-12.3	-40.2
Brent Crude (\$/bbl)	42.2	4.2	-6.8	-36.0
Texas crude (\$/bbl)	40.2	4.9	-5.7	-34.3
Natural Gas (\$/mmbtu)	2.27	-4.0	-13.8	3.6
Gold (\$/oz)	1,959	0.3	-0.4	29.2
Silver (\$/oz)	27.2	0.0	-3.5	52.7
Steel (\$/ton)	547	1.3	5.6	-7.0
Iron Ore (CNY/MT)	912	-1.9	-2.6	31.2
Wheat (\$/bu)	542	0.7	-0.4	-3.0
Corn (\$/bu)	372	1.6	6.7	-4.1
Sugar (\$/lb)	12.4	2.2	-2.4	-8.0
SMP* (EUR/MT)	2,165	0.7	1.6	-15.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.246	0.9	0.5	-166.2
Saudi Arabia(SAIBOR)	0.884	-0.1	-0.6	-134.8
UAE (EIBOR)	0.418	-3.5	-11.0	-179.1
Qatar (QIBOR)	1.200	0.0	24.6	-105.0
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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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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