



Major Economic News

- The aggregate sales of 17 Saudi cement producers climbed 38% Y/Y to 4.3mn tons in August 2020. Clinker production rose 5% Y/Y to 4.2mn tons in August, while Clinker inventories declined 6% Y/Y to 40.7mn tons by the end of August. (Source: Argaam)

Major Corporate News

- Middle East Healthcare Co. signed a lease contract worth SAR 7mn. Under the contract, Saudi German Hospital will rent a hospital building from Bait Al Batterjee College for Medical Sciences and Technology Co., specializing in Gynecology and Obstetrics surgery, located in Jeddah. (Source: Argaam)
- Saudi Telecom Co. is in discussions to reduce its non-binding USD2.4bn offer for a stake in Vodafone Egypt. The discussions come as a deadline nears for STC to move ahead with the non-binding offer first made in January. (Source: Bloomberg Quint)
- ACWA Power successfully signed senior financing agreements for the USD 650mn (SAR 2.4bn) Jubail-3A IWP. (Source: Argaam)
- National Company for Learning and Education said that it expects to begin operations of Doha Hills Schools Complex in Dhahran City in the 2022-23 academic year, instead of 2021-22 academic year. The board of directors decided to delay the completion of the construction temporarily, as the COVID-19 pandemic interrupted construction works. (Source: Argaam)
- Saudi Arabian Amiantit Co. said accumulated losses fell to SAR 149.6mn, representing 43.4% of capital. The decline in losses was attributed to cutting statutory reserve by 30.2% to offset accumulated losses. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.3% to 8,050.1. The value traded stood at SAR 11.0bn (up 15.3% over previous day), while the advance-decline ratio stood at 142/50. The parallel market index increased 0.8% to 9,833.3 points. The value traded stood at SAR 26.0mn (down 56.0% over previous day). Most sectors in the main market ended in the green. Software & Services and Real Estate (up 2.9% and 2.8%, respectively) advanced the most; Food & Staples and Pharma & Bio Tech (down 1.8% and 0.6%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q2-20	Q2-19	Y/Y %	Q1-20	Q/Q %
Development Works Food	-2.1	2.2	NM	-3.9	NM

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
ALKATHIRI	150.60	9.9
SFICO	43.90	9.9
TAPRCO	41.75	9.6
ABO MOATI	32.70	8.8
ALJAZIRA REIT	16.96	8.0

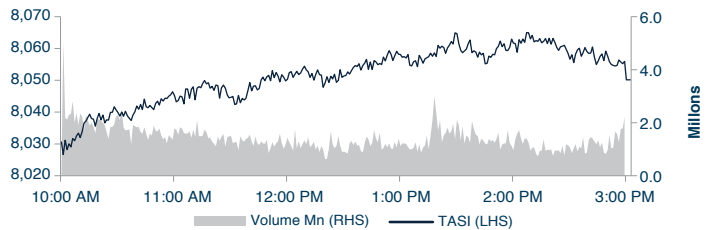
Top Losers

Company	Price	Change%
MAHARAH	81.00	-2.8
A.OTHAIM	124.20	-2.1
ATC	31.40	-1.4
GACO	18.24	-1.3
BUDGET	33.70	-1.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %	PE (TTM)
TASI	8,050	8,066	8,026	0.3	(4.0)	37.3
NomuC	9,833	9,932	9,454	0.8	37.0	High

TASI movement during session



Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,445	(0.2)	0.0	28.7
Materials	4,958	0.2	(4.0)	Neg
Capital Goods	4,776	0.8	10.2	Neg
Commercial Service	4,227	(0.1)	(11.4)	31.1
Transportation	4,347	(0.1)	(1.1)	High
Consumer Durables	4,419	0.3	26.0	Neg
Consumer Services	4,013	1.4	1.4	17.5
Media	9,171	2.8	(2.5)	35.1
Retailing	7,956	0.4	3.4	High
Food & Staples	10,116	(1.8)	52.9	33.9
Food & Beverages	5,558	0.5	27.7	31.3
Healthcare	4,914	0.7	31.8	31.8
Pharma & Bio Tech	4,459	(0.6)	24.0	Neg
Banks	7,007	0.1	(13.6)	16.1
Diversified Financials	4,011	1.2	21.5	Neg
Insurance	5,349	0.1	18.5	22.7
Telecom	6,389	0.2	(1.3)	19.7
Utilities	3,671	0.7	(16.6)	Neg
REITs	4,023	0.6	(4.2)	Neg
Real Estate	3,229	2.8	3.1	Neg
Software & Services	10,080	2.9	104.3	17.3

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,006	7,978	7,884	10.97

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	20.6	835.2	805.2
Previous week	56.9	2,492.0	2,065.5

Top Weighted Companies

Company	Price	Change%
Al Rajhi	66.10	0.2
Saudi Aramco	35.75	-0.3
NCB	37.00	0.1
SABIC	88.00	-0.1
STC	97.30	-0.2



Regional and International Markets

- Among other regional markets, Dubai increased 0.6%, while Abu Dhabi decreased 0.3%. Egypt, Kuwait and Bahrain rose 0.6%, 0.4% and 0.1%, respectively; while Oman and Qatar remained flat.
- China's exports grew 9.5% Y/Y in August (consensus: an increase of 7.1%) compared to 7.2% rise in July, while imports dropped 2.1% in August (consensus: rise of 0.1%) against 1.4% decline in July. Trade surplus was USD 58.9bn (consensus: USD 50.5bn) versus USD 62.3bn in July. (Source: Econoday)
- Japan's economy contracted an annualized 28.1% in Q2-20 (consensus: 28.6% contraction), versus a preliminary reading of a 27.8% decrease. The downward revision was mainly due to a 4.7% drop in capital expenditure, more than a preliminary estimate of 1.5% fall. (Source: Reuters, Econoday)
- Japan's household spending declined by 6.5% M/M in July (consensus: a fall of 2.3%) compared to 13.0% increase in June. Household spending dropped 7.6% Y/Y (consensus: a fall of 3.7%) versus a decline of 1.2% in June. (Source: Econoday)
- Oil prices fell 1.5%, as demand concerns spiked after Saudi Arabia cut its official selling prices for crude oil.
- Gold prices remained flat amid closure of US market due to holiday.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.7	0.0	0.6	-3.8
Euro	1.18	-0.2	-1.0	5.4
Japanese Yen	106.3	0.0	0.3	-2.2
Sterling Pound	1.32	-0.9	-1.5	-0.7
Chinese Yuan	6.83	-0.2	-0.3	-1.9
Indian Rupee	73.4	0.2	0.3	2.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.31	-0.1	0.2	0.9
Omani Rial	0.38	0.1	0.0	0.0
Bahraini Dinar	0.38	0.1	0.2	0.1
Egyptian Pound	15.75	-0.1	-0.4	-1.6

Corporate Calendar

Date	Company	Event
09 th Sep	QACCO	Cash Dividend Distribution
09 th Sep	ABO MOATI	OGM
10 th Sep	A.Othaim Market	Cash Dividend Distribution
10 th Sep	ALJOUF	Cash Dividend Distribution
10 th Sep	UACC	Cash Dividend Distribution
15 th Sep	SAIC	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,271	0.6	1.2	-17.9	8.6
Abu Dhabi (ADX)	4,508	-0.3	-0.3	-11.2	12.8
Kuwait (KSE)	4,282	0.4	2.3	-12.8	5.5
Qatar (QE)	9,725	0.0	-1.2	-6.7	15.0
Oman (MSM)	3,706	0.0	-1.7	-6.9	8.8
Bahrain (BSE)	1,405	0.1	1.7	-12.8	9.1
Egypt (EGX30)	11,136	0.6	-2.0	-20.2	8.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,133	0.0	-1.0	-1.4	22.9
Nasdaq	11,313	0.0	-3.9	26.1	35.1
S&P 500	3,427	0.0	-2.1	6.1	25.6
FTSE 100	5,937	2.4	-0.4	-21.3	17.7
Germany DAX 30	13,100	2.0	1.2	-1.1	23.6
France CAC 40	5,054	1.8	2.2	-15.5	46.8
Japan Nikkei 225	23,090	-0.5	-0.2	-2.4	23.2
Hong Kong Hang Seng	24,590	-0.4	-2.3	-12.8	12.3
China Shanghai Composite	3,293	-1.9	-3.0	7.9	13.6
Australia ASX 200	5,945	0.3	-1.9	-11.1	18.9
India Sensex	38,417	0.2	-0.5	-6.9	22.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	42.3	-4.7	-9.8	-38.5
Brent Crude (\$/bbl)	42.0	-1.5	-7.2	-36.3
Texas crude (\$/bbl)	39.8	0.0	-6.7	-35.0
Natural Gas (\$/mmbtu)	2.59	0.0	-1.6	18.2
Gold (\$/oz)	1,934	0.0	-1.7	27.5
Silver (\$/oz)	27.0	0.4	-4.3	51.4
Steel (\$/ton)	532	0.0	2.7	-9.5
Iron Ore (CNY/MT)	964	2.3	3.0	38.6
Wheat (\$/bu)	540	0.0	-0.8	-3.4
Corn (\$/bu)	347	0.0	-0.4	-10.4
Sugar (\$/lb)	11.9	0.0	-5.8	-11.1
SMP* (EUR/MT)	2,120	-0.5	-0.5	-17.5

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.248	-0.2	0.7	-166.0
Saudi Arabia(SAIBOR)	0.890	0.0	0.0	-134.1
UAE (EIBOR)	0.473	-1.8	-5.5	-173.6
Qatar (QIBOR)	1.115	2.1	16.0	-113.5
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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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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