



## Major Economic News

- Foreign investment in Saudi Arabia increased by 10% Y/Y to around SAR 1.9tn Q2-20, compared to SAR 1.7tn a year earlier. Foreign direct investments accounted for 47% of total foreign investments in the Kingdom, equivalent to SAR 896.0bn, while portfolio investments reached SAR 580.5bn. (Source: Argaam)
- Minister of Human Resource and Social Development, Ahmed bin Sulaiman Al-Rajhi issued a decision to localize the professions of communications and information technology in private sector entities. The ministry added that it aims to provide 9,000 job opportunities in the field of communications and IT to stimulate the sector's growth. It also has set the wage of the targeted localized jobs to start from SAR 7,000 for specialized professions and from SAR 5,000 for technical professions. (Source: Argaam)
- The General Organization for Social Insurance suspended its support for Saudi workers in private sector establishments that were affected by COVID-19 and were not covered by the extension and reactivation of their subscriptions. (Source: Argaam)

## Major Corporate News

- The Capital Market Authority approved a request from Saudi Arabian Fertilizer Co. to increase its capital from SAR 4.2bn to SAR 4.8bn through issuing 59.4mn ordinary shares to acquire SABIC Agri-Nutrients Investment Co. (Source: Argaam)
- The Mediterranean and Gulf Insurance and Reinsurance Co.'s board of directors recommended a capital cut by 12.5% from SAR 800mn to SAR 700mn to offset the accumulated losses. The board also proposed a capital increase by SAR 350mn via a rights issue following the capital reduction. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 1.0% to 8,257.7. The value traded stood at SAR11.4bn (up 11.7% over previous day), while the advance-decline ratio stood at 134/55. The parallel market index decreased 1.8% to 14,212.6 points. The value traded stood at SAR 38.6mn (up 7.3% over previous day). Most sectors in the main market ended in the green. Insurance and Telecom (up 2.5% and 1.9%, respectively) advanced the most; Retailing and REITs (down 1.0% and 0.8%, respectively) led the laggards.

## Earnings update (Net Profit) (SAR mn)

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
Advanced Petchem. Co.	156.0	213.1	-26.8	155.0	0.7

Source: Tadawul, AJC

## Top Gainers

Company	Price	Change%
SFICO	51.90	10.0
TAPRCO	57.70	9.9
ENAYA	33.85	9.9
AMANA INS.	35.60	9.9
ALBAHA	32.85	9.9

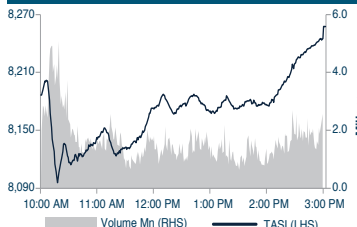
## Top Losers

Company	Price	Change%
ANAAM	268.80	-4.0
AMIAANTIT	15.18	-2.6
BONYAN	9.04	-2.3
JARIR	184.00	-2.1
NAJIRAN	16.38	-2.0

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,258	8,258	8,096	1.0	(1.6)
NomuC	14,213	14,568	13,716	(1.8)	98.0

## TASI movement during session



## TASI P/E Ratios

P/E (Tadawul)	26.0
P/E (Bloomberg)	29.7
P/E*	38.4
P/E after exclusions*	36.8
P/E ex. loss-making comp.*	17.6
P/E: top 50 MCAP*	27.4

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,507	1.8	1.2	28.8
Materials	5,162	0.8	(0.1)	Neg
Capital Goods	5,270	1.4	21.6	Neg
Commercial Service	4,148	0.1	(13.1)	30.6
Transportation	4,363	0.9	(0.7)	High
Consumer Durables	4,742	(0.1)	35.2	Neg
Consumer Services	4,088	0.6	3.3	17.9
Media	9,966	1.3	6.0	39.2
Retailing	8,438	(1.0)	9.6	High
Food & Staples	10,636	0.8	60.8	35.1
Food & Beverages	5,606	1.2	28.8	31.7
Healthcare	5,172	0.9	38.7	33.6
Pharma & Bio Tech	4,565	0.0	27.0	Neg
Banks	7,016	0.7	(13.5)	16.1
Diversified Financials	4,200	0.7	27.2	Neg
Insurance	5,988	2.5	32.7	25.3
Telecom	6,711	1.9	3.7	20.7
Utilities	3,902	(0.6)	(11.3)	Neg
REITs	4,360	(0.8)	3.9	Neg
Real Estate	3,353	1.4	7.0	Neg
Software & Services	9,822	(0.2)	99.1	17.5

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,263	8,271	8,243	12.14

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	21.7	1,002.7	897.0
Previous week	69.3	3,116.1	2,607.3

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	65.70	1.1
Saudi Aramco	35.85	2.1
NCB	37.45	0.4
SABIC	88.30	0.7
STC	102.40	2.0



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.9% and 0.1%, respectively. Bahrain rose 0.3%, while Egypt declined 0.6%. Kuwait and Oman fell 0.1% each. Meanwhile, Qatar remained flat.
- US ISM services PMI rose to 57.8 in September (consensus: 56.3) from 56.9 in August. The unexpected increase in PMI was partly due to an acceleration in the pace of growth in new orders, as the new orders index jumped to 61.5 in September from 56.8 in August. (Source: RTT News)
- Eurozone retail sales grew 4.4% M/M in August (consensus: an increase of 2.4%), versus a 1.8% fall in July. On a yearly basis, retail sales rose 3.7% in August (consensus: an increase of 2.2%), against a 0.1% drop in July. (Source: RTT News)
- UK IHS Markit services PMI declined to 56.1 in September (consensus: 55.1) versus 58.8 in August. (Source: RTT News)
- Oil prices jumped 5.1% on expectations of supply disruption due to strike in oil and gas industry in Norway.
- Gold prices rose 0.7% due to weakness in US dollar and optimism on US stimulus bill.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.5	-0.4	-0.4	-3.0
Euro	1.18	0.6	0.5	5.1
Japanese Yen	105.7	0.4	0.3	-2.7
Sterling Pound	1.30	0.4	0.5	-2.1
Chinese Yuan	6.79	0.0	0.0	-2.5
Indian Rupee	73.1	-0.2	-0.6	2.5
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	0.0	0.1
Egyptian Pound	15.68	-0.1	-0.3	-2.0

## Corporate Calendar

Date	Company	Event
06 <sup>th</sup> Oct	NCLE	OGM
08 <sup>th</sup> Oct	YCC	Cash Dividend Distribution
08 <sup>th</sup> Oct	ASLAK	Cash Dividend Distribution
12 <sup>th</sup> Oct	Salama	OGM
15 <sup>th</sup> Oct	Najran Cement	Cash Dividend Distribution
15 <sup>th</sup> Oct	SABB Takaful	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,225	-0.9	-2.1	-19.5	8.4
Abu Dhabi (ADX)	4,488	-0.1	-0.7	-11.6	12.8
Kuwait (KSE)	4,376	-0.1	1.7	-10.9	5.7
Qatar (QE)	9,957	0.0	-0.3	-4.5	15.1
Oman (MSM)	3,593	-0.1	-0.6	-9.8	8.4
Bahrain (BSE)	1,441	0.3	0.4	-10.5	9.1
Egypt (EGX30)	11,008	-0.6	0.2	-21.2	8.4

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,149	1.7	1.3	-1.4	22.6
Nasdaq	11,332	2.3	1.5	26.3	34.0
S&P 500	3,409	1.8	1.4	5.5	26.8
FTSE 100	5,943	0.7	1.3	-21.2	18.2
Germany DAX 30	12,828	1.1	0.5	-3.2	22.8
France CAC 40	4,872	1.0	1.4	-18.5	43.3
Japan Nikkei 225	23,312	1.2	0.5	-1.5	22.9
Hong Kong Hang Seng	23,768	1.3	1.3	-15.7	12.2
China Shanghai Composite	3,218	0.0	0.0	5.5	13.4
Australia ASX 200	5,942	2.6	2.2	-11.1	18.8
India Sensex	38,974	0.7	2.4	-5.5	23.0

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	38.1	3.4	-5.6	-44.7
Brent Crude (\$/bbl)	41.3	5.1	0.8	-37.4
Texas crude (\$/bbl)	39.2	5.9	-2.5	-35.9
Natural Gas (\$/mmbtu)	2.62	7.3	3.5	19.5
Gold (\$/oz)	1,914	0.7	1.5	26.1
Silver (\$/oz)	24.4	2.7	4.9	36.6
Steel (\$/ton)	626	0.0	1.8	6.5
Iron Ore (CNY/MT)	961	0.0	0.0	38.2
Wheat (\$/bu)	584	1.9	1.1	4.6
Corn (\$/bu)	380	-0.1	0.1	-2.1
Sugar (\$/lb)	13.6	0.4	4.1	1.4
SMP* (EUR/MT)	2,220	0.0	2.6	-13.6

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.234	-0.1	0.0	-167.5
Saudi Arabia(SAIBOR)	0.868	0.0	-0.1	-136.4
UAE (EIBOR)	0.512	10.9	2.4	-169.7
Qatar (QIBOR)	1.141	12.6	20.7	-110.9
Bahrain (BHIBOR)	2.250	0.0	0.0	-41.7

Data Sources: Tadawul, Bloomberg, Reuters

\* Three-month Interbank rate \*\*NA: Not Available

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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.
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