



Major Economic News

- King Salman exempted real estate supplies from the value-added tax. The input costs will be repaid to the licensed real estate developers. The exemption is subject to the rules, approved by the Minister of Finance and chairman of the General Authority of Zakat and Tax, in coordination with the Minister of Housing. The King imposed a 5% real estate transaction tax on property supplies, which are collected upon the registration of the real estate transaction. (Source: Argaam)
- King Salman issued a royal decree, under which the Kingdom will pay a real estate transaction tax of SAR 1mn maximum from the first-home purchase price. (Source: Argaam)
- Ministry of Hajj and Umrah revealed that 108,000 permits have been issued to perform Umrah in the first week of Eatmarna application launch until October 1, 2020. (Source: Argaam)

Major Corporate News

- B Care Insurance Brokerage Co. announced the launch of a financial leasing insurance system to implement new regulations by SAMA, which will come into effect from November 1, 2020, for vehicles leased out for retail. (Source: Argaam)
- Sahara International Petrochemical Co. said that the negotiations with the German chemical firm, Linde Plc, to set up and operate a production facility in Saudi Arabia to supply industrial gases are at the final stage and both parties agreed to extend the terms sheet until December 31, 2020. (Source: Argaam)
- Riyadh's Administrative Court of Appeal rejected Etihad Atheeb Telecommunication Co.'s appeal against the Communications and Information Technology Commission. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange remained flat at 8,295.1 on Thursday. The value traded stood at SAR 14.7bn (up 23.5% over previous day), while the advance-decline ratio stood at 60/133. The parallel market index decreased 2.3% to 13,789.0 points. The value traded stood at SAR 29.1mn (down 30.0% over previous day). Most sectors in the main market ended in the red. Utilities and Retailing (up 3.2% and 0.6%, respectively) advanced the most; Insurance and REITs (down 3.9% and 3.1%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
Almarai Company	621.5	581.2	6.9	643.9	-3.5

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
JAZADCO	17.52	8.6
TECO	50.00	5.7
ALKHALEEJ TR.	27.00	4.7
PETRO RAB.	16.34	4.5
SAUDI ELEC.	17.82	3.5

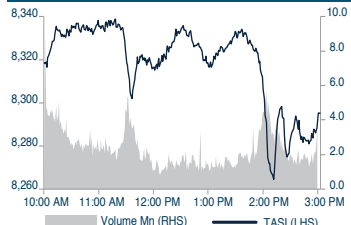
Top Losers

Company	Price	Change%
BURUJ	27.50	-10.0
ALLIANZ	22.42	-10.0
SAICO	18.10	-10.0
WATANIYA	50.70	-10.0
SALAMA	21.20	-9.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,295	8,340	8,263	0.0	(1.1)
NomuC	13,789	14,179	13,418	(2.3)	92.1

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	26.4
P/E (Bloomberg)	30.2
P/E*	38.6
P/E after exclusions*	37.0
P/E ex. loss-making comp.*	17.6
P/E: top 50 MCAP*	27.5

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,510	(0.3)	1.2	28.7
Materials	5,200	(0.0)	0.6	Neg
Capital Goods	5,342	(0.1)	23.3	Neg
Commercial Service	4,210	(0.5)	(11.8)	31.1
Transportation	4,406	(0.6)	0.2	High
Consumer Durables	4,837	(0.7)	38.0	Neg
Consumer Services	4,195	0.0	6.0	18.3
Media	10,288	(1.5)	9.4	40.5
Retailing	8,614	0.6	11.9	High
Food & Staples	10,638	0.3	60.8	35.1
Food & Beverages	5,631	0.5	29.3	31.8
Healthcare	5,248	(0.1)	40.7	34.1
Pharma & Bio Tech	4,710	(2.5)	31.0	Neg
Banks	7,037	0.3	(13.2)	16.2
Diversified Financials	4,347	(1.4)	31.6	Neg
Insurance	5,953	(3.9)	31.9	25.1
Telecom	6,635	0.1	2.5	20.4
Utilities	3,920	3.2	(10.9)	Neg
REITs	4,436	(3.1)	5.7	Neg
Real Estate	3,383	(0.4)	8.0	Neg
Software & Services	10,087	(0.3)	104.5	17.9

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,301	8,298	8,225	13.03

Market Statistics

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

Top Weighted Companies

Company	Price	Change%
Al Rajhi	65.90	0.3
Saudi Aramco	35.75	-0.4
NCB	37.25	0.3
SABIC	88.50	0.1
STC	100.80	0.4



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.3% and 0.6%, respectively. Egypt and Qatar rose 0.6% and 0.2%, respectively; while Bahrain declined 0.1%. Meanwhile, Kuwait and Oman remained closed.
- US nonfarm payroll increased 661,000 M/M in September (consensus: 894,000) compared with 1,489,000 in August. The unemployment rate level decreased to 7.9% in September (consensus: 8.2%) from 8.4% in August. The private payroll increased 877,000 in September (consensus: 900,000) compared with 1,022,000 in August. (Source: Econoday)
- According to Baker Hughes, North America's rig count increased to 341 in the week ended October 02 from 332 earlier. The rig count rose to 266 in the US from 261 earlier and to 75 in Canada from 71. The rig count remained unchanged in the Gulf of Mexico at 14. (Source: Baker Hughes)
- Oil prices plunged 4.1% on Friday, as the US stimulus package negotiations failed, and the US President Trump tested positive for COVID-19.
- Gold prices fell 0.3% on Friday, as stronger US dollar continued to weigh on demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.8	0.1	0.0	-2.6
Euro	1.17	-0.3	0.0	4.5
Japanese Yen	105.3	-0.2	-0.1	-3.0
Sterling Pound	1.29	0.3	0.1	-2.5
Chinese Yuan	6.79	0.0	0.0	-2.5
Indian Rupee	73.3	0.1	-0.4	2.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	-0.5	0.0	0.0
Kuwaiti Dinar	0.31	0.1	-0.1	1.0
Omani Rial	0.38	-0.1	-0.1	0.0
Bahraini Dinar	0.38	0.1	-0.1	0.0
Egyptian Pound	15.70	0.0	-0.2	-1.9

Corporate Calendar

Date	Company	Event
04 th Oct	ARDCO	Cash Dividend Distribution
05 th Oct	ALAHIA	EGM
06 th Oct	NCLE	OGM
07 th Oct	Atheeb Telecom	OGM
08 th Oct	YCC	Cash Dividend Distribution
08 th Oct	ASLAK	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,266	-0.3	-0.3	-18.1	8.6
Abu Dhabi (ADX)	4,492	-0.6	-0.6	-11.5	12.8
Kuwait (KSE)	4,304	0.0	0.0	-12.4	5.7
Qatar (QE)	10,006	0.2	0.2	-4.0	15.2
Oman (MSM)	3,615	0.0	0.0	-9.2	8.4
Bahrain (BSE)	1,432	-0.1	-0.1	-11.0	9.1
Egypt (EGX30)	11,051	0.6	0.6	-20.8	8.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	27,683	-0.5	-0.4	-3.0	22.6
Nasdaq	11,075	-2.2	-0.8	23.4	34.0
S&P 500	3,348	-1.0	-0.4	3.6	26.8
FTSE 100	5,902	0.4	0.6	-21.7	18.1
Germany DAX 30	12,689	-0.3	-0.6	-4.2	22.6
France CAC 40	4,825	0.0	0.4	-19.3	42.9
Japan Nikkei 225	23,030	-0.7	-0.7	-2.6	22.7
Hong Kong Hang Seng	23,459	0.0	0.0	-16.8	12.1
China Shanghai Composite	3,218	0.0	0.0	5.5	13.4
Australia ASX 200	5,792	-1.4	-0.4	-13.4	18.3
India Sensex	38,697	0.0	1.7	-6.2	22.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	36.8	-6.9	-8.7	-46.5
Brent Crude (\$/bbl)	39.3	-4.1	-4.1	-40.5
Texas crude (\$/bbl)	37.1	-4.3	-7.9	-39.4
Natural Gas (\$/mmbtu)	2.44	-3.5	-3.5	11.4
Gold (\$/oz)	1,900	-0.3	0.7	25.2
Silver (\$/oz)	23.7	-0.8	2.1	32.9
Steel (\$/ton)	626	0.3	1.8	6.5
Iron Ore (CNY/MT)	961	0.0	0.0	38.2
Wheat (\$/bu)	573	0.5	-0.8	2.6
Corn (\$/bu)	380	-0.8	0.2	-2.1
Sugar (\$/lb)	13.6	-0.2	3.7	1.0
SMP* (EUR/MT)	2,220	0.1	2.6	-13.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.234	0.0	0.0	-167.4
Saudi Arabia(SAIBOR)	0.868	-0.1	-0.1	-136.4
UAE (EIBOR)	0.470	-1.8	-1.8	-173.9
Qatar (QIBOR)	0.928	-0.7	-0.7	-132.2
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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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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