



## Major Economic News

- The idle lands program, issued by the Saudi Ministry of Housing, registered a land plot of over 12mn sq.m. in Riyadh, under the first phase of undeveloped lands spanning on a minimum area of 10,000 sq.m. A non-registration fine and a retroactive levy will be imposed on the land plots registered by the program instead of the landowners. (Source: Argaam)
- SAMA completed the electronic link program (Tanfeeth) with enforcement courts in the Ministry of Justice. The move came in implementation of the royal order issued to curb unlicensed person financing, under the Finance Companies Control Law. (Source: Argaam)
- Non-founding foreign investors increased their ownership in the Saudi Stock Exchange to 1.73% in the week ending October 8, 2020, compared to 1.71% in the previous week, on around SAR 573.4mn worth of net purchases. (Source: Argaam)

## Major Corporate News

- Al Kathiri Holding Co.'s subscription to new shares and the rights trading has started, to increase capital from SAR 45.2mn to SAR 90.4mn. Rights trading will end on October 19, while subscription to the new shares will close on October 22. (Source: Argaam)
- Al Rajhi Capital appointed Mesheal I. Al-Shenefi as the new chairman of the board of Al Rajhi REIT Fund, effective October 11, 2020. (Source: Argaam)
- SEDCO Capital appointed Tarek H. Lengawy as the new chairman of the board of SEDCO Capital REIT Fund, effective October 11, 2020. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.4% to 8,544.9. The value traded stood at SAR 13.3bn (up 13.1% over previous day), while the advance-decline ratio stood at 93/97. The parallel market index decreased 0.6% to 14,708.3 points. The value traded stood at SAR 32.2mn (down 37.6% over previous day). Most sectors in the main market ended in the green. Capital Goods and Software & Services (up 2.2% and 2.0%, respectively) advanced the most; REITs and Real Estate (down 1.2% and 0.9%, respectively) led the laggards.

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

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
United Wire Factories Co.	17.8	1.1	NM	12.2	45.9

Source: Tadawul, AJC

## Top Gainers

Company	Price	Change%
ALYAMAMAH	26.40	10.0
TAPRCO	62.30	8.7
EIC	22.90	7.0
ATAA	42.00	5.0
SPM	61.50	4.6

## Top Losers

Company	Price	Change%
MAATHER	9.74	-6.4
ALKATHIRI	100.60	-5.5
ANAAM	360.00	-3.4
AMANA	35.55	-3.4
ALAHLIA	15.60	-3.0

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,545	8,549	8,481	0.4	1.9
NomuC	14,708	14,899	14,632	(0.6)	104.9

## TASI movement during session



## TASI P/E Ratios

P/E (Tadawul)	26.2
P/E (Bloomberg)	30.6
P/E*	40.3
P/E after exclusions*	38.7
P/E ex. loss-making comp.*	18.2
P/E: top 50 MCAP*	28.8

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,537	(0.1)	1.7	28.8
Materials	5,506	0.4	6.6	Neg
Capital Goods	5,616	2.2	29.6	Neg
Commercial Service	4,231	0.8	(11.3)	31.0
Transportation	4,519	0.2	2.8	High
Consumer Durables	4,946	(0.5)	41.1	Neg
Consumer Services	4,220	0.2	6.6	18.5
Media	10,467	1.7	11.3	40.5
Retailing	8,701	(0.6)	13.0	High
Food & Staples	11,343	0.2	71.5	37.3
Food & Beverages	5,773	0.5	32.6	32.3
Healthcare	5,482	(0.2)	47.0	35.2
Pharma & Bio Tech	4,644	0.6	29.2	Neg
Banks	7,221	0.9	(10.9)	16.5
Diversified Financials	4,459	0.3	35.0	Neg
Insurance	6,072	(0.2)	34.5	25.7
Telecom	7,016	0.6	8.4	21.4
Utilities	4,341	(0.6)	(1.3)	Neg
REITs	4,354	(1.2)	3.7	Neg
Real Estate	3,317	(0.9)	5.9	Neg
Software & Services	11,130	2.0	125.6	19.4

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,440	8,351	8,325	11.92

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	25.0	933.9	949.2
Previous week	55.6	2,353.2	2,238.0

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	67.70	0.9
Saudi Aramco	35.95	0.0
NCB	39.25	1.9
SABIC	98.50	0.7
STC	106.40	0.9



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.5% and 0.9%, respectively. Qatar, Bahrain and Egypt rose 0.6%, 0.4% and 0.3%, respectively; while Oman and Kuwait declined 0.2% and 0.1%, respectively.
- Johnson & Johnson said that it had temporarily paused its COVID-19 vaccine candidate clinical trials due to an unexplained illness in a study participant, thus prolonging one of the major efforts to control the global pandemic. (Source: Reuters)
- China's exports rose 9.9% Y/Y in September (consensus: 10.0%), up from a 9.5% increase in August. Imports surged 13.2% Y/Y in September (consensus: an increase of 0.2%), as against a decline of 2.1% in August. Trade surplus stood at USD 37.0bn in September (consensus: USD 60.0bn), compared to USD 58.9bn in August. (Source: Econoday)
- Oil prices declined 2.6%, as oil and gas companies in the Gulf of Mexico were set to restart after the shutdown caused by the Hurricane Delta.
- Gold prices fell 0.4%, as expectations of insufficient COVID-19 stimulus from the US government weighed on the yellow metal's prices.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.1	0.0	-0.9	-3.4
Euro	1.18	-0.1	0.8	5.4
Japanese Yen	105.3	-0.3	-0.1	-3.0
Sterling Pound	1.31	0.1	1.1	-1.5
Chinese Yuan	6.75	0.8	-0.7	-3.1
Indian Rupee	73.4	0.5	-0.3	2.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.31	0.0	-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	15.65	-0.1	-0.5	-2.2

## Corporate Calendar

Date	Company	Event
15 <sup>th</sup> Oct	Najran Cement	Cash Dividend Distribution
15 <sup>th</sup> Oct	SABB Takaful	OGM
15 <sup>th</sup> Oct	JADWA REIT AL.	OGM
19 <sup>th</sup> Oct	Allianz SF	OGM
20 <sup>th</sup> Oct	SFICO	OGM
20 <sup>th</sup> Oct	UCA	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,235	0.5	-1.7	-19.2	8.5
Abu Dhabi (ADX)	4,533	0.9	0.3	-10.7	12.9
Kuwait (KSE)	4,464	-0.1	3.7	-9.1	5.7
Qatar (QE)	10,057	0.6	0.7	-3.5	15.3
Oman (MSM)	3,584	-0.2	-0.8	-10.0	8.4
Bahrain (BSE)	1,479	0.4	3.1	-8.2	9.1
Egypt (EGX30)	11,398	0.3	3.7	-18.4	8.6

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,838	0.9	3.8	1.0	23.4
Nasdaq	11,876	2.6	6.3	32.4	35.0
S&P 500	3,534	1.6	5.1	9.4	27.7
FTSE 100	6,001	-0.3	2.3	-20.4	18.3
Germany DAX 30	13,138	0.7	3.0	-0.8	23.4
France CAC 40	4,979	0.7	3.7	-16.7	44.3
Japan Nikkei 225	23,559	-0.3	1.6	-0.4	23.0
Hong Kong Hang Seng	24,650	2.2	5.1	-12.6	12.9
China Shanghai Composite	3,358	2.6	4.4	10.1	14.0
Australia ASX 200	6,132	0.5	5.4	-8.3	19.4
India Sensex	40,594	0.2	6.6	-1.6	24.0

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	39.7	-1.8	-1.5	-42.3
Brent Crude (\$/bbl)	41.7	-2.6	1.9	-36.8
Texas crude (\$/bbl)	39.4	-2.9	-2.0	-35.5
Natural Gas (\$/mmbtu)	2.88	5.1	14.0	31.6
Gold (\$/oz)	1,923	-0.4	2.0	26.7
Silver (\$/oz)	25.1	0.0	8.2	40.8
Steel (\$/ton)	636	0.5	3.4	8.2
Iron Ore (CNY/MT)	978	-1.7	1.8	40.6
Wheat (\$/bu)	594	0.1	2.8	6.4
Corn (\$/bu)	389	-1.5	2.6	0.3
Sugar (\$/lb)	13.8	-2.7	5.9	3.1
SMP* (EUR/MT)	2,213	0.0	2.3	-13.9

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.224	0.4	-1.0	-168.4
Saudi Arabia(SAIBOR)	0.860	-0.1	-0.9	-137.1
UAE (EIBOR)	0.430	9.0	-5.8	-177.9
Qatar (QIBOR)	1.141	7.7	20.6	-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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