



## Major Economic News

- Fahad Al-Shathri, Deputy Governor for Supervision at SAMA said that Saudi banks' performance is "much better" than peers in other countries, backed by their solid financial soundness indicators. He added that an increase was expected in non-performing loans due to the coronavirus impact, but the impact was lower than expected. (Source: Argaam)
- The second phase of Umrah is resuming on October 18, with 220,000 pilgrims allowed to perform rituals and 560,000 worshippers performing daily obligatory prayers in the Grand Mosque. (Source: Argaam)

## Major Corporate News

- BinDawood Holding Co.'s retail offering was 14x oversubscribed. A total of 324,046 individual investors injected SAR 3.1bn to buy shares at SAR 96. (Source: Argaam)
- Abdullah Al Othaim Markets Co. announced suspending the import of all Turkish products and their procurement from local suppliers. Al Othaim is seeking to dispose of its stocks of Turkish goods in all branches and warehouses, while placing no new orders on Turkish good. (Source: Argaam)
- Al-Motaqadimah Schools Co. is planning to float its shares in an IPO on the Saudi Stock Exchange. GIB Capital and Adeem Capital were picked as joint financial advisors for its planned share sale. (Source: Argaam)
- Saudi Public Transport Co. renewed its contract with the government for one year. The Saudi cabinet approved the renewal on October 15, which will take effect from February 13, 2021. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.4% to 8,553.8 on Thursday. The value traded stood at SAR 11.5bn (down 5.8% over previous day), while the advance-decline ratio stood at 60/123. The parallel market index decreased 3.8% to 14,643.5 points. The value traded stood at SAR 29.3mn (up 27.6% over previous day). Most sectors in the main market ended in the red. Real Estate and Food & Beverages (up 0.5% each) advanced the most; Food & Staples and Diversified Financials (down 2.1% and 0.9%, respectively) led the laggards.

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

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
Thoub Al-Aseel Company	5.9	5.2	13.6	52.3	-88.7
Tabuk Cement Co.	9.5	5.0	88.3	0.5	NM

Source: Tadawul, AJC

## Top Gainers

Company	Price	Change%
ZAIN KSA	15.20	10.0
SAUDI CERAMICS	50.90	8.1
OASIS	74.90	7.3
EMAAR EC	10.74	6.3
SOLIDARITY	20.00	5.8

## Top Losers

Company	Price	Change%
GULF GEN	24.76	-5.9
AMIAINTIT	15.92	-3.6
MAADANIYAH	35.00	-3.3
ALBABBAIN	32.90	-3.2
SAUDI CABLE	26.30	-3.1

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,554	8,594	8,517	(0.4)	2.0
NomuC	14,644	15,286	14,464	(3.8)	104.0

## TASI movement during session



## TASI P/E Ratios

P/E (Tadawul)	26.1
P/E (Bloomberg)	31.0
P/E*	40.5
P/E after exclusions*	38.9
P/E ex. loss-making comp.*	18.4
P/E: top 50 MCAP*	28.9

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,510	(0.1)	1.2	28.7
Materials	5,423	(0.8)	5.0	Neg
Capital Goods	5,847	0.4	35.0	Neg
Commercial Service	4,288	(0.1)	(10.1)	31.6
Transportation	4,586	(0.5)	4.4	High
Consumer Durables	5,031	(0.8)	43.5	Neg
Consumer Services	4,303	(0.4)	8.7	18.7
Media	10,453	(0.1)	11.2	41.1
Retailing	8,761	(0.3)	13.8	High
Food & Staples	11,006	(2.1)	66.4	36.3
Food & Beverages	5,799	0.5	33.2	32.7
Healthcare	5,459	(0.2)	46.4	35.1
Pharma & Bio Tech	4,617	(0.7)	28.4	Neg
Banks	7,304	(0.7)	(9.9)	16.9
Diversified Financials	4,385	(0.9)	32.8	Neg
Insurance	5,956	(0.3)	32.0	25.1
Telecom	6,986	(0.3)	7.9	21.7
Utilities	4,337	0.1	(1.4)	Neg
REITs	4,298	(0.3)	2.4	Neg
Real Estate	3,372	0.5	7.6	Neg
Software & Services	11,045	(0.6)	123.9	19.6

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,561	8,438	8,368	11.96

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	61.2	2,488.1	2,386.6

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	66.90	-0.9
Saudi Aramco	35.80	0.0
NCB	41.60	-1.0
SABIC	96.10	-1.3
STC	104.00	-1.5



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 1.1% and 0.4%, respectively. Kuwait and Bahrain rose 0.1% each, while Qatar and Egypt declined 0.3% and 0.1%, respectively. Meanwhile, Oman remained flat.
- New restrictions were implemented in several European nations, including the UK and France, to restrict the resurgence of COVID-19. WHO has cautioned that intensive care units in many European cities could reach maximum capacity if the number of infections does not slow down. (Source: CNBC)
- US industrial production fell by 0.6% in September (consensus: 0.5% rise) versus 0.4% rise in August. A 5.6% decline in utilities amid lower demand for air conditioning dragged production. (Source: RTT News)
- According to Baker Hughes, North America's rig count grew to 362 in the week ended October 16 from 349 earlier. The rig count rose to 282 in the US from 269 earlier; while remained unchanged at 14 and 80 in the Gulf of Mexico and Canada, respectively. (Source: Baker Hughes)
- Oil prices decreased 0.5% on Friday due to concerns of lower demand amid new wave of the pandemic.
- Gold prices fell 0.5% due to an uncertainty over new coronavirus relief deal in the US.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.7	-0.2	-0.2	-2.8
Euro	1.17	0.1	0.0	4.5
Japanese Yen	105.4	0.0	0.0	-3.0
Sterling Pound	1.29	0.0	0.0	-2.6
Chinese Yuan	6.70	-0.4	-1.4	-3.8
Indian Rupee	73.4	0.0	-0.2	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	-0.1	0.0
Bahraini Dinar	0.38	-0.1	-0.1	0.0
Egyptian Pound	15.65	0.0	-0.5	-2.2

## Corporate Calendar

Date	Company	Event
19 <sup>th</sup> Oct	Allianz SF	OGM
20 <sup>th</sup> Oct	SFICO	OGM
20 <sup>th</sup> Oct	UCA	OGM
22 <sup>nd</sup> Oct	BAHRI	Cash Dividend Distribution
22 <sup>nd</sup> Oct	MAADEN	OGM
25 <sup>th</sup> Oct	Atheeb Telecom	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,195	-1.1	-3.5	-20.6	8.0
Abu Dhabi (ADX)	4,554	-0.4	0.8	-10.3	13.0
Kuwait (KSE)	4,458	0.1	3.6	-9.2	5.7
Qatar (QE)	9,999	-0.3	0.1	-4.1	15.4
Oman (MSM)	3,594	0.0	-0.6	-9.7	8.4
Bahrain (BSE)	1,478	0.1	3.0	-8.2	9.1
Egypt (EGX30)	11,323	-0.1	3.0	-18.9	8.6

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,606	0.4	3.0	0.2	23.4
Nasdaq	11,672	-0.4	4.5	30.1	35.4
S&P 500	3,484	0.0	3.6	7.8	27.8
FTSE 100	5,920	1.5	0.9	-21.5	18.1
Germany DAX 30	12,909	1.6	1.2	-2.6	23.0
France CAC 40	4,936	2.0	2.8	-17.4	43.9
Japan Nikkei 225	23,411	-0.4	1.0	-1.0	22.9
Hong Kong Hang Seng	24,387	0.9	4.0	-13.5	12.8
China Shanghai Composite	3,336	0.1	3.7	9.4	13.9
Australia ASX 200	6,177	-0.5	6.2	-7.6	19.6
India Sensex	39,983	0.6	5.0	-3.1	23.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	40.1	0.2	-0.7	-41.8
Brent Crude (\$/bbl)	42.9	-0.5	4.8	-35.0
Texas crude (\$/bbl)	40.9	-0.2	1.6	-33.1
Natural Gas (\$/mmbtu)	2.77	-0.1	9.7	26.7
Gold (\$/oz)	1,899	-0.5	0.7	25.2
Silver (\$/oz)	24.2	-0.6	4.1	35.6
Steel (\$/ton)	639	0.0	3.9	8.7
Iron Ore (CNY/MT)	870	-1.0	-9.5	25.1
Wheat (\$/bu)	625	1.1	8.2	11.9
Corn (\$/bu)	402	-0.4	6.1	3.7
Sugar (\$/lb)	14.4	1.8	10.4	7.5
SMP* (EUR/MT)	2,210	0.0	2.2	-14.0

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.218	-1.2	-1.6	-169.1
Saudi Arabia(SAIBOR)	0.856	-0.3	-1.3	-137.5
UAE (EIBOR)	0.435	0.3	-5.2	-177.3
Qatar (QIBOR)	1.167	11.8	23.2	-108.3
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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