



Major Economic News

- Prices of construction materials in Saudi Arabia rose in the first nine months of 2020, led by ready-mix concrete and wood, which saw a 7% Y/Y and 6% Y/Y increase, respectively. Cement, cables, and steel prices rose by 4.4%, 4.9% and 4.8% Y/Y, respectively. (Source: Argaam)

Major Corporate News

- Saudi Basic Industries Corp. plans to expand the scope of its Crude Oil to Chemicals project with Saudi Aramco to include existing development programs of advancing crude to chemicals technologies as well as through integrating existing facilities. (Source: Argaam)
- Banque Saudi Fransi announced its plan to issue SAR denominated additional Tier 1 Sukuk, with the purpose to strengthen the bank's capital base, in accordance with the Basel III framework agreement. (Source: Argaam)
- Arabian Centres Co. announced that it opened Saudi Arabia's largest cinema theatre complex at Mall of Dhahran. The company said in a bourse statement that the 18-screen cinema theatre spans an area of 9,663 sq.m. with 2,368 seats. (Source: Argaam)
- Mobile Telecommunication Company Saudi Arabia's subscription to new shares and rights trading beginning on October 19, 2020. Rights trading will end on October 26, and subscription to the new shares will close on October 29. (Source: Argaam)
- Al-Etihad Cooperative Insurance Co. announced that the company's operations and services in all branches are temporarily suspended due to a landslide in the tower building adjacent to the company's headquarters in Al Khobar. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.1% to 8,560.8 on Sunday. The value traded stood at SAR 9.2bn (down 19.8% over previous day), while the advance-decline ratio stood at 120/65. The parallel market index decreased 0.1% to 14,628.6 points. The value traded stood at SAR 29.6mn (up 0.7% over previous day). Most sectors in the main market ended in the green. Software & Services and Food & Beverages (up 6.7% and 2.2%, respectively) advanced the most; Media and Telecom (down 0.9% each) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
Aldrees	36.9	16.6	122.3	14.4	156.3
Yanbu National Petrochem.	195.6	212.1	-7.8	44.8	336.6

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
ALJAZIRA REIT	24.98	9.8
TALEEM REIT	13.88	9.3
ARAB SEA	79.60	8.6
ALKATHIRI	103.60	5.6
CHEMICAL	35.75	5.5

Top Losers

Company	Price	Change%
ZAIN KSA	14.46	-4.9
CHEMANOL	12.06	-3.4
SAPTCO	18.00	-2.7
SAUDI CER.	49.60	-2.6
SVCP	61.60	-2.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,561	8,599	8,547	0.1	2.0
NomuC	14,629	14,700	14,498	(0.1)	103.8

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	5,516	0.1	1.3	28.7
Materials	5,438	0.3	5.2	Neg
Capital Goods	5,813	(0.6)	34.2	Neg
Commercial Service	4,329	1.0	(9.3)	31.6
Transportation	4,592	0.1	4.5	High
Consumer Durables	5,029	(0.0)	43.4	Neg
Consumer Services	4,311	0.2	8.9	18.7
Media	10,360	(0.9)	10.2	41.1
Retailing	8,710	(0.6)	13.2	High
Food & Staples	11,179	1.6	69.0	36.3
Food & Beverages	5,927	2.2	36.1	32.7
Healthcare	5,496	0.7	47.4	35.1
Pharma & Bio Tech	4,631	0.3	28.8	Neg
Banks	7,271	(0.5)	(10.3)	16.9
Diversified Financials	4,375	(0.2)	32.5	Neg
Insurance	6,006	0.8	33.1	25.1
Telecom	6,925	(0.9)	7.0	21.7
Utilities	4,373	0.8	(0.6)	Neg
REITs	4,391	2.2	4.6	Neg
Real Estate	3,394	0.7	8.4	Neg
Software & Services	11,786	6.7	138.9	19.6

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,571	8,476	8,379	11.73

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	9.2	415.1	389.6
Previous week	61.2	2,488.1	2,386.6

Top Weighted Companies

Company	Price	Change%
Al Rajhi	67.00	0.1
Saudi Aramco	35.85	0.1
NCB	41.05	-1.3
SABIC	97.10	1.0
STC	103.40	-0.6



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.6% and 0.2%, respectively. Oman and Qatar rose 0.2% and 0.1%, respectively, while Egypt, Kuwait and Bahrain declined 1.2%, 0.5% and 0.1%, respectively.
- US retail sales increased 1.9% in September (consensus: 0.7% increase) after rising by 0.6% in August. The stronger-than-expected retail sales growth was partly due to an increase in sales by motor vehicles and parts dealers, which soared by 3.6% in September versus a 0.7% increase in August. (Source: RTT News)
- US initial jobless claims rose to 898,000 (consensus: 825,000), representing an increase of 53,000 from the previous week's revised level of 845,000. (Source: RTT News)
- The eurozone exports decreased 12.2% Y/Y, while imports fell 13.5% Y/Y in August. The unadjusted trade surplus totaled EUR 14.7bn versus EUR 14.4bn a year ago. Exports grew 2% M/M and imports rose 0.5% M/M. (Source: RTT News)
- Eurozone CPI decreased 0.3% Y/Y in September (in-line with consensus), compared to a 0.2% drop in August. On M/M basis, CPI gained 0.1% in September (in-line with consensus). (Source: RTT News)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.7	0.0	-0.2	-2.8
Euro	1.17	0.0	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	0.0	-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 th Oct	Allianz SF	OGM
20 th Oct	SFICO	OGM
20 th Oct	UCA	OGM
22 nd Oct	BAHRI	Cash Dividend Distribution
22 nd Oct	MAADEN	OGM
25 th Oct	Atheeb Telecom	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,181	-0.6	-4.1	-21.1	7.9
Abu Dhabi (ADX)	4,547	-0.2	0.6	-10.4	13.0
Kuwait (KSE)	4,435	-0.5	3.1	-9.7	5.7
Qatar (QE)	10,010	0.1	0.2	-4.0	15.4
Oman (MSM)	3,602	0.2	-0.3	-9.5	8.4
Bahrain (BSE)	1,477	-0.1	3.0	-8.3	9.1
Egypt (EGX30)	11,185	-1.2	1.8	-19.9	8.6

International Markets

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

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	40.1	0.0	-0.7	-41.8
Brent Crude (\$/bbl)	42.9	0.0	4.8	-35.0
Texas crude (\$/bbl)	40.9	0.0	1.6	-33.1
Natural Gas (\$/mmbtu)	2.77	0.0	9.7	26.7
Gold (\$/oz)	1,899	0.0	0.7	25.2
Silver (\$/oz)	24.2	0.0	4.1	35.6
Steel (\$/ton)	639	0.0	3.9	8.7
Iron Ore (CNY/MT)	870	0.0	-9.5	25.1
Wheat (\$/bu)	625	0.0	8.2	11.9
Corn (\$/bu)	402	0.0	6.1	3.7
Sugar (\$/lb)	14.4	0.0	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	0.0	-1.6	-169.1
Saudi Arabia(SAIBOR)	0.856	0.0	-1.3	-137.5
UAE (EIBOR)	0.381	-5.4	-10.6	-182.7
Qatar (QIBOR)	0.600	-56.7	-33.5	-165.0
Bahrain (BHIBOR)	2.250	0.0	0.0	-41.7

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of October 18, 2020



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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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