



Major Economic News

- Saudi Arabia's total revenue stood at SAR 541.6bn (-24% Y/Y), while total expenditures reached SAR 725.7bn (-3% Y/Y) in 9M-20, with a budget deficit of SAR 184.1bn. In Q3-20. Revenues hit SAR 215.6bn, while expenditures stood at SAR 256.3bn with a deficit of SAR 40.8bn. (Source: Argaam)
- Assets held by SAMA decreased by SAR 14.2bn M/M to SAR 1.8tn in September 2020. Assets were down SAR 99.1bn Y/Y. SAMA's investments in foreign securities, which account for 58.6% of total assets, decreased 11% Y/Y to around SAR 1.1tn in September. (Source: Argaam)

Major Corporate News

- The Tourism Development Fund signed two MoUs with Fakieh Group to establish two mega tourism projects in Taif and Jeddah. The first project will comprise a resort and a five-star, 200-bed hotel, a group of restaurant brands, and entertainment zones, while second project include developing Al-Nawras Island on Jeddah Corniche. (Source: Argaam)
- The three-month period of the non-binding MoU signed by Saudia Dairy and Foodstuff Co. with Tabuk Agricultural Development Co. to buy the latter's full stake in Horizon Food Co. Ltd. ended without any final agreement or extension. (Source: Argaam)
- Savola Group's board of directors approved appointing Waleed Fatani as Group CEO, replacing Anees Moumina, who submitted his resignation for personal reasons. The appointment will come into effect as of January 1, 2021. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.9% to 8,123.1. The value traded stood at SAR 8.0bn (up 2.5% over previous day), while the advance-decline ratio stood at 30/162. The parallel market index increased 8.6% to 15,673.2 points. The value traded stood at SAR 88.3mn (up 351.1% over previous day). Most sectors in the main market ended in the red. Retailing (up 0.4%) was the only gainer; Utilities and Real Estate (down 3.5% and 2.1%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
Saudi Cement	106.4	83.0	28.2	74.5	42.8
Advanced Petrochemical	156.5	213.1	-26.6	155.0	1.0
Takween Advanced Industries	6.1	-28.8	NM	10.0	-38.8
SAVOLA GROUP	283.7	221.8	27.9	409.6	-30.7
Umm Al-Qura Cement Co.	31.9	18.9	68.5	21.0	52.1
Saudi Industrial Services Co.	28.1	6.7	319.4	56.5	-50.3

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
ANAAM HOLDING	71.50	10.0
SARCO	71.00	9.9
ZAMIL INDUST	20.62	9.9
TECO	47.20	6.9
SHARQIYAH DEV	74.40	3.1

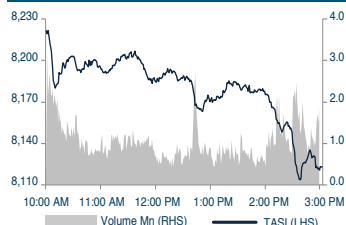
Top Losers

Company	Price	Change%
SOLIDARITY	16.64	-6.6
ALHOKAIR	13.94	-6.3
ALMAATHER	9.48	-6.1
FARM SUP.	28.50	-5.3
MALATH	17.64	-5.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,123	8,224	8,113	(0.9)	(3.2)
NomuC	15,673	15,704	14,248	8.6	118.3

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	25.0
P/E (Bloomberg)	29.1
P/E*	38.0
P/E after exclusions*	36.5
P/E ex. loss-making comp.*	17.3
P/E: top 50 MCAP*	27.0

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,247	(0.9)	(3.6)	27.4
Materials	5,064	(1.5)	(2.0)	Neg
Capital Goods	5,123	(1.3)	18.2	Neg
Commercial Service	4,184	(0.6)	(12.3)	31.0
Transportation	4,271	(1.7)	(2.8)	High
Consumer Durables	4,249	(1.7)	21.2	Neg
Consumer Services	3,728	(1.8)	(5.8)	16.3
Media	9,304	(1.2)	(1.0)	36.6
Retailing	8,280	0.4	7.6	High
Food & Staples	11,029	(1.1)	66.7	High
Food & Beverages	5,519	(0.6)	26.8	31.2
Healthcare	5,249	(1.1)	40.7	34.0
Pharma & Bio Tech	4,413	(1.9)	22.8	Neg
Banks	7,066	(0.2)	(12.8)	16.4
Diversified Financials	3,799	(1.6)	15.0	Neg
Insurance	5,574	(1.8)	23.5	23.6
Telecom	6,692	(1.2)	3.4	21.0
Utilities	4,307	(3.5)	(2.1)	Neg
REITs	4,140	(0.1)	(1.4)	Neg
Real Estate	3,063	(2.1)	(2.2)	Neg
Software & Services	11,695	(0.6)	137.1	20.7

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,227	8,383	8,398	10.67

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	36.4	1,501.4	1,689.3
Previous week	45.6	1,930.6	1,908.2

Top Weighted Companies

Company	Price	Change%
Al Rajhi	66.10	-0.3
Saudi Aramco	34.20	-0.9
NCB	40.40	1.3
SABIC	92.80	-0.7
STC	102.60	-1.0



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.2% and 0.5%, respectively. Oman rose 0.1%, while Egypt and Qatar declined 0.4% and 0.3%, respectively. Meanwhile, Kuwait and Bahrain remained flat.
- According to EIA, oil inventories in the US rose 4.3mn barrels (prior: down 1.0mn) to 492.4mn in the week ended October 23. Distillate inventories decreased 4.5mn barrels (prior: down 3.8mn) to 156.2mn, while gasoline inventories fell 0.9mn barrels (prior: up 1.9mn) to 226.1mn. (Source: EIA, Econoday)
- Bank of Japan expects the economy to fall 5.5% in FY21 ending March, down from a 4.7% drop projected in the previous report in July. The central bank kept interest rates steady, while it will continue to maintain its massive stimulus for the time being. (Source: Reuters)
- Oil prices plummeted 5.0%, as unexpected increase US oil inventories last week and expectations of decline in demand amid surging COVID-19 cases globally weighed on the prices.
- Gold prices fell 1.6%, as the stronger US dollar dragged the yellow metal prices.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.4	0.5	-0.5	-3.1
Euro	1.17	-0.4	0.2	4.8
Japanese Yen	104.3	-0.1	-1.1	-4.0
Sterling Pound	1.30	-0.5	0.5	-2.1
Chinese Yuan	6.73	0.4	-0.9	-3.4
Indian Rupee	74.2	0.8	0.8	4.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.31	-0.2	-0.4	0.8
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	15.65	-0.1	-0.5	-2.2

Corporate Calendar

Date	Company	Event
02 nd Nov	ALAHLIA	EGM
04 th Nov	MULKIA REIT	Cash Dividend Distribution
09 th Nov	Advanced	Cash Dividend Distribution
09 th Nov	ALKHODARI	OGM
09 th Nov	ALRAJHI	OGM
15 th Nov	SULAIMAN ALHABIB	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,188	-0.2	-3.8	-20.9	9.0
Abu Dhabi (ADX)	4,660	-0.5	3.1	-8.2	13.7
Kuwait (KSE)	4,332	0.0	0.7	-11.8	5.7
Qatar (QE)	9,824	-0.3	-1.7	-5.8	15.6
Oman (MSM)	3,558	0.1	-1.6	-10.6	8.5
Bahrain (BSE)	1,427	0.0	-0.5	-11.4	9.1
Egypt (EGX30)	10,515	-0.4	-4.3	-24.7	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	26,520	-3.4	-4.5	-7.1	21.9
Nasdaq	11,005	-3.7	-1.5	22.6	34.4
S&P 500	3,271	-3.5	-2.7	1.2	26.8
FTSE 100	5,583	-2.6	-4.8	-26.0	16.8
Germany DAX 30	11,561	-4.2	-9.4	-12.7	20.8
France CAC 40	4,571	-3.4	-4.8	-23.5	40.7
Japan Nikkei 225	23,419	-0.3	1.0	-1.0	23.0
Hong Kong Hang Seng	24,709	-0.3	5.3	-12.3	12.8
China Shanghai Composite	3,269	0.5	1.6	7.2	13.3
Australia ASX 200	6,058	0.1	4.2	-9.4	19.1
India Sensex	39,922	-1.5	4.9	-3.2	23.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	38.4	-1.5	-4.9	-44.3
Brent Crude (\$/bbl)	39.1	-5.0	-4.5	-40.7
Texas crude (\$/bbl)	37.4	-5.5	-7.0	-38.8
Natural Gas (\$/mmbtu)	3.00	-0.8	18.6	36.9
Gold (\$/oz)	1,877	-1.6	-0.5	23.7
Silver (\$/oz)	23.4	-4.6	0.9	31.3
Steel (\$/ton)	645	0.0	4.9	9.7
Iron Ore (CNY/MT)	844	-1.1	-12.2	21.4
Wheat (\$/bu)	609	-1.1	5.3	8.9
Corn (\$/bu)	402	-3.5	5.9	3.5
Sugar (\$/lb)	14.9	0.4	13.9	11.0
SMP* (EUR/MT)	2,198	-0.2	1.6	-14.5

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.213	-0.9	-2.1	-169.5
Saudi Arabia(SAIBOR)	0.846	-0.1	-2.3	-138.5
UAE (EIBOR)	0.435	-1.9	-5.3	-177.4
Qatar (QIBOR)	0.767	16.7	-16.8	-148.3
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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1. **Overweight:** This rating implies that the stock is currently trading at a discount to its 12 months price target. Stocks rated "Overweight" will typically provide an upside potential of over 10% from the current price levels over next twelve months.
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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