



Major Economic News

- Ministry of Health has not requested imposing a curfew over the coming days in Saudi Arabia, as the current level of COVID-19 cases does not necessitate taking such strict precautionary measures, as per ministry spokesman, Dr. Muhammad Al-Abdulaali. (Source: Argaam)

Major Corporate News

- Saudi Telecom Co hired three banks HSBC, Morgan Stanley and the investment banking arm of National Commercial Bank to advise on the sale shares in its product and services development arm, STC Solutions (STCS). STCS's valuation could be around SAR 9bn (USD 2.4bn) and the IPO size could be around SAR 1.9bn (USD 500mn) if the company sells 20%. (Source: Reuters)
- Bawan Co.'s board of directors recommended repurchasing a maximum of 3mn of its shares or no more than 5% of issued capital, to be retained as treasury shares. (Source: Argaam)
- Alandalus Property Company announces that it has sold the plot of land adjacent to Alandalus Mall in Jeddah to Alahli REIT Fund 1 for SAR 43.5mn. (Source: Argaam)
- Zahrat Al Waha for Trading Co. commenced operation of two plastic preform production lines purchased from Husky Injection Molding Systems. The installation work of two production lines was completed during Q3-20, while the trial operation ended in the second half of September 2020. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange plunged 4.1% to 8,154.6 on Sunday. The value traded stood at SAR 9.2bn (up 14.6% over previous day), while the advance-decline ratio stood at 3/195. The parallel market index decreased 9.9% to 13,881.0 points. The value traded stood at SAR 53.1mn (up 97.7% over previous day). All sectors in the main market ended in the red. Capital Goods and Consumer Services (down 9.7% and 9.4%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
Najran Cement Co.	47.4	14.1	235.4	33.0	43.8
United Electronics Co.	53.4	27.2	96.3	90.4	-40.9
Zamil Industrial	-38.5	-28.1	NM	-58.3	NM

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
BINDAWOOD	127.60	10.0
ANAAM HOLDING	430.80	0.8
SPPC	23.50	0.3

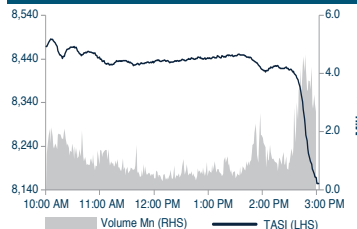
Top Losers

Company	Price	Change%
SARCO	65.70	-10.0
MEPCO	17.64	-10.0
FIPCO	45.45	-10.0
MAADANIYAH	30.60	-10.0
JOUF CEM.	10.62	-10.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,155	8,487	8,155	(4.1)	(2.8)
NomuC	13,881	15,412	13,881	(9.9)	93.4

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	25.8
P/E (Bloomberg)	29.3
P/E*	38.1
P/E after exclusions*	36.6
P/E ex. loss-making comp.*	17.5
P/E: top 50 MCAP*	27.5

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,283	(2.6)	(2.9)	27.7
Materials	5,109	(5.4)	(1.1)	Neg
Capital Goods	5,169	(9.7)	19.3	Neg
Commercial Service	4,184	(3.5)	(12.3)	31.0
Transportation	4,242	(9.0)	(3.5)	High
Consumer Durables	4,449	(8.0)	26.9	Neg
Consumer Services	3,761	(9.4)	(5.0)	16.6
Media	9,204	(8.1)	(2.1)	36.2
Retailing	8,326	(3.8)	8.2	High
Food & Staples	10,898	(4.4)	64.7	High
Food & Beverages	5,532	(5.7)	27.1	31.4
Healthcare	5,281	(4.2)	41.6	33.9
Pharma & Bio Tech	4,459	(3.6)	24.0	Neg
Banks	7,074	(1.9)	(12.7)	16.3
Diversified Financials	3,887	(9.0)	17.7	Neg
Insurance	5,482	(6.1)	21.5	23.3
Telecom	6,703	(4.7)	3.6	21.1
Utilities	4,329	(7.3)	(1.6)	Neg
REITs	4,139	(3.1)	(1.4)	Neg
Real Estate	3,096	(8.3)	(1.2)	Neg
Software & Services	11,359	(8.4)	130.2	20.1

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,447	8,509	8,420	10.96

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	9.2	364.1	404.9
Previous week	45.6	1,930.6	1,908.2

Top Weighted Companies

Company	Price	Change%
Al Rajhi	66.20	-1.2
Saudi Aramco	34.50	-2.3
NCB	39.60	-1.6
SABIC	93.20	-4.5
STC	103.00	-2.8



Regional and International Markets

- Among other regional markets, Dubai decreased 0.4%, while Abu Dhabi increased 0.2%. Oman rose 0.2%, while Egypt, Qatar, Bahrain and Kuwait declined 3.5%, 1.5%, 0.9% and 0.5%, respectively.
- Existing home sales in the US spiked by 9.4% to an annual rate of 6.54mn in September (consensus: 6.30mn), compared to a growth of 2% to a revised rate of 5.98mn in August. (Source: RTT News)
- US initial jobless claims dropped to 787,000 (consensus: 860,000), representing a fall of 55,000 from the previous week's revised level of 842,000. (Source: RTT News)
- UK retail sales grew 1.5% M/M in September (consensus: an increase of 0.4%), compared to a revised 0.9% rise in August. Sales excluding fuel rose 1.6% M/M (consensus: 0.5% growth), versus 0.6% increase in August. (Source: RTT News)
- Japan's manufacturing PMI score rose 48.0 in October, from 47.7 in September. Production and new orders fell at weaker rates, while the decline in backlogs moderated. (Source: RTT News)
- Japan's CPI fell a seasonally adjusted 0.1% M/M in September (in-line with expectations). On a yearly basis, inflation was flat (consensus: a gain of 0.2%) in, compared to 0.2% rise in August. (Source: RTT News)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.8	0.0	-1.2	-3.8
Euro	1.19	0.0	1.2	5.8
Japanese Yen	104.7	0.0	-0.7	-3.6
Sterling Pound	1.30	0.0	1.0	-1.7
Chinese Yuan	6.68	0.0	-1.6	-4.0
Indian Rupee	73.8	0.0	0.4	3.5
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	-0.4	0.8
Omani Rial	0.38	-0.1	-0.1	0.0
Bahraini Dinar	0.38	-0.1	-0.1	0.0
Egyptian Pound	15.66	0.0	-0.4	-2.1

Corporate Calendar

Date	Company	Event
26th Oct	APC	OGM
27th Oct	Catering	Cash Dividend Distribution
27th Oct	ALSAGR INS.	OGM
27th Oct	SPIMACO	EGM
28th Oct	SAIC	OGM
02nd Nov	ALAHLIA	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,177	-0.4	-4.2	-21.2	9.0
Abu Dhabi (ADX)	4,568	0.2	1.1	-10.0	13.0
Kuwait (KSE)	4,382	-0.5	1.8	-10.8	5.7
Qatar (QE)	9,808	-1.5	-1.8	-5.9	15.4
Oman (MSM)	3,564	0.2	-1.4	-10.5	8.4
Bahrain (BSE)	1,435	-0.9	0.0	-10.9	9.1
Egypt (EGX30)	10,603	-3.5	-3.5	-24.1	8.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,336	0.0	2.0	-0.7	22.4
Nasdaq	11,548	0.0	3.4	28.7	35.0
S&P 500	3,465	0.0	3.0	7.3	27.7
FTSE 100	5,860	0.0	-0.1	-22.3	17.6
Germany DAX 30	12,646	0.0	-0.9	-4.6	23.6
France CAC 40	4,910	0.0	2.2	-17.9	43.8
Japan Nikkei 225	23,517	0.0	1.4	-0.6	23.0
Hong Kong Hang Seng	24,919	0.0	6.2	-11.6	13.0
China Shanghai Composite	3,278	0.0	1.9	7.5	13.8
Australia ASX 200	6,167	0.0	6.0	-7.7	19.5
India Sensex	40,686	0.0	6.9	-1.4	23.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	40.9	0.0	1.3	-40.6
Brent Crude (\$/bbl)	41.8	0.0	2.0	-36.7
Texas crude (\$/bbl)	39.9	0.0	-0.9	-34.8
Natural Gas (\$/mmbtu)	2.97	0.0	17.6	35.7
Gold (\$/oz)	1,902	0.0	0.9	25.4
Silver (\$/oz)	24.6	0.0	5.9	37.9
Steel (\$/ton)	645	0.0	4.9	9.7
Iron Ore (CNY/MT)	868	0.0	-9.6	24.9
Wheat (\$/bu)	633	0.0	9.5	13.2
Corn (\$/bu)	419	0.0	10.6	8.1
Sugar (\$/lb)	14.7	0.0	12.6	9.7
SMP* (EUR/MT)	2,203	0.0	1.8	-14.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.215	0.0	-1.9	-169.4
Saudi Arabia(SAIBOR)	0.848	0.0	-2.1	-138.4
UAE (EIBOR)	0.420	-3.1	-6.8	-178.9
Qatar (QIBOR)	0.600	-42.5	-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

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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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