



Major Economic News

- The merger between Saudi Railway Co. and Saudi Railways Organization is in the final stage and is likely to be completed by end of FY20 or Q1-21, as per Rumaih Al-Rumaih, President of the Public Transport Authority. (Source: Argaam)

Major Corporate News

- The board of directors of Saudia Dairy and Foodstuff Co. approved the repurchase of up to 8.5% of the company's shares or up to 2.8mn ordinary shares, to hold as treasury shares. (Source: Argaam)
- SABB Takaful Co. announced the renewal of the group creditors policy worth SAR 58.1mn with Saudi British Bank. The policy's total contribution is more than 1% of total revenue as per the company's financial statement for FY19. (Source: Argaam)
- Sumou Real Estate Co. signed SAR 64mn shariah-compliant credit facilities agreement with Banque Saudi Fransi. The facility will be directed to financing Khayala residential project (Dar Sumou) in cooperation with the National Housing Co. (Source: Argaam)
- AlAhli REIT Fund's (1) board of directors approved the development and expansion of Alandalus Mall following completion of the feasibility study. (Source: Argaam)
- Raydan Food Co. is set to open a new franchise branch in Star Plaza Center, Hafar Al-Batin. The relevant financial impact will appear on the company's revenue for Q4-20. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange remained flat at 8,155.3. The value traded stood at SAR 11.4bn (up 23.2% over previous day), while the advance-decline ratio stood at 90/96. The parallel market index increased 7.3% to 14,889.6 points. The value traded stood at SAR 35.3mn (down 33.5% over previous day). Most sectors in the main market ended in the green. Software & Services and Transportation (up 2.6% and 2.2%, respectively) advanced the most; Consumer Durables and Energy (down 3.1% and 0.9%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
Petro Rabigh	-610.0	394	NM	-1,435.0	NM
Saudi Industrial Dev. Co.	5.1	-4.3	NM	4.3	18.6
Walaa Cooperative Insurance	25.3	7.9	218.2	28.4	-10.9
Herfy Food Services	41.4	57.5	-28.1	-34.2	NM
BAHRI	313.7	146.7	113.8	760.6	-58.8
SIPCHEM	10.0	111.1	91.0	-99.0	NM

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
BAWAN	18.96	10.0
GULF GENERAL	22.14	9.9
NAJRAN CEMENT	16.12	9.5
MALATH INSURANCE	17.40	8.1
ALMRAKEZ	25.50	8.0

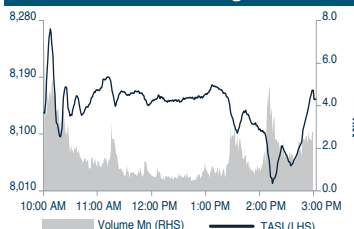
Top Losers

Company	Price	Change%
ANAAM HOLDING	387.80	-10.0
ALKHALEEJ TRNG	21.50	-7.3
FITAIHI GROUP	17.60	-6.0
SWICORP WABEL REIT	7.40	-5.0
MESC	13.74	-4.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,155	8,267	8,020	0.0	(2.8)
NomuC	14,890	14,934	13,280	7.3	93.4

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	24.9
P/E (Bloomberg)	29.1
P/E*	38.0
P/E after exclusions*	36.6
P/E ex. loss-making comp.*	17.5
P/E: top 50 MCAP*	27.4

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,233	(0.9)	(3.8)	27.3
Materials	5,114	0.1	(1.0)	Neg
Capital Goods	5,161	(0.2)	19.1	Neg
Commercial Service	4,220	0.9	(11.6)	31.2
Transportation	4,334	2.2	(1.4)	High
Consumer Durables	4,312	(3.1)	23.0	Neg
Consumer Services	3,815	1.4	(3.6)	16.8
Media	9,376	1.9	(0.3)	36.9
Retailing	8,295	(0.4)	7.8	High
Food & Staples	11,020	1.1	66.6	High
Food & Beverages	5,545	0.2	27.4	31.4
Healthcare	5,331	1.0	42.9	34.4
Pharma & Bio Tech	4,512	1.2	25.5	Neg
Banks	7,044	(0.4)	(13.1)	16.3
Diversified Financials	3,887	(0.0)	17.7	Neg
Insurance	5,514	0.6	22.2	23.3
Telecom	6,747	0.7	4.2	21.2
Utilities	4,404	1.7	0.1	Neg
REITs	4,107	(0.8)	(2.2)	Neg
Real Estate	3,142	1.5	0.3	Neg
Software & Services	11,649	2.6	136.1	20.6

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,369	8,470	8,411	10.99

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	20.6	862.8	934.4
Previous week	45.6	1,930.6	1,908.2

Top Weighted Companies

Company	Price	Change%
Al Rajhi	66.00	-0.3
Saudi Aramco	34.10	-1.2
NCB	39.45	-0.4
SABIC	92.60	-0.6
STC	103.00	0.0



Regional and International Markets

- Among other regional markets, Dubai decreased 0.5%, while Abu Dhabi increased 1.2%. Kuwait and Egypt declined 0.9% each. Meanwhile, Qatar, Oman and Bahrain remained flat.
- British pharmaceutical giant AstraZeneca said its potential Covid-19 vaccine has produced a similar immune response in older and younger adults. The announcement is likely to boost hopes of a Covid-19 vaccine being developed before the end of the year. (Source: CNBC)
- US new home sales declined by 3.5% (consensus: an increase of 2.8%) to an annual rate of 959,000 in September, compared to a fall of 3% to a revised rate of 994,000 in August. The decrease in new home sales was primarily due to a steep drop in sales in the Northeast, which dropped by 28.9% to a rate of 32,000. (Source: RTT News)
- Oil prices plunged 3.1% to a three-week low on account of surge in COVID-19 cases and receding hopes of a US stimulus deal.
- Gold prices remained flat, as pessimism over US stimulus deal was offset by stronger US dollar and decline in equity markets ahead of elections.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.0	0.3	-0.9	-3.5
Euro	1.18	-0.4	0.8	5.3
Japanese Yen	104.8	0.1	-0.6	-3.5
Sterling Pound	1.30	-0.1	0.8	-1.8
Chinese Yuan	6.71	0.4	-1.1	-3.6
Indian Rupee	74.0	0.2	0.5	3.7
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	-0.4	0.8
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
27 th Oct	Catering	Cash Dividend Distribution
27 th Oct	ALSAGR INS.	OGM
27 th Oct	SPIMACO	EGM
28 th Oct	SAIC	OGM
02 nd Nov	ALAHLIA	EGM
04 th Nov	MULKIA REIT	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,167	-0.5	-4.7	-21.6	8.9
Abu Dhabi (ADX)	4,625	1.2	2.4	-8.9	13.2
Kuwait (KSE)	4,344	-0.9	0.9	-11.5	5.7
Qatar (QE)	9,808	0.0	-1.8	-5.9	15.2
Oman (MSM)	3,564	0.0	-1.4	-10.5	8.4
Bahrain (BSE)	1,435	0.0	0.0	-10.9	9.1
Egypt (EGX30)	10,512	-0.9	-4.3	-24.7	8.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	27,685	-2.3	-0.3	-3.0	22.4
Nasdaq	11,359	-1.6	1.7	26.6	35.0
S&P 500	3,401	-1.9	1.1	5.3	27.7
FTSE 100	5,792	-1.2	-1.3	-23.2	17.4
Germany DAX 30	12,177	-3.7	-4.6	-8.1	22.5
France CAC 40	4,816	-1.9	0.3	-19.4	42.9
Japan Nikkei 225	23,494	-0.1	1.3	-0.7	23.1
Hong Kong Hang Seng	24,919	0.0	6.2	-11.6	13.0
China Shanghai Composite	3,251	-0.8	1.0	6.6	13.6
Australia ASX 200	6,156	-0.2	5.8	-7.9	19.4
India Sensex	40,146	-1.3	5.5	-2.7	23.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	39.2	-4.2	-2.9	-43.1
Brent Crude (\$/bbl)	40.5	-3.1	-1.2	-38.7
Texas crude (\$/bbl)	38.6	-3.2	-4.1	-36.9
Natural Gas (\$/mmbtu)	3.02	1.8	19.7	38.1
Gold (\$/oz)	1,902	0.0	0.9	25.4
Silver (\$/oz)	24.3	-1.1	4.8	36.4
Steel (\$/ton)	645	0.0	4.9	9.7
Iron Ore (CNY/MT)	860	-0.9	-10.5	23.7
Wheat (\$/bu)	620	-2.0	7.3	11.0
Corn (\$/bu)	418	-0.4	10.2	7.7
Sugar (\$/lb)	14.8	0.3	13.0	10.1
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	0.217	0.2	-1.7	-169.2
Saudi Arabia(SAIBOR)	0.848	0.0	-2.1	-138.4
UAE (EIBOR)	0.474	5.4	-1.4	-173.5
Qatar (QIBOR)	0.863	26.3	-7.2	-138.8
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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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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