



Major Economic News

- Saudi Arabia's Ministry of Environment, Water and Agriculture signed a MoU with The Red Sea Development Company to maintain the environmental sustainability of the Red Sea's waterfront, preserve the natural habitats, and ensure that the development processes do not impact the its ecosystem. (Source: Argaam)

Major Corporate News

- Al Kathiri Holding Co.'s rights issue shares were 98.5% subscribed, as subscribers injected SAR 44.5mn in 4.45mn shares. The remaining shares will be reoffered to institutional investors on a pro rata basis on October 27-28, 2020. (Source: Argaam)
- Abdullah Al Othaim Markets Co. opened a new store in Riyadh, bringing the total number of branches across Saudi Arabia to 247. The new store is located on Wadi Al-Sahel St. in Al-Rimal district. (Source: Argaam)
- Saudi Arabian Airlines will resume services to 33 international destinations in November following the partial lifting of the travel suspension on September 15. (Source: Argaam)
- Arab National Bank completed the issuance of the second tranche of US dollar-denominated Tier 2 sukuk to eligible investors in Saudi Arabia and internationally, with a value of USD 750mn. The total number of sukuk stood at 3,750, based on the minimum denomination and the total issue size. The par value amounted to USD 200,000. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.1% to 8,505.2 on Thursday. The value traded stood at SAR 8.1bn (down 9.7% over previous day), while the advance-decline ratio stood at 38/153. The parallel market index increased 1.0% to 15,414.0 points. The value traded stood at SAR 26.8mn (down 12.2% over previous day). Most sectors in the main market ended in the red. Telecom and Transportation (up 1.5% and 1.3%, respectively) advanced the most; Software & Services and Capital Goods (down 4.4% and 2.3%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
Al Rajhi Bank	2,658.0	2,739.0	-3.0	2,436.0	9.1
Hail Cement Co.	22.8	7.6	200.6	21.7	5.0
SABIC	1,090.0	740.0	47.3	-2.2	NM
Dr. Sulaiman Al Habib	298.8	198.0	50.9	192.3	55.4
Bank Albilad	382.6	326.6	17.1	318.1	20.3
Saudi Automotive Services Co.	17.5	13.0	33.9	4.4	293.0
United International Trans.	40.5	45.2	-10.6	22.6	79.1

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
SPPC	23.44	9.9
BINDAWOOD	116.00	9.9
ANAAM HOLDING	427.40	7.4
SISCO	30.90	3.7
BUDGET SAUDI	37.80	3.4

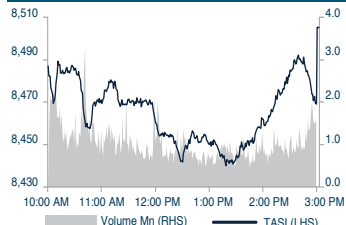
Top Losers

Company	Price	Change%
MIS	78.50	-7.5
OASIS	69.20	-5.1
BAWAN	19.12	-5.1
GULF GENERAL	22.36	-4.4
SOLIDARITY	18.16	-4.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,505	8,505	8,439	0.1	1.4
NomuC	15,414	15,414	15,100	1.0	114.7

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	25.8
P/E (Bloomberg)	30.5
P/E*	40.1
P/E after exclusions*	38.5
P/E ex. loss-making comp.*	18.1
P/E: top 50 MCAP*	28.5

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,422	(0.1)	(0.4)	28.3
Materials	5,403	(0.0)	4.6	Neg
Capital Goods	5,722	(2.3)	32.1	Neg
Commercial Service	4,335	0.5	(9.2)	32.0
Transportation	4,659	1.3	6.0	High
Consumer Durables	4,835	(1.5)	37.9	Neg
Consumer Services	4,149	(1.8)	4.8	18.3
Media	10,013	(0.1)	6.5	39.4
Retailing	8,653	0.2	12.4	High
Food & Staples	11,397	1.1	72.3	High
Food & Beverages	5,864	(0.8)	34.7	33.2
Healthcare	5,510	(0.4)	47.7	35.2
Pharma & Bio Tech	4,624	(0.7)	28.6	Neg
Banks	7,209	0.7	(11.1)	16.7
Diversified Financials	4,274	(0.5)	29.4	Neg
Insurance	5,838	(0.4)	29.3	24.7
Telecom	7,033	1.5	8.7	21.9
Utilities	4,669	(1.7)	6.1	Neg
REITs	4,270	(0.7)	1.7	Neg
Real Estate	3,377	(1.2)	7.8	NA
Software & Services	12,405	(4.4)	151.4	21.9

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,529	8,545	8,427	11.07

Market Statistics

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

Top Weighted Companies

Company	Price	Change%
Al Rajhi	67.00	0.8
Saudi Aramco	35.30	0.0
NCB	40.25	0.8
SABIC	97.60	0.5
STC	106.00	2.7



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.7% and 0.3%, respectively. Kuwait and Bahrain fell 0.4% each, while Egypt, Oman and Qatar declined 1.0%, 0.8% and 0.1%, respectively.
- According to Baker Hughes, North America's rig count increased to 370 in the week ended October 23 from 362 earlier. The rig count rose to 287 in the US from 282 earlier, while declined to 13 in the Gulf of Mexico from 14 earlier. The rig count in Canada increased to 83 from 80 earlier. (Source: Baker Hughes, Econoday)
- US flash manufacturing PMI fell to 53.3 in October (consensus: 53.2) compared with 53.5 in September. Services PMI rose to 56.0 in October (consensus: 54.6) from 54.6 in September. (Source: Econoday)
- UK flash IHS Markit composite PMI declined to 52.9 in October (consensus: 54.1) from 55.7 in September. Manufacturing PMI fell to 53.3 in October (consensus: 53.6) versus 54.3 in September. (Source: Econoday)
- Oil prices decreased 1.6% on Friday due to a rise in rigs count and expectations of further increase in Libyan oil supply.
- Gold prices fell 0.1%, as the expectations of Covid-19 stimulus deal before US presidential elections dimmed.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.8	-0.2	-1.2	-3.8
Euro	1.19	0.4	1.2	5.8
Japanese Yen	104.7	-0.1	-0.7	-3.6
Sterling Pound	1.30	-0.3	1.0	-1.7
Chinese Yuan	6.68	0.0	-1.6	-4.0
Indian Rupee	73.8	0.2	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	Atheeb Telecom	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)	2,186	0.7	-3.9	-21.0	9.0
Abu Dhabi (ADX)	4,557	0.3	0.9	-10.2	13.0
Kuwait (KSE)	4,402	-0.4	2.3	-10.4	5.7
Qatar (QE)	9,958	-0.1	-0.3	-4.5	15.4
Oman (MSM)	3,557	-0.8	-1.6	-10.6	8.4
Bahrain (BSE)	1,448	-0.4	0.9	-10.1	9.1
Egypt (EGX30)	10,987	-1.0	0.0	-21.3	8.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,336	-0.1	2.0	-0.7	22.4
Nasdaq	11,548	0.4	3.4	28.7	35.0
S&P 500	3,465	0.3	3.0	7.3	27.7
FTSE 100	5,860	1.3	-0.1	-22.3	17.6
Germany DAX 30	12,646	0.8	-0.9	-4.6	23.6
France CAC 40	4,910	1.2	2.2	-17.9	43.8
Japan Nikkei 225	23,517	0.2	1.4	-0.6	23.0
Hong Kong Hang Seng	24,919	0.5	6.2	-11.6	13.0
China Shanghai Composite	3,278	-1.0	1.9	7.5	13.8
Australia ASX 200	6,167	-0.1	6.0	-7.7	19.5
India Sensex	40,686	0.3	6.9	-1.4	23.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	40.9	2.1	1.3	-40.6
Brent Crude (\$/bbl)	41.8	-1.6	2.0	-36.7
Texas crude (\$/bbl)	39.9	-1.9	-0.9	-34.8
Natural Gas (\$/mmbtu)	2.97	-1.2	17.6	35.7
Gold (\$/oz)	1,902	-0.1	0.9	25.4
Silver (\$/oz)	24.6	-0.7	5.9	37.9
Steel (\$/ton)	645	0.0	4.9	9.7
Iron Ore (CNY/MT)	868	-7.3	-9.6	24.9
Wheat (\$/bu)	633	1.6	9.5	13.2
Corn (\$/bu)	419	0.7	10.6	8.1
Sugar (\$/lb)	14.7	-0.4	12.6	9.7
SMP* (EUR/MT)	2,203	-0.1	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	-0.1	-2.1	-138.4
UAE (EIBOR)	0.451	7.1	-3.6	-175.7
Qatar (QIBOR)	1.025	16.3	9.0	-122.5
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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