



## Major Economic News

- Saudi Arabia is not planning to tap international debt markets again this year, as the Kingdom prefers local borrowing to fund the budget deficit, according to Minister of Finance, Mohammed Al-Jadaan. (Source: Argaam)
- Minister of Investment, Khalid Al-Falih, said that the Kingdom is planning to launch several special economic zones in FY21. (Source: Argaam)
- The Saudi Cabinet approved amending the structure of visit, Hajj and transit visas. Accordingly, the transit visa (air, land or sea) is offered at SAR 100 for 48 hours or SAR 300 for 96 hours. (Source: Argaam)

## Major Corporate News

- Western Union Co. acquired a 15% stake in STC Pay, the digital payment unit of Saudi Telecom Co., for USD 200mn (SAR 750mn). The company was valued at about SAR 5bn (USD 1.3bn). The investment is aimed at financing STC Pay's capital and support long-term expansion plans. (Source: Argaam)
- Nama Chemicals Co. said Hassad Petrochemicals Complex will shut down chlorine gas, sodium hypochlorite, hydrochloric acid, epichlorohydrin and calcium chloride units starting November 19, for 22-day regular maintenance. (Source: Argaam)
- Al Mashaar REIT Fund's board of directors decided to exempt Eskan Development & Investment Co., a tenant, from rent for the period from March 15 to December 31, 2020. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.5% to 8,578.4 on Thursday. The value traded stood at SAR 12.3bn (down 4.2% over previous day), while the advance-decline ratio stood at 68/121. The parallel market index remained flat at 20,333.8 points. The value traded stood at SAR 56.9mn (down 25.5% over previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech and Capital Goods (up 6.0% and 0.9%, respectively) advanced the most; Software & Services and Food & Staples (down 1.2% and 0.9%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
SPPC	26.95	10.0
FIPCO	56.50	9.9
BAAZEEM	67.70	9.9
ALOMRAN	104.60	7.2
SPIMACO	40.90	6.0

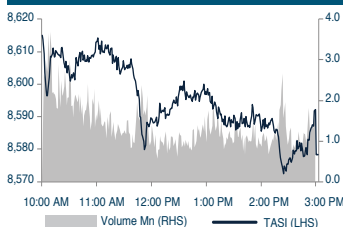
## Top Losers

Company	Price	Change%
SPM	103.40	-5.5
SIDC	15.56	-4.7
HB	65.50	-3.0
GULF UN.	20.26	-2.5
WAFRAH	138.40	-2.1

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,578	8,616	8,571	(0.5)	2.3
NomuC	20,334	20,692	19,440	0.0	183.2

## TASI movement during session



## TASI P/E Ratios

P/E (Tadawul)	25.9
P/E (Bloomberg)	32.4
P/E*	42.7
P/E after exclusions*	40.9
P/E ex. loss-making comp.*	18.5
P/E: top 50 MCAP*	29.2

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,448	(0.3)	0.1	28.4
Materials	5,384	(0.7)	4.2	Neg
Capital Goods	6,008	0.9	38.7	Neg
Commercial Service	4,181	0.6	(12.4)	31.1
Transportation	4,558	0.7	3.7	High
Consumer Durables	5,066	(0.2)	44.5	Neg
Consumer Services	4,078	(0.3)	3.0	17.9
Media	10,846	0.4	15.4	42.7
Retailing	8,311	(0.6)	8.0	High
Food & Staples	11,489	(0.9)	73.7	35.7
Food & Beverages	5,618	(0.4)	29.0	31.9
Healthcare	5,384	0.3	44.3	35.0
Pharma & Bio Tech	5,396	6.0	50.1	Neg
Banks	7,554	(0.7)	(6.8)	17.4
Diversified Financials	4,344	(0.4)	31.5	Neg
Insurance	5,896	(0.3)	30.6	24.9
Telecom	6,961	(0.7)	7.5	21.9
Utilities	4,333	(0.1)	(1.5)	Neg
REITs	4,198	(0.2)	0.0	Neg
Real Estate	3,215	(0.4)	2.6	Neg
Software & Services	13,983	(1.2)	183.4	24.5

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,497	8,360	8,251	10.96

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	70.4	2,474.5	2,720.4
Previous week	59.2	2,101.0	2,395.8

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	73.70	-0.7
Saudi Aramco	35.40	-0.3
NCB	43.10	-0.7
SABIC	96.40	-1.4
STC	107.20	-0.7



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.3% and 0.8%, respectively. Kuwait, Bahrain and Oman rose 0.6%, 0.5% and 0.1%, respectively; while Qatar and Egypt declined 1.4% and 0.8%, respectively.
- According to Baker Hughes, North America's rig count increased to 411 in the week ended November 20 from 401 earlier. The rig count fell to 310 in the US from 312 earlier and decreased to 12 in the Gulf of Mexico from 13 earlier. The rig count in Canada increased to 101 from 89 earlier. (Source: Baker Hughes).
- US initial jobless claims increased to 742,000, representing a rise of 31,000 from the previous week's revised level of 711,000. (Source: Econoday)
- UK retail sales grew 1.2% M/M in October (consensus: rise of 0.1%), compared to an increase of 1.4% in September. (Source: RTT News)
- Oil prices increased 1.7% on Friday driven by optimism over coronavirus vaccine.
- Gold prices rose 0.2%, as US Treasury Secretary indicated that negotiations on stimulus measures will continue.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.4	0.1	-1.8	-4.1
Euro	1.19	-0.2	1.8	5.7
Japanese Yen	103.9	0.1	-0.8	-4.4
Sterling Pound	1.33	0.2	2.6	0.2
Chinese Yuan	6.56	-0.3	-2.0	-5.8
Indian Rupee	74.1	0.0	-0.6	3.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.31	0.0	0.1	0.9
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.55	0.0	-0.6	-2.8

## Corporate Calendar

Date	Company	Event
22 <sup>nd</sup> Nov	QACCO	Cash Dividend Distribution
25 <sup>th</sup> Nov	City Cement	Cash Dividend Distribution
25 <sup>th</sup> Nov	Bawan	Cash Dividend Distribution
29 <sup>th</sup> Nov	SAIB	EGM
30 <sup>th</sup> Nov	Saudi Aramco	Cash Dividend Distribution
30 <sup>th</sup> Nov	BINDAWOOD	Cash Dividend Distribution

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,316	-0.3	5.9	-16.2	10.8
Abu Dhabi (ADX)	4,914	-0.8	5.4	-3.2	14.4
Kuwait (KSE)	4,352	0.6	0.5	-11.4	16.7
Qatar (QE)	10,108	-1.4	4.3	-3.0	16.1
Oman (MSM)	3,628	0.1	2.0	-8.9	9.0
Bahrain (BSE)	1,452	0.5	1.7	-9.8	9.1
Egypt (EGX30)	10,899	-0.8	3.6	-21.9	7.9

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	29,263	-0.7	10.4	2.5	23.1
Nasdaq	11,855	-0.4	8.6	32.1	34.1
S&P 500	3,558	-0.7	8.8	10.1	27.7
FTSE 100	6,351	0.3	13.9	-15.8	16.5
Germany DAX 30	13,137	0.4	13.7	-0.8	23.6
France CAC 40	5,496	0.4	19.6	-8.1	56.7
Japan Nikkei 225	25,527	-0.4	11.1	7.9	25.5
Hong Kong Hang Seng	26,452	0.4	9.7	-6.2	13.2
China Shanghai Composite	3,378	0.4	4.8	10.7	14.1
Australia ASX 200	6,539	-0.1	10.3	-2.2	21.9
India Sensex	43,882	0.6	10.8	6.4	27.5

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	43.2	0.4	18.3	-37.3
Brent Crude (\$/bbl)	45.0	1.7	20.0	-31.9
Texas crude (\$/bbl)	42.2	1.0	17.8	-31.1
Natural Gas (\$/mmbtu)	2.65	2.2	-21.0	21.1
Gold (\$/oz)	1,871	0.2	-0.4	23.3
Silver (\$/oz)	24.1	0.2	2.2	35.4
Steel (\$/ton)	718	0.0	2.7	22.1
Iron Ore (CNY/MT)	913	0.3	6.3	31.4
Wheat (\$/bu)	593	0.3	-0.9	6.2
Corn (\$/bu)	423	0.2	6.2	9.2
Sugar (\$/lb)	15.2	-0.5	5.9	13.3
SMP* (EUR/MT)	2,165	0.0	0.3	-15.8

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.213	-1.1	-0.3	-169.6
Saudi Arabia(SAIBOR)	0.836	0.0	-1.0	-139.5
UAE (EIBOR)	0.429	4.6	-0.6	-178.0
Qatar (QIBOR)	1.020	1.9	25.4	-123.0
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 November 20, 2020



RESEARCH DIVISION

AGM-Head of Research

Talha Nazar

+966 11 2256250  
t.nazar@aljaziracapital.com.sa

Analyst

Faisal Alsuwelimy

+966 11 2256115  
F.alsuwelimy@aljaziracapital.com.sa

Senior Analyst

Jassim Al-Jubran

+966 11 2256248  
j.aljabran@aljaziracapital.com.sa

Analyst

Abdulrahman Al-Mashal

+966 11 2256374  
A.Almashal@Aljaziracapital.com.sa

BROKERAGE AND INVESTMENT CENTERS DIVISION

General Manager – Brokerage Services & sales

Alaa Al-Yousef

+966 11 2256060  
a.yousef@aljaziracapital.com.sa

AGM-Head of international and institutions

Ahmad Salman, CFA

+966 11 2256201  
a.salman@aljaziracapital.com.sa

AGM-Head of Qassim & Eastern Province

Abdullah Al-Rahit

+966 16 3617547  
aalrahit@aljaziracapital.com.sa

AGM-Head of Central & Western Region

Investment Centers

Sultan Ibrahim AL-Mutawa

+966 11 2256364  
s.almutawa@aljaziracapital.com.sa

RESEARCH DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

RATING TERMINOLOGY

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.

## Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Corporate Finance | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068