



Major Economic News

- Saudi Arabia's insurance sector is expected to witness more mergers in FY21, as per Abdullah Al Towaijri, Head of Insurance Companies Control Department at SAMA. He noted that the insurance sector has reached a stage of maturity to recognize the need for consolidation of capital. (Source: Argaam)

Major Corporate News

- Jazan Energy and Development Co. inked a binding and conditional agreement to acquire 100% of Jazel Investments Limited for SAR 410.0mn. (Source: Argaam)
- Middle East Paper Co.'s board of directors approved the establishment of tissue paper and hygienic paper jumbo rolls production plant at an estimated cost of SAR 338mn. The project is expected to have an annual production capacity of 60,000 tons and will be established in the Industrial Valley in King Abdullah Economic City. (Source: Argaam)
- Shareholders of Saudi Paper Manufacturing Co. approved the capital increase through SAR 100mn rights issue. Subscription to new shares and the rights trading will start on December 14, 2020. Rights trading will end on December 21 and subscription to the new shares will close on December 24. (Source: Argaam)
- Rabigh Refining and Petrochemical Co.'s board of directors approved the resignation of the board director and CEO, Nasser Damsheq Al Mahasher, effective January 01, 2021, citing personal reasons. Meanwhile, the company's board of directors appointed Othman Ali Al-Ghamdi as a board member and CEO. (Source: Argaam)
- Lazurde Co. for Jewelry's board of directors amended its recommendation on increasing the company's capital, seeking a hike by SAR 145mn instead of SAR 143.3mn through offering rights issue shares. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.6% to 8,633.4. The value traded stood at SAR 9.6bn (down 6.8% over previous day), while the advance-decline ratio stood at 155/31. The parallel market index increased 1.2% to 18,899.6 points. The value traded stood at SAR 55.0mn (down 18.4% over previous day). Most sectors in the main market ended in the green. Capital Goods and Consumer Durables (up 4.0% and 3.8%, respectively) advanced the most; Food & Staples and REITs (down 0.4% and 0.1%, respectively) were the only laggards.

Top Gainers

Company	Price	Change%
NASEEJ	40.15	10.0
GULF GENERAL	24.90	10.0
EIC	23.22	9.9
SPM	62.10	9.9
RAYDAN	32.15	9.9

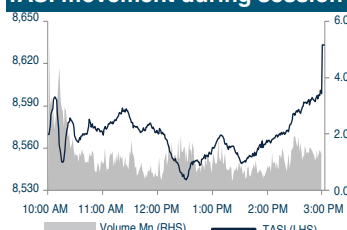
Top Losers

Company	Price	Change%
ANAAM	112.60	-9.9
AMIANITIT	25.60	-2.7
SABB	24.70	-2.4
GULF UNI.	20.78	-2.3
HERFY	57.90	-1.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,633	8,633	8,537	0.6	2.9
NomuC	18,900	18,900	18,494	1.2	163.3

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	29.6
P/E (Bloomberg)	32.7
P/E*	43.1
P/E after exclusions*	41.4
P/E ex. loss-making comp.*	18.7
P/E: top 50 MCAP*	29.4

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,479	0.0	0.7	33.9
Materials	5,493	0.9	6.3	High
Capital Goods	6,095	4.0	40.7	High
Commercial Service	4,145	1.5	(13.1)	High
Transportation	4,571	2.5	4.0	Neg
Consumer Durables	5,234	3.8	49.3	Neg
Consumer Services	4,268	2.2	7.8	29.5
Media	10,188	1.1	8.4	38.8
Retailing	8,382	0.8	8.9	Neg
Food & Staples	10,817	(0.4)	63.5	34.2
Food & Beverages	5,541	0.1	27.3	30.5
Healthcare	5,563	1.0	49.2	33.0
Pharma & Bio Tech	5,343	1.0	48.6	Neg
Banks	7,598	0.3	(6.3)	17.8
Diversified Financials	4,598	3.6	39.2	Neg
Insurance	5,904	1.5	30.8	24.7
Telecom	6,966	0.7	7.6	21.7
Utilities	4,629	1.9	5.2	Neg
REITs	4,250	(0.1)	1.2	Neg
Real Estate	3,108	0.5	(0.8)	Neg
Software & Services	13,243	0.2	168.4	22.8

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,661	8,678	8,603	11.93

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	19.8	745.8	885.1
Previous week	67.1	2,310.7	2,494.0

Top Weighted Companies

Company	Price	Change%
Al Rajhi	74.20	0.3
Saudi Aramco	35.65	-0.1
NCB	42.85	0.9
SABIC	96.70	0.1
STC	106.80	0.4



Regional and International Markets

- Among other regional markets, Dubai remained flat, while Abu Dhabi increased 0.2%. Kuwait rose 0.5%, while Oman and Bahrain gained 0.1% each. Meanwhile, Egypt and Qatar declined 0.3% and 0.2%, respectively.
- Japan's GDP surged by an annualized 22.9% Y/Y Q3-20 (consensus: 21.5% increase) compared to 28.8% drop in Q2-20. On a quarterly basis, GDP increased 5.0% (in line with the consensus) following a 8.2% decline in Q2-20. (Source: RTT News)
- The average of household spending in Japan grew 1.9% Y/Y in October to JPY 283,508 (consensus: an increase of 2.5%) versus a fall of 10.2% in September. On M/M basis, household spending increased 2.1% in October (consensus: an increase of 1.0%) compared to a rise of 3.8% in September. (Source: RTT News)
- Oil prices fell 0.9% due to surging COVID-19 cases and increased tension between US and China.
- Gold prices rose 1.3% on increased hopes of US economic stimulus deal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.8	0.1	-1.2	-5.8
Euro	1.21	-0.1	1.5	8.0
Japanese Yen	104.1	-0.1	-0.2	-4.2
Sterling Pound	1.34	-0.5	0.4	0.9
Chinese Yuan	6.53	0.0	-0.7	-6.2
Indian Rupee	73.8	0.0	-0.3	3.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	-0.1	-0.5	0.5
Kuwaiti Dinar	0.30	0.1	-0.2	0.5
Omani Rial	0.38	-0.1	0.0	0.0
Bahraini Dinar	0.38	-0.1	0.0	0.0
Egyptian Pound	15.63	0.1	0.1	-2.3

Corporate Calendar

Date	Company	Event
13 th Dec	ACC	OGM
14 th Dec	SVCP	Cash Dividend Distribution
21 st Dec	ALKHALEEL TRNG	OGM
22 nd Dec	LAZURDE	EGM
23 rd Dec	MESC	OGM
24 th Dec	SPCC	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,483	0.0	2.6	-10.2	11.6
Abu Dhabi (ADX)	5,042	0.2	1.6	-0.7	14.7
Kuwait (KSE)	4,432	0.5	1.4	-9.7	16.7
Qatar (QE)	10,604	-0.2	3.3	1.7	16.9
Oman (MSM)	3,654	0.1	0.3	-8.2	9.2
Bahrain (BSE)	1,495	0.1	1.2	-7.2	9.1
Egypt (EGX30)	10,995	-0.3	0.5	-21.2	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	30,070	-0.5	1.5	5.4	23.5
Nasdaq	12,520	0.4	2.6	39.5	35.7
S&P 500	3,692	-0.2	1.9	14.3	28.7
FTSE 100	6,555	0.1	4.6	-13.1	17.3
Germany DAX 30	13,271	-0.2	-0.2	0.2	23.8
France CAC 40	5,573	-0.6	1.0	-6.8	57.5
Japan Nikkei 225	26,547	-0.8	0.4	12.2	26.5
Russia MICEX	3,195	0.3	2.8	4.9	15.1
Hong Kong Hang Seng	26,507	-1.2	0.6	-6.0	14.4
South Korea KOSPI	2,745	0.5	5.9	24.9	31.4
China Shanghai Composite	3,417	-0.8	0.7	12.0	14.3
Australia ASX 200	6,675	0.6	2.4	-0.1	22.4
India Sensex	45,427	0.8	2.9	10.1	28.4
MSCI EM	1,253	0.2	4.0	12.4	24.7
MSCI World	2,636	-0.1	2.0	11.8	32.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	47.4	-2.1	1.8	-31.1
Brent Crude (\$/bbl)	48.8	-0.9	2.5	-26.1
Texas crude (\$/bbl)	45.8	-1.1	0.9	-25.2
Natural Gas (\$/mmbtu)	2.41	-6.6	-16.5	9.9
Gold (\$/oz)	1,863	1.3	4.8	22.8
Silver (\$/oz)	24.5	1.4	8.4	37.4
Steel (\$/ton)	814	-0.1	1.8	38.4
Iron Ore (CNY/MT)	980	0.0	4.8	41.0
Wheat (\$/bu)	571	0.8	-1.6	2.2
Corn (\$/bu)	420	0.6	-0.1	8.2
Sugar (\$/lb)	14.5	0.1	-0.4	7.7
SMP* (EUR/MT)	2,200	0.0	0.7	-14.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.226	0.1	-0.2	-168.3
Saudi Arabia(SAIBOR)	0.829	0.0	-0.3	-140.3
UAE (EIBOR)	0.345	1.3	1.3	-186.4
Qatar (QIBOR)	1.081	-14.1	-14.0	-116.9
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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