



Major Economic News

- The number of insurance subscribers in Saudi Arabia fell 10% to 10.1mn by the end of FY20, from 11.2mn in FY19. The number of insured Saudis decreased by 49,700, while the insured non-Saudis declined by about 1.1mn. (Source: Argaam)
- Saudi Arabia put on hold financing plans potentially worth billions of dollars for the expansion of Riyadh's airport, indicating that the Kingdom is re-assessing strategic priorities after the coronavirus crisis. (Source: Argaam)
- NEOM is planning to launch five to six projects for resort development within the city, in parallel with THE LINE, according to NEOM CEO Nazmi Al Nasr. (Source: Argaam)

Major Corporate News

- National Agricultural Development Co. signed a non-binding MoU to form a consortium to jointly bid for acquisition of a flour mill. The flour mills are being offered for privatization by the National Center for Privatization & PPP and the Saudi Grains Organization. (Source: Argaam)
- Arabian Shield Cooperative Insurance Co.'s board of directors recommended a 33.3% capital hike to SAR 400mn from SAR 300mn through the issuance of bonus shares. The capital hike aims to enhance the solvency of the company's capital. (Source: Argaam)
- Wala Cooperative Insurance Co.'s board of directors recommended increasing capital via a SAR 775mn rights issue. The capital increase will support the company's future expansions and enhance the solvency margin. (Source: Argaam)
- Emaar Economic City Co. appointed Ahmed Yousef Boshnak as managing director. The decision is effective from January 12, 2021, for a period of six months that can be extended for a similar period. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.2% to 8,884.5. The value traded stood at SAR 8.6bn (down 9.7% over previous day), while the advance-decline ratio stood at 87/96. The parallel market index increased 3.3% to 25,687.7 points. The value traded stood at SAR 67.0mn (up 18.9% over previous day). Most sectors in the main market ended in the green. Software & Services and Retailing (up 2.8% and 0.9%, respectively) advanced the most; Real Estate and Consumer Services (down 0.3% each) led the laggards.

Top Gainers

Company	Price	Change%
ALOMRAN	110.60	9.9
ACIG	69.50	8.8
ALSAMAANI	357.00	6.6
ARAB SEA	90.50	6.0
ALKATHIRI	91.40	5.7

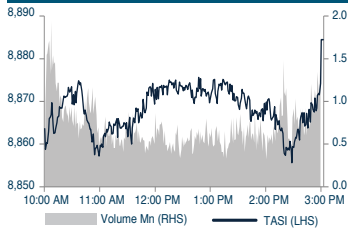
Top Losers

Company	Price	Change%
ATAA	39.05	-3.0
RED SEA	24.26	-2.8
TCC	18.30	-1.7
NADEC	29.50	-1.5
SABB TAK.	30.50	-1.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,884	8,884	8,854	0.2	5.9
NomuC	25,688	26,314	24,399	3.3	257.8

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	29.5
P/E (Bloomberg)	35.5
P/E*	46.3
P/E after exclusions*	44.6
P/E ex. loss-making comp.*	19.4
P/E: top 50 MCAP*	31.1

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,409	(0.1)	0.4	33.4
Materials	5,982	0.4	4.1	High
Capital Goods	6,627	0.5	1.4	Neg
Commercial Service	4,238	(0.1)	4.4	High
Transportation	4,935	0.8	1.9	Neg
Consumer Durables	5,960	0.3	4.2	Neg
Consumer Services	4,284	(0.3)	0.3	29.9
Media	10,157	0.3	(0.6)	38.7
Retailing	8,792	0.9	2.8	Neg
Food & Staples	10,791	(0.1)	2.4	35.0
Food & Beverages	5,535	0.5	1.3	30.7
Healthcare	5,770	(0.2)	2.1	34.6
Pharma & Bio Tech	5,125	0.4	(0.9)	Neg
Banks	7,728	0.1	1.8	18.1
Diversified Financials	4,606	0.1	0.2	Neg
Insurance	6,143	0.2	2.0	25.3
Telecom	7,185	0.2	4.2	22.5
Utilities	4,785	(0.1)	3.8	Neg
REITs	4,298	(0.1)	0.3	Neg
Real Estate	3,030	(0.3)	0.3	Neg
Software & Services	14,619	2.8	3.7	25.4

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,796	8,739	8,718	8.13

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	27.1	803.8	1,082.7
Previous week	38.0	1,185.8	1,607.8

Top Weighted Companies

Company	Price	Change%
Al Rajhi	75.00	0.0
Saudi Aramco	35.15	-0.1
NCB	44.05	0.2
SABIC	106.20	0.2
STC	111.00	0.0



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.1% and 0.4%, respectively. Egypt, Bahrain and Kuwait rose 0.5%, 0.4% and 0.1%, respectively; while Oman declined 1.4%. Meanwhile, Qatar remained flat.
- US House of Representatives is set to begin debating the second impeachment of Republican President Donald Trump. (Source: Reuters)
- US announced expanded coronavirus testing requirements to be implemented from January 26. Under new requirements, nearly all air travelers will need to present a negative coronavirus test to enter the country. (Source: Reuters)
- Bank of England Governor Andrew Bailey said that the third national lockdown to contain the spread of the coronavirus will delay the economic recovery. He added that, although the unemployment rate is officially at 4.9%, the rate is likely to be around 6.5%. (Source: RTT News)
- Oil prices rose 1.7% driven by a drawdown in US oil inventories last week and expectations of resilient demand amid vaccine rollouts.
- Gold prices increased 0.6% boosted by the weakness in US dollar.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.1	-0.4	0.2	0.2
Euro	1.22	0.5	0.0	0.0
Japanese Yen	103.8	-0.5	0.5	0.5
Sterling Pound	1.37	1.1	-0.1	-0.1
Chinese Yuan	6.46	-0.3	-1.0	-1.0
Indian Rupee	73.2	-0.3	0.3	0.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.30	-0.1	-0.2	-0.2
Omani Rial	0.38	-0.1	0.0	0.0
Bahraini Dinar	0.38	0.1	0.0	0.0
Egyptian Pound	15.62	0.1	-0.4	-0.4

Corporate Calendar

Date	Company	Event
14 th Jan	SIIG	Cash Dividend Distribution
14 th Jan	ALMRAKEZ	Cash Dividend Distribution
20 th Jan	MIS	Cash Dividend Distribution
25 th Jan	SADAFICO	Cash Dividend Distribution
26 th Jan	SFICO	OGM
03 rd Feb	HB	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,701	0.1	8.4	8.4	12.8
Abu Dhabi (ADX)	5,258	0.4	4.2	4.2	15.4
Kuwait (KSE)	4,613	0.1	1.3	1.3	17.5
Qatar (QE)	10,839	0.0	3.9	3.9	17.4
Oman (MSM)	3,675	-1.4	0.4	0.4	9.3
Bahrain (BSE)	1,458	0.4	-2.1	-2.1	9.1
Egypt (EGX30)	11,340	0.5	4.6	4.6	8.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,069	0.2	1.5	1.5	23.9
Nasdaq	13,072	0.3	1.4	1.4	36.7
S&P 500	3,801	0.0	1.2	1.2	29.9
FTSE 100	6,754	-0.7	4.5	4.5	17.5
Germany DAX 30	13,925	-0.1	1.5	1.5	24.9
France CAC 40	5,651	-0.2	1.8	1.8	60.4
Japan Nikkei 225	28,164	0.1	2.6	2.6	28.3
Russia MICEX	3,472	-0.3	5.6	5.6	15.5
Hong Kong Hang Seng	28,277	1.3	3.8	3.8	15.3
South Korea KOSPI	3,126	-0.7	8.8	8.8	36.2
China Shanghai Composite	3,608	2.2	3.9	3.9	15.2
Australia ASX 200	6,679	-0.3	1.4	1.4	22.6
India Sensex	49,517	0.5	3.7	3.7	30.9
MSCI EM	1,354	0.3	4.8	4.8	27.1
MSCI World	2,734	0.2	1.6	1.6	33.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	55.7	1.3	11.5	11.5
Brent Crude (\$/bbl)	56.6	1.7	9.2	9.2
Texas crude (\$/bbl)	53.2	1.8	9.7	9.7
Natural Gas (\$/mmbtu)	2.75	0.2	8.4	8.4
Gold (\$/oz)	1,855	0.6	-2.3	-2.3
Silver (\$/oz)	25.6	2.6	-3.0	-3.0
Steel (\$/ton)	1,064	-0.1	5.9	5.9
Iron Ore (CNY/MT)	1,131	-0.7	4.8	4.8
Wheat (\$/bu)	665	4.8	3.8	3.8
Corn (\$/bu)	517	5.1	6.9	6.9
Sugar (\$/lb)	15.5	-1.3	-0.2	-0.2
SMP* (EUR/MT)	2,255	0.2	1.3	1.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.225	0.0	-1.4	-1.4
Saudi Arabia(SAIBOR)	0.818	0.0	0.0	0.0
UAE (EIBOR)	0.437	1.5	-7.6	-7.6
Qatar (QIBOR)	0.855	-15.9	-26.6	-26.6
Bahrain (BHIBOR)	2.233	0.0	-1.7	-1.7

Data Sources: Tadawul, Bloomberg, Reuters

*Three-month Interbank rate **NA: Not Available

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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

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