



Major Economic News

- The General Authority of Civil Aviation (GACA) announced the launch of a new initiative that targets the localization of jobs in the air transport sector. The initiative entails the localization of 10,000 jobs in 28 specialized professions across the sector, as well as the distribution of target jobs as per the updated executive plan for the years 2021, 2022, and 2023. (Source: Argaam)

Major Corporate News

- Riyad Bank plans to establish a domestic SAR-denominated sukuk issuance program of up to SAR 10 bn. The program's purpose is to issue and offer senior and/or subordinated sukuk, including the issuance of Tier 2 capital-eligible sukuk in one or more tranches, or through one issuance, or a series of issuances by way of private placement in Saudi Arabia. The purpose of the program is to strengthen the bank's capital base, as well as support its financial and strategic needs. (Source: Argaam)
- Saudi Aramco and STC announced the launch of Dammam 7, a new supercomputer among the top 10 most powerful in the world. The supercomputer offers new opportunities in both exploration and development and enhances Aramco's decision-making on exploration and investment decision. (Source: Argaam)
- Aldrees Petroleum and Transport Services Co.'s (Aldrees) board of directors recommended increasing the company's capital to SAR 750mn from SAR 600mn, through distribution of 25% bonus shares. The board also recommended a 10% cash dividend, at SAR 1/share, for FY20. (Source: Argaam)
- National Housing Co. (NHC) inked two financing agreements worth SAR 2bn with Al Rajhi Bank. Under these agreements, Al Rajhi will finance the development of new housing projects in Riyadh and Jeddah, which will provide around 15,000 residential units. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.3% to 8,901.9. The value traded stood at SAR 7.4bn (down 27.6% over previous day), while the advance-decline ratio stood at 76/101. The parallel market index increased 0.8% to 25,950.0 points. The value traded stood at SAR 43.1mn (down 30.6% over previous day). Most sectors in the main market ended in the red. Commercial Service and Media (up 0.9% and 0.4%, respectively) advanced the most; Telecom and Food & Staples (down 2.1% and 1.0%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
CHUBB	37.75	9.9
ARABIAN SHIELD	28.40	6.4
APC	20.08	4.6
ALDREES	66.70	3.4
MAHARAH	77.50	3.3

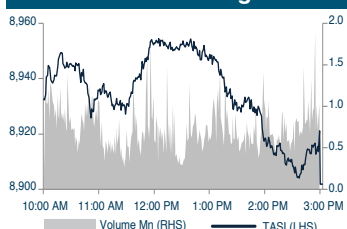
Top Losers

Company	Price	Change%
ACIG	62.90	-3.1
STC	113.20	-2.6
ADVANCED	65.10	-2.5
ALOMRAN	115.00	-2.5
SIIG	26.65	-2.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,902	8,955	8,902	(0.3)	6.1
NomuC	25,950	26,290	25,173	0.8	261.5

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	29.4
P/E (Bloomberg)	35.7
P/E*	46.6
P/E after exclusions*	44.8
P/E ex. loss-making comp.*	19.6
P/E: top 50 MCAP*	31.2

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,373	(0.1)	(0.3)	33.2
Materials	5,966	(0.6)	3.8	High
Capital Goods	6,691	(0.1)	2.3	Neg
Commercial Service	4,237	0.9	4.4	High
Transportation	4,909	(0.2)	1.4	Neg
Consumer Durables	5,995	(0.4)	4.8	Neg
Consumer Services	4,242	(0.4)	(0.6)	29.6
Media	10,103	0.4	(1.1)	38.3
Retailing	8,694	(0.1)	1.6	Neg
Food & Staples	10,642	(1.0)	1.0	34.6
Food & Beverages	5,446	0.0	(0.3)	30.2
Healthcare	5,837	(0.2)	3.2	35.2
Pharma & Bio Tech	5,106	(0.1)	(1.3)	Neg
Banks	7,818	(0.1)	3.0	18.4
Diversified Financials	4,555	(0.3)	(0.9)	Neg
Insurance	6,088	0.2	1.0	25.0
Telecom	7,269	(2.1)	5.4	23.3
Utilities	4,800	(0.2)	4.1	Neg
REITs	4,320	0.2	0.8	Neg
Real Estate	3,008	(0.1)	(0.4)	Neg
Software & Services	14,252	(0.6)	1.1	24.9

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,907	8,851	8,778	8.48

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	25.7	798.5	1,068.6
Previous week	46.7	1,283.2	1,840.3

Top Weighted Companies

Company	Price	Change%
Al Rajhi	74.20	-0.4
Saudi Aramco	34.90	-0.1
NCB	45.25	0.4
SABIC	103.60	-0.8
STC	113.20	-2.6



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.0% and 3.1%, respectively. Oman, Kuwait and Egypt rose 1.0%, 0.5% and 0.3%, respectively; while Qatar and Bahrain declined 0.9% and 0.2%, respectively.
- Janet Yellen urged lawmakers on Tuesday to “act big” on coronavirus relief spending, stating that the economic benefits far outweigh the risks of a higher debt burden. She laid out a vision of a more muscular Treasury which would act aggressively to fight climate change, reduce economic inequality, and counter China’s unfair trade and subsidy practices. (Source: Investing.com)
- A new wave of rising Covid-19 cases in China’s Hebei province (major steel-producing region) led to transport restrictions. China is the world’s top steel producer and Hebei contributes more than 20% of the country’s total output. (Source: CNBC)
- Oil prices rose 2.1% on Tuesday due to weakness in US dollar and expectations that further economic stimulus would lead to higher demand for crude oil.
- Gold prices were flat on Tuesday, driven by Janet Yellen, President-elect Joe Biden’s nominee to head the Treasury Department, who called for additional stimulus program in the upcoming weeks or months offset by movement in US dollar.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.5	-0.3	0.6	0.6
Euro	1.21	0.4	-0.7	-0.7
Japanese Yen	103.9	0.2	0.6	0.6
Sterling Pound	1.36	0.3	-0.3	-0.3
Chinese Yuan	6.48	-0.2	-0.7	-0.7
Indian Rupee	73.2	0.0	0.2	0.2
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	-0.3	-0.3
Omani Rial	0.38	-0.1	0.0	0.0
Bahraini Dinar	0.38	-0.1	0.0	0.0
Egyptian Pound	15.66	0.1	-0.2	-0.2

Corporate Calendar

Date	Company	Event
20 th Jan	MIS	Cash Dividend Distribution
21 st Jan	SEDCO CAPITAL REIT	Cash Dividend Distribution
24 th Jan	NCLE	Cash Dividend Distribution
25 th Jan	SADAFCO	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)	2,753	1.0	10.5	10.5	13.1
Abu Dhabi (ADX)	5,662	3.1	12.2	12.2	16.7
Kuwait (KSE)	4,653	0.5	2.2	2.2	17.5
Qatar (QE)	10,769	-0.9	3.2	3.2	17.5
Oman (MSM)	3,680	1.0	0.6	0.6	9.3
Bahrain (BSE)	1,451	-0.2	-2.6	-2.6	9.1
Egypt (EGX30)	11,486	0.3	5.9	5.9	8.5

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	30,931	0.4	1.1	1.1	23.7
Nasdaq	13,197	1.5	2.4	2.4	35.0
S&P 500	3,799	0.8	1.1	1.1	29.6
FTSE 100	6,713	-0.1	3.9	3.9	17.5
Germany DAX 30	13,815	-0.2	0.7	0.7	24.6
France CAC 40	5,599	-0.3	0.9	0.9	60.5
Japan Nikkei 225	28,633	1.4	4.3	4.3	28.8
Russia MICEX	3,443	-0.8	4.7	4.7	13.7
Hong Kong Hang Seng	29,642	2.7	8.9	8.9	16.3
South Korea KOSPI	3,093	2.6	7.6	7.6	35.6
China Shanghai Composite	3,566	-0.8	2.7	2.7	14.9
Australia ASX 200	6,743	1.2	2.4	2.4	22.7
India Sensex	49,398	1.7	3.4	3.4	30.6
MSCI EM	1,381	1.6	7.0	7.0	27.6
MSCI World	2,732	0.7	1.6	1.6	33.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	54.5	0.0	9.1	9.1
Brent Crude (\$/bbl)	55.9	2.1	7.9	7.9
Texas crude (\$/bbl)	53.0	1.2	9.2	9.2
Natural Gas (\$/mmbtu)	2.55	-7.0	0.3	0.3
Gold (\$/oz)	1,841	0.0	-3.0	-3.0
Silver (\$/oz)	25.2	-0.6	-4.4	-4.4
Steel (\$/ton)	1,065	-0.1	6.0	6.0
Iron Ore (CNY/MT)	1,161	0.3	7.6	7.6
Wheat (\$/bu)	672	-0.5	5.0	5.0
Corn (\$/bu)	526	-1.0	8.7	8.7
Sugar (\$/lb)	16.1	-2.1	3.9	3.9
SMP* (EUR/MT)	2,263	0.0	1.7	1.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.224	0.1	-1.4	-1.4
Saudi Arabia(SAIBOR)	0.818	0.0	0.0	0.0
UAE (EIBOR)	0.343	-1.9	-17.0	-17.0
Qatar (QIBOR)	1.137	12.7	1.6	1.6
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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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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