



## Major Economic News

- Saudi Arabia's oil exports increased of 3% M/M to 6.35 mbpd in November 2020. On Y/Y basis, oil exports dropped 14% in November. The Kingdom's crude output inched lower 0.02% M/M to 8.97 mbpd in the same month. Local crude consumption decreased by 7% to 2.62 mbpd in November from 2.82 mbpd in October. (Source: Argaam)
- The changing regulatory landscape increased required minimum capital, and fragmented market will further drive merger and acquisition activity in Saudi Arabia's insurance sector, according to Fitch Ratings. However, the agency added that new solvency regulations may take time to be issued and implemented. (Source: Argaam)
- The National Debt Management Center closed the January 2021 issuance under the Saudi Arabian Government SAR-denominated sukuk program. The issue size was set at SAR 2.96bn and the sukuk issuances were divided into two tranches. (Source: Argaam)

## Major Corporate News

- Alkhorayef Water and Power Technologies Co. issued prospectus for its IPO on the Saudi Stock Exchange. The company will float 7.5mn shares, or 30% of its share capital. (Source: Argaam)
- Ataa Educational Co. will pay 10% cash dividends for the fiscal year ending on July 31, 2020, as of January 26, 2021. (Source: Argaam)
- Saudi Cable Co. appointed Meyassar Anwar Nowailati as chairman of the board of directors and Mahmoud Mansour Abdulqafar as vice chairman. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.3% to 8,878.3. The value traded stood at SAR 6.3bn (down 14.7% over previous day), while the advance-decline ratio stood at 73/110. The parallel market index increased 1.3% to 26,279.5 points. The value traded stood at SAR 18.4mn (down 57.2% over previous day). Most sectors in the main market ended in the red. Software & Services and Utilities (up 1.8% and 0.7%, respectively) advanced the most; Telecom and Food & Beverages (down 1.1% and 1.0%, respectively) led the laggards.

## Earnings update (Net Profit) (SAR mn)

Company	Q4-20	Q4-19	Y/Y %	Q3-20	Q/Q %
Saudia Dairy and Foodstuff Co.*	64.2	68.1	-5.7	70.3	-8.7
Yanbu National Petrochemical Co.	332.7	170.9	94.7	195.6	70.1

\*Indicates Q3-20 results

## Top Gainers

Company	Price	Change%
SALAMA	26.30	5.6
ATC	36.80	4.3
ALETIHAD	25.85	3.8
MIS	99.10	3.3
CHUBB	39.00	3.3

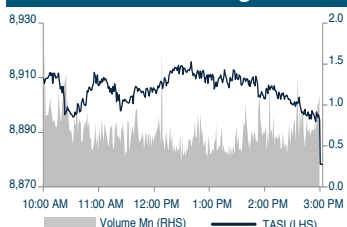
## Top Losers

Company	Price	Change%
ACC	42.20	-3.4
DALLAH	50.80	-3.2
SABIC AGRI	90.60	-2.6
ACIG	61.30	-2.5
ALKHABEER	9.47	-2.5

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,878	8,916	8,878	(0.3)	5.8
NomuC	26,279	26,349	25,283	1.3	266.1

## TASI movement during session



## TASI P/E Ratios

P/E (Tadawul)	29.2
P/E (Bloomberg)	35.5
P/E*	46.3
P/E after exclusions*	44.6
P/E ex. loss-making comp.*	19.5
P/E: top 50 MCAP*	31.0

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,351	(0.4)	(0.7)	33.1
Materials	5,948	(0.3)	3.5	High
Capital Goods	6,660	(0.5)	1.9	Neg
Commercial Service	4,227	(0.2)	4.1	High
Transportation	4,899	(0.2)	1.2	Neg
Consumer Durables	5,978	(0.3)	4.5	Neg
Consumer Services	4,227	(0.4)	(1.0)	29.4
Media	10,128	0.3	(0.9)	38.6
Retailing	8,660	(0.4)	1.2	Neg
Food & Staples	10,608	(0.3)	0.7	34.2
Food & Beverages	5,391	(1.0)	(1.3)	29.9
Healthcare	5,861	0.4	3.7	35.3
Pharma & Bio Tech	5,086	(0.4)	(1.7)	Neg
Banks	7,810	(0.1)	2.9	18.4
Diversified Financials	4,535	(0.4)	(1.3)	Neg
Insurance	6,119	0.5	1.6	25.1
Telecom	7,191	(1.1)	4.2	22.5
Utilities	4,832	0.7	4.8	Neg
REITs	4,308	(0.3)	0.5	Neg
Real Estate	3,002	(0.2)	(0.6)	Neg
Software & Services	14,511	1.8	3.0	25.3

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,900	8,872	8,786	8.33

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	32.0	1,004.7	1,341.3
Previous week	46.7	1,283.2	1,840.3

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	74.00	-0.3
Saudi Aramco	34.80	-0.3
NCB	45.35	0.2
SABIC	103.80	0.2
STC	111.60	-1.4



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.4% and 0.3%, respectively. Oman and Egypt rose 1.0% each, while Qatar and Kuwait gained 0.3% and 0.1%, respectively. Meanwhile, Bahrain declined 0.3%.
- Joe Biden took the oath of office as the 46th president of the US, while Kamala Harris was sworn in as the nation's first female, black and South Asian American vice president. (Source: CNBC)
- UK's CPI grew 0.3% M/M in December (in line with the consensus) versus a decline of 0.1% in November. On a Y/Y basis, CPI increased 0.6% in December (consensus: 0.5% rise) compared with 0.3% growth in November. (Source: Econoday)
- Japan registered a merchandise trade surplus of JPY 751.0bn in December (consensus: JPY 948.0bn) compared to a surplus of JPY 366.8bn in November. Exports increased 2.0% Y/Y to JPY 6.7tn (consensus: an increase of 2.4%) against a decline of 4.2% in the previous month, while imports fell 11.6% to JPY 6.0tn (consensus: 14.0% decline) compared to 11.1% drop a month earlier. (Source: Econoday)
- Oil prices rose 0.3% in anticipation higher demand, driven by prospects of additional economic stimulus in the US.
- Gold prices jumped 1.7% driven by hopes of stimulus plan from Joe Biden's administration.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.5	0.0	0.6	0.6
Euro	1.21	-0.2	-0.9	-0.9
Japanese Yen	103.5	-0.4	0.3	0.3
Sterling Pound	1.37	0.2	-0.1	-0.1
Chinese Yuan	6.47	-0.2	-0.9	-0.9
Indian Rupee	72.9	-0.4	-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	-0.4	-0.4
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.71	0.3	0.1	0.1

## Corporate Calendar

Date	Company	Event
21 <sup>st</sup> Jan	SEDCO CAPITAL REIT	Cash Dividend Distribution
24 <sup>th</sup> Jan	NCLE	Cash Dividend Distribution
25 <sup>th</sup> Jan	SADAFCO	Cash Dividend Distribution
26 <sup>th</sup> Jan	ATAA	Cash Dividend Distribution
26 <sup>th</sup> Jan	SFICO	OGM
03 <sup>rd</sup> Feb	HB	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,792	1.4	12.1	12.1	13.2
Abu Dhabi (ADX)	5,676	0.3	12.5	12.5	16.8
Kuwait (KSE)	4,656	0.1	2.3	2.3	17.6
Qatar (QE)	10,799	0.3	3.5	3.5	17.5
Oman (MSM)	3,716	1.0	1.6	1.6	9.4
Bahrain (BSE)	1,448	-0.3	-2.8	-2.8	9.1
Egypt (EGX30)	11,599	1.0	6.9	6.9	8.5

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,188	0.8	1.9	1.9	22.7
Nasdaq	13,457	2.0	4.4	4.4	35.5
S&P 500	3,852	1.4	2.6	2.6	29.8
FTSE 100	6,740	0.4	4.3	4.3	17.6
Germany DAX 30	13,921	0.8	1.5	1.5	24.8
France CAC 40	5,628	0.5	1.4	1.4	60.9
Japan Nikkei 225	28,523	-0.4	3.9	3.9	28.7
Russia MICEX	3,467	0.7	5.4	5.4	13.9
Hong Kong Hang Seng	29,962	1.1	10.0	10.0	16.5
South Korea KOSPI	3,115	0.7	8.4	8.4	35.8
China Shanghai Composite	3,583	0.5	3.2	3.2	14.9
Australia ASX 200	6,770	0.4	2.8	2.8	22.7
India Sensex	49,792	0.8	4.3	4.3	30.8
MSCI EM	1,401	1.4	8.5	8.5	28.0
MSCI World	2,761	1.1	2.7	2.7	34.2

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	55.8	2.6	11.9	11.9
Brent Crude (\$/bbl)	56.1	0.3	8.3	8.3
Texas crude (\$/bbl)	53.0	0.0	9.2	9.2
Natural Gas (\$/mmbtu)	2.54	-0.3	0.0	0.0
Gold (\$/oz)	1,872	1.7	-1.4	-1.4
Silver (\$/oz)	25.8	2.4	-2.1	-2.1
Steel (\$/ton)	1,060	-0.5	5.5	5.5
Iron Ore (CNY/MT)	1,162	0.0	7.6	7.6
Wheat (\$/bu)	668	-0.7	4.3	4.3
Corn (\$/bu)	522	-0.8	7.9	7.9
Sugar (\$/lb)	16.3	1.1	5.0	5.0
SMP* (EUR/MT)	2,264	0.0	1.8	1.8

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.224	0.0	-1.5	-1.5
Saudi Arabia(SAIBOR)	0.818	0.0	0.0	0.0
UAE (EIBOR)	0.426	8.4	-8.6	-8.6
Qatar (QIBOR)	1.022	-11.5	-9.9	-9.9
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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