



## Major Economic News

- Saudi Arabia posted SAR 44.6bn trade balance surplus in Q3-20. Total exports in Q3-20 declined 31% Y/Y to SAR 161.8bn. Imports also saw a decrease of 19% Y/Y to SAR 117.2bn during the same period. On a quarterly basis, exports reported a rise of SAR 44.7bn in Q3-20, while imports registered a slight increase of SAR 53.0mn. (Source: Argaam)
- Saudi Minister of Tourism Ahmed Al-Khateeb said that there are lucrative investment opportunities in the tourism industry and the Kingdom needs to inject about USD 70bn until FY23 and more than USD 200bn by FY30 to fill the gap in the offering, whether in retail, hospitality or in entertainment. (Source: Argaam)
- Saudi Arabia's Ministry of Investment issued 812 new licenses to foreign companies in 9M-20 compared to 840 licenses a year earlier. The number of foreign investment licenses rose 20% Y/Y in Q1-20 to 350 licenses, before falling by 47% Y/Y in Q2-20 to 165 licenses, the first quarterly drop in three years. The number of licenses rose 20% Y/Y and 96% Q/Q in Q3-20 to 306 licenses. (Source: Argaam)

## Major Corporate News

- Dallah Healthcare Co. (DHC) completed the acquisition of 78.6% stake in Makkah Medical Center Co. for SAR 161.1mn. All the shares of the selling shareholders were transferred to DHC. Accordingly, DHC's total ownership in Makkah Medical Center reached 86.1%. (Source: Argaam)
- Rabigh Refining and Petrochemical Company (Petro Rabigh) secured alternative Sharia-compliant banking facilities from the Saudi Industrial Development Fund at a total value of SAR 3.6bn. Under the 12-year facility, Petro Rabigh is granted a grace period until May 2021. (Source: Argaam)
- Al Yamamah Steel Industries Co.'s board of directors recommended a 10% cash dividend for the fiscal year ended September 30, 2020, at SAR 1 per share, amounting to SAR 50.8mn. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 1.7% to 8,680.5. The value traded stood at SAR 10.9bn (down 20.9% over previous day), while the advance-decline ratio stood at 194/2. The parallel market index increased 5.0% to 21,698.2 points. The value traded stood at SAR 43.3mn (down 12.6% over previous day). Most sectors in the main market ended in the green. Consumer Durables and Capital Goods (up 5.4% and 5.3%, respectively) advanced the most; Food & Staples (down 0.1%) was the only laggard..

## Top Gainers

Company	Price	Change%
ALHOKAIR GROUP	22.22	10.0
ANAAM HOLDING	97.90	10.0
SAUDI RE	14.96	10.0
WAFRAH	167.40	10.0
BAAZEEM	100.60	10.0

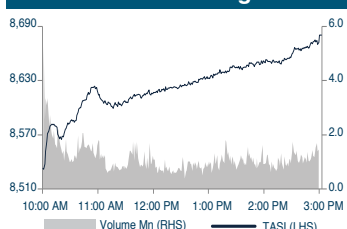
## Top Losers

Company	Price	Change%
A.OTHAIM	124.00	-1.3
SADAFICO	174.60	-0.2

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,680	8,680	8,527	1.7	3.5
NomuC	21,698	21,698	20,676	5.0	202.2

## TASI movement during session



## TASI P/E Ratios

P/E (Tadawul)	29.2
P/E (Bloomberg)	34.8
P/E*	43.5
P/E after exclusions*	41.8
P/E ex. loss-making comp.*	18.8
P/E: top 50 MCAP*	29.7

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,390	0.8	(1.0)	33.3
Materials	5,718	2.5	10.7	High
Capital Goods	6,481	5.3	49.6	High
Commercial Service	4,013	1.5	(15.9)	High
Transportation	4,734	3.9	7.7	Neg
Consumer Durables	5,809	5.4	65.7	Neg
Consumer Services	4,177	3.8	5.5	28.9
Media	10,084	3.8	7.3	38.4
Retailing	8,632	2.8	12.1	Neg
Food & Staples	10,644	(0.1)	60.9	33.8
Food & Beverages	5,491	1.6	26.1	30.3
Healthcare	5,546	1.2	48.7	33.1
Pharma & Bio Tech	5,251	2.7	46.1	Neg
Banks	7,603	1.3	(6.2)	17.8
Diversified Financials	4,565	4.4	38.2	Neg
Insurance	5,938	3.3	31.6	24.4
Telecom	6,954	0.3	7.4	21.6
Utilities	4,527	0.5	2.9	Neg
REITs	4,288	1.4	2.2	Neg
Real Estate	3,020	2.0	(3.6)	Neg
Software & Services	13,057	5.2	164.7	22.5

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,668	8,661	8,668	11.90

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	35.9	1,197.5	1,464.9
Previous week	58.6	1,782.1	2,215.2

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	74.40	1.6
Saudi Aramco	35.00	0.6
NCB	43.05	0.9
SABIC	101.00	2.0
STC	106.60	0.0



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.8% and 0.7%, respectively. Egypt rose 0.7%, while Kuwait and Qatar declined 0.1% each. Meanwhile, Oman and Bahrain remained flat.
- US President Donald Trump warned not to sign USD 892bn coronavirus relief bill saying that it should be amended to increase the amount in the stimulus checks. (Source: Reuters)
- US GDP for Q3-20 was upwardly revised to increase 33.4% from the previously estimated 33.1%. Personal consumption expenditures grew 41.0% compared to 40.6% estimated earlier. (Source: Econoday)
- US consumer confidence fell to 88.6 in December (consensus: 97.0) from prior revised 92.9 in November. The weakness in confidence reflected a steep drop in consumers' assessment of current conditions, as the present situation index decreased to 90.3 in December from 105.9 in November. (Source: Econoday, RTT News)
- Oil prices declined 1.6%, as demand concerns continued to weigh on prices due to identification of new strain of coronavirus.
- Gold prices fell 0.9% as stronger US dollar dragged the demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.7	0.7	-1.3	-5.9
Euro	1.22	-0.7	2.0	8.5
Japanese Yen	103.6	0.3	-0.6	-4.6
Sterling Pound	1.34	-0.8	0.3	0.8
Chinese Yuan	6.54	-0.1	-0.5	-6.0
Indian Rupee	73.9	-0.2	-0.2	3.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	-1.0	0.0
Kuwaiti Dinar	0.30	0.2	-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	15.62	0.1	0.1	-2.4

## Corporate Calendar

Date	Company	Event
23 <sup>rd</sup> Dec	MESC	OGM
24 <sup>th</sup> Dec	SPCC	OGM
27 <sup>th</sup> Dec	SAUDI ELECTRICITY	OGM
28 <sup>th</sup> Dec	Salama	OGM
29 <sup>th</sup> Dec	YANSAB	EGM
30 <sup>th</sup> Dec	SFICO	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,481	0.8	2.5	-10.3	11.8
Abu Dhabi (ADX)	5,110	0.7	2.9	0.7	14.9
Kuwait (KSE)	4,530	-0.1	3.6	-7.8	17.5
Qatar (QE)	10,535	-0.1	2.7	1.0	16.9
Oman (MSM)	3,604	0.0	-1.1	-9.5	9.1
Bahrain (BSE)	1,493	0.0	1.0	-7.3	9.1
Egypt (EGX30)	10,656	0.7	-2.6	-23.7	8.1

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	30,016	-0.7	1.3	5.2	23.5
Nasdaq	12,808	0.5	5.0	42.7	36.3
S&P 500	3,687	-0.2	1.8	14.1	29.1
FTSE 100	6,453	0.6	3.0	-14.4	17.0
Germany DAX 30	13,418	1.3	1.0	1.3	24.1
France CAC 40	5,467	1.4	-0.9	-8.6	56.4
Japan Nikkei 225	26,436	-1.0	0.0	11.8	26.5
Russia MICEX	3,236	1.6	4.1	6.3	14.3
Hong Kong Hang Seng	26,119	-0.7	-0.8	-7.3	14.2
South Korea KOSPI	2,734	-1.6	5.5	24.4	31.3
China Shanghai Composite	3,357	-1.9	-1.0	10.1	14.0
Australia ASX 200	6,600	-1.1	1.3	-1.3	22.3
India Sensex	46,007	1.0	4.2	11.5	28.9
MSCI EM	1,249	-0.7	3.6	12.0	24.8
MSCI World	2,643	-0.1	2.3	12.1	32.7

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	48.7	-0.7	4.6	-29.2
Brent Crude (\$/bbl)	50.1	-1.6	5.2	-24.1
Texas crude (\$/bbl)	47.0	-1.5	3.7	-23.1
Natural Gas (\$/mmbtu)	2.78	2.8	-3.5	27.0
Gold (\$/oz)	1,861	-0.9	4.7	22.7
Silver (\$/oz)	25.1	-4.0	11.1	40.9
Steel (\$/ton)	871	-1.0	8.9	48.1
Iron Ore (CNY/MT)	1,155	0.3	23.5	66.1
Wheat (\$/bu)	617	0.9	6.3	10.4
Corn (\$/bu)	444	0.8	5.7	14.4
Sugar (\$/lb)	14.5	0.1	0.2	8.3
SMP* (EUR/MT)	2,224	-0.2	1.8	-13.5

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.245	0.9	1.7	-166.4
Saudi Arabia(SAIBOR)	0.819	0.0	-1.3	-141.3
UAE (EIBOR)	0.445	7.5	11.3	-176.4
Qatar (QIBOR)	0.925	7.5	-29.6	-132.5
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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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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