



Major Economic News

- Saudi Arabia offered voluntary cuts to its oil production by additional 1 mbpd in February and March, according to Minister of Energy Prince Abdulaziz Bin Salman. He added that the Kingdom's output will reach 8.125 mbpd starting February. The OPEC+ agreed to raise oil production by 75,000 bpd in February and another 75,000 bpd in March. (Source: Argaam)
- IHS Markit's PMI for Saudi Arabia rose to 57.0 in December from 54.7 in November. The improvement in business conditions was the strongest in 13 months, with output and new orders expanding at the sharpest rates seen during FY20. (Source: Argaam)

Major Corporate News

- Abdulmohsen Alhokair Group for Tourism and Development's 31%-owned joint venture, Luxury Entertainment LLC, inaugurated its first two movie theatres in the Kingdom under Cinapolis brand. One of the theatres was opened at Lulu Mall in Dammam, which includes seven movie screens with 636 seats. The other is located at Al Jamea Plaza in Jeddah and comprises eight movie screens with a seating capacity of 892. (Source: Argaam)
- CMA granted the financial technology experimental permit to Sarwa to experiment robo-advisory service. Under the permit, Sarwa will experiment with the robo-advisory service, allowing clients to get advice on securities or investment schemes through direct access to automated online platforms or application. (Source: Argaam)
- ACWA Power signed a SAR 468.9mn five-year Shariah-compliant corporate facility with Arab Petroleum Investments Corporation to support its future growth pipeline. The facility has been earmarked for funding ACWA Power's investments in renewable projects in the countries it operates in, as well as future high-growth markets. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.2% to 8,682.1. The value traded stood at SAR 7.9bn (up 7.3% over previous day), while the advance-decline ratio stood at 59/125. The parallel market index decreased 0.7% to 24,850.0 points. The value traded stood at SAR 73.2mn (up 85.4% over previous day). Most sectors in the main market ended in the red. Food & Beverages and Food & Staples (up 1.0% and 0.7%, respectively) advanced the most; Pharma & Bio Tech and Transportation (down 1.5% and 1.4%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALSAMAANI	271.00	10.0
SVCP	101.20	7.0
ALOMRAN	98.40	3.5
SAIC	19.00	2.7
BAAZEEM	91.40	2.6

Top Losers

Company	Price	Change%
ALHOKAIR GROUP	22.84	-4.4
ALMRAKEZ	24.56	-3.1
FARM SUP.	30.30	-3.0
NASEEJ	101.60	-2.9
SARCO	104.20	-2.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,682	8,695	8,633	0.2	(0.1)
NomuC	24,850	25,400	24,042	(0.7)	(5.3)

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	29.1
P/E (Bloomberg)	34.7
P/E*	43.6
P/E after exclusions*	42.0
P/E ex. loss-making comp.*	18.9
P/E: top 50 MCAP*	30.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,359	(0.1)	(0.5)	33.1
Materials	5,742	0.3	(0.1)	High
Capital Goods	6,459	0.1	(1.2)	Neg
Commercial Service	4,087	0.2	0.7	High
Transportation	4,778	(1.4)	(1.3)	Neg
Consumer Durables	5,698	(1.3)	(0.4)	Neg
Consumer Services	4,254	(0.7)	(0.3)	29.6
Media	9,982	(0.6)	(2.3)	38.0
Retailing	8,604	0.3	0.6	Neg
Food & Staples	10,596	0.7	0.6	34.3
Food & Beverages	5,493	1.0	0.5	30.6
Healthcare	5,603	(0.4)	(0.9)	33.5
Pharma & Bio Tech	5,053	(1.5)	(2.3)	Neg
Banks	7,596	0.4	0.1	17.8
Diversified Financials	4,538	0.3	(1.3)	Neg
Insurance	5,940	(0.1)	(1.4)	24.5
Telecom	6,977	0.1	1.1	21.7
Utilities	4,614	0.6	0.1	Neg
REITs	4,266	(0.4)	(0.4)	Neg
Real Estate	2,985	(0.9)	(1.1)	Neg
Software & Services	14,398	(0.5)	2.2	25.2

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,682	8,704	8,682	7.63

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	22.9	731.3	991.2
Previous week	41.7	1,463.7	1,755.1

Top Weighted Companies

Company	Price	Change%
Al Rajhi	73.70	0.3
Saudi Aramco	34.85	0.0
NCB	43.25	0.7
SABIC	102.00	1.0
STC	107.20	0.0



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.2% and 0.5%, respectively. Qatar, Oman and Egypt rose 1.3%, 0.5% and 0.1%, respectively; while Bahrain and Kuwait declined 1.8% and 0.1%, respectively.
- US ISM manufacturing PMI rose to 60.7 in December (consensus: 56.5) compared with 57.5 in November. The new orders index increased to 67.9 in December from 65.1 in November, while the production index climbed to 64.8 from 60.8. Job growth returned in the manufacturing sector with the employment index reaching to 51.5 in December from 48.4 in November. (Source: Econoday, RTT News)
- China's Caixin services PMI fell to 56.3 in December from 57.8 in November. Export sales rose moderately as foreign demand was weaker. Composite PMI fell to 55.8 in December from 57.5 in November. (Source: Econoday, RTT News)
- Oil prices surged 4.9% driven by an unexpected announcement from Saudi Arabia to cut its oil output by 1 mbpd for next two months and Russia agreeing on very small increase in its output.
- Gold prices rose 0.4% due to weaker US dollar and rising COVID-19 cases globally.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	89.4	-0.5	-0.6	-0.6
Euro	1.23	0.4	0.7	0.7
Japanese Yen	102.7	-0.4	-0.5	-0.5
Sterling Pound	1.36	0.4	-0.4	-0.4
Chinese Yuan	6.46	-0.1	-1.1	-1.1
Indian Rupee	73.1	0.1	0.1	0.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.30	-0.2	-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	15.65	-0.3	-0.3	-0.3

Corporate Calendar

Date	Company	Event
06 th Jan	Sipchem	Cash Dividend Distribution
07 th Jan	SEERA	OGM
11 th Jan	ATAA	OGM
13 th Jan	NCLE	OGM
13 th Jan	SAUDI CABLE	OGM
13 th Jan	UCA	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,609	1.2	4.7	4.7	12.2
Abu Dhabi (ADX)	5,144	0.5	1.9	1.9	15.1
Kuwait (KSE)	4,558	-0.1	0.1	0.1	17.1
Qatar (QE)	10,618	1.3	1.7	1.7	17.0
Oman (MSM)	3,715	0.5	1.5	1.5	9.3
Bahrain (BSE)	1,456	-1.8	-2.3	-2.3	9.1
Egypt (EGX30)	10,830	0.1	-0.1	-0.1	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	30,392	0.6	-0.7	-0.7	23.6
Nasdaq	12,819	0.9	-0.5	-0.5	36.0
S&P 500	3,727	0.7	-0.8	-0.8	29.2
FTSE 100	6,612	0.6	2.3	2.3	17.4
Germany DAX 30	13,651	-0.6	-0.5	-0.5	24.4
France CAC 40	5,565	-0.4	0.2	0.2	57.5
Japan Nikkei 225	27,159	-0.4	-1.0	-1.0	27.3
Russia MICEX	3,359	0.3	2.1	2.1	14.9
Hong Kong Hang Seng	27,650	0.6	1.5	1.5	15.1
South Korea KOSPI	2,991	1.6	4.1	4.1	34.5
China Shanghai Composite	3,529	0.7	1.6	1.6	14.7
Australia ASX 200	6,682	0.0	1.4	1.4	22.6
India Sensex	48,438	0.5	1.4	1.4	30.4
MSCI EM	1,320	1.2	2.2	2.2	26.0
MSCI World	2,684	0.5	-0.2	-0.2	33.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	50.1	0.3	0.3	0.3
Brent Crude (\$/bbl)	53.6	4.9	3.5	3.5
Texas crude (\$/bbl)	49.9	4.9	2.9	2.9
Natural Gas (\$/mmbtu)	2.70	4.7	6.4	6.4
Gold (\$/oz)	1,950	0.4	2.7	2.7
Silver (\$/oz)	27.6	1.3	4.6	4.6
Steel (\$/ton)	1,072	4.8	6.7	6.7
Iron Ore (CNY/MT)	1,102	1.7	2.1	2.1
Wheat (\$/bu)	654	1.9	2.1	2.1
Corn (\$/bu)	492	1.7	1.6	1.6
Sugar (\$/lb)	16.1	2.3	4.1	4.1
SMP* (EUR/MT)	2,238	0.6	0.6	0.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.237	-0.1	-0.1	-0.1
Saudi Arabia(SAIBOR)	0.816	0.0	-0.1	-0.1
UAE (EIBOR)	0.483	3.3	-3.0	-3.0
Qatar (QIBOR)	1.051	9.6	-6.9	-6.9
Bahrain (BHIBOR)	2.250	0.0	0.0	0.0

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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