



Major Economic News

- The value of Saudi Arabia's oil exports fell 39.8% Y/Y to SAR 37.6bn in November 2020, accounting for 64.6% of the total exports for the month, which reached SAR 58.2bn. On M/M basis, oil exports saw a decline of SAR 1.3bn. (Source: Argaam)
- The Saudi Customs Authority signed a memorandum of cooperation with the Ministry of Human Resources and Social Development for Saudization of customs clearance jobs, develop the national workforce and boost its competitiveness. The authority stated that it aims to Saudize 100% or 2,000 customs clearance job. (Source: Argaam)
- Foreign direct investment (FDI) to Saudi Arabia is estimated at USD 4.7bn in FY20, a rise of 4% compared with USD 4.6bn a year earlier. The growth in FDI to Saudi Arabia came despite the 42% drop in global FDI due to the pandemic. (Source: Argaam)

Major Corporate News

- Yanbu National Petrochemical Co. announced the scheduled shutdown of two plants to carry out preventive maintenance work. The Ethylene Glycol plant will be halted for 21 days starting February 01, while Olefins plant will be shut down for 10 days from February 05. The preventive maintenance work is expected to have a collective financial impact of SAR 90mn on Q1-21 and Q2-21 financials. (Source: Argaam)
- Saudi Telecom Company is considering an IPO for its 100%-owned subsidiary, Arabian Internet and Communications Services Company (solutions by stc), on the Saudi Stock Exchange. As per market estimates, the subsidiary's valuation is estimated at around SAR 9bn and the IPO size could be around SAR 1.9bn (assuming 20% stake sale). (Source: Argaam)
- National Commercial Bank completed issuing additional Tier 1 sukuk at a value of USD 1.3bn (SAR 4.7bn). (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.6% to 8,789.9. The value traded stood at SAR 5.4bn (down 4.1% over previous day), while the advance-decline ratio stood at 38/145. The parallel market index decreased 0.4% to 25,940.9 points. The value traded stood at SAR 16.0mn (down 25.8% over previous day). Most sectors in the main market ended in the red. Software & Services and Healthcare (up 2.2% and 0.2%, respectively) were the only gainers; Utilities and Consumer Durables (down 1.6% and 1.2%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SARCO	107.80	3.9
MIS	103.40	3.6
RED SEA	24.90	2.5
DALLAH HEALTH	53.60	2.3
NAJRAN CEMENT	19.24	2.2

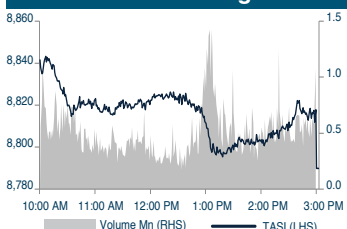
Top Losers

Company	Price	Change%
CHUBB	37.75	-2.6
ACIG	58.80	-2.5
CITY CEM.	27.70	-2.5
ZOUJAJ	30.05	-2.3
NCB	43.80	-2.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,790	8,845	8,790	(0.6)	1.2
NomuC	25,941	26,197	25,780	(0.4)	(1.2)

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	29.1
P/E (Bloomberg)	34.9
P/E*	45.2
P/E after exclusions*	43.5
P/E ex. loss-making comp.*	19.2
P/E: top 50 MCAP*	30.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,334	(0.1)	(1.0)	33.0
Materials	5,857	(0.9)	1.9	High
Capital Goods	6,660	(0.4)	1.9	Neg
Commercial Service	4,171	(0.6)	2.7	High
Transportation	4,955	(0.1)	2.3	Neg
Consumer Durables	5,902	(1.2)	3.1	Neg
Consumer Services	4,176	(0.6)	(2.2)	29.1
Media	9,954	(0.5)	(2.6)	37.9
Retailing	8,595	(0.3)	0.5	Neg
Food & Staples	10,612	(0.5)	0.7	33.9
Food & Beverages	5,339	(0.1)	(2.3)	29.7
Healthcare	5,887	0.2	4.1	35.3
Pharma & Bio Tech	4,993	(0.7)	(3.4)	Neg
Banks	7,704	(1.0)	1.5	18.1
Diversified Financials	4,558	(0.2)	(0.8)	Neg
Insurance	6,017	(0.6)	(0.1)	24.7
Telecom	7,178	(0.1)	4.0	22.5
Utilities	4,839	(1.6)	5.0	Neg
REITs	4,279	(0.3)	(0.1)	Neg
Real Estate	2,987	(0.5)	(1.1)	Neg
Software & Services	14,940	2.2	6.0	26.1

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,845	8,876	8,808	7.73

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	16.8	514.1	763.5
Previous week	37.7	1,187.7	1,598.8

Top Weighted Companies

Company	Price	Change%
Al Rajhi	73.00	-0.9
Saudi Aramco	34.70	-0.1
NCB	43.80	-2.2
SABIC	101.60	-0.8
STC	111.60	0.0



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.9% and 0.6%, respectively. Egypt rose 0.2%, while Oman, Qatar, Kuwait and Bahrain declined 0.6%, 0.3%, 0.2% and 0.1%, respectively.
- IMF forecast the global economy to grow 5.5% in FY21, higher than October's forecast of 5.2% growth. The global GDP is expected to rise by 4.2% in FY22. IMF estimated 3.5% contraction in FY20 GDP, against an estimate of 4.4% contraction earlier. The revision reflects the better-than-expected momentum in H2-20. (Source: CNBC, RTT News)
- US consumer confidence rose to 89.3 in January (consensus: 88.5) from 87.1 in December. The weakness is primarily due to expectations component, which fell 10.4 points to 87.3. The expectations index increased to 92.5 in January from 87.0 in December. (Source: Econoday, RTT News)
- UK's jobless rate rose 5.0% in three months period ending November to a four-year high (consensus: an increase of 5.1%), against a growth of 4.9% earlier. (Source: Econoday, RTT News)
- Oil prices rose 0.1%, as impact of reports of a blast in Saudi Arabia was partly offset by demand concerns due to rise in COVID-19 related deaths.
- Gold prices fell 0.3%, as investors remained cautious ahead of US Fed meeting.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.2	-0.2	0.3	0.3
Euro	1.22	0.2	-0.4	-0.4
Japanese Yen	103.6	-0.1	0.3	0.3
Sterling Pound	1.37	0.4	0.4	0.4
Chinese Yuan	6.46	-0.2	-0.9	-0.9
Indian Rupee	72.9	-0.1	-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	-0.5	-0.5
Omani Rial	0.38	-0.1	0.0	0.0
Bahraini Dinar	0.38	0.1	0.0	0.0
Egyptian Pound	15.68	0.1	-0.1	-0.1

Corporate Calendar

Date	Company	Event
03 rd Feb	HB	OGM
09 th Feb	ALBABTAIN	Cash Dividend Distribution
14 th Feb	DERAYAH REIT	Cash Dividend Distribution
15 th Feb	ALYAMAMAH STEEL	OGM
17 th Feb	HCC	EGM
04 th Mar	ALJOUF	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,698	-0.9	8.3	8.3	12.8
Abu Dhabi (ADX)	5,583	-0.6	10.7	10.7	16.4
Kuwait (KSE)	4,685	-0.2	2.9	2.9	17.7
Qatar (QE)	10,639	-0.3	1.9	1.9	17.3
Oman (MSM)	3,678	-0.6	0.5	0.5	9.3
Bahrain (BSE)	1,461	-0.1	-1.9	-1.9	9.1
Egypt (EGX30)	11,527	0.2	6.3	6.3	8.6

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	30,937	-0.1	1.1	1.1	23.1
Nasdaq	13,626	-0.1	5.7	5.7	36.8
S&P 500	3,850	-0.1	2.5	2.5	30.4
FTSE 100	6,654	0.2	3.0	3.0	17.5
Germany DAX 30	13,871	1.7	1.1	1.1	24.9
France CAC 40	5,524	0.9	-0.5	-0.5	59.4
Japan Nikkei 225	28,546	-1.0	4.0	4.0	28.6
Russia MICEX	3,391	-0.2	3.1	3.1	13.6
Hong Kong Hang Seng	29,391	-2.5	7.9	7.9	16.2
South Korea KOSPI	3,140	-2.1	9.3	9.3	35.9
China Shanghai Composite	3,569	-1.5	2.8	2.8	14.7
Australia ASX 200	6,825	0.0	3.6	3.6	22.9
India Sensex	48,348	0.0	1.2	1.2	29.7
MSCI EM	1,389	-1.5	7.6	7.6	26.8
MSCI World	2,754	-0.1	2.4	2.4	34.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	55.4	-0.2	11.0	11.0
Brent Crude (\$/bbl)	55.9	0.1	7.9	7.9
Texas crude (\$/bbl)	52.6	-0.3	8.4	8.4
Natural Gas (\$/mmbtu)	2.66	2.1	4.6	4.6
Gold (\$/oz)	1,851	-0.3	-2.5	-2.5
Silver (\$/oz)	25.4	0.6	-3.5	-3.5
Steel (\$/ton)	1,063	0.0	5.8	5.8
Iron Ore (CNY/MT)	1,185	1.4	9.8	9.8
Wheat (\$/bu)	665	2.6	3.9	3.9
Corn (\$/bu)	532	4.1	10.0	10.0
Sugar (\$/lb)	15.7	0.0	1.6	1.6
SMP* (EUR/MT)	2,278	0.0	2.4	2.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.213	-0.2	-2.6	-2.6
Saudi Arabia(SAIBOR)	0.816	0.0	-0.1	-0.1
UAE (EIBOR)	0.345	-0.1	-16.8	-16.8
Qatar (QIBOR)	1.071	6.6	-5.0	-5.0
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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