



Major Economic News

- About 60,000 housing units were delivered in FY20 in Saudi Arabia, bringing the total market supply of housing units to 1.3mn units in Riyadh and 835,000 units in Jeddah, according to a JLL report. Driven by the strong government support for the real estate sector, the demand for residential properties continued during the year. The demand witnessed an increase of 84% Y/Y and 90% Y/Y in the number and amount of loans, respectively. (Source: Argaam)
- Ministry of Human Resources and Social Development urged employees at the public, private, non-profit sectors to apply the precautionary and preventive measures, including the physical distancing, to limit the spread of coronavirus at workplaces and ensure the safety of employees. (Source: Argaam)

Major Corporate News

- Budget Saudi's used car sales reached an all-time high of SAR 122mn in Q4-20, As per CEO Fawaz Danish. Budget Saudi increased the sales volume of short-time rental cars in Q4-20 and partially in Q3-20, as these cars topped market demand. (Source: Argaam)
- Sahara International Petrochemical Co. announced the completion of the scheduled periodic turnaround maintenance for the polymers plant of International Polymers Co., with startup activities commencing from February 07, 2021. The financial impact of the maintenance will reflect in Q1-21. (Source: Argaam)
- Ethiad Atheeb Telecommunication Co. said that an agreement signed with one of the main suppliers to settle all balances and debts resulted in a positive initial financial impact of recording revenue of SAR 101.3mn based on the unaudited financial results. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.8% to 8,687.9 on Sunday. The value traded stood at SAR 8.2bn (down 11.5% over previous day), while the advance-decline ratio stood at 178/17. The parallel market index increased 2.2% to 25,269.1 points. The value traded stood at SAR 61.4mn (up 34.8% over previous day). All sectors in the main market ended in the green, except Utilities. Software & Services and Media (up 7.3% and 3.9%, respectively) advanced the most; Utilities remained flat.

Top Gainers

Company	Price	Change%
SPPC	23.66	9.9
SARCO	137.40	9.9
ALJAZIRA REIT	23.06	9.9
TAPRCO	51.30	9.9
ARAB SEA	101.60	7.7

Top Losers

Company	Price	Change%
QACCO	87.50	-2.8
NCB	42.20	-1.9
PETROCHEM	33.95	-1.3
SPCC	87.00	-1.1
DERAYAH REIT	11.42	-0.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,688	8,720	8,620	0.8	0.0
NomuC	25,269	25,635	24,709	2.2	(3.7)

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	28.7
P/E (Bloomberg)	32.7
P/E*	40.8
P/E after exclusions*	39.4
P/E ex. loss-making comp.*	23.0
P/E: top 50 MCAP*	27.9

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,260	0.6	(2.4)	32.4
Materials	5,830	0.7	1.5	High
Capital Goods	6,483	1.5	(0.8)	Neg
Commercial Service	4,024	2.1	(0.9)	High
Transportation	4,728	2.2	(2.4)	Neg
Consumer Durables	5,630	1.0	(1.6)	Neg
Consumer Services	3,913	1.0	(8.3)	27.4
Media	9,897	3.9	(3.1)	37.7
Retailing	8,578	0.7	0.2	Neg
Food & Staples	10,488	0.4	(0.5)	33.4
Food & Beverages	5,226	0.6	(4.4)	29.1
Healthcare	5,710	0.6	1.0	34.5
Pharma & Bio Tech	4,861	1.4	(6.0)	Neg
Banks	7,655	1.0	0.9	17.9
Diversified Financials	4,387	1.6	(4.5)	Neg
Insurance	5,863	1.3	(2.7)	24.2
Telecom	7,200	0.3	4.4	22.7
Utilities	4,705	(0.0)	2.1	Neg
REITs	4,235	0.9	(1.2)	Neg
Real Estate	2,863	0.9	(5.2)	Neg
Software & Services	16,984	7.3	20.5	29.6

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,623	8,705	8,796	8.99

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	8.2	200.0	321.5
Previous week	46.5	1,140.8	1,925.2

Top Weighted Companies

Company	Price	Change%
Al Rajhi	75.20	1.3
Saudi Aramco	34.10	0.4
NCB	42.20	-1.9
SABIC	99.60	0.2
STC	113.00	0.2



Regional and International Markets

- Among other regional markets, Dubai decreased 0.2%, while Abu Dhabi increased 0.1%. Kuwait and Qatar rose 0.6% each, while Bahrain gained 0.1%. Oman declined 0.2%. Meanwhile, Egypt remained flat.
- US trade deficit shrunk to USD 66.6bn in December (consensus: USD 65.7bn) from a revised USD 69.0bn in November. The value of exports increased by 3.4% to USD 190.0bn, while the value of imports rose 1.5% to USD 256.6bn. The exports growth reflected significant increases in exports of crude oil, soybeans, capital goods and automotive vehicles and parts. (Source: Econoday, RTT News)
- US initial jobless claims dropped to 779,000 (consensus: 835,000), representing a fall of 33,000 from the previous week's revised level of 812,000. (Source: Econoday)
- Eurozone retail sales rose 2.0% M/M in December (consensus: 0.3% increase) compared to 5.7% decline in November. On a Y/Y basis, retail sales increased 0.6% in December (consensus: a rise of 1.6%) versus a fall of 2.2 in November. (Source: Econoday)
- The average of household spending in Japan fell 0.6% Y/Y in December (consensus: a decline of 2.4%) versus a 1.1% increase in November. On a monthly basis, household spending grew 0.9% (consensus: a drop of 1.9%) following 1.8% decline in the previous month. (Source: RTT News)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	91.0	0.0	0.5	1.2
Euro	1.20	0.0	-0.8	-1.4
Japanese Yen	105.4	0.0	0.6	2.1
Sterling Pound	1.37	0.0	0.2	0.4
Chinese Yuan	6.47	0.0	0.6	-0.9
Indian Rupee	72.8	0.0	-0.1	-0.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.30	0.0	0.0	-0.4
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.64	0.0	-0.1	-0.3

Corporate Calendar

Date	Company	Event
08 th Feb	MULKIA REIT	Cash Dividend Distribution
09 th Feb	ALBATAIN	Cash Dividend Distribution
11 th Feb	ALJOUF	Cash Dividend Distribution
14 th Feb	DERAYAH REIT	Cash Dividend Distribution
21 st Feb	QACCO	Cash Dividend Distribution
21 st Feb	HB	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,667	-0.2	0.5	7.0	13.5
Abu Dhabi (ADX)	5,672	0.1	1.4	12.4	16.6
Kuwait (KSE)	4,690	0.6	-1.1	3.0	17.8
Qatar (QE)	10,493	0.6	0.2	0.5	17.4
Oman (MSM)	3,598	-0.2	-1.5	-1.7	9.2
Bahrain (BSE)	1,462	0.1	0.0	-1.9	9.1
Egypt (EGX30)	11,603	0.0	0.5	7.0	9.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,148	0.0	3.9	1.8	23.6
Nasdaq	13,856	0.0	6.0	7.5	35.2
S&P 500	3,887	0.0	4.6	3.5	29.8
FTSE 100	6,489	0.0	1.3	0.4	17.3
Germany DAX 30	14,057	0.0	4.6	2.5	24.7
France CAC 40	5,659	0.0	4.8	1.9	57.4
Japan Nikkei 225	28,779	0.0	4.0	4.9	28.3
Russia MICEX	3,393	0.0	3.5	3.2	13.5
Hong Kong Hang Seng	29,289	0.0	3.6	7.6	15.7
South Korea KOSPI	3,121	0.0	4.9	8.6	31.4
China Shanghai Composite	3,496	0.0	0.4	0.7	14.5
Australia ASX 200	6,841	0.0	3.5	3.8	22.9
India Sensex	50,732	0.0	9.6	6.2	31.4
MSCI EM	1,395	0.0	4.9	8.1	25.6
MSCI World	2,773	0.0	4.2	3.1	34.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	59.7	0.0	9.1	19.6
Brent Crude (\$/bbl)	59.3	0.0	6.2	14.6
Texas crude (\$/bbl)	56.9	0.0	8.9	17.2
Natural Gas (\$/mmbtu)	2.86	0.0	11.7	12.8
Gold (\$/oz)	1,814	0.0	-1.8	-4.5
Silver (\$/oz)	26.8	0.0	-0.6	1.8
Steel (\$/ton)	1,157	0.0	0.7	15.1
Iron Ore (CNY/MT)	1,155	0.0	-2.4	7.0
Wheat (\$/bu)	641	0.0	-3.3	0.1
Corn (\$/bu)	549	0.0	0.3	13.3
Sugar (\$/lb)	16.4	0.0	3.7	6.0
SMP* (EUR/MT)	2,358	0.0	-0.7	6.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.193	0.0	-0.9	-4.6
Saudi Arabia(SAIBOR)	0.813	-0.1	-0.2	-0.5
UAE (EIBOR)	0.357	0.3	1.7	-15.6
Qatar (QIBOR)	1.037	2.7	8.6	-8.4
Bahrain (BHIBOR)	2.183	-1.7	-1.7	-6.7

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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