



Major Economic News

- The aggregate sales of Saudi cement producers rose 6% Y/Y to 5.1mn tons in January. Clinker production increased by 5.7% Y/Y to 4.5mn tons. Clinker inventories fell 14.8% Y/Y to 35.7mn tons by the end of January. (Source: Argaam)
- Crown Prince Mohammed bin Salman announced reforms to improve Saudi Arabia's legislative system. The Kingdom is proceeding with the reforms of its legislative system through introducing and reforming laws that protect the rights and enhance the principles of equity and transparency. (Source: Argaam)
- The Ministry of Investment signed an MoU with Switzerland-based pharmaceuticals producer, Roche Products to develop the Saudi healthcare and life sciences sector. Under the MoU, the ministry will cooperate with Roche to elevate and invigorate scientific research discoveries, in the healthcare sector. (Source: Argaam)

Major Corporate News

- CMA approved National Commercial Bank to increase its capital from SAR 30bn to SAR 44.8bn, through issuing 1.5bn ordinary shares. The move aims to merge Samba Financial Group into National Commercial Bank through transferring the former's assets and liabilities to the latter under share swap. (Source: Argaam)
- CMA approved Tabuk Agricultural Development Co.'s request to increase its capital through a SAR 150mn rights issue. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 1.4% to 8,809.3. The value traded stood at SAR 12.5bn (up 51.7% over previous day), while the advance-decline ratio stood at 183/15. The parallel market index increased 1.3% to 25,589.8 points. The value traded stood at SAR 33.0mn (down 46.2% over previous day). Most sectors in the main market ended in the green. Software & Services and Consumer Durables (up 5.3% and 3.3%, respectively) advanced the most; Telecom and Food & Staples (down 0.3% and 0.1%, respectively) were the only laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-20	Q4-19	Y/Y %	Q3-20	Q/Q %
Banque Saudi Fransi	94.0	515.0	-81.7	333.0	-71.8
Al Yamamah Steel*	42.7	-7.6	NM	25.3	69.0
Saudi Public Transport Co.	-75.7	-40.5	NM	-121.8	NM

* indicates Q1-21 results, as year ending in September

Top Gainers

Company	Price	Change%
ALJOUF	48.40	10.0
SHARQIYAH DEV	117.20	9.9
FIPCO	67.60	9.9
UCA	24.14	9.8
MAADEN	47.90	9.1

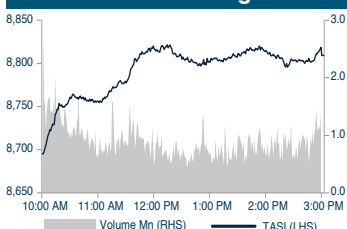
Top Losers

Company	Price	Change%
TALEEM REIT	13.40	-1.5
BAAZEEM	130.20	-1.4
A. OTHAIM MARKET	123.20	-1.0
ACIG	54.20	-0.7
STC	112.20	-0.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,809	8,822	8,693	1.4	1.4
NomuC	25,590	25,658	25,275	1.3	(2.5)

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	28.9
P/E (Bloomberg)	33.1
P/E*	41.7
P/E after exclusions*	40.2
P/E ex. loss-making comp.*	23.4
P/E: top 50 MCAP*	28.5

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,297	0.7	(1.7)	32.6
Materials	5,958	2.2	3.7	High
Capital Goods	6,668	2.9	2.0	Neg
Commercial Service	4,087	1.5	0.7	High
Transportation	4,788	1.3	(1.1)	Neg
Consumer Durables	5,816	3.3	1.6	Neg
Consumer Services	4,021	2.7	(5.8)	28.0
Media	10,020	1.2	(1.9)	38.1
Retailing	8,644	0.8	1.0	Neg
Food & Staples	10,473	(0.1)	(0.6)	33.6
Food & Beverages	5,304	1.5	(2.9)	29.4
Healthcare	5,784	1.3	2.3	35.0
Pharma & Bio Tech	4,960	2.0	(4.1)	Neg
Banks	7,767	1.5	2.4	18.2
Diversified Financials	4,480	2.1	(2.5)	Neg
Insurance	5,943	1.4	(1.4)	24.5
Telecom	7,175	(0.3)	4.0	22.6
Utilities	4,746	0.9	3.0	Neg
REITs	4,243	0.2	(1.0)	Neg
Real Estate	2,912	1.7	(3.6)	Neg
Software & Services	17,890	5.3	27.0	31.1

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,655	8,701	8,793	9.57

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	20.7	476.2	756.5
Previous week	46.5	1,140.8	1,925.2

Top Weighted Companies

Company	Price	Change%
Al Rajhi	76.80	2.1
Saudi Aramco	34.30	0.6
NCB	42.75	1.3
SABIC	101.20	1.6
STC	112.20	-0.7



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.9% and 0.3%, respectively. Egypt, Bahrain and Kuwait declined 0.7%, 0.2% and 0.1%, respectively; while Oman and Qatar fell 0.5% each.
- Eurozone investor sentiment index fell to -0.2 in February (consensus: 1.9) from +1.3 in the previous month. The slower pace of vaccination weighed on both the assessment of current situation and expectations. The current situation index declined to -27.5 in February from -26.5 in January, while the expectations index dropped to 31.5 from 33.5. (Source: RTT News)
- Japan had a current account surplus of JPY 1,165.6bn in December compared to a surplus of JPY 1,878.4bn in the previous month. Exports rose 0.3% Y/Y to JPY 6,561.5bn, while imports declined 13.5% Y/Y to JPY 5,596.4bn. The trade surplus stood at JPY 965.1bn, up from JPY 616.1bn a month earlier. (Source: RTT News)
- Oil prices surged 2.1%, to a one-year high, driven by supply cuts by major producers and hopes of additional US economic stimulus.
- Gold prices gained 0.9%, as the US President Joe Biden plans to provide a USD 1.9tn coronavirus relief to revive the economy.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.9	-0.1	0.4	1.1
Euro	1.20	0.0	-0.7	-1.4
Japanese Yen	105.2	-0.1	0.5	1.9
Sterling Pound	1.37	0.0	0.3	0.5
Chinese Yuan	6.44	-0.3	0.3	-1.2
Indian Rupee	72.9	0.2	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	0.1	0.1	-0.3
Omani Rial	0.38	0.1	0.1	0.1
Bahraini Dinar	0.38	0.1	0.1	0.1
Egyptian Pound	15.61	-0.2	-0.3	-0.5

Corporate Calendar

Date	Company	Event
09 th Feb	ALBABTAIN	Cash Dividend Distribution
11 th Feb	ALJOUF	Cash Dividend Distribution
14 th Feb	DERAYAH REIT	Cash Dividend Distribution
21 th Feb	QACCO	Cash Dividend Distribution
21 st Feb	HB	Cash Dividend Distribution
28 st Feb	SVCP	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,643	-0.9	-0.4	6.1	13.4
Abu Dhabi (ADX)	5,656	-0.3	1.1	12.1	16.6
Kuwait (KSE)	4,684	-0.1	-1.2	2.9	18.3
Qatar (QE)	10,445	-0.5	-0.3	0.1	17.4
Oman (MSM)	3,578	-0.5	-2.1	-2.2	9.2
Bahrain (BSE)	1,460	-0.2	-0.2	-2.0	9.1
Egypt (EGX30)	11,523	-0.7	-0.2	6.2	9.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,386	0.8	4.7	2.5	23.6
Nasdaq	13,988	0.9	7.0	8.5	35.2
S&P 500	3,916	0.7	5.4	4.2	29.8
FTSE 100	6,524	0.5	1.8	1.0	17.4
Germany DAX 30	14,060	0.0	4.7	2.5	24.7
France CAC 40	5,686	0.5	5.3	2.4	57.7
Japan Nikkei 225	29,389	2.1	6.2	7.1	25.3
Russia MICEX	3,446	1.6	5.2	4.8	13.7
Hong Kong Hang Seng	29,319	0.1	3.7	7.7	15.8
South Korea KOSPI	3,091	-0.9	3.9	7.6	30.8
China Shanghai Composite	3,532	1.0	1.4	1.7	14.6
Australia ASX 200	6,881	0.6	4.1	4.5	23.1
India Sensex	51,349	1.2	10.9	7.5	31.8
MSCI EM	1,400	0.3	5.3	8.4	25.7
MSCI World	2,796	0.8	5.0	3.9	34.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	60.2	0.9	10.1	20.7
Brent Crude (\$/bbl)	60.6	2.1	8.4	16.9
Texas crude (\$/bbl)	58.0	2.0	11.1	19.5
Natural Gas (\$/mmbtu)	2.88	0.7	12.4	13.5
Gold (\$/oz)	1,831	0.9	-0.9	-3.6
Silver (\$/oz)	27.3	1.6	0.9	3.4
Steel (\$/ton)	1,160	0.3	1.0	15.4
Iron Ore (CNY/MT)	1,155	0.0	-2.4	7.0
Wheat (\$/bu)	656	2.3	-1.1	2.4
Corn (\$/bu)	564	2.8	3.1	16.5
Sugar (\$/lb)	16.3	-0.9	2.8	5.0
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	0.191	-0.2	-1.1	-4.8
Saudi Arabia(SAIBOR)	0.813	0.0	-0.2	-0.5
UAE (EIBOR)	0.283	-7.4	-5.8	-23.0
Qatar (QIBOR)	1.014	-2.2	6.4	-10.6
Bahrain (BHIBOR)	2.183	0.0	-1.7	-6.7

Data Sources: Tadawul, Bloomberg, Reuters

*Three-month Interbank rate **NA: Not Available

Updated as of February 8, 2021



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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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