



## Major Economic News

- Saudi Ministry of Interior announced suspending all events and parties, including weddings, corporate meetings etc., in banquet halls and independent wedding halls or affiliated with hotels, as well as in rental rest houses and camps that are used for those purposes, for a period of 30 days, that may be extended. (Source: Argaam)
- Saudi Arabia PMI rose to 57.1 in January compared to 57.0 in December. The headline index was lifted by a faster expansion in output levels (the sharpest recorded in 15 months) at the start of FY21. (Source: Argaam)
- The planned regional offices by foreign companies in Riyadh is expected to contribute SAR 61-70bn to the Saudi economy by FY30, through salaries and operating and capital expenditures of those players, according to the Royal Commission for Riyadh City. (Source: Argaam)

## Major Corporate News

- CITC announced that Integrated Telecom Company and another firm won the tender for providing the mobile virtual network operator services. (Source: Argaam)
- The Red Sea Development Company awarded contracts to Saudi company Al Bawani and Swiss timber construction company Blumer Lehmann to support the development plans and structural work of its luxury hotels and resorts. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.9% to 8,542.6. The value traded stood at SAR 10.1bn (up 20.7% over previous day), while the advance-decline ratio stood at 14/177. The parallel market index decreased 0.6% to 24,922.0 points. The value traded stood at SAR 45.9mn (up 10.6% over previous day). Most sectors in the main market ended in the red. Software & Services and Utilities (up 9.9% and 1.4%, respectively) were the only gainers; Commercial Service and Diversified Financials (down 2.6% and 2.3%, respectively) led the laggards.

## Earnings update (Net Profit) (SAR mn)

Company	Q4-20	Q4-19	Y/Y %	Q3-20	Q/Q %
Arabian Centres Co.*	95.6	110.6	-13.6	111.1	-14.0
Qassim Cement	113.1	144.1	-21.5	110.1	2.7

\*-indicates Q3-21 results, as year ending is March 2021

## Top Gainers

Company	Price	Change%
ARAB SEA	100.00	9.9
MIS	116.20	9.8
ALANDALUS	22.88	3.7
OASIS	89.70	3.1
MAADEN	41.15	1.6

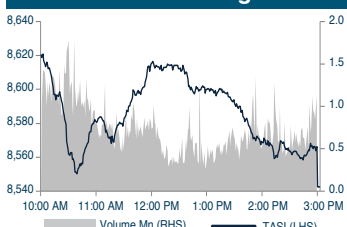
## Top Losers

Company	Price	Change%
RED SEA	26.20	-6.3
SOLIDARITY	14.30	-4.7
ACC	41.00	-4.7
ALHOKAIR GROUP	19.70	-4.3
ALLIANZ SF	23.40	-4.1

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,543	8,623	8,543	(0.9)	(1.7)
NomuC	24,922	25,497	24,420	(0.6)	(5.0)

## TASI movement during session



## TASI P/E Ratios

P/E (Tadawul)	28.5
P/E (Bloomberg)	32.1
P/E*	40.2
P/E after exclusions*	38.8
P/E ex. loss-making comp.*	22.7
P/E: top 50 MCAP*	27.5

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,234	(0.7)	(2.8)	32.3
Materials	5,753	(0.7)	0.1	High
Capital Goods	6,383	(2.2)	(2.4)	Neg
Commercial Service	3,964	(2.6)	(2.4)	High
Transportation	4,659	(1.9)	(3.8)	Neg
Consumer Durables	5,712	(1.7)	(0.2)	Neg
Consumer Services	3,897	(2.0)	(8.7)	27.3
Media	9,593	(1.0)	(6.1)	36.5
Retailing	8,519	(1.0)	(0.4)	Neg
Food & Staples	10,407	(1.6)	(1.2)	33.3
Food & Beverages	5,133	(1.5)	(6.1)	28.7
Healthcare	5,711	(1.3)	1.0	34.5
Pharma & Bio Tech	4,855	(0.5)	(6.1)	Neg
Banks	7,445	(0.8)	(1.9)	17.5
Diversified Financials	4,342	(2.3)	(5.5)	Neg
Insurance	5,803	(1.7)	(3.7)	23.9
Telecom	7,085	(0.6)	2.7	22.3
Utilities	4,654	1.4	1.0	Neg
REITs	4,226	(0.9)	(1.4)	Neg
Real Estate	2,831	(1.5)	(6.2)	Neg
Software & Services	16,810	9.9	19.3	29.4

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,664	8,745	8,809	9.15

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	37.2	907.3	1,529.6
Previous week	28.4	834.2	1,270.9

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	71.70	0.3
Saudi Aramco	34.00	-0.6
NCB	42.30	-2.1
SABIC	99.00	0.3
STC	110.80	-0.7



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.4% each. Kuwait, Oman, Qatar, Egypt and Bahrain declined 0.8%, 0.5%, 0.4%, 0.2% and 0.1%, respectively.
- According to EIA, oil inventories in the US fell 1.0mn barrels (prior: down 9.9mn) to 475.7mn in the week ended January 29. Distillate inventories remained unchanged (prior: down 0.8mn) at 162.8mn, while gasoline inventories rose 4.5mn barrels (prior: up 2.5mn) to 252.2mn. (Source: EIA, Econoday)
- UK Markit/CIPS services PMI Index fell to 39.5 in January (consensus: 38.8) from 49.4 in December. The contraction was due to the impact of restrictions related to the Covid-19 pandemic on trade and temporary business closures amid the third national lockdown. (Source: Econoday, RTT News)
- Eurozone harmonized CPI increased 0.9% Y/Y in January (consensus: a rise of 0.4%) against 0.3% decline in December. This was first increase in prices since July 2020. Core CPI rose to 1.4% Y/Y from 0.2 percent in previous month. (Source: Econoday, RTT News)
- Oil prices increased 1.7%, as OPEC+ decided to maintain their production levels, further supported by a decline in US oil inventories last week.
- Gold prices fell 0.2% impacted by stronger US dollar and rise in Asian equity markets.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	91.2	0.0	0.6	1.4
Euro	1.20	-0.1	-0.8	-1.5
Japanese Yen	105.0	0.0	0.3	1.7
Sterling Pound	1.36	-0.2	-0.4	-0.2
Chinese Yuan	6.46	0.0	0.5	-1.0
Indian Rupee	72.8	-0.1	-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	0.1	0.2	-0.3
Omani Rial	0.38	0.0	0.1	0.1
Bahraini Dinar	0.38	0.0	0.1	0.1
Egyptian Pound	15.68	-0.1	0.1	-0.1

## Corporate Calendar

Date	Company	Event
09 <sup>th</sup> Feb	ALBATABAIN	Cash Dividend Distribution
14 <sup>th</sup> Feb	DERAYAH REIT	Cash Dividend Distribution
15 <sup>th</sup> Feb	ALYAMAMAH STEEL	OGM
17 <sup>th</sup> Feb	HCC	EGM
04 <sup>th</sup> Mar	ALJOUF	OGM
08 <sup>th</sup> Mar	ALANDALUS	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,713	-0.4	2.2	8.9	13.7
Abu Dhabi (ADX)	5,675	-0.4	1.5	12.5	16.7
Kuwait (KSE)	4,670	-0.8	-1.5	2.6	17.9
Qatar (QE)	10,472	-0.4	0.0	0.3	17.5
Oman (MSM)	3,604	-0.5	-1.4	-1.5	9.2
Bahrain (BSE)	1,465	-0.1	0.1	-1.7	9.1
Egypt (EGX30)	11,619	-0.2	0.6	7.1	9.3

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	30,724	0.1	2.5	0.4	23.1
Nasdaq	13,611	0.0	4.1	5.6	34.9
S&P 500	3,830	0.1	3.1	2.0	29.4
FTSE 100	6,508	-0.1	1.6	0.7	17.3
Germany DAX 30	13,934	0.7	3.7	1.6	24.7
France CAC 40	5,563	0.0	3.0	0.2	59.4
Japan Nikkei 225	28,647	1.0	3.6	4.4	28.6
Russia MICEX	3,343	-0.5	2.0	1.7	13.4
Hong Kong Hang Seng	29,307	0.2	3.6	7.6	16.0
South Korea KOSPI	3,130	1.1	5.2	8.9	31.1
China Shanghai Composite	3,517	-0.5	1.0	1.3	14.5
Australia ASX 200	6,825	0.9	3.3	3.6	22.9
India Sensex	50,256	0.9	8.6	5.2	30.5
MSCI EM	1,393	0.8	4.7	7.9	26.2
MSCI World	2,738	0.2	2.9	1.8	34.2

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	58.0	1.5	6.0	16.2
Brent Crude (\$/bbl)	58.5	1.7	4.6	12.9
Texas crude (\$/bbl)	55.7	1.7	6.7	14.8
Natural Gas (\$/mmbtu)	2.79	-2.0	8.8	9.8
Gold (\$/oz)	1,834	-0.2	-0.7	-3.4
Silver (\$/oz)	26.9	0.9	-0.5	1.9
Steel (\$/ton)	1,148	-0.8	-0.1	14.2
Iron Ore (CNY/MT)	1,160	-8.0	-2.0	7.5
Wheat (\$/bu)	648	0.5	-2.2	1.2
Corn (\$/bu)	552	1.7	0.9	14.0
Sugar (\$/lb)	16.0	-1.5	1.3	3.6
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	0.192	-0.3	-1.0	-4.6
Saudi Arabia(SAIBOR)	0.814	0.0	-0.1	-0.4
UAE (EIBOR)	0.351	6.0	1.1	-16.1
Qatar (QIBOR)	1.011	-0.7	6.1	-10.9
Bahrain (BHIBOR)	2.200	0.0	0.0	-5.0

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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