



Major Economic News

- Saudi Arabia's unemployment rate peaked in FY20 and will decline to 6% by FY23, which is still slightly above the FY19 level, as per Zahabia Saleem Gupta, associate director of Sovereign and International Public Finance Ratings at S&P Global Ratings. She added that job creation for the population will be supported by the government's efforts to boost the non-oil economy and social transformation. (Source: Argaam)
- Saudi Arabia's oil exports saw an increase of 2% M/M to 6.5mn bpd in December. On a Y/Y basis, oil exports dropped 12% in December 2020. The Kingdom's crude output inched up 0.1% M/M to 8.98mn bpd in the same month. (Source: Argaam)
- Prince Faisal bin Khalid bin Sultan, governor of Northern Borders Region, inaugurated the new Arar airport, along with Minister of Transport Saleh Al-Jasser. The new terminal is valued at SAR 382mn with an annual capacity of 1mn passengers. (Source: Argaam)

Major Corporate News

- BinDawood Holding Co. announced that Arab Dalla Co. filed a lawsuit against one of its subsidiaries, Danube Company for Foodstuffs & Commodities, for patent infringement, seeking a compensation of SAR 124.1mn and legal fees of SAR 300,000. (Source: Argaam)
- Amlak International Real Estate Finance Co. renewed and amended a SAR 664.5mn Shariah-compliant credit facility agreement with Saudi Investment Bank. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.2% to 9,084.3. The value traded stood at SAR 14.2bn (up 3.7% over previous day), while the advance-decline ratio stood at 86/101. The parallel market index increased 4.8% to 27,866.7 points. The value traded stood at SAR 112.4mn (up 119.0% over previous day). Most sectors in the main market ended in the red. Transportation and Pharma & Bio Tech (up 1.6% and 1.1%, respectively) advanced the most; Software & Services and Telecom (down 2.4% and 1.7%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-20	Q4-19	Y/Y %	Q3-20	Q/Q %
Petro Rabigh	61.0	-887.0	NM	-610.0	NM
Samba Financial Group	744.0	765.0	-2.7	1,231.0	-39.6
Saudi Cement Co.	127.5	143.6	-11.2	106.4	19.8

Top Gainers

Company	Price	Change%
ASLAK	38.50	10.0
MESC	16.94	10.0
ALHOKAIR GROUP	21.78	10.0
SAUDI CABLE	33.70	10.0
ATHEEB TELECOM	16.14	10.0

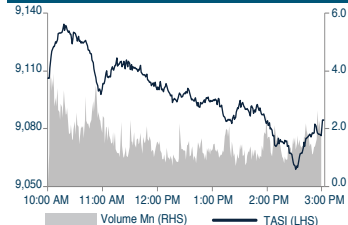
Top Losers

Company	Price	Change%
ARAB SEA	117.00	-10.0
SVCP	113.20	-8.7
SARCO	141.00	-6.6
JAZADCO	21.52	-5.6
BAAZEEM	115.80	-5.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	9,084	9,134	9,058	(0.2)	4.5
NomuC	27,867	27,867	26,402	4.8	6.2

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	29.3
P/E (Bloomberg)	34.9
P/E*	42.7
P/E after exclusions*	41.2
P/E ex. loss-making comp.*	24.3
P/E: top 50 MCAP*	29.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,365	(0.3)	(0.4)	33.0
Materials	6,063	0.1	5.5	High
Capital Goods	7,098	0.5	8.6	Neg
Commercial Service	4,104	(0.3)	1.1	High
Transportation	5,069	1.6	4.7	Neg
Consumer Durables	6,124	(0.9)	7.0	Neg
Consumer Services	4,125	0.7	(3.4)	28.7
Media	10,448	(0.2)	2.3	39.8
Retailing	8,678	(0.0)	1.4	Neg
Food & Staples	10,735	0.1	1.9	34.0
Food & Beverages	5,343	(1.0)	(2.2)	29.4
Healthcare	5,849	0.5	3.4	35.3
Pharma & Bio Tech	5,053	1.1	(2.3)	Neg
Banks	8,151	(0.1)	7.4	19.1
Diversified Financials	4,778	0.7	4.0	Neg
Insurance	6,201	0.5	2.9	25.6
Telecom	7,447	(1.7)	8.0	23.3
Utilities	4,783	0.6	3.8	Neg
REITs	4,270	(0.0)	(0.4)	Neg
Real Estate	3,005	(0.9)	(0.5)	Neg
Software & Services	19,939	(2.4)	41.5	34.9

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
9,049	8,916	8,830	11.49

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	54.4	1,679.5	2,044.6
Previous week	58.2	1,386.3	2,146.6

Top Weighted Companies

Company	Price	Change%
Al Rajhi	84.00	0.5
Saudi Aramco	34.75	-0.3
NCB	46.30	0.0
SABIC	102.20	-0.8
STC	117.20	-2.2



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 0.6% and 0.5%, respectively. Bahrain and Oman rose 0.3% and 0.1%, respectively; while Qatar, Egypt and Kuwait declined 1.1%, 1.0% and 0.3%, respectively.
- US industrial production increased 0.9% M/M in January (consensus: 0.5% rise) compared to a growth of 1.3% in December, while manufacturing rose 1.0% M/M in January (consensus: 0.5% rise) against an increase of 0.9% in December. The capacity utilization rate level stood at 75.6% (consensus: 74.8%). (Source: Econoday)
- US Producer Price Index, final demand (PPI-FD) rose 1.3% M/M in January (consensus: 0.4% rise) against an increase of 0.3% in December. PPI-FD less food & energy gained 1.2% M/M in January (consensus: 0.2% increase) compared with a rise of 0.1% in December. (Source: Econoday)
- US retail sales grew 5.3% M/M in January (consensus: an increase of 1.1%) as against prior revised decline of 1.0%. (Source: Econoday)
- Oil prices jumped 1.6% due to uncertainty over resumption of production in parts of the US hit by severe snowstorm.
- Gold prices fell 1.0%, as stronger US dollar weighed on the demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	91.0	0.5	0.4	1.1
Euro	1.20	-0.6	-0.8	-1.4
Japanese Yen	105.9	-0.2	1.1	2.5
Sterling Pound	1.39	-0.3	1.1	1.3
Chinese Yuan	6.45	0.0	0.5	-1.1
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	0.0	-0.1	-0.5
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.58	0.1	-0.5	-0.7

Corporate Calendar

Date	Company	Event
21st Feb	QACCO	Cash Dividend Distribution
21st Feb	HB	Cash Dividend Distribution
25th Feb	ALYAMAMAH STEEL	Cash Dividend Distribution
28th Feb	SVCP	EGM
01st Mar	NCB	EGM
01st Mar	SAMBA	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,594	-0.6	-2.2	4.1	21.2
Abu Dhabi (ADX)	5,636	-0.5	0.8	11.7	16.3
Kuwait (KSE)	4,682	-0.3	-1.3	2.8	15.3
Qatar (QE)	10,343	-1.1	-1.2	-0.9	17.7
Oman (MSM)	3,558	0.1	-2.6	-2.7	9.1
Bahrain (BSE)	1,478	0.3	1.1	-0.8	9.1
Egypt (EGX30)	11,413	-1.0	-1.2	5.2	9.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,613	0.3	5.4	3.3	23.9
Nasdaq	13,965	-0.6	6.8	8.4	37.0
S&P 500	3,931	0.0	5.8	4.7	30.1
FTSE 100	6,711	-0.6	4.7	3.9	17.7
Germany DAX 30	13,909	-1.1	3.5	1.4	24.5
France CAC 40	5,766	-0.4	6.8	3.9	69.2
Japan Nikkei 225	30,292	-0.6	9.5	10.4	25.7
Russia MICEX	3,437	-1.7	4.9	4.5	13.7
Hong Kong Hang Seng	31,085	1.1	9.9	14.2	16.7
South Korea KOSPI	3,134	-0.9	5.3	9.1	30.7
China Shanghai Composite	3,655	0.0	4.9	5.2	15.1
Australia ASX 200	6,885	-0.5	4.2	4.5	24.3
India Sensex	51,704	-0.8	11.7	8.3	32.1
MSCI EM	1,445	0.2	8.7	11.9	27.0
MSCI World	2,816	-0.4	5.8	4.7	35.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	63.7	1.4	16.4	27.6
Brent Crude (\$/bbl)	64.3	1.6	15.1	24.2
Texas crude (\$/bbl)	61.1	1.8	17.1	26.0
Natural Gas (\$/mmbtu)	3.22	2.9	25.5	26.8
Gold (\$/oz)	1,776	-1.0	-3.9	-6.5
Silver (\$/oz)	27.3	0.5	1.3	3.8
Steel (\$/ton)	1,162	-0.7	1.1	15.6
Iron Ore (CNY/MT)	1,155	0.0	-2.4	7.0
Wheat (\$/bu)	644	-2.1	-2.9	0.5
Corn (\$/bu)	553	0.1	1.1	14.3
Sugar (\$/lb)	17.0	1.4	7.1	9.5
SMP* (EUR/MT)	2,388	0.0	0.5	7.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.189	-0.3	-1.3	-5.0
Saudi Arabia(SAIBOR)	0.806	0.0	-0.9	-1.1
UAE (EIBOR)	0.324	-3.5	-1.6	-18.9
Qatar (QIBOR)	0.940	-3.1	-1.0	-18.0
Bahrain (BHIBOR)	2.083	-8.3	-11.7	-16.7

Data Sources: Tadawul, Bloomberg, Reuters

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

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RESEARCH DIVISION

AGM-Head of Research

Talha Nazar

+966 11 2256250
t.nazar@aljaziracapital.com.sa

Analyst

Faisal Alsuwelimy

+966 11 2256115
F.alsuwelimy@aljaziracapital.com.sa

Senior Analyst

Jassim Al-Jubran

+966 11 2256248
j.aljabran@aljaziracapital.com.sa

Analyst

Abdulrahman Al-Mashal

+966 11 2256374
A.Almashal@Aljaziracapital.com.sa

BROKERAGE AND INVESTMENT CENTERS DIVISION

General Manager – Brokerage Services & sales

Alaa Al-Yousef

+966 11 2256060
a.yousef@aljaziracapital.com.sa

AGM-Head of international and institutions

Ahmad Salman, CFA

+966 11 2256201
a.salman@aljaziracapital.com.sa

AGM-Head of Qassim & Eastern Province

Abdullah Al-Rahit

+966 16 3617547
aalrahit@aljaziracapital.com.sa

AGM-Head of Central & Western Region

Investment Centers

Sultan Ibrahim AL-Mutawa

+966 11 2256364
s.almutawa@aljaziracapital.com.sa

RESEARCH DIVISION

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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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Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068