



## Major Economic News

- Crown Prince Mohammad Bin Salman launched Soudah Development Co. in Asir region with expected investments of over SAR 11bn in infrastructure and tourism projects. (Source: Argaam)
- Saudi Arabia's non-oil exports fell 8% Y/Y or SAR 1.5bn to SAR 18.4bn in December. Compared to November, non-oil exports dropped by SAR 2.2bn. Non-oil exports accounted for 28.4% of the Kingdom's total exports during December. (Source: Argaam)
- National Debt Management Center (NDMC) announced that it opened and closed sale of its second international euro-denominated sovereign bond with a negative return on February 24. NDMC raised nearly USD 1.5bn from the issuance. (Source: Argaam)
- The point-of-sale transactions fell by 6% to SAR 7.2bn in the week ending February 20, 2021, from SAR 7.6bn in the previous week, reaching its lowest level since October 2020. (Source: Argaam)

## Major Corporate News

- The Red Sea Development Co. signed a contract with Gartner, under which the latter will provide consulting services regarding the technical procurements of the Red Sea project. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.4% to 9,115.8. The value traded stood at SAR 16.8bn (up 5.5% over previous day), while the advance-decline ratio stood at 28/165. The parallel market index decreased 2.9% to 26,535.9 points. The value traded stood at SAR 79.3mn (up 20.0% over previous day). Most sectors in the main market ended in the red. Banks and Diversified Financials (up 0.7% and 0.1%, respectively) were the only gainers; Software & Services and Consumer Durables (down 7.6% and 4.8%, respectively) led the laggards.

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

Company	Q4-20	Q4-19	Y/Y %	Q3-20	Q/Q %
Saudi Steel Pipe Co.	0.7	-2.8	NM	9.6	-92.6
Arab National Bank	273.7	515.0	-46.9	668.6	-59.1
Zahrat Al Waha	13.8	22.4	-38.2	7.2	92.3
Saudi British Bank	679.0	655.0	3.7	1,049.0	-35.3

## Top Gainers

Company	Price	Change%
ATHEEB TELECOM	25.90	9.8
ALBILAD	31.95	9.4
SASCO	32.95	7.9
ASEER	19.30	6.2
TASNEE	14.82	5.6

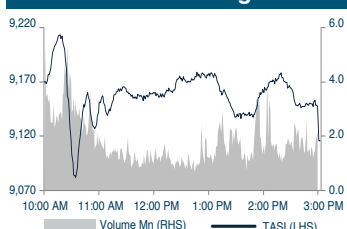
## Top Losers

Company	Price	Change%
ARAB SEA	117.00	-10.0
ALJOUF	67.10	-9.9
ZOUJAJ	40.45	-9.9
SVCP	112.80	-8.1
SARCO	156.40	-7.2

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	9,116	9,217	9,079	(0.4)	4.9
NomuC	26,536	27,463	26,138	(2.9)	1.1

## TASI movement during session



## TASI P/E Ratios

P/E (Tadawul)	29.2
P/E (Bloomberg)	35.6
P/E*	42.8
P/E after exclusions*	41.2
P/E ex. loss-making comp.*	24.3
P/E: top 50 MCAP*	29.7

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,343	(0.5)	(0.8)	32.9
Materials	6,169	(0.3)	7.4	High
Capital Goods	7,018	(3.3)	7.3	Neg
Commercial Service	4,114	(1.6)	1.3	High
Transportation	5,141	(1.8)	6.2	Neg
Consumer Durables	6,071	(4.8)	6.1	Neg
Consumer Services	4,087	(2.0)	(4.3)	28.6
Media	10,054	(3.2)	(1.6)	38.3
Retailing	8,634	(1.0)	0.9	Neg
Food & Staples	10,557	(1.6)	0.2	33.4
Food & Beverages	5,245	(2.3)	(4.0)	28.9
Healthcare	5,828	(0.7)	3.1	35.3
Pharma & Bio Tech	5,409	(1.8)	4.6	Neg
Banks	8,248	0.7	8.7	19.1
Diversified Financials	5,023	0.1	9.3	Neg
Insurance	6,026	(2.1)	0.0	24.8
Telecom	7,334	(1.6)	6.3	22.9
Utilities	4,666	(0.5)	1.2	Neg
REITs	4,286	(0.1)	0.0	Neg
Real Estate	2,969	(1.3)	(1.7)	Neg
Software & Services	19,226	(7.6)	36.4	33.5

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
9,091	9,070	8,897	12.23

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	58.9	1,707.4	2,245.7
Previous week	66.3	2,061.8	2,521.6

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	89.20	1.5
Saudi Aramco	34.55	-0.4
NCB	45.80	-0.4
SABIC	105.20	0.2
STC	115.00	-1.9



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 1.5% and 0.7%, respectively. Oman increased 0.4%, while Bahrain and Egypt rose 0.2% each. Meanwhile, Qatar and Kuwait declined 0.7% and 0.1%, respectively.
- According to EIA, oil inventories in the US rose 1.3mn barrels (prior: down 7.3mn) to 463.0mn in the week ended February 19. Distillate inventories decreased 5.0mn barrels (prior: down 3.4mn) to 152.7mn, while gasoline inventories remained unchanged (prior: up 0.7mn) at 257.1mn. (Source: EIA, Econoday)
- US new home sales increased by 4.3% to an annual rate of 923,000 in January (consensus: 855,000) compared to a rise of 5.5% to a revised rate of 885,000 in December. New home sales in the Midwest jumped 12.6% to an annual rate of 107,000, while increased by 6.8% in the West to 307,000. (Source: RTT News, Econoday)
- Oil prices increased 2.6%, reaching 13-months high, as the US government reported that crude production in the country fell by more than 1.0mn barrels due to snowstorm.
- Gold prices remained flat, as the impact of dovish stance by US Federal Reserve was offset by rising bond yields.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.2	0.0	-0.5	0.3
Euro	1.22	0.1	0.2	-0.4
Japanese Yen	105.9	0.6	1.1	2.5
Sterling Pound	1.41	0.2	3.2	3.4
Chinese Yuan	6.46	-0.1	0.5	-1.1
Indian Rupee	72.4	0.0	-0.7	-0.9
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	-0.5
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.63	0.0	-0.2	-0.4

## Corporate Calendar

Date	Company	Event
25 <sup>th</sup> Feb	ALYAMAMAH STEEL	Cash Dividend Distribution
28 <sup>th</sup> Feb	SVCP	EGM
01 <sup>st</sup> Mar	NCB	EGM
01 <sup>st</sup> Mar	SAMBA	EGM
03 <sup>rd</sup> Mar	ASLAK	Cash Dividend Distribution
03 <sup>rd</sup> Mar	APC	EGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,508	-1.5	-5.5	0.6	20.5
Abu Dhabi (ADX)	5,630	-0.7	0.6	11.6	16.3
Kuwait (KSE)	4,651	-0.1	-1.9	2.2	14.6
Qatar (QE)	9,953	-0.7	-5.0	-4.6	17.6
Oman (MSM)	3,590	0.4	-1.7	-1.9	9.1
Bahrain (BSE)	1,463	0.2	0.0	-1.8	9.1
Egypt (EGX30)	11,435	0.2	-1.0	5.4	9.1

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,962	1.3	6.6	4.4	24.1
Nasdaq	13,598	1.0	4.0	5.5	35.4
S&P 500	3,925	1.1	5.7	4.5	29.7
FTSE 100	6,659	0.5	3.9	3.1	18.1
Germany DAX 30	13,976	0.8	4.0	1.9	22.8
France CAC 40	5,798	0.3	7.4	4.4	53.5
Japan Nikkei 225	29,672	-1.6	7.3	8.1	25.1
Russia MICEX	3,385	-1.4	3.3	2.9	13.5
Hong Kong Hang Seng	29,718	-3.0	5.1	9.1	16.4
South Korea KOSPI	2,995	-2.4	0.6	4.2	28.7
China Shanghai Composite	3,564	-2.0	2.3	2.6	14.8
Australia ASX 200	6,778	-0.9	2.6	2.9	21.9
India Sensex	50,782	2.1	9.7	6.3	30.9
MSCI EM	1,377	-1.5	3.5	6.6	25.5
MSCI World	2,802	0.5	5.3	4.2	34.4

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	63.7	1.5	16.4	27.6
Brent Crude (\$/bbl)	67.0	2.6	20.0	29.4
Texas crude (\$/bbl)	63.2	2.5	21.1	30.3
Natural Gas (\$/mmbtu)	2.85	-0.9	11.3	12.4
Gold (\$/oz)	1,805	0.0	-2.3	-4.9
Silver (\$/oz)	28.0	1.3	3.6	6.2
Steel (\$/ton)	1,263	8.4	9.9	25.7
Iron Ore (CNY/MT)	1,202	-0.5	1.5	11.4
Wheat (\$/bu)	680	2.2	2.6	6.2
Corn (\$/bu)	559	1.0	2.2	15.5
Sugar (\$/lb)	18.2	-1.4	14.7	17.2
SMP* (EUR/MT)	2,393	0.2	0.8	7.6

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.188	1.2	-1.4	-5.1
Saudi Arabia(SAIBOR)	0.800	-0.1	-1.5	-1.8
UAE (EIBOR)	0.365	4.4	2.5	-14.8
Qatar (QIBOR)	1.049	0.6	9.8	-7.2
Bahrain (BHIBOR)	1.975	-5.8	-22.5	-27.5

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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