



Major Economic News

- The rate of localization in private sector facilities rose to 21.8% of total workforce in Q4-20, compared to 20.9% in the same quarter a year earlier. The number of Saudi private sector subscribers in social insurance amounted to 1.8mn in Q4-20. (Source: Argaam)
- Point-of-sale transactions in Saudi Arabia saw a 35% rise to around SAR 37.6bn in December 2020, from SAR 27.9bn during the same month last year. Data showed that 346.6mn transactions were processed through nearly 721,100 points of sale. (Source: Argaam)
- Minister of Municipal and Rural Affairs, Majed Al Hogail, issued directives on the immediate closure of establishments that fail to comply with COVID-19 precautionary measures. (Source: Argaam)

Major Corporate News

- Saudi Aramco raised its February 2021 contract prices for propane by USD 55 per ton M/M to USD 605 per ton; butane prices are also increased by USD 55 per ton M/M to USD 585 per ton. (Source: Argaam)
- National Commercial Bank announced that the committee responsible for preparing the integration plan has finalized the proposed name for the new entity post the merger with Samba Financial Group as 'Saudi National Bank'. (Source: Argaam)
- Sahara International Petrochemical Co. announced suspension of operations at the polymers plant of International Polymers Co. and ethyl acetate plant of Sipchem Chemicals Co. for the scheduled periodic turnaround maintenance. The maintenance started from February 01 will continue for 6 days at the polymers plant and 16 days at the ethyl acetate plant. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.6% to 8,648.4. The value traded stood at SAR 8.9bn (down 8.5% over previous day), while the advance-decline ratio stood at 39/150. The parallel market index increased 0.4% to 25,234.5 points. The value traded stood at SAR 38.6mn (up 8.8% over previous day). All sectors in the main market ended in the red. Consumer Durables and Transportation (down 1.9% and 1.7%, respectively) declined the most.

Top Gainers		
Company	Price	Change%
HB	115.40	9.9
ABO MOATI	53.80	4.5
SARCO	111.00	3.7
ASLAK	36.25	3.6
SABIC AGRI-NUTRIENTS	93.10	2.3

Top Losers		
Company	Price	Change%
SVCP	108.00	-4.4
ALOMRAN	116.20	-3.7
ALKATHIRI	98.10	-3.4
BUDGET SAUDI	37.30	-3.1
SEERA	17.00	-3.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,648	8,756	8,648	(0.6)	(0.5)
NomuC	25,234	25,418	25,116	0.4	(3.9)

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	29.0
P/E (Bloomberg)	33.6
P/E*	42.0
P/E after exclusions*	40.4
P/E ex. loss-making comp.*	23.2
P/E: top 50 MCAP*	28.5

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,258	(1.3)	(2.4)	32.9
Materials	5,815	(0.5)	1.2	High
Capital Goods	6,569	(1.6)	0.5	Neg
Commercial Service	4,104	(0.2)	1.1	High
Transportation	4,758	(1.7)	(1.8)	Neg
Consumer Durables	5,923	(1.9)	3.5	Neg
Consumer Services	4,016	(1.5)	(5.9)	28.5
Media	9,841	(1.0)	(3.7)	37.8
Retailing	8,640	(0.1)	1.0	Neg
Food & Staples	10,424	(0.3)	(1.1)	33.6
Food & Beverages	5,246	(0.4)	(4.0)	29.4
Healthcare	5,767	(0.1)	2.0	34.8
Pharma & Bio Tech	4,974	(0.8)	(3.8)	Neg
Banks	7,539	(0.2)	(0.7)	17.7
Diversified Financials	4,461	(0.5)	(2.9)	Neg
Insurance	5,917	(0.4)	(1.8)	24.4
Telecom	7,104	(1.3)	3.0	22.7
Utilities	4,643	(1.7)	0.7	Neg
REITs	4,279	(0.1)	(0.2)	Neg
Real Estate	2,922	(1.2)	(3.2)	Neg
Software & Services	15,032	(0.5)	6.7	26.4

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,746	8,808	8,818	8.90

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	18.6	469.8	768.6
Previous week	28.4	834.2	1,270.9

Top Weighted Companies

Company	Price	Change%
Al Rajhi	72.00	-0.4
Saudi Aramco	34.15	-1.4
NCB	42.30	0.6
SABIC	100.00	-0.8
STC	111.00	-1.6



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 1.6% and 0.7%, respectively. Egypt and Bahrain rose 0.4% and 0.3%, respectively; while Kuwait and Oman declined 0.7% and 0.1%, respectively. Meanwhile, Qatar remained flat.
- US ISM manufacturing PMI declined to 58.7 in January (consensus: 60.0) versus a downwardly revised 60.5 in December. The bigger than expected decline was due to a drop in new orders index to 61.1 in January from 67.5 in December and the production index to 60.7 from 64.7. (Source: RTT News)
- UK's IHS Markit manufacturing PMI fell to a three-month low of 54.1 in January (consensus: 52.9) compared to 57.5 in December. Decline in new order intakes and a sharp fall in input stocks dragged the PMI level. (Source: Econoday, RTT News)
- Eurozone's final manufacturing PMI fell to 54.8 in January from 55.2 in December. The flash reading was estimated at 54.7. (Source: RTT News)
- Oil prices increased 0.8% driven by increase in winter fuel demand due to snowstorms in Northeastern US, further supported by a decline in US inventories.
- Gold prices rose 0.7%, as demand for safe haven continued to be high, partly offset by increased retail investor interest in Silver.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	91.0	0.4	0.4	1.2
Euro	1.21	-0.6	-0.6	-1.3
Japanese Yen	104.9	0.2	0.2	1.6
Sterling Pound	1.37	-0.3	-0.3	-0.1
Chinese Yuan	6.47	0.7	0.7	-0.9
Indian Rupee	73.1	0.3	0.3	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	0.0	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	15.68	0.1	0.1	-0.1

Corporate Calendar

Date	Company	Event
03 rd Feb	HB	OGM
09 th Feb	ALBAPTAIN	Cash Dividend Distribution
14 th Feb	DERAYAH REIT	Cash Dividend Distribution
15 th Feb	ALYAMAMAH STEEL	OGM
17 th Feb	HCC	EGM
04 th Mar	ALJOUF	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,696	1.6	1.6	8.2	13.3
Abu Dhabi (ADX)	5,635	0.7	0.7	11.7	16.5
Kuwait (KSE)	4,706	-0.7	-0.7	3.4	18.0
Qatar (QE)	10,474	0.0	0.0	0.4	17.5
Oman (MSM)	3,650	-0.1	-0.1	-0.2	9.1
Bahrain (BSE)	1,466	0.3	0.3	-1.6	9.1
Egypt (EGX30)	11,589	0.4	0.4	6.9	8.6

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	30,212	0.8	0.8	-1.3	22.6
Nasdaq	13,403	2.5	2.5	4.0	33.9
S&P 500	3,774	1.6	1.6	0.5	28.8
FTSE 100	6,466	0.9	0.9	0.1	17.1
Germany DAX 30	13,622	1.4	1.4	-0.7	24.3
France CAC 40	5,462	1.2	1.2	-1.6	58.4
Japan Nikkei 225	28,091	1.5	1.5	2.4	28.3
Russia MICEX	3,291	0.4	0.4	0.1	13.3
Hong Kong Hang Seng	28,893	2.2	2.2	6.1	15.9
South Korea KOSPI	3,057	2.7	2.7	6.4	30.4
China Shanghai Composite	3,505	0.6	0.6	0.9	14.5
Australia ASX 200	6,663	0.8	0.8	1.2	22.5
India Sensex	48,601	5.0	5.0	1.8	29.7
MSCI EM	1,361	2.4	2.4	5.4	25.8
MSCI World	2,698	1.4	1.4	0.3	33.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	55.6	1.6	1.6	11.4
Brent Crude (\$/bbl)	56.4	0.8	0.8	8.8
Texas crude (\$/bbl)	53.6	2.6	2.6	10.4
Natural Gas (\$/mmbtu)	2.85	11.2	11.2	12.2
Gold (\$/oz)	1,861	0.7	0.7	-2.0
Silver (\$/oz)	29.0	7.3	7.3	9.9
Steel (\$/ton)	1,152	0.3	0.3	14.6
Iron Ore (CNY/MT)	1,187	0.3	0.3	10.0
Wheat (\$/bu)	651	-1.8	-1.8	1.6
Corn (\$/bu)	549	0.4	0.4	13.5
Sugar (\$/lb)	16.2	2.0	2.0	4.3
SMP* (EUR/MT)	2,375	0.0	0.0	6.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.202	0.0	0.0	-3.7
Saudi Arabia(SAIBOR)	0.815	0.0	0.0	-0.3
UAE (EIBOR)	0.370	2.9	2.9	-14.3
Qatar (QIBOR)	1.060	11.0	11.0	-6.1
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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- 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.
- 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.
- 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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