



## Major Economic News

- Saudi Arabia's Minister of Education, Hamad Al-Sheikh, announced the issuance of a high-level order to continue distance learning until the end of the academic year in general education, universities in addition to government and private technical training. (Source: Argaam)
- Airlines in Saudi Arabia incurred USD 9.6bn losses due to a 70% decline in passenger traffic in FY20 due to the pandemic, as per Muhammad Albakri, regional vice president for Africa and the Middle East, International Air Transport Association. (Source: Argaam)

## Major Corporate News

- Yanbu National Petrochemical Co. said that maintenance works at the ethylene glycol plant are still ongoing, due to the need for additional repairs of some technical faults that appeared during the maintenance process. The maintenance will continue for three additional days. (Source: Argaam)
- Tihama Advertising, Public Relations and Marketing Co.'s subsidiary, Tihama Distribution Co., extended its exclusive distribution agreement with Houghton Mifflin Harcourt (HMH). Under the agreement, Tihama Distribution will hold the exclusive distribution rights of HMH products in the Kingdom through December 2023, with the possibility of extension through December 2025. (Source: Argaam)
- Alkhorayef Water and Power Technologies Co.'s retail offering was 15.1x times oversubscribed. A total of 136,988 individual investors injected SAR 816.2mn. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 9,077.6. The value traded stood at SAR 14.8bn (up 29.5% over previous day), while the advance-decline ratio stood at 93/98. The parallel market index increased 1.5% to 27,502.2 points. The value traded stood at SAR 57.9mn (down 42.8% over previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech and Diversified Financials (up 5.9% and 2.0%, respectively) advanced the most; Software & Services and Utilities (down 4.0% and 1.5%, respectively) led the laggards.

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

Company	Q4-20	Q4-19	Y/Y %	Q3-20	Q/Q %
Walaa Coop. Insurance	29.8	13.9	115.1	25.3	18.0

## Top Gainers

Company	Price	Change%
KEC	16.98	10.0
ATHEEB TELECOM	21.44	10.0
WAFRAH	188.20	9.9
GACO	27.75	9.9
ALJOUF	75.60	9.9

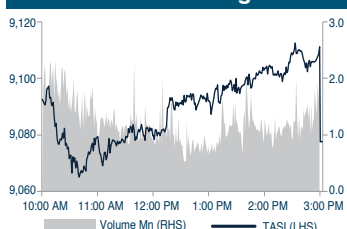
## Top Losers

Company	Price	Change%
MIS	144.00	-5.9
ASLAK	36.30	-3.8
SVCP	123.60	-3.1
BSFR	29.60	-2.6
ALLIANZ SF	27.20	-2.5

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	9,078	9,114	9,064	(0.1)	4.5
NomuC	27,502	27,551	26,811	1.5	4.8

## TASI movement during session



## TASI P/E Ratios

P/E (Tadawul)	29.2
P/E (Bloomberg)	34.8
P/E*	42.6
P/E after exclusions*	41.1
P/E ex. loss-making comp.*	24.2
P/E: top 50 MCAP*	29.5

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,359	(0.3)	(0.5)	32.9
Materials	6,122	0.5	6.5	High
Capital Goods	7,156	0.3	9.5	Neg
Commercial Service	4,221	(0.2)	4.0	High
Transportation	5,261	0.3	8.6	Neg
Consumer Durables	6,365	1.6	11.2	Neg
Consumer Services	4,160	0.5	(2.6)	29.0
Media	10,427	(0.0)	2.1	39.7
Retailing	8,715	(0.1)	1.9	Neg
Food & Staples	10,665	(0.4)	1.2	33.7
Food & Beverages	5,424	1.4	(0.7)	29.8
Healthcare	5,895	0.7	4.3	35.6
Pharma & Bio Tech	5,594	5.9	8.2	Neg
Banks	8,066	(0.5)	6.3	18.8
Diversified Financials	4,777	2.0	4.0	Neg
Insurance	6,215	(0.0)	3.2	25.6
Telecom	7,359	(0.7)	6.7	23.0
Utilities	4,673	(1.5)	1.4	Neg
REITs	4,290	0.1	0.1	Neg
Real Estate	3,011	(0.1)	(0.3)	Neg
Software & Services	20,901	(4.0)	48.3	36.5

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
9,075	9,023	8,862	11.72

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	26.2	695.7	986.7
Previous week	66.3	2,061.8	2,521.6

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	84.50	0.4
Saudi Aramco	34.60	-0.4
NCB	45.20	-0.8
SABIC	104.00	1.0
STC	115.20	-0.9



## Regional and International Markets

- Among other regional markets, Dubai decreased 1.0%, while Abu Dhabi increased 0.1%. Egypt and Bahrain rose 1.1% and 0.1%, respectively; while Qatar and Oman declined 1.8% and 0.1%, respectively. Meanwhile, Kuwait remained flat.
- US leading economic index increased 0.5% in January (consensus: a rise of 0.3%) compared to an upwardly revised 0.4% growth in December. Building permits, average weekly manufacturing hours, and the ISM New Orders Index were among the biggest positive contributors. (Source: RTT News)
- Japan's producer price index for services fell 0.5% Y/Y in January, fourth consecutive month of decline, versus a 0.3% fall in December. On a monthly basis, producer prices for services dropped 0.6% in January compared to a 0.2% rise in the previous month. (Source: RTT News)
- Oil prices surged 3.7%, as slower recovery in US oil output post the Texas freeze raised expectations of tighter supply. Prices were also aided by overall rally in commodities on expectations of US stimulus package of USD 1.9tn getting approval this week.
- Gold prices gained 1.4%, as fears of higher inflation weakened the US dollar, thus boosting demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	90.0	-0.4	-0.6	0.1
Euro	1.22	0.3	0.1	-0.5
Japanese Yen	105.1	-0.4	0.4	1.8
Sterling Pound	1.41	0.3	2.6	2.8
Chinese Yuan	6.46	0.1	0.6	-1.0
Indian Rupee	72.4	-0.2	-0.6	-0.8
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	0.0	-0.5
Omani Rial	0.38	0.1	0.1	0.1
Bahraini Dinar	0.38	-0.1	-0.1	-0.1
Egyptian Pound	15.63	0.3	-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)	2,543	-1.0	-4.2	2.0	20.8
Abu Dhabi (ADX)	5,662	0.1	1.2	12.2	16.4
Kuwait (KSE)	4,660	0.0	-1.7	2.4	14.6
Qatar (QE)	10,085	-1.8	-3.7	-3.4	17.3
Oman (MSM)	3,561	-0.1	-2.5	-2.7	9.1
Bahrain (BSE)	1,488	0.1	1.7	-0.1	9.1
Egypt (EGX30)	11,550	1.1	0.0	6.5	9.1

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,522	0.1	5.1	3.0	24.2
Nasdaq	13,533	-2.5	3.5	5.0	36.3
S&P 500	3,877	-0.8	4.4	3.2	29.9
FTSE 100	6,612	-0.2	3.2	2.3	17.3
Germany DAX 30	13,950	-0.3	3.9	1.7	22.9
France CAC 40	5,767	-0.1	6.8	3.9	52.9
Japan Nikkei 225	30,156	0.5	9.0	9.9	25.6
Russia MICEX	3,434	-0.7	4.8	4.4	13.6
Hong Kong Hang Seng	30,320	-1.1	7.2	11.3	16.1
South Korea KOSPI	3,080	-0.9	3.5	7.2	29.5
China Shanghai Composite	3,642	-1.5	4.6	4.9	15.1
Australia ASX 200	6,781	-0.2	2.6	2.9	22.9
India Sensex	49,744	-2.3	7.5	4.2	30.9
MSCI EM	1,398	-2.3	5.1	8.2	25.9
MSCI World	2,788	-0.7	4.7	3.6	34.5

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	61.5	-0.8	12.4	23.3
Brent Crude (\$/bbl)	65.2	3.7	16.8	25.9
Texas crude (\$/bbl)	61.7	4.2	18.2	27.2
Natural Gas (\$/mmbtu)	2.95	-3.8	15.2	16.3
Gold (\$/oz)	1,810	1.4	-2.1	-4.7
Silver (\$/oz)	28.2	3.5	4.3	6.8
Steel (\$/ton)	1,165	0.3	1.4	15.9
Iron Ore (CNY/MT)	1,214	4.6	2.5	12.5
Wheat (\$/bu)	664	2.0	0.2	3.7
Corn (\$/bu)	551	1.5	0.7	13.8
Sugar (\$/lb)	18.8	5.6	18.6	21.2
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	0.175	-0.7	-2.7	-6.3
Saudi Arabia(SAIBOR)	0.804	-0.1	-1.1	-1.4
UAE (EIBOR)	0.389	6.1	4.9	-12.3
Qatar (QIBOR)	1.014	-2.1	6.4	-10.6
Bahrain (BHIBOR)	2.033	-3.3	-16.7	-21.7

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