



Major Economic News

- Mortgage loans provided to retail clients by banks in Saudi Arabia saw an increase of 83% Y/Y to SAR 136.2bn during FY20. Total contracts signed between banks and retail rose 70% Y/Y. (Source: Argaam)
- Saudi Arabia's non-oil sector will continue to improve and there will be additional momentum, according to Jihad Azour, Director of the Middle East and Central Asia Department at IMF. He added that the IMF reduced its forecast on the growth of Saudi Arabia's economy in FY21 by 0.5% to 2.6%, due to the additional reduction in the Kingdom's oil production by 1.0mn barrels per day. (Source: Argaam)
- The Saudi Tourism Authority announced suspending all tourism activities under the "Saudi Winter" season for ten days starting from February 04. (Source: Argaam)

Major Corporate News

- Saudi Ceramic Co.'s board of directors recommended a 33.3% capital hike to SAR 800mn from SAR 600mn through the issuance of bonus shares. (Source: Argaam)
- Saudi Telecom Co. signed an agreement with Etihad Atheeb Telecommunications on settling the latter's due balances and debt. (Source: Argaam)
- United International Transportation Co.'s board of directors recommended paying cash dividend at 12.50% of capital, or SAR 1.25 per share, for H2-20 compared to SAR 0.5 per share in H2-19. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.9% to 8,617.9 on Thursday. The value traded stood at SAR 9.3bn (down 8.4% over previous day), while the advance-decline ratio stood at 66/121. The parallel market index decreased 0.8% to 24,731.1 points. The value traded stood at SAR 45.5mn (down 0.9% over previous day). Most sectors in the main market ended in the red. Banks and Telecom (up 1.8% and 1.4%, respectively) advanced the most; Software & Services and Consumer Durables (down 5.8% and 2.4%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-20	Q4-19	Y/Y %	Q3-20	Q/Q %
Budget Saudi	79.4	48.3	64.3	40.5	96.2
Bank Albilad	377.8	327.1	15.5	382.6	-1.3

Top Gainers

Company	Price	Change%
ALJOUF	43.30	9.9
SAUDI CERAMICS	48.65	5.3
MAADEN	43.30	5.2
SARCO	125.00	5.0
PETROCHEM	34.40	4.2

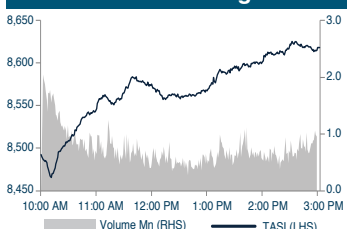
Top Losers

Company	Price	Change%
MIS	109.40	-5.9
ARAB SEA	94.30	-5.7
ALASEEL	82.90	-4.1
BAAZEEM	123.00	-3.9
OASIS	86.40	-3.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,618	8,626	8,464	0.9	(0.8)
NomuC	24,731	24,834	24,326	(0.8)	(5.8)

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	28.5
P/E (Bloomberg)	32.4
P/E*	40.6
P/E after exclusions*	39.2
P/E ex. loss-making comp.*	22.9
P/E: top 50 MCAP*	27.8

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,229	(0.1)	(2.9)	32.3
Materials	5,791	0.7	0.8	High
Capital Goods	6,386	0.1	(2.3)	Neg
Commercial Service	3,941	(0.6)	(2.9)	High
Transportation	4,627	(0.7)	(4.5)	Neg
Consumer Durables	5,574	(2.4)	(2.6)	Neg
Consumer Services	3,876	(0.5)	(9.2)	27.1
Media	9,521	(0.7)	(6.8)	36.2
Retailing	8,518	(0.0)	(0.4)	Neg
Food & Staples	10,446	0.4	(0.9)	33.3
Food & Beverages	5,193	1.2	(5.0)	28.9
Healthcare	5,673	(0.7)	0.3	34.3
Pharma & Bio Tech	4,796	(1.2)	(7.3)	Neg
Banks	7,582	1.8	(0.1)	17.8
Diversified Financials	4,318	(0.6)	(6.0)	Neg
Insurance	5,788	(0.2)	(3.9)	23.9
Telecom	7,181	1.4	4.1	22.6
Utilities	4,705	1.1	2.1	Neg
REITs	4,195	(0.7)	(2.1)	Neg
Real Estate	2,837	0.2	(6.0)	Neg
Software & Services	15,836	(5.8)	12.4	27.6

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,626	8,719	8,803	9.18

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	46.5	1,140.8	1,925.2

Top Weighted Companies

Company	Price	Change%
Al Rajhi	74.20	3.5
Saudi Aramco	33.95	-0.1
NCB	43.00	1.7
SABIC	99.40	0.4
STC	112.80	1.8



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi decreased 1.5% and 0.2%, respectively. Oman rose 0.1%, while Qatar fell 0.4%. Meanwhile, Kuwait, Bahrain and Egypt declined 0.2% each.
- According to Baker Hughes, North America's rig count increased to 563 in the week ended February 05 from 558 earlier. The rig count rose to 392 in the US from 384 earlier, while remained unchanged at 16 in the Gulf of Mexico. The rig count in Canada decreased to 171 from 174 earlier. (Source: Econoday).
- US nonfarm payroll increased 49,000 M/M in January (consensus: 50,000 rise) compared with a decline of 227,000 in December. The unemployment rate fell to 6.3% in January (consensus: 6.7%) from 6.7% in December. The private payroll increased 6,000 in January (consensus: a rise of 35,000) versus a decline of 204,000 in December. (Source: Econoday)
- China approved Sinovac Biotech COVID-19 vaccine for general public use. This marks the second vaccine approved for public use in China after earlier approved vaccine developed by Sinopharm. (Source: Reuters)
- Oil prices increased 0.8% on Friday, driven by hopes of economic revival also aided by OPEC+'s decision to maintain their output level.
- Gold prices rose 1.1%, as the weakness in US dollar boosted demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	91.0	-0.5	0.5	1.2
Euro	1.20	0.7	-0.8	-1.4
Japanese Yen	105.4	-0.2	0.6	2.1
Sterling Pound	1.37	0.5	0.2	0.4
Chinese Yuan	6.47	-0.1	0.6	-0.9
Indian Rupee	72.8	-0.2	-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	0.0	-0.4
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.64	0.0	-0.1	-0.3

Corporate Calendar

Date	Company	Event
08 th Feb	MULKIA REIT	Cash Dividend Distribution
09 th Feb	ALBATAIN	Cash Dividend Distribution
11 th Feb	ALJOUF	Cash Dividend Distribution
14 th Feb	DERAYAH REIT	Cash Dividend Distribution
21 st Feb	QACCO	Cash Dividend Distribution
21 st Feb	HB	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,671	-1.5	0.6	7.2	13.5
Abu Dhabi (ADX)	5,664	-0.2	1.3	12.3	16.6
Kuwait (KSE)	4,660	-0.2	-1.7	2.4	17.8
Qatar (QE)	10,431	-0.4	-0.4	0.0	17.4
Oman (MSM)	3,606	0.1	-1.3	-1.4	9.2
Bahrain (BSE)	1,461	-0.2	-0.1	-1.9	9.1
Egypt (EGX30)	11,599	-0.2	0.5	6.9	9.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,148	0.3	3.9	1.8	23.6
Nasdaq	13,856	0.6	6.0	7.5	35.2
S&P 500	3,887	0.4	4.6	3.5	29.8
FTSE 100	6,489	-0.2	1.3	0.4	17.3
Germany DAX 30	14,057	0.0	4.6	2.5	24.7
France CAC 40	5,659	0.9	4.8	1.9	57.4
Japan Nikkei 225	28,779	1.5	4.0	4.9	28.3
Russia MICEX	3,393	0.6	3.5	3.2	13.5
Hong Kong Hang Seng	29,289	0.6	3.6	7.6	15.7
South Korea KOSPI	3,121	1.1	4.9	8.6	31.4
China Shanghai Composite	3,496	-0.2	0.4	0.7	14.5
Australia ASX 200	6,841	1.1	3.5	3.8	22.9
India Sensex	50,732	0.2	9.6	6.2	31.4
MSCI EM	1,395	0.6	4.9	8.1	25.6
MSCI World	2,773	0.6	4.2	3.1	34.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	59.7	1.3	9.1	19.6
Brent Crude (\$/bbl)	59.3	0.8	6.2	14.6
Texas crude (\$/bbl)	56.9	1.1	8.9	17.2
Natural Gas (\$/mmbtu)	2.86	-2.5	11.7	12.8
Gold (\$/oz)	1,814	1.1	-1.8	-4.5
Silver (\$/oz)	26.8	2.0	-0.6	1.8
Steel (\$/ton)	1,157	0.5	0.7	15.1
Iron Ore (CNY/MT)	1,155	-0.4	-2.4	7.0
Wheat (\$/bu)	641	0.6	-3.3	0.1
Corn (\$/bu)	549	-0.3	0.3	13.3
Sugar (\$/lb)	16.4	2.3	3.7	6.0
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	0.193	-0.3	-0.9	-4.6
Saudi Arabia(SAIBOR)	0.814	0.0	-0.1	-0.4
UAE (EIBOR)	0.354	0.3	1.4	-15.8
Qatar (QIBOR)	1.010	-0.1	6.0	-11.0
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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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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