



Major Economic News

- Saudi Arabia started to manufacture smart chips for the first time in its history, according to Abdullah Alswaha, Minister of Communications and Information Technology. He added that three major programs (Himma, Qimma and Tuwaiq) will be launched in the technology and artificial intelligence sector. (Source: Argaam)
- The value of Saudi Arabia's real estate transactions increased 20% or SAR 33.4bn Y/Y to SAR 197.2bn over the year started August 20, 2020 (1442 Hijri year). The number of the real estate transactions over the 12-month period stood at around 314,300. (Source: Argaam)
- The value of Saudi Arabia's oil exports grew 123% Y/Y in June to around SAR 61.1bn, the highest since January 2020. On a M/M basis, oil exports saw an increase of SAR 951mn. Oil exports for June accounted for 72.1% of the total exports. (Source: Argaam)

Major Corporate News

- Saudi Aramco will obtain a bridge loan at a competitive interest rate to finance Sudair Solar photovoltaic project. The project's total financing facilities stood at nearly USD 600mn, including a bridge loan, which represents approximately 27% of the total debt facilities. (Source: Argaam)
- BinDawood Holding Co.'s subsidiary, Danube Company for Foodstuffs and Commodities opened its 48th branch, located in Makkah. The new store will have a positive financial impact from Q3-21. (Source: Argaam)
- Arab Sea Information Systems Co. signed a cooperation agreement with the Zakat, Tax and Customs Authority to provide technical solutions and accounting systems for issuing e-invoicing and e-notifications that comply with provisions of e-invoicing regulation in KSA. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.1% to 11,156.6. The value traded stood at SAR 5.1bn (up 5.9% over previous day), while the advance-decline ratio stood at 87/101. The parallel market index decreased 0.5% to 24,405.3 points. The value traded stood at SAR 20.6mn (up 37.3% over previous day). Most sectors in the main market ended in the green. Transportation and Insurance (up 2.1% and 0.8%, respectively) advanced the most; Software & Services and Retailing (down 1.9% and 0.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
BATIC	40.00	7.8
BUDGET SAUDI	51.90	5.7
ALOMRAN	116.00	4.9
MAADANIYAH	37.45	4.0
BSFR	41.00	3.8

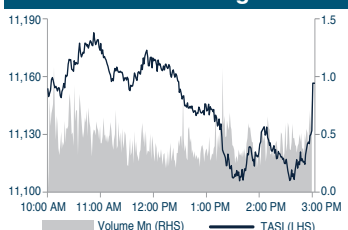
Top Losers

Company	Price	Change%
AMANA INSURANCE	51.60	-4.4
ARAB SEA	155.00	-4.2
TECO	61.50	-3.9
ZAMIL INDUST	36.60	-2.9
BAAZEEM	133.00	-2.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,157	11,183	11,103	0.1	28.4
NomuC	24,405	24,536	24,317	(0.5)	(7.0)

TASI movement during session



TASI Ratios

P/E* (x)	27.3
Price-to-Book (x)	2.4
Dividend Yield (%)	1.8
Return on Equity (%)	16.8

Source: Argaam
* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,489	0.1	1.9	34.5
Materials	7,303	(0.0)	27.1	High
Capital Goods	8,850	(0.3)	35.4	High
Commercial Service	4,359	0.3	7.4	Neg
Transportation	6,261	2.1	29.3	Neg
Consumer Durables	7,826	0.6	36.8	High
Consumer Services	5,023	0.6	17.7	Neg
Media	19,070	0.3	86.6	High
Retailing	10,624	(0.9)	24.2	Neg
Food & Staples	9,896	(0.1)	(6.1)	31.1
Food & Beverages	5,689	0.1	4.1	31.9
Healthcare	8,161	(0.1)	44.4	47.0
Pharma & Bio Tech	7,111	0.0	37.5	High
Banks	11,024	0.3	45.3	27.8
Diversified Financials	7,468	(0.3)	62.5	Neg
Insurance	7,193	0.8	19.4	31.4
Telecom	8,180	(0.1)	18.6	24.5
Utilities	5,860	0.5	27.1	15.7
REITs	4,950	(0.3)	15.5	High
Real Estate	3,518	(0.5)	16.5	Neg
Software & Services	27,995	(1.9)	98.7	High

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,128	11,237	11,211	6.88

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	20.8	584.5	989.7
Previous week	31.8	844.5	1,437.1

Top Weighted Companies

Company	Price	Change%
Al Rajhi	121.00	-0.7
SNB	59.00	-0.3
Saudi Aramco	34.80	0.0
SABIC	121.00	0.2
STC	130.60	0.0



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai remained flat, while Abu Dhabi decreased 0.2%. Egypt, Bahrain, Kuwait and Oman rose 1.0%, 0.9%, 0.2% and 0.1%, respectively; while Qatar declined 0.3%.
- According to EIA, oil inventories in the US fell 3.0mn barrels (prior: down 3.2mn) to 432.6mn in the week ended August 20. Gasoline inventories decreased 2.2mn barrels (prior: up 0.7mn) to 225.9mn, while distillate inventories rose 0.6mn barrels (prior: down 2.7mn) to 138.5mn. (Source: EIA, Econoday)
- US durable goods orders fell 0.1% M/M in July (consensus: a decrease of 0.2%) compared to a 0.8 decline in June. The dip in durable goods orders primarily due to 2.2% drop in orders for transportation equipment in July compared to 1.4% growth in the previous month. (Source: Econoday, RTT News)
- Oil prices rose 1.7% driven by drawdown in US crude oil and gasoline inventories last week, indicating improved fuel demand.
- Gold prices fell 0.7%, as investors abandoned the safe haven metal amid increased risk appetite ahead of US Fed's Jackson Hole symposium.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.8	-0.1	0.7	3.2
Euro	1.18	0.1	-0.8	-3.6
Japanese Yen	110.0	0.3	0.3	6.5
Sterling Pound	1.38	0.2	-1.0	0.6
Chinese Yuan	6.48	0.1	0.2	-0.8
Indian Rupee	74.1	0.0	-0.3	1.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	-0.7	0.0	0.0
Kuwaiti Dinar	0.30	0.1	0.2	-1.0
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	15.65	0.0	-0.1	-0.3

Corporate Calendar

Date	Company	Event
26 th Aug	FITNESS TIME	Cash Dividend Distribution
26 th Aug	STC	Cash Dividend Distribution
26 th Aug	ALASEEL	OGM
29 th Aug	UACC	Cash Dividend Distribution
30 th Aug	SULAIMAN ALHABIB	Cash Dividend Distribution
30 th Aug	Advanced	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,903	0.0	5.0	16.5	21.4
Abu Dhabi (ADX)	7,665	-0.2	4.7	51.9	21.2
Kuwait (KSE)	5,477	0.2	0.7	20.3	15.0
Qatar (QE)	11,135	-0.3	3.6	6.7	16.2
Oman (MSM)	3,959	0.1	-1.8	8.2	10.3
Bahrain (BSE)	1,662	0.9	4.1	11.6	12.9
Egypt (EGX30)	11,064	1.0	3.0	2.0	8.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,406	0.1	1.3	15.7	21.5
Nasdaq	15,042	0.1	2.5	16.7	31.7
S&P 500	4,496	0.2	2.3	19.7	26.7
FTSE 100	7,150	0.3	1.7	10.7	14.9
Germany DAX 30	15,861	-0.3	2.0	15.6	15.2
France CAC 40	6,676	0.2	1.0	20.3	23.4
Japan Nikkei 225	27,725	0.0	1.6	1.0	14.8
Russia MOEX	3,887	-0.1	3.1	18.2	10.0
Hong Kong Hang Seng	25,694	-0.1	-1.0	-5.6	12.9
South Korea KOSPI	3,147	0.3	-1.7	9.5	16.4
China Shanghai Composite	3,540	0.7	4.2	1.9	12.0
Australia ASX 200	7,532	0.4	1.9	14.3	18.9
India Sensex	55,944	0.0	6.4	17.2	26.8
MSCI EM	1,275	0.4	-0.2	-1.2	16.4
MSCI World	3,126	0.1	1.8	16.2	24.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	71.4	0.8	-5.3	43.1
Brent Crude (\$/bbl)	72.3	1.7	-5.3	39.5
Texas crude (\$/bbl)	68.4	1.2	-7.6	40.9
Natural Gas (\$/mmbtu)	3.90	0.0	-0.4	53.5
Gold (\$/oz)	1,791	-0.7	-1.3	-5.7
Silver (\$/oz)	23.9	0.1	-6.3	-9.5
Steel (\$/ton)	1,935	2.9	2.5	92.5
Iron Ore (CNY/MT)	936	1.8	-9.3	-13.3
Wheat (\$/bu)	711	-0.9	1.1	11.0
Corn (\$/bu)	551	1.2	0.8	13.9
Sugar (\$/lb)	19.7	0.8	10.2	27.4
SMP* (EUR/MT)	2,494	-1.0	1.4	12.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.122	-0.8	0.4	-11.7
Saudi Arabia (SAIBOR)	0.796	0.0	0.1	-2.2
UAE (EIBOR)	0.253	-9.4	-11.8	-26.0
Qatar (QIBOR)	1.150	0.0	20.0	2.9
Bahrain (BHIBOR)	1.542	-5.0	-5.0	-70.8

Data Sources: Tadawul, Bloomberg, Reuters

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

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RESEARCH
DIVISION

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TERMINOLOGY

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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