



## Major Economic News

- Saudi Arabia's GDP grew by 1.8% to SAR 608.8bn in Q2-21, compared to SAR 597.8bn a year earlier. The non-oil sector's GDP rose 8.4% Y/Y to SAR 366.5bn in the same period, contributing 60.2% to the Kingdom's GDP. On the other hand, the oil sector's GDP declined 6.9% Y/Y to SAR 238.4bn in Q2-21. (Source: Argaam)
- Saudi Arabia will be signing agreements with global pharmaceuticals firms, including AstraZeneca (UK) and Pfizer (US) to locally produce COVID-19 vaccines on September 14. (Source: Argaam)

## Major Corporate News

- Private equity firm Apollo Global Management Inc. submitted a USD 4.3bn or USD 27 per share offer, to buy out New York-listed Tronox Holdings Plc at a premium of 31% compared to market price. Saudi Arabian firm National Industrialization Co. owns 19.3% of Tronox. (Source: Argaam)
- The Tourism Development Fund signed a financing agreement with Seera Group Holding for the construction and operation of Raghadan Tourist Resort in Al-Baha province. The resort will extend over an area of 50,000 sq.m. and will be the first leading tourist project in Al-Baha. (Source: Argaam)
- The board of directors of Saudi Real Estate Co. approved to increase the company's capital through rights issue worth SAR 1.6bn. The capital hike is aimed to finance and implement the company's future plans and projects and expand its various activities. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.4% to 11,386.4. The value traded stood at SAR 7.2bn (up 1.9% over previous day), while the advance-decline ratio stood at 135/56. The parallel market index increased 0.1% to 25,378.1 points. The value traded stood at SAR 60.3mn (down 27.9% over previous day). Most sectors in the main market ended in the green. Consumer Services and Capital Goods (up 1.6% and 1.3%, respectively) advanced the most; Utilities and Healthcare (down 0.7% and 0.2%, respectively) led the laggards.

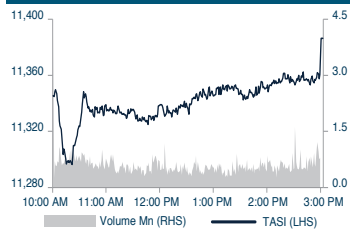
| Top Gainers  |        |         |
|--------------|--------|---------|
| Company      | Price  | Change% |
| ALDREES      | 73.50  | 5.2     |
| NASEEJ       | 112.60 | 4.3     |
| CHEMANOL     | 31.40  | 4.2     |
| PETRO RABIGH | 26.95  | 4.1     |
| TAKWEEN      | 22.80  | 3.6     |

| Top Losers        |        |         |
|-------------------|--------|---------|
| Company           | Price  | Change% |
| SABIC AGRI-NUTRI. | 136.00 | -2.9    |
| BUPA ARABIA       | 160.40 | -2.2    |
| BATIC             | 45.40  | -2.2    |
| UCA               | 30.65  | -1.8    |
| TADCO             | 40.65  | -1.7    |

## Saudi Stock Exchange

| Index | Closing | High   | Low    | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI  | 11,386  | 11,386 | 11,295 | 0.4           | 31.0  |
| NomuC | 25,378  | 25,596 | 24,977 | 0.1           | (3.3) |

## TASI movement during session



## TASI Ratios

|                      |      |
|----------------------|------|
| P/E* (x)             | 28.0 |
| Price-to-Book (x)    | 2.5  |
| Dividend Yield (%)   | 1.8  |
| Return on Equity (%) | 16.8 |

Source: Argaam  
\* Excluding Aramco

| Index                  | Close  | Daily Change% | YTD % | PE (TTM) |
|------------------------|--------|---------------|-------|----------|
| Energy                 | 5,561  | 0.6           | 3.2   | 25.7     |
| Materials              | 7,555  | 0.3           | 31.5  | 24.7     |
| Capital Goods          | 9,022  | 1.3           | 38.0  | High     |
| Commercial Service     | 4,786  | 1.2           | 17.9  | Neg      |
| Transportation         | 6,336  | 0.3           | 30.8  | Neg      |
| Consumer Durables      | 8,394  | 1.2           | 46.7  | High     |
| Consumer Services      | 5,218  | 1.6           | 22.2  | Neg      |
| Media                  | 20,648 | 1.3           | 102.1 | High     |
| Retailing              | 11,005 | 0.7           | 28.6  | 48.1     |
| Food & Staples         | 9,993  | 0.8           | (5.2) | 40.5     |
| Food & Beverages       | 5,841  | 0.8           | 6.9   | 38.9     |
| Healthcare             | 7,959  | (0.2)         | 40.8  | 42.6     |
| Pharma & Bio Tech      | 6,689  | 1.0           | 29.3  | High     |
| Banks                  | 11,176 | 0.3           | 47.3  | 21.6     |
| Diversified Financials | 7,778  | 0.2           | 69.3  | High     |
| Insurance              | 7,169  | (0.2)         | 19.0  | 44.1     |
| Telecom                | 8,393  | 0.9           | 21.7  | 25.2     |
| Utilities              | 6,067  | (0.7)         | 31.6  | 8.4      |
| REITs                  | 5,017  | 0.1           | 17.1  | Neg      |
| Real Estate            | 3,590  | 0.1           | 18.9  | Neg      |
| Software & Services    | 28,630 | 0.4           | 103.2 | High     |

\*\*Neg: Negative

## Average Index Value

| Average 5 days | Average 10 days | Average 20 days | Average value traded for the month (bn) |
|----------------|-----------------|-----------------|---|
| 11,403         | 11,371          | 11,283          | 7.13                                    |

## Market Statistics

|               | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week  | 14.3                  | 342.2               | 603.0                |
| Previous week | 36.8                  | 937.4               | 1,538.9              |

## Top Weighted Companies

| Company      | Price  | Change% |
|--------------|--------|---------|
| Al Rajhi     | 122.00 | -0.3    |
| SNB          | 61.10  | 0.7     |
| Saudi Aramco | 35.05  | 0.3     |
| SABIC        | 123.40 | 0.8     |
| STC          | 135.00 | 1.2     |



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 0.3% and 0.7%, respectively. Egypt, Kuwait and Bahrain rose 0.9%, 0.3% and 0.1%, respectively. Meanwhile, Oman and Qatar remained flat.
- US producer price index for final demand (PPI-FD) rose 0.7% in August (consensus 0.6% rise) compared to an increase of 1.0%. The bigger than expected increase in producer prices was partly due to a rebound in food prices, which spiked by 2.9% in August. (Source: RTT News)
- US wholesale inventories rose by 0.6% in July (in line with consensus) after jumping by 1.2% in June. Inventories of durable goods grew 1.0% during the month, more than offsetting a 0.1% dip in inventories of non-durable goods. (Source: RTT News)
- Oil prices rose 0.8% to a six-week high, due to slower recovery in US output from the impact of Hurricane Ida and concerns over another storm expected this week in Texas.
- Gold prices rose 0.3% ahead of US inflation data, as investors expected US Fed to remain cautious on tapering plans.

## Forex / Currency

| Currency       | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index   | 92.7  | 0.1           | 0.1   | 3.0   |
| Euro           | 1.18  | -0.1          | 0.0   | -3.3  |
| Japanese Yen   | 110.0 | 0.0           | 0.0   | 6.5   |
| Sterling Pound | 1.38  | 0.0           | 0.6   | 1.2   |
| Chinese Yuan   | 6.45  | 0.1           | -0.1  | -1.1  |
| Indian Rupee   | 73.6  | 0.1           | 0.8   | 0.7   |
| UAE Dirham     | 3.67  | 0.0           | 0.0   | 0.0   |
| Qatari Rial    | 3.64  | -0.8          | -1.4  | 0.0   |
| Kuwaiti Dinar  | 0.30  | 0.0           | 0.0   | -1.1  |
| Omani Rial     | 0.38  | 0.0           | 0.0   | 0.1   |
| Bahraini Dinar | 0.38  | 0.0           | 0.0   | 0.1   |
| Egyptian Pound | 15.68 | 0.1           | 0.2   | -0.1  |

## Corporate Calendar

| Date                 | Company            | Event                      |
|----------------------|--------------------|----------------------------|
| 15 <sup>th</sup> Sep | MIS                | Cash Dividend Distribution |
| 15 <sup>th</sup> Sep | SWICORP WABEL REIT | OGM                        |
| 16 <sup>th</sup> Sep | Baazeem            | EGM                        |
| 16 <sup>th</sup> Sep | ABO MOATI          | OGM                        |
| 19 <sup>th</sup> Sep | AWPT               | Cash Dividend Distribution |
| 19 <sup>th</sup> Sep | BATIC              | OGM                        |

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

| Market          | Close  | Daily Change% | MTD % | YTD % | P/E  |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM)     | 2,889  | -0.3          | -0.5  | 15.9  | 21.3 |
| Abu Dhabi (ADX) | 7,765  | -0.7          | 1.0   | 53.9  | 21.5 |
| Kuwait (KSE)    | 5,579  | 0.3           | 1.3   | 22.6  | 15.2 |
| Qatar (QE)      | 11,084 | 0.0           | -0.1  | 6.2   | 16.1 |
| Oman (MSM)      | 3,963  | 0.0           | -0.1  | 8.3   | 10.3 |
| Bahrain (BSE)   | 1,668  | 0.1           | 1.4   | 12.0  | 13.0 |
| Egypt (EGX30)   | 11,140 | 0.9           | 0.0   | 2.7   | 8.3  |

## International Markets

| Index                    | Close  | Daily Change% | MTD % | YTD % | P/E  |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones                | 34,870 | 0.8           | -1.4  | 13.9  | 21.3 |
| Nasdaq                   | 15,106 | -0.1          | -1.0  | 17.2  | 31.7 |
| S&P 500                  | 4,469  | 0.2           | -1.2  | 19.0  | 26.6 |
| FTSE 100                 | 7,068  | 0.6           | -0.7  | 9.4   | 14.6 |
| Germany DAX 30           | 15,701 | 0.6           | -0.8  | 14.5  | 15.0 |
| France CAC 40            | 6,677  | 0.2           | 0.0   | 20.3  | 23.0 |
| Japan Nikkei 225         | 30,447 | 0.2           | 8.4   | 10.9  | 16.3 |
| Russia MOEX              | 4,041  | 1.0           | 3.1   | 22.9  | 9.0  |
| Hong Kong Hang Seng      | 25,814 | -1.5          | -0.3  | -5.2  | 12.2 |
| South Korea KOSPI        | 3,128  | 0.1           | -2.2  | 8.9   | 16.3 |
| China Shanghai Composite | 3,715  | 0.3           | 4.8   | 7.0   | 12.0 |
| Australia ASX 200        | 7,425  | 0.3           | -1.5  | 12.7  | 17.8 |
| India Sensex             | 58,178 | -0.2          | 1.1   | 21.8  | 27.9 |
| MSCI EM                  | 1,302  | -0.6          | -0.5  | 0.8   | 16.3 |
| MSCI World               | 3,126  | 0.1           | -0.5  | 16.2  | 24.3 |

## Commodity Markets

| Commodity                 | Price | Daily Change% | MTD % | YTD % |
|---------------------------|-------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 74.2  | 0.8           | 2.7   | 48.6  |
| Brent Crude (\$/bbl)      | 73.5  | 0.8           | 0.7   | 41.9  |
| Texas crude (\$/bbl)      | 70.5  | 1.0           | 2.8   | 45.2  |
| Natural Gas (\$/mmbtu)    | 5.23  | 5.9           | 19.5  | 106.0 |
| Gold (\$/oz)              | 1,794 | 0.3           | -1.1  | -5.5  |
| Silver (\$/oz)            | 23.7  | 0.0           | -0.7  | -10.0 |
| Steel (\$/ton)            | 1,925 | -0.1          | -1.0  | 91.5  |
| Iron Ore (CNY/MT)         | 852   | 2.3           | -8.8  | -21.1 |
| Wheat (\$/bu)             | 675   | -0.1          | -4.6  | 5.3   |
| Corn (\$/bu)              | 497   | -1.2          | -7.0  | 2.6   |
| Sugar (\$/lb)             | 19.0  | 1.0           | -4.3  | 22.5  |
| SMP* (EUR/MT)             | 2,610 | 0.0           | 2.0   | 17.3  |

\*SMP: Skimmed Milk Powder

## Interbank Rates

| Region                | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|-----------------------|-------|-------------------|-----------|-----------|
| USD LIBOR             | 0.116 | 0.2               | -0.4      | -12.3     |
| Saudi Arabia (SAIBOR) | 0.797 | 0.0               | 0.1       | -2.0      |
| UAE (EIBOR)           | 0.412 | 4.8               | 5.0       | -10.1     |
| Qatar (QIBOR)         | 1.146 | 0.8               | 12.7      | 2.5       |
| Bahrain (BHIBOR)      | 1.558 | 0.0               | -0.8      | -69.2     |

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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