



Major Economic News

- Saudi Arabia's CPI rose 0.3% in August compared to 0.4% increase in July. The increase in CPI was mainly driven by a 6.5% Y/Y rise in the average prices of transport. Meanwhile, education sector declined by 7.8%. (Source: Argaam)
- The Saudi Agricultural Development Fund (ADF) agreed to offer some financing loans and credit facilities worth SAR 482mn in some regions of the Kingdom. The facilities include some development loans for small farmers, as well as financing loans for greenhouse vegetable production, poultry breeding and production and fish farming. (Source: Argaam)
- The size of the local pharmaceutical market is SAR 32bn, making it the largest in the region, as per Deputy Minister of Industry and Mineral Resources, Osama Al-Zamil. He added that, growth in the local pharmaceutical sector is estimated at 5% annually, with exports of nearly SAR 1.5bn. (Source: Argaam)
- Saudi Arabia's Cabinet approved the formation of a standing ministerial committee to regulate foreign investments, protect the sensitive economic sectors, set a list of the firms banned from investment in the Kingdom and make a list of the business activities excluded from foreign investment. (Source: Argaam)

Major Corporate News

- Saudi Arabia's Ministry of Health, represented by the General Directorate of Nutrition, signed an MoU with Saudi Airlines Catering Co. to develop strategic cooperation in the field of pre-packaged meals, and manage and operate nutrition services for frozen meals and other food safety regulations. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.3% to 11,411.0. The value traded stood at SAR 6.9bn (up 3.1% over previous day), while the advance-decline ratio stood at 75/106. The parallel market index decreased 0.2% to 25,558.4 points. The value traded stood at SAR 54.7mn (down 7.6% over previous day). Most sectors in the main market ended in the green. Software & Services and Utilities (up 1.6% and 1.4%, respectively) advanced the most; Insurance and Real Estate (down 0.9% and 0.7%, respectively) led the laggards.

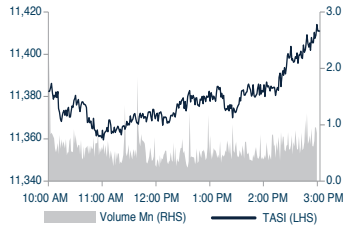
Top Gainers		
Company	Price	Change%
GASCO	61.70	5.1
CHEMANOL	33.55	4.7
SABIC AGRI-NUTRIENTS	140.00	4.5
ARAB SEA	153.20	3.1
RED SEA	28.45	2.9

Top Losers		
Company	Price	Change%
ALAKARIA	24.24	-4.2
MAADANIYAH	39.60	-2.2
JABAL OMAR	32.10	-2.0
NADEC	38.20	-1.9
BUPA ARABIA	155.00	-1.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,411	11,415	11,359	0.3	31.3
NomuC	25,558	25,768	25,023	(0.2)	(2.6)

TASI movement during session



TASI Ratios

P/E* (x)	27.6
Price-to-Book (x)	2.5
Dividend Yield (%)	1.8
Return on Equity (%)	16.9

Source: Argaam
* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,570	0.4	3.4	25.7
Materials	7,652	1.3	33.2	25.0
Capital Goods	9,046	(0.3)	38.4	High
Commercial Service	4,781	0.2	17.8	Neg
Transportation	6,322	(0.4)	30.5	Neg
Consumer Durables	8,318	(0.5)	45.4	High
Consumer Services	5,208	0.2	22.0	Neg
Media	20,426	0.7	99.9	High
Retailing	11,032	(0.4)	28.9	48.2
Food & Staples	9,963	(0.3)	(5.4)	40.4
Food & Beverages	5,808	(0.5)	6.3	38.6
Healthcare	8,006	0.5	41.6	42.8
Pharma & Bio Tech	6,715	0.0	29.8	High
Banks	11,177	0.2	47.3	21.6
Diversified Financials	7,755	(0.7)	68.8	High
Insurance	7,093	(0.9)	17.7	43.6
Telecom	8,353	(0.1)	21.1	25.0
Utilities	6,220	1.4	34.9	8.6
REITs	5,007	0.1	16.8	Neg
Real Estate	3,562	(0.7)	18.0	Neg
Software & Services	28,807	1.6	104.4	High

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,386	11,386	11,285	7.07

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	27.9	698.9	1,171.4
Previous week	36.8	937.4	1,538.9

Top Weighted Companies

Company	Price	Change%
Al Rajhi	122.20	0.3
SNB	61.50	0.7
Saudi Aramco	35.15	0.6
SABIC	125.00	2.0
STC	134.00	-0.3



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 0.2% and 0.8%, respectively. Egypt and Bahrain declined 0.3% and 0.1%, respectively; while Kuwait and Qatar fell 0.2% each. Meanwhile, Oman remained flat.
- According to EIA, oil inventories in the US fell 6.4mn barrels (prior: down 1.5mn) to 417.4mn in the week ended September 10. Gasoline inventories decreased 1.9mn barrels (prior: down 7.2mn) to 218.1mn, while distillate inventories declined 1.7mn barrels (prior: down 3.1mn) to 131.9mn. (Source: Econoday)
- US industrial production increased 0.4% M/M in August (consensus: a rise of 0.5%) compared with 0.8% growth in July, while manufacturing rose 0.2% M/M in August (consensus: an increase of 0.4%) against 1.6% growth in July. The capacity utilization rate stood at 76.4% in August (in line with consensus), up from 76.2% in July. (Source: Econoday)
- UK's CPI rose 3.2% Y/Y (consensus: an increase of 2.9%) in August compared to a 2.0% increase in July. The increase reflects low base effects linked to the sharp fall in prices in August 2020. (Source: RTT News)
- Oil prices jumped 2.5% driven by larger-than-expected decrease in US oil inventories last week.
- Gold prices fell 0.6%, as increase in US treasury yields weighed on demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	92.5	-0.1	-0.1	2.9
Euro	1.18	0.1	0.1	-3.3
Japanese Yen	109.4	-0.3	-0.6	5.9
Sterling Pound	1.38	0.2	0.6	1.2
Chinese Yuan	6.43	-0.1	-0.4	-1.4
Indian Rupee	73.4	-0.3	0.7	0.6
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	-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	-0.1	0.0
Egyptian Pound	15.67	0.0	0.1	-0.1

Corporate Calendar

Date	Company	Event
16 th Sep	Baazeem	EGM
16 th Sep	ABO MOATI	OGM
19 th Sep	AWPT	Cash Dividend Distribution
19 th Sep	BATIC	OGM
20 th Sep	Budget Saudi	Cash Dividend Distribution
20 th Sep	Thimar	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,885	0.2	-0.6	15.8	21.3
Abu Dhabi (ADX)	7,824	0.8	1.8	55.1	21.7
Kuwait (KSE)	5,586	-0.2	1.4	22.7	15.3
Qatar (QE)	11,111	-0.2	0.2	6.5	16.2
Oman (MSM)	3,962	0.0	-0.1	8.3	10.3
Bahrain (BSE)	1,673	-0.1	1.7	12.3	13.0
Egypt (EGX30)	11,149	-0.3	0.0	2.8	8.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,814	0.7	-1.5	13.7	21.3
Nasdaq	15,162	0.8	-0.6	17.6	31.6
S&P 500	4,481	0.8	-0.9	19.3	26.4
FTSE 100	7,016	-0.2	-1.4	8.6	14.5
Germany DAX 30	15,616	-0.7	-1.4	13.8	15.0
France CAC 40	6,584	-1.0	-1.4	18.6	22.7
Japan Nikkei 225	30,512	-0.5	8.6	11.2	16.3
Russia MOEX	4,066	0.2	3.7	23.6	9.0
Hong Kong Hang Seng	25,033	-1.8	-3.3	-8.1	11.9
South Korea KOSPI	3,153	0.1	-1.4	9.7	16.5
China Shanghai Composite	3,656	-0.2	3.2	5.3	12.0
Australia ASX 200	7,417	-0.3	-1.6	12.6	17.8
India Sensex	58,723	0.8	2.0	23.0	28.1
MSCI EM	1,289	-0.6	-1.5	-0.2	16.1
MSCI World	3,128	0.4	-0.4	16.3	24.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.0	0.2	3.9	50.3
Brent Crude (\$/bbl)	75.5	2.5	3.4	45.7
Texas crude (\$/bbl)	72.6	3.1	6.0	49.6
Natural Gas (\$/mmbtu)	5.46	3.8	24.7	115.0
Gold (\$/oz)	1,794	-0.6	-1.1	-5.5
Silver (\$/oz)	23.8	-0.1	-0.3	-9.6
Steel (\$/ton)	1,923	-0.4	-1.1	91.3
Iron Ore (CNY/MT)	803	-9.3	-14.0	-25.6
Wheat (\$/bu)	712	4.0	0.8	11.2
Corn (\$/bu)	534	6.1	-0.1	10.2
Sugar (\$/lb)	19.5	3.0	-1.6	26.0
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	0.118	0.2	-0.2	-12.0
Saudi Arabia (SAIBOR)	0.797	0.0	0.1	-2.0
UAE (EIBOR)	0.325	-6.5	-3.7	-18.8
Qatar (QIBOR)	1.134	-0.2	11.5	1.4
Bahrain (BHIBOR)	1.558	0.0	-0.8	-69.2

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of September 15, 2021



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RESEARCH
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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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