



Major Economic News

- Saudi Arabia posted a trade surplus of SAR 46.1bn in July. Trade surplus in July was the highest since December 2018, when it reached SAR 48.5bn. Total exports rose 80% Y/Y in July to SAR 91.8bn. Meanwhile, imports grew by 13% Y/Y to SAR 45.6bn during the same period. Oil exports surged by 112% to SAR 71.0bn in July. Non-oil exports increased by 18% to SAR 20.8bn. (Source: Argaam)
- Ministry of Foreign Affairs announced the extension of the validity of visit visas for the purpose of tourism. The extension includes visas that were not used as the Kingdom suspended tourism as part of its efforts to control the spread of coronavirus. (Source: Argaam)
- Saudi Arabia has saved SAR 500bn over the last four years until mid-2021, backed by its spending efficiency efforts, according to Minister of Finance, Mohammed Al-Jadaan. He added that, since the launch of Vision 2030, the state's public deficit was reduced from 15.8% in FY15 to 4.5% in FY19. (Source: Argaam)

Major Corporate News

- Credit rating firm Moody's upgraded STC's rating from "A2" to "A1", with a negative outlook. The agency maintained the telecom operator's "A1" long-term issuer rating. (Source: Argaam)
- Seera Group Holding's board of directors appointed acting CEO Majed bin Ayed Alnefaie as CEO, starting October 1. (Source: Argaam)
- Jadwa Investment started the secondary offering of its Jadwa REIT Saudi Fund. Proceeds from the secondary capital raise will be used mainly to acquire The Boulevard Riyadh, a luxury retail and office complex in the north of Riyadh. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.4% to 11,270.6 on Wednesday. The value traded stood at SAR 4.9bn (down 21.6% over previous day), while the advance-decline ratio stood at 54/134. The parallel market index decreased 0.1% to 25,139.4 points. The value traded stood at SAR 58.5mn (up 8.6% over previous day). Most sectors in the main market ended in the red. Commercial Service and Real Estate (up 0.8% and 0.4%, respectively) advanced the most; Banks and Utilities (down 0.9% and 0.8%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALANDALUS	21.66	6.8
SIPCHEM	38.65	3.2
GULF UNION ALAHLIA	18.10	3.0
UCA	31.95	2.6
SAUDI RE	18.16	2.0

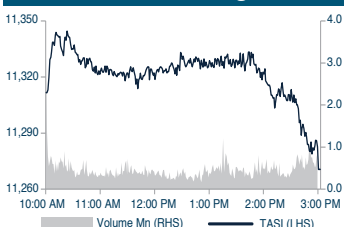
Top Losers

Company	Price	Change%
NCLE	64.20	-2.0
SHARQIYAH DEV	110.00	-2.0
ALHOKAIR	21.02	-1.9
ATC	39.90	-1.8
SFICO	56.20	-1.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,271	11,345	11,271	(0.4)	29.7
NomuC	25,139	25,275	25,046	(0.1)	(4.2)

TASI movement during session



TASI Ratios

P/E* (x)	27.2
Price-to-Book (x)	2.4
Dividend Yield (%)	1.8
Return on Equity (%)	16.9

Source: Argaam
* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,546	0.1	2.9	25.6
Materials	7,690	(0.1)	33.8	25.0
Capital Goods	8,957	(0.8)	37.0	High
Commercial Service	4,750	0.8	17.0	Neg
Transportation	6,157	0.1	27.1	Neg
Consumer Durables	8,128	0.0	42.0	High
Consumer Services	5,078	(0.7)	19.0	Neg
Media	19,895	(0.1)	94.7	High
Retailing	10,862	0.1	27.0	47.4
Food & Staples	9,899	(0.3)	(6.1)	40.2
Food & Beverages	5,734	(0.4)	4.9	38.2
Healthcare	7,847	(0.5)	38.8	42.0
Pharma & Bio Tech	6,418	(0.5)	24.1	High
Banks	10,958	(0.9)	44.4	21.1
Diversified Financials	7,800	(0.5)	69.7	High
Insurance	6,903	0.1	14.6	39.9
Telecom	8,147	(0.3)	18.1	24.4
Utilities	6,088	(0.8)	32.1	8.4
REITs	4,948	(0.0)	15.5	Neg
Real Estate	3,547	0.4	17.5	Neg
Software & Services	28,572	0.2	102.8	High

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,347	11,367	11,340	7.00

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	24.1	684.9	1,076.9

Top Weighted Companies

Company	Price	Change%
Al Rajhi	121.00	-1.0
SNB	59.80	-0.8
Saudi Aramco	34.95	0.1
SABIC	122.20	-0.8
STC	130.60	-0.3



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.1%, while Abu Dhabi increased 0.6%. Qatar and Bahrain rose 0.6% each, while Kuwait and Egypt gained 0.4% each. Meanwhile, Oman edged up 0.3%.
- US Federal Reserve officials indicated that the first interest rate hike may occur in FY22. Additionally, the central bank's chairman said that the bond tapering could start soon and may conclude by mid-2022. (Source: CNBC)
- According to EIA, oil inventories in the US fell 3.5mn barrels (prior: down 6.4mn) to 414.0mn in the week ended September 17. Gasoline inventories increased 3.5mn barrels (prior: down 1.9mn) to 221.6mn, while distillate inventories decreased 2.6mn barrels (prior: down 1.7mn) to 129.3mn. (Source: EIA, Econoday)
- According to Baker Hughes, North America's rig count increased to 683 in the week ended September 24 from 666 earlier. The rig count rose to 521 in the US from 512 earlier and to 8 in the Gulf of Mexico from 4 earlier. The rig count in Canada increased to 162 from 154 earlier. (Source: Baker Hughes)
- Oil prices jumped 1.1% on Friday due to expectations of tighter supply during the winter, amid global output disruptions.
- Gold prices rose 0.4% on Friday, as investors resorted to the safe haven metal amid concerns over Evergrande debt crisis in China and weaker US dollar.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.3	-0.1	0.8	3.8
Euro	1.17	-0.2	-0.8	-4.1
Japanese Yen	110.7	0.4	0.6	7.2
Sterling Pound	1.37	-0.2	-0.5	0.1
Chinese Yuan	6.47	0.1	0.1	-0.9
Indian Rupee	73.8	0.0	1.2	1.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	-0.2	-0.8	0.6
Kuwaiti Dinar	0.30	0.0	0.1	-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	0.0	-0.3

Corporate Calendar

Date	Company	Event
27 th Sep	GASCO	Cash Dividend Distribution
28 th Sep	ALHOKAIR	OGM
29 th Sep	ACIG	OGM
30 th Sep	ARDCO	Cash Dividend Distribution
30 th Sep	ALMRAKEZ	OGM
03 rd Oct	SABIC	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,840	-0.1	-2.2	13.9	21.0
Abu Dhabi (ADX)	7,825	0.6	1.8	55.1	21.7
Kuwait (KSE)	5,609	0.4	1.8	23.2	15.2
Qatar (QE)	11,241	0.6	1.3	7.7	16.3
Oman (MSM)	3,927	0.3	-1.0	7.3	10.3
Bahrain (BSE)	1,702	0.6	3.5	14.3	13.2
Egypt (EGX30)	10,642	0.4	-4.5	-1.9	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,798	0.1	-1.6	13.7	21.3
Nasdaq	15,048	0.0	-1.4	16.8	31.5
S&P 500	4,455	0.1	-1.5	18.6	26.5
FTSE 100	7,051	-0.4	-1.0	9.1	14.5
Germany DAX 30	15,532	-0.7	-1.9	13.2	16.1
France CAC 40	6,638	-0.9	-0.6	19.6	22.6
Japan Nikkei 225	30,249	2.1	7.7	10.2	16.2
Russia MOEX	4,038	-0.3	3.0	22.8	8.9
Hong Kong Hang Seng	24,192	-1.3	-6.5	-11.2	11.4
South Korea KOSPI	3,125	-0.1	-2.3	8.8	16.5
China Shanghai Composite	3,613	-0.8	2.0	4.0	12.0
Australia ASX 200	7,343	-0.4	-2.6	11.5	17.7
India Sensex	60,048	0.3	4.3	25.8	28.6
MSCI EM	1,265	-0.6	-3.3	-2.0	15.7
MSCI World	3,104	-0.1	-1.2	15.4	24.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	77.5	1.3	7.4	55.3
Brent Crude (\$/bbl)	78.1	1.1	7.0	50.8
Texas crude (\$/bbl)	74.0	0.9	8.0	52.5
Natural Gas (\$/mmbtu)	5.14	3.3	17.4	102.4
Gold (\$/oz)	1,750	0.4	-3.5	-7.8
Silver (\$/oz)	22.4	-0.3	-6.2	-15.0
Steel (\$/ton)	1,933	0.2	-0.6	92.3
Iron Ore (CNY/MT)	689	1.3	-26.2	-36.2
Wheat (\$/bu)	724	0.8	2.4	13.0
Corn (\$/bu)	527	-0.5	-1.4	8.8
Sugar (\$/lb)	19.1	-2.0	-3.7	23.3
SMP* (EUR/MT)	2,638	0.2	3.0	18.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.132	0.3	1.3	-10.6
Saudi Arabia (SAIBOR)	0.807	0.0	1.1	-1.0
UAE (EIBOR)	0.384	-0.3	2.2	-12.8
Qatar (QIBOR)	1.134	-0.3	11.6	1.4
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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