



## Major Economic News

- S&P Global Ratings affirmed Saudi Arabia's A-/A-2 credit rating with a "Stable" outlook. The rating agency noted that higher oil prices, an easing of OPEC production quotas, and widespread vaccine rollout, will drive a rebound in economic growth in FY21-24. The rating agency also sees Saudi Arabia's deficit dropping from 11.2% last year to 4.3% in FY21, while averaging 5.7% in FY21-24. (Source: Argaam)
- Assets held by SAMA increased by SAR 23.5bn M/M to SAR 1.87tn in August 2021. When compared to August 2020, SAMA's assets grew by SAR 35.9bn. (Source: Argaam)

## Major Corporate News

- CMA approved Almunajem Foods Co.'s request to sell 18mn shares, representing 30% of its capital, in an IPO. (Source: Argaam)
- Arabian Internet and Communications Services Co. will begin trading on the Saudi Exchange on September 30 with the symbol 7202 and ISIN Code SA15CIBJGH12 with +/- 30% daily price fluctuation limits and +/- 10% static price fluctuation limits. (Source: Argaam)
- Nama Chemicals Co. finalized the sale of its entire stake in Yanbu National Petrochemical Co. for SAR 139.7mn after commissions and VAT. (Source: Argaam)
- Ataa Educational Co.'s board of directors recommended increasing the company's capital by 10% through one-for-ten bonus share distribution. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.1% to 11,382.4. The value traded stood at SAR 8.9bn (up 9.2% over previous day), while the advance-decline ratio stood at 49/143. The parallel market index remained flat at 23,918.1 points. The value traded stood at SAR 88.1mn (down 42.2% over previous day). Most sectors in the main market ended in the red. Software & Services and Energy (up 3.1% and 2.9%, respectively) advanced the most; Pharma & Bio Tech and Consumer Durables (down 1.4% and 1.1%, respectively) led the laggards.

## Earnings update (Net Profit) (SAR mn)

Company	Q4-21	Q4-20	Y/Y %	Q3-21	Q/Q %
Ataa Educational Co.	19.4	29.9	-35.1	6.3	206.1

\*- year ending is July

## Top Gainers

Company	Price	Change%
MIS	166.20	3.8
SAUDI ARAMCO	36.35	3.6
ALAHLI REIT 1	14.06	3.1
ALAKARIA	23.80	2.6
SEDCO CAPITAL REIT	13.26	2.5

## Top Losers

Company	Price	Change%
SIIG	38.50	-3.5
NAMA CHEMICALS	46.05	-3.2
SHARQIYAH DEV	107.20	-2.9
SIECO	117.00	-2.8
BATIC	42.60	-2.7

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,382	11,444	11,356	0.1	31.0
NomuC	23,918	24,458	23,834	0.0	(8.9)

## TASI movement during session



## TASI Ratios

P/E* (x)	27.5
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	5,741	2.9	6.6	26.6
Materials	8,029	(0.3)	39.7	26.2
Capital Goods	8,860	(0.7)	35.5	High
Commercial Service	4,777	(0.1)	17.7	Neg
Transportation	6,214	0.0	28.3	Neg
Consumer Durables	7,996	(1.1)	39.7	High
Consumer Services	5,123	(0.2)	20.0	Neg
Media	20,022	(1.1)	96.0	High
Retailing	10,797	(0.6)	26.2	47.1
Food & Staples	9,795	(0.2)	(7.0)	39.7
Food & Beverages	5,639	(0.5)	3.2	37.7
Healthcare	7,757	(0.6)	37.2	41.3
Pharma & Bio Tech	6,181	(1.4)	19.5	High
Banks	11,011	0.2	45.1	21.2
Diversified Financials	7,527	(0.1)	63.8	High
Insurance	6,821	(0.3)	13.2	39.4
Telecom	7,882	(1.0)	14.2	23.4
Utilities	6,043	(0.7)	31.1	8.4
REITs	4,971	0.7	16.0	Neg
Real Estate	3,496	(0.0)	15.8	Neg
Software & Services	28,607	3.1	103.0	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,338	11,362	11,367	7.11

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	23.0	670.7	915.5
Previous week	24.1	684.9	1,076.9

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	121.40	0.0
SNB	60.50	0.5
Saudi Aramco	36.35	3.6
SABIC	128.80	0.6
STC	124.60	-1.6



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 0.5% and 0.1%, respectively. Qatar and Oman gained 0.7% and 0.5%, respectively, while Kuwait and Bahrain rose 0.2% each. Meanwhile, Egypt declined 0.5%.
- US Fed Chairman Jerome Powell said that supply bottlenecks, hiring difficulties and other constraints could pose upside risks to inflation. He added that the inflation is likely to remain elevated in coming months before moderating, as the economy continues to reopen and spending rebounds. (Source: CNBC, RTT News)
- US consumer confidence index slipped to 109.3 in September (consensus: 114.8) compared to an upwardly revised 115.2 in August. (Source: RTT News)
- Oil prices decreased 0.6% impacted by a strong US dollar due to increase in treasury yields, further dragged by profit booking after recent surge in oil prices.
- Gold prices fell 0.9% as surging treasury yields and stronger US dollar weighed on demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.8	0.4	1.2	4.3
Euro	1.17	-0.1	-1.1	-4.4
Japanese Yen	111.5	0.5	1.3	8.0
Sterling Pound	1.35	-1.2	-1.6	-1.0
Chinese Yuan	6.46	0.1	0.0	-1.0
Indian Rupee	74.2	0.5	1.7	1.6
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	-1.3	0.0
Kuwaiti Dinar	0.30	0.1	0.2	-0.9
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	15.66	0.0	0.1	-0.2

## Corporate Calendar

Date	Company	Event
29 <sup>th</sup> Sep	ACIG	OGM
30 <sup>th</sup> Sep	ARDCO	Cash Dividend Distribution
30 <sup>th</sup> Sep	ALMRAKEZ	OGM
03 <sup>rd</sup> Oct	SABIC	Cash Dividend Distribution
03 <sup>rd</sup> Oct	HCC	OGM
03 <sup>rd</sup> Oct	TAPRCO	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,831	0.5	-2.5	13.6	20.9
Abu Dhabi (ADX)	7,756	0.1	0.9	53.7	21.5
Kuwait (KSE)	5,636	0.2	2.3	23.8	15.2
Qatar (QE)	11,386	0.7	2.6	9.1	16.6
Oman (MSM)	3,952	0.5	-0.4	8.0	10.3
Bahrain (BSE)	1,702	0.2	3.4	14.2	13.2
Egypt (EGX30)	10,447	-0.5	-6.3	-3.7	7.9

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,300	-1.6	-3.0	12.1	21.4
Nasdaq	14,547	-2.8	-4.7	12.9	31.3
S&P 500	4,353	-2.0	-3.8	15.9	26.5
FTSE 100	7,028	-0.5	-1.3	8.8	14.3
Germany DAX 30	15,249	-2.1	-3.7	11.2	15.6
France CAC 40	6,507	-2.2	-2.6	17.2	22.1
Japan Nikkei 225	30,184	-0.2	7.5	10.0	15.7
Russia MOEX	4,065	-0.4	3.7	23.6	8.9
Hong Kong Hang Seng	24,500	1.2	-5.3	-10.0	11.4
South Korea KOSPI	3,098	-1.1	-3.2	7.8	16.4
China Shanghai Composite	3,602	0.5	1.6	3.7	12.0
Australia ASX 200	7,276	-1.5	-3.4	10.5	17.5
India Sensex	59,668	-0.7	3.7	25.0	28.4
MSCI EM	1,261	-0.5	-3.7	-2.4	15.7
MSCI World	3,033	-2.0	-3.5	12.7	23.7

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	80.2	2.0	11.1	60.7
Brent Crude (\$/bbl)	79.1	-0.6	8.4	52.7
Texas crude (\$/bbl)	75.3	-0.2	9.9	55.2
Natural Gas (\$/mmbtu)	5.84	2.4	33.4	130.1
Gold (\$/oz)	1,734	-0.9	-4.4	-8.7
Silver (\$/oz)	22.4	-1.0	-6.1	-14.9
Steel (\$/ton)	1,929	-0.3	-0.8	91.9
Iron Ore (CNY/MT)	692	-1.4	-25.9	-35.9
Wheat (\$/bu)	707	-2.2	0.0	10.3
Corn (\$/bu)	533	-1.3	-0.3	10.0
Sugar (\$/lb)	19.0	1.3	-4.3	22.5
SMP* (EUR/MT)	2,638	0.0	3.0	18.6

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.132	-0.1	1.2	-10.7
Saudi Arabia (SAIBOR)	0.809	0.0	1.3	-0.9
UAE (EIBOR)	0.364	-6.1	0.3	-14.8
Qatar (QIBOR)	1.124	5.1	10.6	0.4
Bahrain (BHIBOR)	1.550	0.0	-1.7	-70.0

Data Sources: Tadawul, Bloomberg, Reuters

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

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RATING  
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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