



Major Economic News

- Saudi Arabia's revenues for FY22 are estimated at SAR 903bn, with a forecast expenditure of SAR 955bn and a deficit of SAR 52bn, according to the pre-budget statement by the Ministry of Finance. Total revenues are projected at SAR 930bn in FY21, while expenditure is expected to stand at SAR 1.015tn, with an estimated deficit of SAR 85bn. (Source: Argaam)
- Full COVID-19 vaccination will be a prerequisite for attending any economic, commercial, cultural, entertainment, sports or tourism activity starting October 10 at 6 am, according to an official Ministry of Interior source. (Source: Argaam)
- The Ministry of Hajj and Umrah announced raising the daily capacity to 100,000 pilgrims and 60,000 worshippers, starting October 01. (Source: Argaam)

Major Corporate News

- PIF announced that it is studying a sale of part of its stake in STC, targeting international and local institutional investors as well as retail investors, while maintaining majority stake of more than 50% in the company. (Source: Argaam)
- Saudi Aramco increased its October contract prices for propane and butane by USD 135 per ton M/M and USD 130 per ton M/M, to USD 800 and USD 795 per ton, respectively. This price level is the highest since FY14. (Source: Argaam)
- CMA approved Alkhaleej Training and Education Co. to proceed with its capital increase through SAR 200mn rights issue. (Source: Argaam)
- ACWA Power completed the book-building process for its IPO. The institutional offering was 248x times oversubscribed drawing orders of nearly SAR 1.1tn. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 1.0% to 11,495.8 on Thursday. The value traded stood at SAR 6.7bn (up 9.2% over previous day), while the advance-decline ratio stood at 132/55. The parallel market index decreased 1.1% to 23,652.3 points. The value traded stood at SAR 51.4mn (up 22.0% over previous day). Most sectors in the main market ended in the green. Telecom and Banks (up 1.9% and 1.6%, respectively) advanced the most; Media and Diversified Financials (down 1.8% and 0.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SOLUTIONS	196.20	29.9
UCA	33.65	4.2
ARAB SEA	162.80	3.8
BATIC	44.20	3.4
BSFR	41.70	3.0

Top Losers

Company	Price	Change%
ASEER	24.90	-4.1
ALAHLI REIT 1	13.92	-2.3
SRMG	162.00	-1.9
BCI	47.75	-1.3
ALABDULLATIF	34.85	-1.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,496	11,496	11,380	1.0	32.3
NomuC	23,652	23,922	23,563	(1.1)	(9.9)

TASI movement during session



TASI Ratios

P/E* (x)	27.8
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	5,698	0.2	5.8	26.4
Materials	8,106	0.8	41.1	26.3
Capital Goods	8,916	1.1	36.4	High
Commercial Service	4,730	0.0	16.5	Neg
Transportation	6,294	0.8	30.0	Neg
Consumer Durables	8,084	(0.4)	41.3	High
Consumer Services	5,154	0.7	20.7	Neg
Media	19,679	(1.8)	92.6	High
Retailing	10,811	0.3	26.4	47.2
Food & Staples	9,846	0.3	(6.6)	39.9
Food & Beverages	5,715	0.2	4.6	38.2
Healthcare	7,801	0.7	38.0	41.5
Pharma & Bio Tech	6,141	(0.4)	18.8	High
Banks	11,195	1.6	47.5	21.6
Diversified Financials	7,655	(0.9)	66.6	High
Insurance	6,806	0.4	13.0	39.3
Telecom	8,012	1.9	16.1	23.9
Utilities	6,073	(0.3)	31.8	8.4
REITs	4,956	(0.0)	15.7	Neg
Real Estate	3,510	0.3	16.2	Neg
Software & Services	29,128	0.8	106.7	High

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,397	11,372	11,379	7.04

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	35.8	1,033.9	1,481.2

Top Weighted Companies

Company	Price	Change%
Al Rajhi	122.60	1.3
SNB	61.40	2.0
Saudi Aramco	36.00	0.0
SABIC	127.40	0.3
STC	127.00	2.6



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai increased 0.7%, while Abu Dhabi decreased 0.4%. Egypt, Qatar and Bahrain rose 1.2%, 0.5% and 0.1%, respectively; while Kuwait declined 0.1%. Meanwhile, Oman remained flat.
- According to Baker Hughes, North America's rig count increased to 693 in the week ended October 01 from 683 earlier. The rig count rose to 528 in the US from 521 earlier and to 11 in the Gulf of Mexico from 8 earlier. The rig count in Canada increased to 165 from 162 earlier. (Source: Baker Hughes).
- US GDP rose 6.7% in Q2-21 compared with the previously estimated 6.6% rise. Consumer spending, exports, and private inventory investment were upwardly revised, partially offset by higher imports. (Source: Econoday, RTT News)
- US initial jobless claims increased to 362,000 (consensus: 335,000), representing a rise of 11,000 from the previous week's revised level of 351,000. (Source: Econoday)
- Oil prices increased 1.0% driven by expectations that OPEC+ will continue with their gradual output increase program as against accelerating the increase in output.
- Gold prices rose 0.2%, as weaker US dollar and lower bond yields boosted demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	94.0	-0.2	-0.2	4.6
Euro	1.16	0.1	0.1	-5.1
Japanese Yen	111.1	-0.2	-0.2	7.6
Sterling Pound	1.35	0.5	0.5	-0.9
Chinese Yuan	6.45	0.0	0.0	-1.2
Indian Rupee	74.1	0.0	0.0	1.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.30	-0.1	-0.1	-0.9
Omani Rial	0.38	-0.1	-0.1	0.0
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	15.69	0.0	0.0	0.0

Corporate Calendar

Date	Company	Event
03 rd Oct	SABIC	Cash Dividend Distribution
03 rd Oct	HCC	OGM
04 th Oct	SASCO	Cash Dividend Distribution
05 th Oct	ABO MOATI	Cash Dividend Distribution
06 th Oct	Theeb	Cash Dividend Distribution
12 th Oct	Naseej	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,845	0.7	-2.0	14.2	21.0
Abu Dhabi (ADX)	7,699	-0.4	0.2	52.6	21.3
Kuwait (KSE)	5,619	-0.1	2.0	23.4	15.2
Qatar (QE)	11,485	0.5	3.5	10.1	16.7
Oman (MSM)	3,943	0.0	-0.6	7.8	10.3
Bahrain (BSE)	1,706	0.1	3.7	14.5	13.3
Egypt (EGX30)	10,517	1.2	-5.6	-3.0	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,326	1.4	1.4	12.2	21.0
Nasdaq	14,567	0.8	0.8	13.0	30.5
S&P 500	4,357	1.1	1.1	16.0	25.9
FTSE 100	7,027	-0.8	-0.8	8.8	14.3
Germany DAX 30	15,156	-0.7	-0.7	10.5	15.6
France CAC 40	6,518	0.0	0.0	17.4	22.2
Japan Nikkei 225	28,771	-2.3	-2.3	4.8	15.5
Russia MOEX	4,087	-0.4	-0.4	24.3	9.0
Hong Kong Hang Seng	24,576	0.0	0.0	-9.8	11.3
South Korea KOSPI	3,019	-1.6	-1.6	5.1	16.0
China Shanghai Composite	3,568	0.0	0.0	2.7	12.0
Australia ASX 200	7,186	-2.0	-2.0	9.1	17.3
India Sensex	58,766	-0.6	-0.6	23.1	28.0
MSCI EM	1,247	-0.5	-0.5	-3.5	15.5
MSCI World	3,023	0.5	0.5	12.4	23.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	77.6	-1.7	-1.7	55.5
Brent Crude (\$/bbl)	79.3	1.0	1.0	53.1
Texas crude (\$/bbl)	75.9	1.1	1.1	56.4
Natural Gas (\$/mmbtu)	5.62	-4.2	-4.2	121.3
Gold (\$/oz)	1,761	0.2	0.2	-7.3
Silver (\$/oz)	22.5	1.4	1.4	-14.6
Steel (\$/ton)	1,916	0.8	0.8	90.6
Iron Ore (CNY/MT)	715	0.0	0.0	-33.7
Wheat (\$/bu)	755	4.1	4.1	17.9
Corn (\$/bu)	542	0.9	0.9	11.9
Sugar (\$/lb)	20.1	1.2	1.2	29.5
SMP* (EUR/MT)	2,800	0.7	0.7	25.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.130	-0.1	0.0	-10.8
Saudi Arabia (SAIBOR)	0.809	0.0	1.3	-0.9
UAE (EIBOR)	0.324	-4.0	-3.8	-18.8
Qatar (QIBOR)	1.150	1.9	13.1	2.9
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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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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