



## Major Economic News

- Remittances from expatriates in Saudi Arabia grew by 11% Y/Y to SAR 13.7bn in August. Compared to July, remittances from expatriates in Saudi Arabia rose around 10% or SAR 1.2bn. Meanwhile, remittances sent by Saudi nationals to other countries surged 65% Y/Y to SAR 5.7bn in August. (Source: Argaam)
- Saudi market will benefit from joining the FTSE Russell Emerging Markets Government Bond Index with increased trading and higher share of foreign investors in bonds and sukuk, as per Mohammed Al Rumaih, CEO of Tadawul. (Source: Argaam)

## Major Corporate News

- Saudi Basic Industries Corp. increased local urea prices by SAR 225 per ton to SAR 1,762 per ton in October, compared to the previous month. Urea prices for October are the highest since June 2012. (Source: Argaam)
- Arabian Contracting Services Co. (Al Arabia) announced issuing the prospectus for its planned IPO on the Saudi Exchange. Al Arabia plans to sell 15mn shares or 30% of its 50mn share capital. The retail offering will run from October 26 to October 29. (Source: Argaam)
- Nama Chemicals Co. announced the shutdown of Hassad project, affiliate with Jubail Chemical Industries Co., started from October 1, for an expected period of 20 days. The expected financial impact is SAR 19.6mn, which will appear in Q4-21. (Source: Argaam)
- Alkhorayef Water and Power Technologies Co. was awarded an operation and maintenance contract, valued at SAR 61.0mn, by the Zakat, Tax and Customs Authority. The contract has tenure of 36 months, and the relevant financial impact is expected in Q4-21. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.4% to 11,453.3 on Sunday. The value traded stood at SAR 8.5bn (up 26.8% over previous day), while the advance-decline ratio stood at 57/127. The parallel market index increased 0.1% to 23,686.7 points. The value traded stood at SAR 29.6mn (down 42.5% over previous day). Most sectors in the main market ended in the red. Software & Services and Commercial Service (up 5.8% and 1.7%, respectively) advanced the most; Telecom and Retailing (down 2.4% and 1.1%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
SOLUTIONS	218.00	11.1
NASEEJ	135.80	6.1
SEERA	22.98	5.1
CATERING	93.10	4.0
CHUBB	33.50	3.9

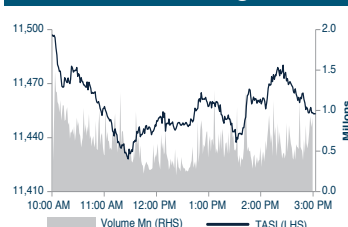
## Top Losers

Company	Price	Change%
SIPCHEM	41.95	-4.2
SIIG	39.25	-3.8
STC	122.80	-3.3
ASEER	24.24	-2.7
MIS	163.40	-2.4

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,453	11,498	11,428	(0.4)	31.8
NomuC	23,687	23,885	23,574	0.1	(9.7)

## TASI movement during session



## TASI Ratios

P/E* (x)	27.7
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	5,712	0.2	6.0	26.4
Materials	8,027	(1.0)	39.7	26.1
Capital Goods	8,872	(0.5)	35.7	High
Commercial Service	4,809	1.7	18.5	Neg
Transportation	6,285	(0.2)	29.8	Neg
Consumer Durables	8,189	1.3	43.1	High
Consumer Services	5,227	1.4	22.4	Neg
Media	19,471	(1.1)	90.6	High
Retailing	10,692	(1.1)	25.0	46.6
Food & Staples	9,797	(0.5)	(7.0)	39.7
Food & Beverages	5,673	(0.7)	3.8	37.9
Healthcare	7,766	(0.5)	37.4	41.3
Pharma & Bio Tech	6,108	(0.5)	18.1	High
Banks	11,208	0.1	47.7	21.6
Diversified Financials	7,617	(0.5)	65.8	High
Insurance	6,740	(1.0)	11.9	38.9
Telecom	7,820	(2.4)	13.4	23.2
Utilities	6,072	(0.0)	31.7	8.4
REITs	4,946	(0.2)	15.4	Neg
Real Estate	3,482	(0.8)	15.3	Neg
Software & Services	30,810	5.8	118.6	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,417	11,375	11,386	8.47

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	8.5	182.6	379.4
Previous week	35.8	1,033.9	1,481.2

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	123.40	0.7
SNB	61.10	-0.5
Saudi Aramco	36.05	0.1
SABIC	125.80	-1.3
STC	122.80	-3.3



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.4%, while Abu Dhabi increased 0.3%. Kuwait rose 0.5%, while Egypt and Qatar declined 1.4% and 0.2%, respectively. Meanwhile, Bahrain remained flat, and Oman was closed.
- US ISM manufacturing PMI rose to 61.1 in September (consensus: 59.8) compared to 59.9 in August. (Source: Econoday)
- US personal spending inched up by 0.2% in August (consensus: a rise of 0.3%) compared to an increase of 1.1% in July. Disposable personal income rose by 0.1% in August after surging by 1.1% in the previous month. (Source: RTT News)
- UK's HIS Markit manufacturing PMI fell to a seven-month low of 57.1 in September (consensus: 56.3) from 60.3 in August. Production increased at the slowest pace since February. (Source: RTT News)
- Eurozone CPI jumped by 3.4% in September (consensus: 3.3% rise), the highest rate since September 2008, versus an increase of 3.0% in August. Core inflation grew to 1.9% (in line with consensus) from 1.6% in the previous month. Overall consumer price growth was driven by 17.4% increase in energy prices. (Source: RTT News)

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	94.0	0.0	-0.2	4.6
Euro	1.16	0.0	0.1	-5.1
Japanese Yen	111.1	0.0	-0.2	7.6
Sterling Pound	1.35	0.0	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 <sup>rd</sup> Oct	SABIC	Cash Dividend Distribution
03 <sup>rd</sup> Oct	HCC	OGM
04 <sup>th</sup> Oct	SASCO	Cash Dividend Distribution
05 <sup>th</sup> Oct	ABO MOATI	Cash Dividend Distribution
06 <sup>th</sup> Oct	Theeb	Cash Dividend Distribution
12 <sup>th</sup> Oct	Naseej	EGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,834	-0.4	-0.4	13.7	21.5
Abu Dhabi (ADX)	7,719	0.3	0.3	53.0	21.4
Kuwait (KSE)	5,648	0.5	0.5	24.1	15.2
Qatar (QE)	11,463	-0.2	-0.2	9.8	16.4
Oman (MSM)	3,943	0.0	0.0	7.8	10.3
Bahrain (BSE)	1,705	0.0	0.0	14.5	13.3
Egypt (EGX30)	10,366	-1.4	-1.4	-4.4	7.9

## International Markets

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

## Commodity Markets

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

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.130	0.0	0.0	-10.8
Saudi Arabia (SAIBOR)	0.809	0.0	0.0	-0.9
UAE (EIBOR)	0.263	-6.1	-6.1	-24.9
Qatar (QIBOR)	1.133	-1.7	-1.7	1.3
Bahrain (BHIBOR)	1.550	0.0	0.0	-70.0

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of October 3, 2021



RESEARCH DIVISION

Head of Sell-Side Research  
Jassim Al-Jubran  
+966 11 2256248  
j.aljabran@aljaziracapital.com.sa

RESEARCH  
DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

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.

## Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Corporate Finance | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068