



Major Economic News

- Saudi Arabia's IHS Markit PMI rose to its highest level in 12 years to 58.6 points in September compared to 54.1 points in August. The growth rate for new businesses rose to its strongest level in seven years. (Source: Argaam)
- The Saudi Cabinet approved extending the soft mortgage program for three additional years, starting from the expiry date of the current term. (Source: Argaam)
- Saudi Arabia and Egypt signed agreements for the Saudi-Egyptian electricity interconnection project worth USD 1.8bn. The electrical interconnection aims to be a central axis in linking the two countries. (Source: Argaam)

Major Corporate News

- Saudi Pharmaceutical Industries and Medical Appliances Corp. signed a three-year SAR 160.3mn contract with Ibrahim Al Hodaithy International Co. for selling, marketing and distributing its medical products. The positive financial impact of the contract will reflect in FY22 and beyond. (Source: Argaam)
- Alkhorayef Water and Power Technologies Co. signed a Shariah-compliant credit facility agreement worth SAR 150mn with Saudi British Bank. The one-year facility is renewable and is guaranteed by a promissory note. (Source: Argaam)
- Banan Real Estate Co. completed all the legal procedures related to the purchase of a furnished apartment building in Riyadh from Morina Development and Investment Co. for SAR 15.1mn. The building spans 2,000 sq.m. with a built-up area of 3,126 sq.m. and an expected annual revenue of SAR 1.5mn. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.8% to 11,555.5. The value traded stood at SAR 7.6bn (down 8.9% over previous day), while the advance-decline ratio stood at 61/128. The parallel market index increased 0.3% to 23,714.9 points. The value traded stood at SAR 35.3mn (down 5.3% over previous day). Most sectors in the main market ended in the red. Utilities and Energy (up 1.8% and 1.6%, respectively) advanced the most; Software & Services and Telecom (down 2.0% and 1.7%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
JADWA REIT SAUDI	14.70	4.3
SIPCHEM	42.45	4.0
SIIG	39.90	2.7
SEERA	23.20	2.7
TASNEE	23.50	2.3

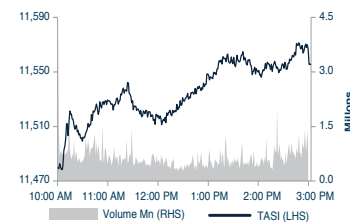
Top Losers

Company	Price	Change%
UCA	32.15	-4.0
ENAYA	38.60	-2.8
SIECO	120.20	-2.8
SOLUTIONS	203.60	-2.7
SACO	61.20	-2.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,556	11,573	11,471	0.8	33.0
NomuC	23,715	23,715	23,417	0.3	(9.6)

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	5,837	1.6	8.4	27.1
Materials	7,999	0.9	39.2	26.1
Capital Goods	8,823	(0.7)	34.9	High
Commercial Service	4,758	0.0	17.2	Neg
Transportation	6,187	(0.4)	27.8	Neg
Consumer Durables	8,110	(0.3)	41.7	High
Consumer Services	5,221	0.1	22.3	Neg
Media	19,328	(0.5)	89.2	High
Retailing	10,551	(1.6)	23.3	46.0
Food & Staples	9,768	(0.6)	(7.3)	39.6
Food & Beverages	5,611	(0.3)	2.7	37.5
Healthcare	7,577	(1.0)	34.0	40.2
Pharma & Bio Tech	6,016	(0.7)	16.3	High
Banks	11,561	1.6	52.3	22.3
Diversified Financials	7,470	(0.6)	62.6	High
Insurance	6,703	0.4	11.3	38.8
Telecom	7,552	(1.7)	9.5	22.2
Utilities	6,136	1.8	33.1	8.6
REITs	4,951	0.4	15.5	Neg
Real Estate	3,446	(0.1)	14.1	Neg
Software & Services	29,565	(2.0)	109.8	High

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,456	11,405	11,400	8.12

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	24.4	579.5	1,046.9
Previous week	35.8	1,033.9	1,481.2

Top Weighted Companies

Company	Price	Change%
Al Rajhi	128.20	2.2
SNB	63.50	1.4
Saudi Aramco	37.05	1.8
SABIC	126.00	1.1
STC	117.40	-2.2



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 1.0% and 0.1%, respectively. Kuwait gained 0.3%, while Qatar and Oman rose 0.1% each. Bahrain declined 0.3%. Meanwhile, Egypt remained flat.
- US trade deficit widened to a record USD 73.3bn in August (consensus: USD 70.5bn) from a revised USD 70.3bn in July. The wider trade deficit was driven by a 1.4% increase in the value of imports to USD 287.0bn. Meanwhile, the value of exports rose by 0.5% to USD 213.7bn. (Source: RTT News)
- US ISM services PMI rose to 61.9 in September (consensus: 60.0) compared to 61.7 in August. The business activity index increased to 62.3 in September from 60.1 in August. (Source: RTT News)
- UK's services PMI inched up to 55.4 in September from a six-month low of 55.0 in August. However, the demand in the services sector remained under pressure amid staff shortages, supply issues and the end of the stamp duty holiday. (Source: RTT News)
- Oil prices jumped 1.6% amid continued optimism over OPEC+'s decision to stick to the planned output hike of 400,000 bpd every month.
- Gold prices fell 0.5%, as the stronger US dollar weighed on demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	94.0	0.2	-0.3	4.5
Euro	1.16	-0.2	0.1	-5.1
Japanese Yen	111.5	0.5	0.2	8.0
Sterling Pound	1.36	0.1	1.2	-0.3
Chinese Yuan	6.45	0.0	0.0	-1.2
Indian Rupee	74.5	0.0	0.5	2.1
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	0.0	-0.8
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	-0.2	-0.2

Corporate Calendar

Date	Company	Event
06 th Oct	Theeb	Cash Dividend Distribution
13 th Oct	HB	OGM
14 th Oct	Dallah Health	Cash Dividend Distribution
17 th Oct	Najran Cement	Cash Dividend Distribution
24 th Oct	BAHRI	Cash Dividend Distribution
28 th Oct	ALSAGR INSURANCE	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,783	-1.0	-2.2	11.7	21.1
Abu Dhabi (ADX)	7,689	-0.1	-0.1	52.4	21.3
Kuwait (KSE)	5,678	0.3	1.1	24.7	15.3
Qatar (QE)	11,521	0.1	0.3	10.4	16.5
Oman (MSM)	3,948	0.1	0.1	7.9	10.4
Bahrain (BSE)	1,704	-0.3	-0.1	14.4	13.3
Egypt (EGX30)	10,433	0.0	-0.8	-3.8	7.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,315	0.9	1.4	12.1	20.8
Nasdaq	14,434	1.3	-0.1	12.0	29.9
S&P 500	4,346	1.1	0.9	15.7	25.5
FTSE 100	7,077	0.9	-0.1	9.5	14.4
Germany DAX 30	15,194	1.1	-0.4	10.8	15.6
France CAC 40	6,576	1.5	0.9	18.5	22.4
Japan Nikkei 225	27,822	-2.2	-5.5	1.4	15.0
Russia MOEX	4,224	2.7	2.9	28.4	9.3
Hong Kong Hang Seng	24,104	0.3	-1.9	-11.5	11.1
South Korea KOSPI	2,962	-1.9	-3.5	3.1	15.7
China Shanghai Composite	3,568	0.0	0.0	2.7	12.0
Australia ASX 200	7,248	-0.4	-1.1	10.0	17.5
India Sensex	59,745	0.8	1.0	25.1	28.5
MSCI EM	1,237	0.0	-1.3	-4.2	15.4
MSCI World	3,016	0.8	0.3	12.1	23.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	81.4	3.3	3.1	63.1
Brent Crude (\$/bbl)	82.6	1.6	5.1	59.4
Texas crude (\$/bbl)	78.9	1.7	5.2	62.7
Natural Gas (\$/mmbtu)	6.31	9.5	7.6	148.6
Gold (\$/oz)	1,760	-0.5	0.2	-7.3
Silver (\$/oz)	22.7	0.0	2.1	-14.0
Steel (\$/ton)	1,910	-0.4	0.5	90.0
Iron Ore (CNY/MT)	715	0.0	0.0	-33.7
Wheat (\$/bu)	745	-1.6	2.7	16.3
Corn (\$/bu)	538	-0.6	0.1	11.1
Sugar (\$/lb)	19.9	0.8	0.1	28.1
SMP* (EUR/MT)	2,820	0.7	1.4	26.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.127	-0.7	-0.4	-11.2
Saudi Arabia (SAIBOR)	0.810	0.1	0.1	-0.7
UAE (EIBOR)	0.258	-9.3	-6.7	-25.5
Qatar (QIBOR)	1.150	0.8	0.0	2.9
Bahrain (BHIBOR)	1.550	0.0	0.0	-70.0

Data Sources: Tadawul, Bloomberg, Reuters

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

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RESEARCH
DIVISION

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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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