



## Major Economic News

- The aggregate sales of 17 Saudi cement producers decreased 11% to 4.1mn tons in September, from 4.6mn tons in the same month last year. Clinker production grew by 23% Y/Y to 4.7mn tons in September, while clinker inventories dropped 14% Y/Y to 34.6mn tons by September-end. (Source: Argaam)
- Saudi Arabia's large financial reserves support its rating and provides greater flexibility to facilitate public financing needs in light of the instability of oil revenues, according to Fitch Ratings. (Source: Argaam)
- Online sales performed through Mada cards soared by 106% Y/Y to reach SAR 6.9bn in August 2021. The sales were performed through 29.9mn transactions. (Source: Argaam)
- The applications received via e-platform Ehkaam for property ownership exceeded expectations, reaching nearly 500,000 so far, as per Ihsan Bafakih, Governor of State Properties General Authority. (Source: Argaam)

## Major Corporate News

- Leejam Sports Co. opened a new low-cost men Xpress Fitness Center in Riyadh. Spread over an area of 606 sq.m., the center will be located on Al Hair Road in Al Aziziyah district of Riyadh. This is the 14th Xpress Fitness Center to open since the launch of Fitness Time Xpress in November 2020 and its financial impact is expected to appear as of Q4-21. (Source: Argaam)
- Saudi Tadawul Group is close to announcing plans for an IPO that could value it at as much as USD 4bn (~SAR 15bn), according to Bloomberg. (Source: Argaam)
- Al Moammar Information Systems Co. (MIS) signed a binding agreement with a European financial technology company to develop several applications for MIS. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.1% to 11,571.9. The value traded stood at SAR 8.4bn (up 11.0% over previous day), while the advance-decline ratio stood at 64/123. The parallel market index decreased 0.2% to 23,678.8 points. The value traded stood at SAR 24.9mn (down 29.6% over previous day). Most sectors in the main market ended in the red. Software & Services and Telecom (up 2.2% each) advanced the most; Utilities and Consumer Durables (down 1.1% and 1.0%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
TAIBA	36.35	5.5
SOLUTIONS	211.60	3.9
MALATH INSURANCE	30.60	3.6
SIPCHEM	43.95	3.5
ASEER	24.42	3.0

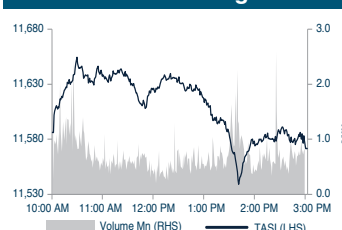
## Top Losers

Company	Price	Change%
YSCC	28.25	-4.4
HCC	15.68	-3.8
NAJRAN CEMENT	20.02	-3.5
SHARQIYAH DEV	103.80	-3.0
WAFRAH	146.60	-2.8

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,572	11,655	11,538	0.1	33.2
NomuC	23,679	23,817	23,633	(0.2)	(9.8)

## 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	5,854	0.3	8.7	27.3
Materials	7,976	(0.3)	38.8	26.0
Capital Goods	8,748	(0.9)	33.8	High
Commercial Service	4,719	(0.8)	16.2	Neg
Transportation	6,145	(0.7)	26.9	Neg
Consumer Durables	8,032	(1.0)	40.4	High
Consumer Services	5,205	(0.3)	21.9	Neg
Media	19,164	(0.8)	87.6	High
Retailing	10,470	(0.8)	22.4	45.6
Food & Staples	9,883	1.2	(6.2)	39.8
Food & Beverages	5,587	(0.4)	2.3	37.3
Healthcare	7,583	0.1	34.1	40.4
Pharma & Bio Tech	6,016	0.0	16.3	High
Banks	11,590	0.2	52.7	22.3
Diversified Financials	7,511	0.5	63.5	High
Insurance	6,720	0.3	11.5	38.8
Telecom	7,719	2.2	11.9	22.8
Utilities	6,069	(1.1)	31.7	8.5
REITs	4,940	(0.2)	15.3	Neg
Real Estate	3,476	0.9	15.1	Neg
Software & Services	30,224	2.2	114.5	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,488	11,430	11,408	8.19

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	32.8	799.0	1,379.4
Previous week	35.8	1,033.9	1,481.2

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	129.20	0.8
SNB	63.50	0.0
Saudi Aramco	37.30	0.7
SABIC	125.20	-0.6
STC	120.20	2.4



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 1.1% and 0.4%, respectively. Egypt, Qatar, Oman and Kuwait rose 1.0%, 0.7%, 0.2% and 0.1%, respectively; while Bahrain declined 0.2%.
- According to EIA, oil inventories in the US rose 2.3mn barrels (prior: up 4.6mn) to 420.9mn in the week ended October 01. Gasoline inventories increased 3.3mn barrels (prior: up 0.2mn) to 225.1mn, while distillate inventories fell 0.4mn barrels (prior: up 0.4mn) to 129.3mn. (Source: EIA, Econoday)
- The US Senate moved closer to a temporary agreement to avoid the federal debt default in the next two weeks, as Democrats said that they are likely to accept a proposal by Republicans. (Source: Reuters)
- Eurozone retail sales grew 0.3% M/M (consensus: 0.8% growth) in August compared to a 2.6% fall in July. On Y/Y basis, retail sales remained unchanged in August (consensus: an increase of 0.4%) after rising by 3.1% in July. (Source: RTT News)
- Oil prices dropped 1.8%, as US oil inventories reported an increase for the second consecutive week.
- Gold prices rose 0.1% driven by lower treasury yields, partly offset by the stronger US dollar.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	94.3	0.3	0.0	4.8
Euro	1.16	-0.3	-0.2	-5.4
Japanese Yen	111.4	0.0	0.1	7.9
Sterling Pound	1.36	-0.4	0.8	-0.7
Chinese Yuan	6.45	0.0	0.0	-1.2
Indian Rupee	74.8	0.3	0.8	2.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.3	0.3	0.3
Kuwaiti Dinar	0.30	0.0	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	15.65	-0.1	-0.3	-0.3

## Corporate Calendar

Date	Company	Event
13 <sup>th</sup> Oct	HB	OGM
14 <sup>th</sup> Oct	Dallah Health	Cash Dividend Distribution
17 <sup>th</sup> Oct	Najran Cement	Cash Dividend Distribution
24 <sup>th</sup> Oct	BAHRI	Cash Dividend Distribution
28 <sup>th</sup> Oct	ALSAGR INSURANCE	OGM
08 <sup>th</sup> Nov	OASIS	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,752	-1.1	-3.3	10.4	20.8
Abu Dhabi (ADX)	7,655	-0.4	-0.6	51.7	21.2
Kuwait (KSE)	5,683	0.1	1.1	24.8	15.3
Qatar (QE)	11,607	0.7	1.1	11.2	16.7
Oman (MSM)	3,954	0.2	0.3	8.1	10.5
Bahrain (BSE)	1,700	-0.2	-0.3	14.1	13.3
Egypt (EGX30)	10,536	1.0	0.2	-2.8	7.8

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,417	0.3	1.7	12.5	21.0
Nasdaq	14,502	0.5	0.4	12.5	30.3
S&P 500	4,364	0.4	1.3	16.2	25.8
FTSE 100	6,996	-1.1	-1.3	8.3	14.2
Germany DAX 30	14,973	-1.5	-1.9	9.1	15.4
France CAC 40	6,493	-1.3	-0.4	17.0	22.1
Japan Nikkei 225	27,529	-1.1	-6.5	0.3	14.8
Russia MOEX	4,172	-1.2	1.7	26.8	9.3
Hong Kong Hang Seng	23,966	-0.6	-2.5	-12.0	11.1
South Korea KOSPI	2,908	-1.8	-5.2	1.2	15.4
China Shanghai Composite	3,568	0.0	0.0	2.7	12.0
Australia ASX 200	7,207	-0.6	-1.7	9.4	17.3
India Sensex	59,190	-0.9	0.1	24.0	28.2
MSCI EM	1,227	-0.8	-2.1	-5.0	15.2
MSCI World	3,016	0.0	0.3	12.1	23.5

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	82.1	0.8	4.0	64.5
Brent Crude (\$/bbl)	81.1	-1.8	3.3	56.5
Texas crude (\$/bbl)	77.4	-1.9	3.2	59.6
Natural Gas (\$/mmbtu)	5.68	-10.1	-3.3	123.5
Gold (\$/oz)	1,763	0.1	0.3	-7.2
Silver (\$/oz)	22.6	-0.3	1.8	-14.3
Steel (\$/ton)	1,889	-1.1	-0.6	88.0
Iron Ore (CNY/MT)	715	0.0	0.0	-33.7
Wheat (\$/bu)	746	0.2	2.8	16.5
Corn (\$/bu)	532	-1.0	-0.8	10.0
Sugar (\$/lb)	19.8	-0.4	-0.3	27.6
SMP* (EUR/MT)	2,823	0.1	1.5	26.9

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.124	-0.3	-0.6	-11.4
Saudi Arabia (SAIBOR)	0.810	0.0	0.1	-0.7
UAE (EIBOR)	0.320	6.2	-0.4	-19.3
Qatar (QIBOR)	1.150	0.0	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

Updated as of October 7, 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