



## Major Economic News

- The dividend distributions by Tadawul-listed REITs increased 22% Y/Y to reach about SAR 384mn in H1-21. The increase in cash dividends was driven by the gradual recovery of the REITs sector from the COVID-19 pandemic and the return to normalcy, which led to the stability and recovery of operating rates for properties. In addition, the funds reported a rise in rental income and strategic expansion through recent acquisitions. (Source: Argaam)

## Major Corporate News

- Alkhaleej Training and Education Co. issued the prospectus for its planned capital hike through SAR 200mn rights issue on the CMA website. The company scheduled an EGM on November 03 to vote on the board of directors' recommendation of capital increase. (Source: Argaam)
- Al Batain Power and Telecommunication Co. signed a medium-term Murabaha finance agreement worth SAR 300mn with Banque Saudi Fransi. The five-year facility is guaranteed by order notes at a value of SAR 309mn. (Source: Argaam)
- Etihad Atheeb Telecommunication Co.'s board of directors recommended reducing the company's capital by 60.6% from SAR 228.5mn to SAR 90.0mn. AlJazira Capital was appointed as a financial advisor to manage the capital reduction and all related procedures. (Source: Argaam)
- Saudi Research and Media Group said that all prerequisite conditions to acquire a 51% stake in Thmanyah Company for Publishing and Distribution were completed. (Source: Argaam)
- Al Kathiri Holding Co. was assigned a long-term entity rating of "BBB-" and short-term entity rating of "T-4" with "Stable" outlook from Tassnief. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 0.5% to 11,512.1. The value traded stood at SAR 9.6bn (up 27.6% over previous day), while the advance-decline ratio stood at 57/139. The parallel market index decreased 0.1% to 22,978.5 points. The value traded stood at SAR 46.9mn (up 31.5% over previous day). Most sectors in the main market ended in the red. Utilities and Materials (up 1.0% and 0.6%, respectively) advanced the most; Media and Capital Goods (down 3.5% and 2.4%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
ACWA POWER	72.80	30.0
GASCO	57.00	5.6
AMANA INSURANCE	48.40	4.3
NAJRAN CEMENT	19.26	4.2
NORTHERN CEMENT	15.48	3.8

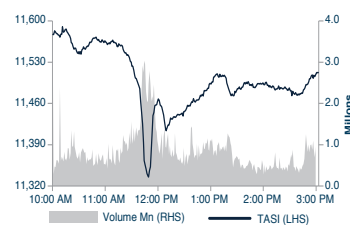
## Top Losers

Company	Price	Change%
SIECO	107.00	-4.5
NASEEJ	103.80	-4.4
TECO	71.30	-3.9
BAWAN	38.75	-3.9
SRMG	148.80	-3.8

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,512	11,590	11,331	(0.5)	32.5
NomuC	22,979	23,236	22,624	(0.1)	(12.4)

## TASI movement during session



## TASI Ratios

P/E* (x)	27.6
Price-to-Book (x)	2.5
Dividend Yield (%)	1.7
Return on Equity (%)	16.8

Source: Argaam  
\* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,786	(0.1)	7.4	27.1
Materials	7,950	0.6	38.4	26.1
Capital Goods	8,268	(2.4)	26.5	High
Commercial Service	4,649	(1.0)	14.5	Neg
Transportation	5,897	(0.1)	21.8	Neg
Consumer Durables	7,505	(1.0)	31.2	High
Consumer Services	5,192	0.6	21.6	Neg
Media	18,144	(3.5)	77.6	High
Retailing	10,358	(1.3)	21.1	45.0
Food & Staples	9,655	(0.7)	(8.4)	38.8
Food & Beverages	5,365	(1.3)	(1.8)	35.8
Healthcare	7,511	(1.1)	32.9	40.0
Pharma & Bio Tech	5,739	(1.1)	11.0	High
Banks	11,723	(0.7)	54.5	22.5
Diversified Financials	7,212	0.2	57.0	High
Insurance	6,541	(1.3)	8.6	37.8
Telecom	7,592	(0.6)	10.1	22.5
Utilities	6,089	1.0	32.1	11.4
REITs	4,871	(1.0)	13.7	Neg
Real Estate	3,363	(1.1)	11.4	Neg
Software & Services	29,672	0.1	110.6	39.4

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,559	11,498	11,430	8.07

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	17.1	466.7	795.1
Previous week	39.4	966.7	1,675.5

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	134.00	-0.1
SNB	62.90	-2.3
Saudi Aramco	37.00	0.1
SABIC	128.40	0.5
STC	119.00	-0.5



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.1%, while Abu Dhabi increased 0.7%. Egypt and Qatar rose 0.5% and 0.1%, respectively; while Kuwait, Oman and Bahrain declined 0.8%, 0.3% and 0.1%, respectively.
- China's National Development and Reform Commission said that it will fully liberalize pricing for electricity generated from coal, and industrial and commercial users will all have to buy electricity from the market. (Source: Investing.com)
- Japan's banks lending increased 0.6% Y/Y in September to JPY 577.1tn. The bank lending was up 0.6% Y/Y in August. (Source: RTT News)
- Oil prices increased 1.5% driven by rising demand amid power shortages and high natural gas prices, as power generators are shifting from natural gas to oil.
- Gold prices fell 0.2%, as the US dollar strengthened on expectations that the US Federal Reserve would not delay its plans to taper economic support, thus weighing on demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	94.3	0.3	0.1	4.9
Euro	1.16	-0.1	-0.3	-5.4
Japanese Yen	113.3	1.0	1.8	9.7
Sterling Pound	1.36	-0.1	0.9	-0.6
Chinese Yuan	6.45	0.1	0.1	-1.1
Indian Rupee	75.4	0.4	1.6	3.2
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.1	0.6	0.6
Kuwaiti Dinar	0.30	0.0	-0.1	-0.9
Omani Rial	0.38	0.1	0.0	0.1
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	15.68	0.2	-0.1	-0.1

## 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	ALANDALUS	Cash Dividend Distribution
24 <sup>th</sup> Oct	BAHRI	Cash Dividend Distribution
28 <sup>th</sup> Oct	ALSAGR INSURANCE	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,770	-0.1	-2.7	11.2	21.0
Abu Dhabi (ADX)	7,783	0.7	1.1	54.3	21.5
Kuwait (KSE)	5,699	-0.8	1.4	25.2	15.5
Qatar (QE)	11,569	0.1	0.7	10.9	16.6
Oman (MSM)	3,958	-0.3	0.4	8.2	10.4
Bahrain (BSE)	1,699	-0.1	-0.4	14.0	13.2
Egypt (EGX30)	10,715	0.5	1.9	-1.2	7.9

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,496	-0.7	1.9	12.7	21.3
Nasdaq	14,486	-0.6	0.3	12.4	30.6
S&P 500	4,361	-0.7	1.2	16.1	26.1
FTSE 100	7,147	0.7	0.9	10.6	14.5
Germany DAX 30	15,199	0.0	-0.4	10.8	15.6
France CAC 40	6,571	0.2	0.8	18.4	22.4
Japan Nikkei 225	28,498	1.6	-3.2	3.8	15.4
Russia MOEX	4,280	1.0	4.3	30.1	9.4
Hong Kong Hang Seng	25,325	2.0	3.0	-7.0	11.6
South Korea KOSPI	2,956	0.0	-3.7	2.9	15.7
China Shanghai Composite	3,592	0.0	0.7	3.4	12.0
Australia ASX 200	7,300	-0.3	-0.4	10.8	17.6
India Sensex	60,136	0.1	1.7	25.9	28.6
MSCI EM	1,266	0.7	1.0	-2.0	15.7
MSCI World	3,032	-0.4	0.8	12.7	23.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	84.0	4.9	6.3	68.2
Brent Crude (\$/bbl)	83.7	1.5	6.5	61.5
Texas crude (\$/bbl)	80.5	1.5	7.3	66.0
Natural Gas (\$/mmbtu)	5.35	-4.0	-8.9	110.5
Gold (\$/oz)	1,754	-0.2	-0.2	-7.6
Silver (\$/oz)	22.6	-0.5	1.6	-14.4
Steel (\$/ton)	1,898	0.9	-0.1	88.9
Iron Ore (CNY/MT)	715	0.0	0.0	-33.7
Wheat (\$/bu)	732	-0.3	0.9	14.2
Corn (\$/bu)	533	0.5	-0.7	10.1
Sugar (\$/lb)	20.3	0.2	2.5	31.2
SMP* (EUR/MT)	2,830	0.0	1.8	27.2

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.121	-0.3	-0.9	-11.7
Saudi Arabia (SAIBOR)	0.816	0.1	0.7	-0.2
UAE (EIBOR)	0.312	0.1	-1.2	-20.0
Qatar (QIBOR)	1.150	0.0	0.0	2.9
Bahrain (BHIBOR)	1.517	-3.3	-3.3	-73.3

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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