



Major Economic News

- The International Monetary Fund upgraded its FY21 growth forecasts for Saudi Arabia by 0.4% to 2.8%, as against 0.1% downgrade to the global growth forecast. The Kingdom's growth in FY22 is projected at 4.8%. (Source: Argaam)
- Foreign investment in Saudi Arabia grew by 16% to SAR 2.26tn in Q2-21 from SAR 1.95tn a year earlier. When compared to Q1-21, foreign investments rose 6% or SAR 126.3bn. (Source: Argaam)
- Saudi Minister of Human Resources and Social Development Ahmed Al-Rajhi issued a ministerial decision approving an amendment to the Saudization guide for dentistry and pharmacy professions. Under the new decision, the minimum pay for Saudis practicing the dentistry and pharmacy professions will be set at SAR 7,000, effective April 11, 2022. (Source: Argaam)

Major Corporate News

- Fawaz Abdulaziz Alhokair Co. announced that it signed a non-binding letter of intent (LoI) with Newco Corporation on the potential sale of 66.7% of Billy Beez USA LLC. Billy Beez is 100% owned by Fawaz Alhokair's wholly-owned subsidiary, Retail Group of America LLC. LoI is valid until December 31, 2021, subject to renewal. (Source: Argaam)
- Jadwa Investment announced that it has successfully completed the capital increase offering of Jadwa REIT Saudi Fund. Through this offering, Jadwa is increasing the fund's total asset value across both in-kind and cash subscriptions by SAR 370mn or 16.9% to nearly SAR 2.6bn. The offer was oversubscribed by 714%. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.3% to 11,542.9. The value traded stood at SAR 9.4bn (down 1.7% over previous day), while the advance-decline ratio stood at 66/124. The parallel market index increased 0.6% to 23,112.8 points. The value traded stood at SAR 38.1mn (down 18.7% over previous day). Most sectors in the main market ended in the red. Banks and Consumer Services (up 0.8% and 0.7%, respectively) advanced the most; Pharma & Bio Tech and Media (down 1.6% each) led the laggards.

Top Gainers

Company	Price	Change%
PETROCHEM	49.15	5.9
CHEMANOL	38.70	4.6
DUR	34.70	4.2
ALBABBAIN	37.25	3.5
SADR	389.40	2.7

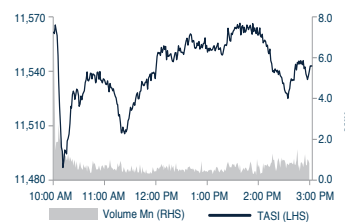
Top Losers

Company	Price	Change%
ACWA POWER	66.70	-8.4
SAUDI CERAMICS	57.20	-4.2
JADWA REIT SAUDI	14.26	-3.7
ATHEEB TELECOM	29.25	-3.6
CITY CEMENT	25.10	-3.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,543	11,569	11,486	0.3	32.8
NomuC	23,113	23,165	22,995	0.6	(11.9)

TASI movement during session



TASI Ratios

P/E* (x)	27.7
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	5,809	0.4	7.8	27.2
Materials	7,987	0.5	39.0	26.3
Capital Goods	8,241	(0.3)	26.1	High
Commercial Service	4,613	(0.8)	13.6	Neg
Transportation	5,879	(0.3)	21.4	Neg
Consumer Durables	7,483	(0.3)	30.8	High
Consumer Services	5,229	0.7	22.5	Neg
Media	17,856	(1.6)	74.8	High
Retailing	10,283	(0.7)	20.2	44.7
Food & Staples	9,657	0.0	(8.4)	38.7
Food & Beverages	5,323	(0.8)	(2.6)	35.5
Healthcare	7,461	(0.7)	32.0	39.7
Pharma & Bio Tech	5,646	(1.6)	9.2	High
Banks	11,812	0.8	55.7	22.7
Diversified Financials	7,129	(1.2)	55.1	High
Insurance	6,537	(0.1)	8.5	37.8
Telecom	7,532	(0.8)	9.2	22.3
Utilities	6,051	(0.6)	31.3	11.1
REITs	4,829	(0.9)	12.7	Neg
Real Estate	3,357	(0.2)	11.2	Neg
Software & Services	29,276	(1.3)	107.8	38.8

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,557	11,514	11,438	8.24

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	26.5	680.3	1,255.1
Previous week	39.4	966.7	1,675.5

Top Weighted Companies

Company	Price	Change%
Al Rajhi	135.00	0.7
SNB	63.30	0.6
Saudi Aramco	37.20	0.5
SABIC	128.60	0.2
STC	118.00	-0.8



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 0.6% and 0.1%, respectively. Egypt gained 0.6%, while Kuwait, Qatar and Bahrain rose 0.2% each. Meanwhile, Oman declined 0.1%.
- The International Monetary Fund (IMF) lowered the forecast for FY21 global growth to 5.9% from 6.0% predicted in July. IMF said that the global economic recovery is continuing, but the momentum has weakened due the resurgence of the Covid-19 pandemic triggered by the Delta variant. The growth forecast was maintained at 4.9% for FY22. (Source: RTT News)
- The number of payroll employees in UK increased by 207,000 M/M to reach a record 29.2mn in September. The unemployment rate for the three months ended August eased to 4.5% (in line with consensus) from 4.6% in the three months ended July. (Source: Econoday, RTT News)
- Oil prices fell 0.3%, amid increased concerns over economic recovery due to high energy costs.
- Gold prices rose 0.3%, as investors resorted to the safe haven metal, after IMF slightly lowered its FY21 global growth forecast stating that the global economy is losing momentum.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	94.5	0.2	0.3	5.1
Euro	1.15	-0.2	-0.5	-5.6
Japanese Yen	113.6	0.3	2.1	10.0
Sterling Pound	1.36	-0.1	0.8	-0.6
Chinese Yuan	6.45	0.0	0.1	-1.2
Indian Rupee	75.5	0.1	1.8	3.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	-0.3	0.3	0.3
Kuwaiti Dinar	0.30	0.1	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	15.68	0.0	-0.1	-0.1

Corporate Calendar

Date	Company	Event
13 th Oct	HB	OGM
14 th Oct	Dallah Health	Cash Dividend Distribution
17 th Oct	Najran Cement	Cash Dividend Distribution
24 th Oct	ALANDALUS	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)	2,788	0.6	-2.0	11.9	21.1
Abu Dhabi (ADX)	7,787	0.1	1.1	54.3	21.6
Kuwait (KSE)	5,711	0.2	1.6	25.5	15.3
Qatar (QE)	11,596	0.2	1.0	11.1	16.5
Oman (MSM)	3,956	-0.1	0.3	8.1	10.5
Bahrain (BSE)	1,701	0.2	-0.2	14.2	13.3
Egypt (EGX30)	10,784	0.6	2.5	-0.6	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,378	-0.3	1.6	12.3	21.1
Nasdaq	14,466	-0.1	0.1	12.2	30.4
S&P 500	4,351	-0.2	1.0	15.8	25.9
FTSE 100	7,130	-0.2	0.6	10.4	14.5
Germany DAX 30	15,147	-0.3	-0.7	10.4	15.5
France CAC 40	6,548	-0.3	0.4	18.0	22.3
Japan Nikkei 225	28,231	-0.9	-4.1	2.9	15.2
Russia MOEX	4,264	-0.4	3.9	29.6	9.4
Hong Kong Hang Seng	24,963	-1.4	1.6	-8.3	11.4
South Korea KOSPI	2,916	-1.4	-5.0	1.5	15.5
China Shanghai Composite	3,547	-1.2	-0.6	2.1	12.0
Australia ASX 200	7,281	-0.3	-0.7	10.5	17.5
India Sensex	60,284	0.2	2.0	26.2	28.6
MSCI EM	1,254	-0.9	0.0	-2.9	15.5
MSCI World	3,025	-0.2	0.6	12.4	23.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	83.9	-0.1	6.2	68.0
Brent Crude (\$/bbl)	83.4	-0.3	6.2	61.0
Texas crude (\$/bbl)	80.6	0.1	7.5	66.2
Natural Gas (\$/mmbtu)	5.51	3.0	-6.2	116.8
Gold (\$/oz)	1,760	0.3	0.2	-7.3
Silver (\$/oz)	22.5	-0.1	1.5	-14.5
Steel (\$/ton)	1,899	0.1	-0.1	89.0
Iron Ore (CNY/MT)	715	0.0	0.0	-33.7
Wheat (\$/bu)	734	0.3	1.2	14.6
Corn (\$/bu)	523	-2.0	-2.7	8.0
Sugar (\$/lb)	20.1	-1.3	1.2	29.6
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	0.122	0.1	-0.8	-11.7
Saudi Arabia (SAIBOR)	0.816	0.0	0.7	-0.2
UAE (EIBOR)	0.388	7.5	6.3	-12.5
Qatar (QIBOR)	1.150	0.0	0.0	2.9
Bahrain (BHIBOR)	1.517	0.0	-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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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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