



Major Economic News

- The point-of-sale transactions in Saudi Arabia fell 8% to SAR 8.0bn in the week ending October 23, from SAR 8.7bn in the previous week, the lowest in nine weeks. Total 102.8mn transactions were processed in the week. (Source: Argaam)

Major Corporate News

- Saudi Industrial Investment Group (SIIG) signed a binding merger agreement with National Petrochemical Co. (Petrochem). Under the agreement, SIIG will make an offer to acquire all the issued shares in Petrochem that are not owned by it and issue new shares to Petrochem's shareholders in SIIG. (Source: Argaam)
- ACWA Power announced the financial close of a major debt facility of USD 7.2bn for the Jazan Integrated Gasification Combined Cycle project. The project is a joint venture between ACWA Power (25% equity stake), Aramco, Air Products and Air Products Qudra. (Source: Argaam)
- Etihad Atheeb Telecommunication Co. submitted a request for capital reduction to CMA. The company's board of directors recommended reducing its capital by 60.6%. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.3% to 11,807.8. The value traded stood at SAR 6.1bn (up 2.5% over previous day), while the advance-decline ratio stood at 27/170. The parallel market index decreased 0.2% to 23,912.2 points. The value traded stood at SAR 25.6mn (up 13.2% over previous day). Most sectors in the main market ended in the red. Media and Energy (up 0.4% and 0.2%, respectively) advanced the most; Transportation and Pharma & Bio Tech (down 1.9% and 1.7%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q3-21	Q3-20	Y/Y %	Q2-21	Q/Q %
SABIC	5,590.0	1,090.0	412.8	7,640.0	-26.8
SVCP	-1.8	0.9	NM	-1.4	NM
Saudi British Bank	886.0	1,049.0	-15.5	919.0	-3.6
Tasnee	333.4	-42.3	NM	356.7	-6.5
Sadara Chemical Co.	684.3	-513.7	NM	606.3	12.9
Eastern Province Cement	38.0	43.0	-11.6	62.0	-38.7
Leejam Sports Company	76.2	26.6	186.8	50.9	49.7
Middle East Paper Co.	65.0	0.4	NM	43.1	51.0
SAIC	31.7	7.5	322.3	16.8	88.6
SIIG	204.0	85.0	140.0	505.0	-59.6
National Petrochemical Co.	244.0	117.0	108.5	603.0	-59.5
Savola Group	122.4	283.7	-56.9	200.0	-38.8
Riyad Bank	1,543.0	1,296.0	19.1	1,512.0	2.1

Top Gainers

Company	Price	Change%
BSFR	41.95	4.0
HERFY FOODS	66.70	2.8
ARAB SEA	171.60	1.5
FITNESS TIME	108.00	1.5
SABB	33.90	1.5

Top Losers

Company	Price	Change%
PETRO RABIGH	30.00	-9.9
ATHEEB TELECOM	28.00	-9.1
AMIANITIT	23.62	-4.3
BJAZ	19.08	-3.9
SIECO	103.60	-3.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,808	11,886	11,779	(0.3)	35.9
NomuC	23,912	24,065	23,775	(0.2)	(8.9)

TASI movement during session



TASI Ratios

P/E* (x)	26.3
Price-to-Book (x)	2.5
Dividend Yield (%)	1.7
Return on Equity (%)	16.9

Source: Argaam
* Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,915	0.2	9.8	27.6
Materials	8,156	(1.1)	41.9	26.9
Capital Goods	8,295	(1.2)	26.9	High
Commercial Service	4,864	(0.9)	19.8	Neg
Transportation	5,921	(1.9)	22.3	Neg
Consumer Durables	7,505	(1.5)	31.2	High
Consumer Services	5,353	(0.3)	25.4	Neg
Media	21,074	0.4	106.3	High
Retailing	10,377	(1.0)	21.3	45.1
Food & Staples	9,821	(1.1)	(6.8)	39.5
Food & Beverages	5,393	(0.7)	(1.3)	35.9
Healthcare	7,687	(0.1)	36.0	40.8
Pharma & Bio Tech	5,673	(1.7)	9.7	High
Banks	12,122	0.1	59.7	23.3
Diversified Financials	7,269	(1.4)	58.2	High
Insurance	6,658	(1.0)	10.5	38.4
Telecom	7,475	(0.4)	8.4	22.1
Utilities	6,269	(0.3)	36.0	11.5
REITs	4,851	(0.3)	13.2	Neg
Real Estate	3,500	(0.0)	15.9	Neg
Software & Services	28,786	(1.2)	104.3	38.0

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,866	11,826	11,682	7.54

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	25.8	731.6	1,158.2
Previous week	36.9	1,002.5	1,631.3

Top Weighted Companies

Company	Price	Change%
Al Rajhi	138.80	-0.3
SNB	65.50	0.8
Saudi Aramco	37.70	0.8
SABIC	133.00	-1.2
STC	117.00	-0.2



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 0.1% and 0.6%, respectively. Oman, Egypt, Kuwait and Bahrain rose 1.0%, 0.8%, 0.6% and 0.1%, respectively; while Qatar declined 0.3%.
- According to EIA, oil inventories in the US rose 4.3mn barrels (prior: down 0.4mn) to 430.8mn in the week ended October 22. Gasoline inventories decreased 2.0mn barrels (prior: down 5.4mn) to 215.7mn, while distillate inventories fell 0.4mn barrels (prior: down 3.9mn) to 125.0mn. (Source: EIA, Econoday)
- The Bank of Japan slashed its economic growth forecast for the country to the rate of "around zero or slightly positive" from an estimate of above 0.5% growth earlier. The central bank emphasized on the need for labour market reforms and deregulation to overcome the challenges posed by a declining working-age population. (Source: Reuters)
- Oil prices plunged 2.1% impacted by expectations of Iran holding nuclear talks to lift US sanctions, further dragged by an increase in US oil inventories last week.
- Gold prices rose 0.2%, as softer US bond yields and US dollar boosted demand for the yellow metal, partly offset by strong risk appetite in equity markets.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.8	-0.2	-0.5	4.3
Euro	1.16	0.1	0.2	-5.0
Japanese Yen	113.8	-0.3	2.3	10.2
Sterling Pound	1.37	-0.1	2.0	0.5
Chinese Yuan	6.39	0.1	-0.8	-2.0
Indian Rupee	75.1	0.2	1.2	2.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.30	0.0	-0.1	-0.9
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	15.66	-0.1	-0.2	-0.2

Corporate Calendar

Date	Company	Event
28 th Oct	ALSAGR INSURANCE	OGM
03 rd Nov	SISCO	OGM
07 th Nov	ATAA	OGM
09 th Nov	AYYAN	EGM
09 th Nov	AICC	EGM
09 th Nov	Chemanol	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,864	-0.1	0.7	14.9	20.5
Abu Dhabi (ADX)	7,854	-0.6	2.0	55.7	21.4
Kuwait (KSE)	5,954	0.6	6.0	30.8	15.5
Qatar (QE)	11,666	-0.3	1.6	11.8	15.1
Oman (MSM)	4,050	1.0	2.7	10.7	10.8
Bahrain (BSE)	1,737	0.1	1.8	16.6	13.5
Egypt (EGX30)	11,345	0.8	7.9	4.6	8.5

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,491	-0.7	4.9	16.0	20.9
Nasdaq	15,236	0.0	5.4	18.2	31.5
S&P 500	4,552	-0.5	5.7	21.2	26.6
FTSE 100	7,253	-0.3	2.4	12.3	14.4
Germany DAX 30	15,706	-0.3	2.9	14.5	15.5
France CAC 40	6,754	-0.2	3.6	21.7	23.0
Japan Nikkei 225	29,098	0.0	-1.2	6.0	15.4
Russia MOEX	4,230	-0.1	3.1	28.6	8.3
Hong Kong Hang Seng	25,629	-1.6	4.3	-5.9	11.6
South Korea KOSPI	3,025	-0.8	-1.4	5.3	15.3
China Shanghai Composite	3,562	-1.0	-0.2	2.6	12.0
Australia ASX 200	7,449	0.1	1.6	13.1	17.9
India Sensex	61,143	-0.3	3.4	28.0	28.1
MSCI EM	1,283	-1.0	2.4	-0.6	15.5
MSCI World	3,152	-0.5	4.8	17.2	23.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	84.7	-0.2	7.2	69.6
Brent Crude (\$/bbl)	84.6	-2.1	7.7	63.3
Texas crude (\$/bbl)	82.7	-2.4	10.2	70.4
Natural Gas (\$/mmbtu)	6.20	5.4	5.7	144.3
Gold (\$/oz)	1,797	0.2	2.3	-5.4
Silver (\$/oz)	24.0	-0.4	8.3	-8.8
Steel (\$/ton)	1,776	-7.1	-6.5	76.7
Iron Ore (CNY/MT)	689	0.5	-3.7	-36.2
Wheat (\$/bu)	760	1.0	4.7	18.6
Corn (\$/bu)	557	2.5	3.8	15.1
Sugar (\$/lb)	19.7	0.2	-0.7	27.2
SMP* (EUR/MT)	2,864	1.4	3.0	28.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.136	0.1	0.6	-10.3
Saudi Arabia (SAIBOR)	0.824	0.3	1.6	0.7
UAE (EIBOR)	0.327	2.8	0.3	-18.5
Qatar (QIBOR)	1.156	-0.6	0.6	3.6
Bahrain (BHIBOR)	1.500	0.0	-5.0	-75.0

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of October 27, 2021



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RESEARCH
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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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