21 November 2021

# Daily Report

## Major Economic News

- Saudi Arabia's oil exports increased 1% M/M to 6.5 mbpd in September. On Y/Y basis, oil exports grew by 7% from 6.1 mbpd in September 2020. The Kingdom's crude output increased by 1% M/M to 9.7 mbpd in September, the highest level since April 2020, when it recorded 12.0 mbpd. Local crude consumption rose 1% M/M to nearly 3.2 mbpd in September from 3.1 mbpd in August. (Source: Argaam)

## Major Corporate News

- Saudi Tadawul Group Holding Co.'s IPO price range for the offering is set between SAR 95 and SAR 105 per share. The book-building period for the participating parties is commencing on November 21. (Source: Argaam)
- Bank AlJazira commenced the offer of SAR-denominated Tier 2 sukuk worth SAR 2bn through a private placement in Saudi Arabia. The offering will end on December 31. (Source: Argaam)
- Alkhaleej Training and Education Co.'s rights issue shares were 89.25% subscribed, as subscribers injected SAR 178.5mn in 17.85mn shares. The remaining 2.15mn shares will be offered for subscription from 10am on November 23, until 5pm on November 24. (Source: Argaam)
- Jabal Omar Development Co. received a letter from the Ministry of Finance approving the conversion of SAR 1.5bn existing loan, from a total loan amount of SAR 3.0bn, into a new Shariah-compliant, subordinated perpetual instrument, in accordance with the agreed terms. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange decreased 1.0% to 11,710.5 on Thursday. The value traded stood at SAR 4.9bn (up 0.6% over previous day), while the advance-decline ratio stood at 38/148. The parallel market index decreased 0.3% to 24,568.3 points. The value traded stood at SAR 23.6mn (down 42.8% over previous day). Most sectors in the main market ended in the red. Media (up 0.5%) was the only gainer; Commercial Service and Consumer Durables (down 1.5% and 1.4%, respectively) led the laggards.

## Earnings update (Net Profit) (SAR mn)

| Company | Q4-21 | Q4-20 | Y/Y % | Q3-21 | Q/Q % |
|---|---|---|---|---|---|
| NCLE* | 7.0 | 20.6 | -66.2 | 9.1 | -23.9 |

*- year ending is August

## Top Gainers

| Company | Price | Change% |
|---|---|---|
| SIIG | 33.20 | 3.8 |
| HERFY FOODS | 71.30 | 3.5 |
| ALUJAIN | 61.70 | 2.8 |
| MOUWASAT | 168.00 | 2.1 |
| ALBILAD | 47.00 | 2.1 |

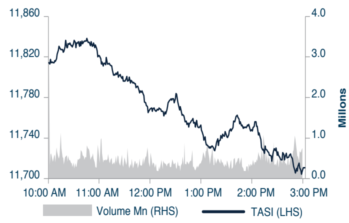
## Top Losers

| Company | Price | Change% |
|---|---|---|
| NCLE | 64.00 | -3.9 |
| SABIC AGRI-NUTRIENT | 177.00 | -3.8 |
| FIPCO | 53.30 | -3.8 |
| BSFR | 47.00 | -3.7 |
| SIDC | 18.28 | -3.4 |

## Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % |
|---|---|---|---|---|---|
| TASI | 11,710 | 11,839 | 11,701 | (1.0) | 34.8 |
| NomuC | 24,568 | 24,798 | 24,470 | (0.3) | (6.4) |

## TASI movement during session




## TASI Ratios

| | |
|---|---|
| P/E* (x) | 23.8 |
| Price-to-Book (x) | 2.4 |
| Dividend Yield (%) | 1.7 |
| Return on Equity (%) | 19.9 |

Source: Argaam
* Excluding Aramco

| Index | Close | Daily Change% | YTD % | PE (TTM) |
|---|---|---|---|---|
| Energy | 5,721 | (0.8) | 6.2 | 26.9 |
| Materials | 7,698 | (1.3) | 34.0 | 25.3 |
| Capital Goods | 7,396 | (0.6) | 13.1 | High |
| Commercial Service | 4,563 | (1.5) | 12.4 | Neg |
| Transportation | 5,548 | (0.5) | 14.6 | Neg |
| Consumer Durables | 6,612 | (1.4) | 15.5 | High |
| Consumer Services | 5,121 | (0.5) | 20.0 | Neg |
| Media | 18,984 | 0.5 | 85.8 | High |
| Retailing | 10,045 | (0.9) | 17.4 | 43.5 |
| Food & Staples | 9,553 | (0.0) | (9.3) | 38.1 |
| Food & Beverages | 5,136 | (0.8) | (6.0) | 34.4 |
| Healthcare | 7,393 | 0.0 | 30.8 | 39.8 |
| Pharma & Bio Tech | 5,211 | (1.0) | 0.8 | 49.7 |
| Banks | 12,654 | (1.2) | 66.7 | 24.3 |
| Diversified Financials | 7,025 | (0.7) | 52.9 | High |
| Insurance | 6,248 | (0.7) | 3.7 | 36.5 |
| Telecom | 7,47 | (0.9) | 8.3 | 21.9 |
| Utilities | 6,024 | (1.4) | 30.7 | 11.1 |
| REITs | 4,836 | (0.3) | 12.8 | Neg |
| Real Estate | 3,446 | (0.8) | 14.1 | Neg |
| Software & Services | 28,312 | (0.4) | 100.9 | 37.7 |

**Neg: Negative

## Average Index Value

| Average 5 days | Average 10 days | Average 20 days | Average value traded for the month (bn) |
|---|---|---|---|
| 11,824 | 11,832 | 11,804 | 5.43 |

## Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---|---|---|---|
| Current Week | - | - | - |
| Previous week | 26.1 | 733.2 | 1,356.5 |

## Top Weighted Companies

| Company | Price | Change% |
|---|---|---|
| Al Rajhi | 144.80 | -1.8 |
| SNB | 68.90 | -1.0 |
| Saudi Aramco | 36.80 | -0.7 |
| SABIC | 125.20 | -1.7 |
| STC | 115.20 | -0.7 |

## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 0.1% each. Oman and Bahrain gained 0.3% and 0.2%, respectively; while Egypt and Qatar declined 1.0% and 0.1%, respectively. Meanwhile, Kuwait remained flat.
- According to Baker Hughes, North America's rig count increased to 730 in the week ended November 19 from 724 earlier. The rig count rose to 563 in the US from 556 earlier, while remained unchanged at 15 in the Gulf of Mexico. The rig count in Canada decreased to 167 from 168 earlier. (Source: Baker Hughes)
- US Centers for Disease Control and Prevention authorized Covid-19 vaccine boosters from Pfizer and Moderna for the general public. (Source: CNBC)
- US initial jobless claims dropped to 268,000 (consensus: 261,000), representing a fall of 1,000 from the previous week's revised level of 269,000. (Source: Econoday)
- Oil prices plunged 2.9% on Friday, weighed down by worries of surge in COVID-19 infections in Europe. Expectations of release of crude reserves by major economies also dragged the oil prices.
- Gold prices fell 0.7%, as the strength in US dollar impacted demand for the yellow metal adversely.

### Forex / Currency

| Currency | Close | Daily Change% | MTD % | YTD % |
|---|---|---|---|---|
| Dollar Index | 96.0 | 0.5 | 2.0 | 6.8 |
| Euro | 1.13 | -0.7 | -2.4 | -7.6 |
| Japanese Yen | 114.0 | -0.2 | 0.0 | 10.4 |
| Sterling Pound | 1.35 | -0.3 | -1.7 | -1.6 |
| Chinese Yuan | 6.39 | 0.0 | -0.3 | -2.1 |
| Indian Rupee | 74.3 | 0.2 | -0.8 | 1.8 |
| UAE Dirham | 3.67 | 0.0 | 0.0 | 0.0 |
| Qatari Rial | 3.66 | 0.3 | 0.3 | 0.6 |
| Kuwaiti Dinar | 0.30 | 0.1 | 0.3 | -0.5 |
| Omani Rial | 0.38 | 0.0 | 0.0 | 0.0 |
| Bahraini Dinar | 0.38 | 0.0 | 0.0 | 0.1 |
| Egyptian Pound | 15.65 | 0.0 | -0.1 | -0.3 |

### Corporate Calendar

| Date | Company | Event |
|---|---|---|
| 21st Nov | Advanced | Cash Dividend Distribution |
| 21st Nov | ATAA | Cash Dividend Distribution |
| 22nd Nov | Saudi Aramco | Cash Dividend Distribution |
| 22nd Nov | ANAAM HOLDING | OGM |
| 23rd Nov | Maadaniyah | EGM |
| 23rd Nov | Wafa Insurance | OGM |

*EGM: Extra Ordinary Meeting
*OGM: Ordinary General Meeting

### Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|---|---|---|---|---|---|
| Dubai (DFM) | 3,265 | 0.1 | 14.0 | 31.0 | 20.1 |
| Abu Dhabi (ADX) | 8,349 | 0.1 | 6.2 | 65.5 | 20.8 |
| Kuwait (KSE) | 6,126 | 0.0 | 2.5 | 34.6 | 13.2 |
| Qatar (QE) | 11,950 | -0.1 | 1.6 | 14.5 | 15.4 |
| Oman (MSM) | 4,064 | 0.3 | -0.3 | 11.1 | 10.7 |
| Bahrain (BSE) | 1,791 | 0.2 | 2.8 | 20.2 | 10.3 |
| Egypt (EGX30) | 11,338 | -1.0 | -0.7 | 4.5 | 7.7 |

### International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|---|---|---|---|---|---|
| Dow Jones | 35,602 | -0.7 | -0.6 | 16.3 | 20.1 |
| Nasdaq | 16,057 | 0.4 | 3.6 | 24.6 | 32.0 |
| S&P 500 | 4,698 | -0.1 | 2.0 | 25.1 | 26.2 |
| FTSE 100 | 7,224 | -0.4 | -0.2 | 11.8 | 14.7 |
| Germany DAX 30 | 16,160 | -0.4 | 3.0 | 17.8 | 15.5 |
| France CAC 40 | 7,112 | -0.4 | 4.1 | 28.1 | 21.5 |
| Japan Nikkei 225 | 29,746 | 0.5 | 3.0 | 8.4 | 16.0 |
| Russia MOEX | 4,016 | -1.9 | -3.2 | 22.1 | 7.5 |
| Hong Kong Hang Seng | 25,050 | -1.1 | -1.3 | -8.0 | 11.2 |
| South Korea KOSPI | 2,971 | 0.8 | 0.0 | 3.4 | 13.8 |
| China Shanghai Composite | 3,560 | 1.1 | 0.4 | 2.5 | 12.0 |
| Australia ASX 200 | 7,397 | 0.2 | 1.0 | 12.3 | 16.7 |
| India Sensex | 59,636 | 0.0 | 0.6 | 24.9 | 25.7 |
| MSCI EM | 1,269 | -0.4 | 0.4 | -1.7 | 14.4 |
| MSCI World | 3,220 | -0.2 | 1.4 | 19.7 | 23.0 |

### Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---|---|---|---|---|
| Arab Light Crude ($/bbl) | 82.4 | 1.3 | -1.7 | 65.2 |
| Brent Crude ($/bbl) | 78.9 | -2.9 | -6.5 | 52.3 |
| Texas crude ($/bbl) | 76.1 | -3.7 | -8.9 | 56.8 |
| Natural Gas ($/mmbtu) | 5.07 | 3.3 | -6.7 | 99.5 |
| Gold ($/oz) | 1,846 | -0.7 | 3.5 | -2.8 |
| Silver ($/oz) | 24.6 | -0.8 | 3.1 | -6.7 |
| Steel ($/ton) | 1,800 | 0.1 | -0.2 | 79.1 |
| Iron Ore (CNY/MT) | 528 | 0.1 | -17.8 | -51.1 |
| Wheat ($/bu) | 823 | 0.4 | 6.5 | 28.5 |
| Corn ($/bu) | 571 | -0.4 | 0.4 | 17.9 |
| Sugar ($/lb) | 20.0 | -0.9 | 3.7 | 29.1 |
| SMP* (EUR/MT) | 3,085 | -0.1 | 2.5 | 38.7 |

*SMP: Skimmed Milk Powder

### Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|---|---|---|---|---|
| USD LIBOR | 0.160 | 0.2 | 2.7 | -7.9 |
| Saudi Arabia (SAIBOR) | 0.839 | 0.0 | 1.0 | 2.1 |
| UAE (EIBOR) | 0.368 | 2.5 | 6.3 | -14.4 |
| Qatar (QIBOR) | 1.158 | -2.5 | -0.1 | 3.8 |
| Bahrain (BHIBOR) | 1.517 | 0.0 | 1.7 | -73.3 |

Data Sources: Tadawul, Bloomberg, Reuters
* Three-month Interbank rate **NA: Not Available
*Updated as of November 19, 2021*

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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.