

## Major Economic News

- Saudi Arabia's inflation grew to 1.1% in November as against 0.8% in October. The cost-of-living index for November rose to 105.2 points compared to 104.0 points the year before. (Source: Argaam)
- Mortgage loans provided to retail and corporate clients by commercial banks in Saudi Arabia rose 36.0% Y/Y to SAR 533.5bn in Q3-21 from SAR 392.1bn in a year earlier period. Loans to retail clients, accounting for 77.0% of total mortgage loans, jumped 48.0% to SAR 412.6bn in Q3-21 from SAR 279.2bn in Q3-20. (Source: Argaam)

## Major Corporate News

- Almarai Co.'s board of directors approved the investment plan to enter the branded local beef segment. The plan will enable Almarai to offer its consumers with high-quality local meat and entails an initial investment of SAR 250.0mn, financed from the company's operating cashflows, to build a new end-to-end production plant. (Source: Argaam)
- Yamama Cement Co. made an early repayment of SAR 130.0mn worth of two loan installments to Saudi Industrial Development Fund. Accordingly, the company has an outstanding debt balance of SAR 1.2bn. (Source: Argaam)
- Alandalus Property Co. inked a contract with AlAhli REIT Fund 1 to build and expand parking lots at Alandalus Mall in Jeddah, at an estimated value of SAR 131.0mn. The company's fees account for 10% or not more than SAR 11.5mn of the development cost. (Source: Argaam)
- Filling and Packing Materials Manufacturing Co. inked a financing agreement at a total value of SAR 15.1mn with Saudi Industrial Development Fund. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 1.1% to 11,143.4. The value traded stood at SAR 7.4bn (up 2.7% over previous day), while the advance-decline ratio stood at 125/71. The parallel market index increased 3.0% to 25,208.9 points. The value traded stood at SAR 108.2mn (up 86.7% over previous day). Most sectors in the main market ended in the green. Retailing and Pharma & Bio Tech (up 2.9% and 1.6%, respectively) advanced the most; Food & Staples and Healthcare (down 0.5% and 0.2%, respectively) led the laggards.

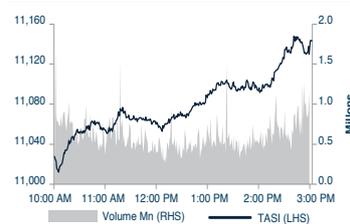
Top Gainers		
Company	Price	Change%
SIDC	21.36	9.2
ALJAZIRA REIT	24.44	5.9
JARIR	202.00	3.9
SIPCHEM	44.35	3.9
ATHEEB TELECOM	31.15	3.8

Top Losers		
Company	Price	Change%
ALINMA TOKIO M	33.20	-3.1
RAYDAN	22.68	-2.6
SVCP	84.00	-1.9
ABO MOATI	42.75	-1.8
MALATH INSURANCE	25.25	-1.8

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,143	11,150	11,012	1.1	28.2
NomuC	25,209	25,494	24,451	3.0	(3.9)

## TASI movement during session



## TASI Ratios

P/E* (x)	22.5
Price-to-Book (x)	2.3
Dividend Yield (%)	1.8
Return on Equity (%)	19.9

Source: Argaam  
\*Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,461	0.4	1.4	20.5
Materials	7,390	1.6	28.6	18.6
Capital Goods	7,725	0.2	18.2	High
Commercial Service	4,818	0.2	18.7	Neg
Transportation	5,542	0.1	14.4	Neg
Consumer Durables	6,818	1.3	19.1	High
Consumer Services	5,037	1.0	18.0	Neg
Media	19,960	0.2	95.4	33.1
Retailing	10,142	2.9	18.5	38.3
Food & Staples	9,472	(0.5)	(10.1)	39.5
Food & Beverages	4,935	0.1	(9.7)	38.6
Healthcare	7,228	(0.2)	27.8	38.6
Pharma & Bio Tech	5,389	1.6	4.2	High
Banks	11,734	1.4	54.6	21.1
Diversified Financials	7,233	0.3	57.4	High
Insurance	6,231	(0.1)	3.4	49.9
Telecom	7,140	0.5	3.5	20.5
Utilities	5,865	1.5	27.2	8.3
REITs	4,802	0.9	12.1	Neg
Real Estate	3,300	0.2	9.3	Neg
Software & Services	27,751	1.2	96.9	31.8

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,019	11,024	11,087	8.48

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	42.6	907.8	1,562.6
Previous week	39.3	1,027.6	1,907.7

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	139.00	1.6
SNB	61.90	2.0
Saudi Aramco	35.15	0.4
SABIC	114.40	2.0
STC	109.60	0.6



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 0.7% and 0.3%, respectively. Qatar and Oman declined 0.7% and 0.1%, respectively; while Kuwait and Bahrain fell 0.2% each. Meanwhile, Egypt remained flat.
- US Federal Reserve indicated that it would speed up the reduction of its monthly bond purchases. The central bank will be buying USD 60bn of bonds each month starting in January, USD 30bn less than that in December. Additionally, Fed officials see as many as three rate hikes coming in FY22, with two each in FY23 and FY24. (Source: CNBC)
- According to EIA, oil inventories in the US fell 4.6mn barrels (prior: down 0.2mn) to 428.3mn in the week ended December 10. Gasoline inventories decreased 0.7mn barrels (prior: up 3.9mn) to 218.6mn, while distillate inventories declined 2.9mn barrels (prior: up 2.7mn) to 123.8mn. (Source: EIA, Econoday)
- US retail sales rose 0.3% in November (consensus: an increase of 0.8%) compared with an upwardly revised 1.8% growth in October. (Source: RTT News)
- Oil prices increased 0.2%, after data revealed that US oil inventories decreased last week.
- Gold prices rose 0.3%, as the weaker US dollar boosted demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	96.5	-0.1	0.5	7.3
Euro	1.13	0.2	-0.4	-7.6
Japanese Yen	114.0	0.3	0.8	10.4
Sterling Pound	1.33	0.2	-0.2	-3.0
Chinese Yuan	6.37	0.0	0.1	-2.4
Indian Rupee	76.3	0.4	1.7	4.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.30	0.1	0.2	-0.2
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.1
Egyptian Pound	15.72	0.1	-0.1	0.2

## Corporate Calendar

Date	Company	Event
16 <sup>th</sup> Dec	Nayifat	Cash Dividend Distribution
19 <sup>th</sup> Dec	SPCC	OGM
20 <sup>th</sup> Dec	SAPTCO	OGM
21 <sup>st</sup> Dec	TANMIAH	EGM
23 <sup>rd</sup> Dec	HCC	Cash Dividend Distribution
29 <sup>th</sup> Dec	QACCO	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,255	-0.7	5.9	30.6	21.4
Abu Dhabi (ADX)	8,819	-0.3	3.2	74.8	22.1
Kuwait (KSE)	5,869	-0.2	2.6	28.9	9.6
Qatar (QE)	11,642	-0.7	2.2	11.6	15.0
Oman (MSM)	4,021	-0.1	0.5	9.9	10.6
Bahrain (BSE)	1,782	-0.2	3.0	19.6	10.1
Egypt (EGX30)	11,622	0.0	2.0	7.2	7.8

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,927	1.1	4.2	17.4	20.3
Nasdaq	15,566	2.2	0.2	20.8	30.5
S&P 500	4,710	1.6	3.1	25.4	25.7
FTSE 100	7,171	-0.7	1.6	11.0	14.8
Germany DAX 30	15,476	0.1	2.5	12.8	14.7
France CAC 40	6,928	0.5	3.1	24.8	21.0
Japan Nikkei 225	28,460	0.1	2.3	3.7	15.3
Russia MOEX	3,622	0.1	-6.9	10.1	5.9
Hong Kong Hang Seng	23,421	-0.9	-0.2	-14.0	10.9
South Korea KOSPI	2,989	0.0	5.3	4.0	13.9
China Shanghai Composite	3,648	-0.4	2.3	5.0	12.0
Australia ASX 200	7,327	-0.7	1.0	11.2	16.6
India Sensex	57,788	-0.6	1.3	21.0	24.9
MSCI EM	1,215	-0.6	0.2	-5.9	13.8
MSCI World	3,175	1.2	2.4	18.0	22.8

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	74.2	-2.2	1.9	48.6
Brent Crude (\$/bbl)	73.9	0.2	4.7	42.6
Texas crude (\$/bbl)	70.9	0.2	7.1	46.1
Natural Gas (\$/mmbtu)	3.80	1.5	-16.8	49.7
Gold (\$/oz)	1,777	0.3	0.1	-6.4
Silver (\$/oz)	22.1	0.6	-3.3	-16.3
Steel (\$/ton)	1,630	1.4	1.2	62.2
Iron Ore (CNY/MT)	669	11.0	11.8	-38.0
Wheat (\$/bu)	756	-3.8	-2.3	18.0
Corn (\$/bu)	586	-0.5	3.3	21.0
Sugar (\$/lb)	19.3	-1.8	3.7	24.5
SMP* (EUR/MT)	3,251	-1.2	-0.3	46.1

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.211	0.8	3.8	-2.8
Saudi Arabia (SAIBOR)	0.876	0.9	3.0	5.8
UAE (EIBOR)	0.305	-13.3	-4.4	-20.8
Qatar (QIBOR)	1.100	0.0	-7.0	-2.1
Bahrain (BHIBOR)	1.517	0.0	0.0	-73.3

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of December 15, 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