



Major Economic News

- The National Debt Management Center announced that it completed receiving investor applications for its domestic issuance for December, under the Saudi Arabian Government SAR-denominated Sukuk Program. The issuance size was set at SAR 415.0mn. (Source: Argaam)

Major Corporate News

- Leejam Sports Co. announced that it opened two new men Xpress fitness centers in Riyadh and Dammam. Total 16 Xpress fitness centers are opened since the launch of the Fitness Time Xpress in November 2020. (Source: Argaam)
- Saudi Real Estate Refinance Co. (SRC) expects total real estate refinance to reach SAR 27.0bn by the end of FY21, which is reflective of significant growth in the Kingdom's secondary real estate financing market, according to Majeed Abduljabbar, Chief Business and Markets Officer. He added that SRC plans to acquire a stake in the residential real estate financing portfolios in Saudi Arabia. (Source: Argaam)
- Alkhorayef Water and Power Technologies Co. signed a contract with the Ministry of Environment, Water and Agriculture for the operation and maintenance of Uglat Alsugoor and Dariyah governorates, as well as Al-Qassim Province's villages and centers. The contract is valued at SAR 34mn. (Source: Argaam)
- ACWA Power announced the dry financial closure for USD 1.3bn (~SAR 5.0bn) senior debt facilities for the Red Sea Multi-Utilities Project. (Source: Argaam)
- SEDCO Capital REIT Fund completed the cash subscription process to increase the total asset value of the fund at the upper limit. The total value of requests amounted to SAR 848.0mn, with a coverage rate of 3.4x. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.8% to 11,261.3. The value traded stood at SAR 5.6bn (down 21.3% over previous day), while the advance-decline ratio stood at 146/53. The parallel market index decreased 0.8% to 27,156.2 points. The value traded stood at SAR 116.0mn (up 1.3% over previous day). Most sectors in the main market ended in the green. Media and Software & Services (up 3.9% and 1.6%, respectively) advanced the most; Food & Staples (down 0.3%) was the only laggard.

Top Gainers

Company	Price	Change%
ALMRAKEZ	24.00	9.1
ASTRA INDUSTRIAL	40.60	7.6
SASCO	31.20	4.9
RAYDAN	23.36	4.8
EIC	28.30	4.2

Top Losers

Company	Price	Change%
ATHEEB TELECOM	29.10	-3.6
BAAZEEM	114.80	-2.4
ATC	35.10	-2.4
ALMUNAJEM	62.10	-2.1
AMIANIT	18.38	-2.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,261	11,261	11,171	0.8	29.6
NomuC	27,156	27,455	26,864	(0.8)	3.5

TASI movement during session



TASI Ratios

P/E* (x)	22.8
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	5,486	0.6	1.8	20.6
Materials	7,404	0.7	28.8	18.8
Capital Goods	7,699	1.2	17.8	High
Commercial Service	4,715	1.1	16.2	Neg
Transportation	5,464	0.7	12.8	Neg
Consumer Durables	6,711	0.2	17.3	49.7
Consumer Services	4,918	0.7	15.2	Neg
Media	20,555	3.9	101.2	33.8
Retailing	9,939	0.6	16.2	37.6
Food & Staples	9,359	(0.3)	(11.2)	45.1
Food & Beverages	4,903	0.3	(10.3)	38.4
Healthcare	7,260	0.3	28.4	38.5
Pharma & Bio Tech	5,231	0.4	1.1	High
Banks	12,050	1.1	58.8	21.7
Diversified Financials	7,098	1.2	54.5	High
Insurance	6,156	0.1	2.2	49.5
Telecom	7,286	0.6	5.6	21.0
Utilities	5,875	0.3	27.5	8.3
REITs	4,755	0.4	11.0	Neg
Real Estate	3,256	1.0	7.8	Neg
Software & Services	27,626	1.6	96.0	31.7

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,209	11,099	11,051	8.19

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	18.7	507.4	989.6
Previous week	53.5	1,162.9	1,964.5

Top Weighted Companies

Company	Price	Change%
Al Rajhi	141.80	1.6
SNB	62.90	1.0
Saudi Aramco	35.45	0.6
SABIC	116.00	1.0
STC	112.40	0.4



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 0.1% and 1.2%, respectively. Oman and Egypt rose 0.6% and 0.4%, respectively; while Kuwait and Bahrain declined 0.2% and 0.1%, respectively. Meanwhile, Qatar remained flat.
- Eurozone's consumer confidence (flash reading) worsened to -8.3 in December (consensus: -8.0) from
- 6.8 in November. This was the third straight decline to its weakest level since March. (Source: RTT News)
- UK's budget deficit fell by GBP 115.8bn in the financial year-to-November compared to GBP 136.0bn same period last year. The borrowing was at the second highest level during this period. (Source: RTT News)
- The Bank of Japan will continue its current favorable monetary policy until the country reaches its price stability target of 2.0%. Members of the monetary policy committee indicated that interest rates will remain at current levels for now. (Source: RTT News)
- Oil prices jumped 3.4% driven by the American Petroleum Institute estimating a drawdown in US oil inventories, further aided by supply issues in Libya.
- Gold prices fell 0.1%, as investors abandoned the safe haven metal amid increased risk appetite and recovery in US dollar.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	96.5	-0.1	0.5	7.3
Euro	1.13	0.1	-0.5	-7.6
Japanese Yen	114.1	0.4	0.8	10.5
Sterling Pound	1.33	0.4	-0.3	-3.0
Chinese Yuan	6.38	-0.1	0.1	-1.9
Indian Rupee	75.6	-0.4	0.6	3.5
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	0.1	0.0	0.0
Kuwaiti Dinar	0.30	-0.1	0.1	-0.4
Omani Rial	0.38	0.0	0.0	0.1
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.71	-0.1	0.0	-0.2

Corporate Calendar

Date	Company	Event
23 rd Dec	HCC	Cash Dividend Distribution
29 th Dec	QACCO	OGM
29 th Dec	Allianz SF	EGM
30 th Dec	YCC	Cash Dividend Distribution
30 th Dec	Dallah Health	Cash Dividend Distribution
30 th Dec	Sipchem	Cash Dividend Distribution

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,153	-0.1	2.6	26.5	20.8
Abu Dhabi (ADX)	8,459	-1.2	-1.0	67.7	21.4
Kuwait (KSE)	5,795	-0.2	1.3	27.3	9.5
Qatar (QE)	11,653	0.0	2.3	11.7	15.0
Oman (MSM)	4,075	0.6	1.9	11.4	10.6
Bahrain (BSE)	1,770	-0.1	2.3	18.8	10.1
Egypt (EGX30)	11,525	0.4	1.1	6.3	7.7

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,493	1.6	2.9	16.0	19.8
Nasdaq	15,986	2.3	-0.9	24.0	39.2
S&P 500	4,649	1.8	1.8	23.8	25.5
FTSE 100	7,297	1.4	3.4	13.0	17.5
Germany DAX 30	15,447	1.4	2.3	12.6	14.9
France CAC 40	6,965	1.4	3.6	25.5	21.1
Japan Nikkei 225	28,518	2.1	2.5	3.9	16.2
Russia MOEX	3,693	0.7	-5.1	12.3	7.0
Hong Kong Hang Seng	22,971	1.0	-2.1	-15.6	9.2
South Korea KOSPI	2,975	0.4	4.8	3.5	13.8
China Shanghai Composite	3,625	0.9	1.7	4.4	15.5
Australia ASX 200	7,355	0.9	1.4	11.7	23.1
India Sensex	56,319	0.9	-1.3	17.9	26.7
MSCI EM	1,204	1.1	-0.7	-6.8	13.7
MSCI World	3,152	1.7	1.6	17.2	22.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	72.9	1.8	0.2	46.1
Brent Crude (\$/bbl)	74.0	3.4	4.8	42.8
Texas crude (\$/bbl)	71.1	4.2	7.5	46.6
Natural Gas (\$/mmbtu)	3.9	0.9	-15.3	28.7
Gold (\$/oz)	1,789.3	-0.1	0.8	-5.7
Silver (\$/oz)	22.5	1.1	-1.4	-14.7
Steel (\$/ton)	1,638.0	0.1	1.7	63.0
Iron Ore (CNY/MT)	687.5	0.9	15.0	-36.3
Wheat (\$/bu)	799.0	2.7	1.5	24.4
Corn (\$/bu)	598.3	1.2	5.4	35.9
Sugar (\$/lb)	18.7	0.8	0.8	31.3
SMP* (EUR/MT)	3,406.0	-1.3	4.5	53.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.214	0.0	23.7	-10.1
Saudi Arabia (SAIBOR)	0.893	0.5	5.6	9.2
UAE (EIBOR)	0.403	10.3	15.4	-21.5
Qatar (QIBOR)	1.125	0.0	-3.8	0.4
Bahrain (BHIBOR)	1.517	0.0	0.0	-32.6

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of December 21, 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