



Major Economic News

- A total of 600 private schools and 1,800 kindergartens completely stopped over the last two years due to the COVID-19 outbreak, according to Fahd Hamad bin Yamin, Vice Chairman of the Private Education Committee. (Source: Argaam)

Major Corporate News

- Almarai Co. concluded the sale and purchase agreement with the shareholders of Bakemart to acquire 100% of the shares in Bakemart UAE and Bakemart Bahrain for AED 93.5mn (SAR 95.5mn). (Source: Argaam)
- Saudi Aramco announced an expansion of its global presence in refining, marketing and chemicals through investments in refining, wholesale sales and jet fuel marketing in Poland. The company agreed to acquire 30% stake in a 210,000 bpd refinery in Gdansk, 100% in its associated wholesale trade, and 50% in a joint venture to market jet fuel with British Petroleum Co. (Source: Argaam)
- International Company for Water and Power Projects (ACWA Power) commenced the operation of water desalination in Rabigh Three Company IWP located in Rabigh. The plant operates with a capacity of 600,000 cu. m. per day. (Source: Argaam)
- Saudi Public Transport Co. received a notification of awarding a project with the Eastern Province Municipality for the public bus transport project in Dammam and Al-Qatif governorate, for a period of five years. The project value is SAR 149.6mn. (Source: Argaam)
- Lucid Group Inc. is working on opening an electric cars factory in Saudi Arabia by FY25-26, as per Chairman Andrew Liveris. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 1.0% to 11,957.1. The value traded stood at SAR 7.5bn (down 6.2% over previous day), while the advance-decline ratio stood at 130/60. The parallel market index increased 0.3% to 26,229.4 points. The value traded stood at SAR 278.4mn (up 71.7% over previous day). Most sectors in the main market ended in the green. Media and Healthcare (up 2.8% and 2.1%, respectively) advanced the most; Diversified Financials and Commercial Service (down 1.1% and 0.1%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
KEC	18.60	7.8
MOUWASAT	191.80	5.5
SIIG	33.30	4.1
BUDGET SAUDI	50.50	4.0
EMAAR EC	12.66	3.9

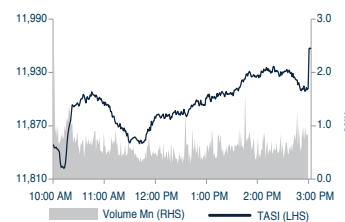
Top Losers

Company	Price	Change%
AMANA INSURANCE	33.05	-2.5
FITNESS TIME	111.00	-2.5
TADAWUL GROUP	139.00	-2.4
AXA COOPERATIVE	34.10	-1.7
ABO MOATI	44.35	-1.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,957	11,957	11,819	1.0	6.0
NomuC	26,229	26,370	26,010	0.3	1.0

TASI movement during session



TASI Ratios

P/E* (x)	24.2
Price-to-Book (x)	2.5
Dividend Yield (%)	1.0
Return on Equity (%)	19.9

Source: Argaam
*Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,625	0.9	2.0	21.2
Materials	7,731	1.2	5.3	19.8
Capital Goods	7,879	0.5	4.4	High
Commercial Service	4,440	-0.1	-0.1	Neg
Transportation	5,497	1.3	5.0	Neg
Consumer Durables	6,592	-0.1	3.8	48.9
Consumer Services	4,853	0.2	4.6	Neg
Media	27,928	2.8	20.1	45.2
Retailing	10,180	0.8	3.4	38.2
Food & Staples	9,367	1.2	2.7	36.0
Food & Beverages	4,957	1.1	2.5	38.7
Healthcare	7,807	2.1	6.7	41.3
Pharma & Bio Tech	5,297	0.8	2.0	High
Banks	13,305	0.9	8.9	24.1
Diversified Financials	7,209	-1.1	5.6	47.6
Insurance	6,134	0.9	2.4	49.4
Telecom	7,301	0.3	0.3	20.9
Utilities	6,236	0.0	5.1	9.0
REITs	4,685	0.6	1.6	Neg
Real Estate	3,258	0.9	2.8	Neg
Software & Services	29,997	1.6	4.7	34.3

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
11,691	11,521	11,372	6.23

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	29.0	756.8	1318.3
Previous week	27.1	735.2	1390.5

Top Weighted Companies

Company	Price	Change%
Al Rajhi	150.60	0.5
SNB	71.90	1.3
Saudi Aramco	36.35	1.0
SABIC	121.00	0.7
STC	111.80	0.4



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai remained flat, while Abu Dhabi increased 0.5%. Qatar, Oman and Egypt rose 0.9%, 0.8% and 0.5%, respectively. Meanwhile, Kuwait and Bahrain decreased 0.1% each.
- According to EIA, oil inventories in the US fell 4.6mn barrels (prior: down 2.1mn) to 413.3mn in the week ended January 07. Gasoline inventories increased 8.0mn barrels (prior: up 10.1mn) to 240.7mn, while distillate inventories rose 2.5mn barrels (prior: up 4.4mn) to 129.4mn. (Source: EIA, Econoday)
- US CPI rose 7.0% Y/Y in December (consensus: an increase of 7.1%) compared to 6.8% growth in November. This was the fastest increase in consumer prices since June 1982. The core CPI, excluding food and energy, was up 5.5% Y/Y, the biggest growth since February 1991. (Source: CNBC)
- Chia's CPI increased 1.5% in December (consensus: 1.8% growth) versus a rise of 2.3% in November. Food prices fell 1.2% Y/Y, while non-food prices advanced 2.1%. (Source: RTT News)
- Oil prices gained 1.1%, as US oil inventories fell to the lowest level since 2018. Oil was also supported by the weaker US dollar.
- Gold prices rose 0.2%, as the downward movement in US dollar and treasury yields after US inflation data boosted demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	94.92	-0.7	-0.8	-0.8
Euro	1.14	0.7	0.6	0.6
Japanese Yen	114.64	-0.6	-0.4	-0.4
Sterling Pound	1.37	0.5	1.2	1.2
Chinese Yuan	6.36	-0.2	0.1	0.1
Indian Rupee	73.92	0.0	-0.6	-0.6
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.67	-0.1	-0.1	-0.1
Kuwaiti Dinar	0.30	0.0	0.0	0.0
Omani Rial	0.38	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.72	0.0	0.0	0.0

Corporate Calendar

Date	Company	Event
16 th Jan	AXA COOPERATIVE	OGM
17 th Jan	SASCO	Cash Dividend Distribution
20 th Jan	NCLE	Cash Dividend Distribution
20 th Jan	SICO SAUDI REIT	OGM
20 th Jan	Baazeem	OGM
20 th Jan	Jouf Cement	EGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,208	0.0	0.4	0.4	20.0
Abu Dhabi (ADX)	8,371	0.5	-1.4	-1.4	21.0
Kuwait (KSE)	6,066	-0.1	3.0	3.0	9.8
Qatar (QE)	12,163	0.9	4.6	4.6	15.5
Oman (MSM)	4,258	0.8	3.1	3.1	11.1
Bahrain (BSE)	1,793	-0.1	-0.3	-0.3	10.2
Egypt (EGX30)	12,060	0.5	0.9	0.9	8.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	36,290	0.1	-0.1	-0.1	20.1
Nasdaq	15,905	0.4	-2.5	-2.5	38.8
S&P 500	4,726	0.3	-0.8	-0.8	26.0
FTSE 100	7,552	0.8	2.3	2.3	18.1
Germany DAX 30	16,010	0.4	0.8	0.8	15.5
France CAC 40	7,237	0.7	1.2	1.2	21.9
Japan Nikkei 225	28,766	0.0	-0.1	-0.1	16.2
Russia MOEX	3,830	1.2	1.1	1.1	7.3
Hong Kong Hang Seng	24,402	0.0	4.3	4.3	9.7
South Korea KOSPI	2,972	0.0	-0.2	-0.2	13.7
China Shanghai Composite	3,597	0.0	-1.2	-1.2	15.3
Australia ASX 200	7,474	0.5	0.4	0.4	23.3
India Sensex	61,150	0.0	5.0	5.0	28.7
MSCI EM	1,267	2.0	2.9	2.9	14.4
MSCI World	3,214	0.7	-0.5	-0.5	23.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.7	2.5	8.1	8.1
Brent Crude (\$/bbl)	84.7	1.1	8.9	8.9
Texas crude (\$/bbl)	82.6	1.7	9.9	9.9
Natural Gas (\$/mmbtu)	4.9	14.3	30.2	30.2
Gold (\$/oz)	1,826.2	0.2	-0.2	-0.2
Silver (\$/oz)	23.1	1.6	-0.7	-0.7
Steel (\$/ton)	1,435.0	2.5	0.0	0.0
Iron Ore (CNY/MT)	735.0	0.0	7.5	7.5
Wheat (\$/bu)	757.8	-1.6	-1.7	-1.7
Corn (\$/bu)	599.0	-0.3	1.0	1.0
Sugar (\$/lb)	18.3	1.3	-2.9	-2.9
SMP* (EUR/MT)	3,457.0	1.7	2.7	2.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.244	2.6	16.9	16.9
Saudi Arabia (SAIBOR)	0.923	0.5	1.9	1.9
UAE (EIBOR)	0.408	4.5	11.8	11.8
Qatar (QIBOR)	1.150	0.0	2.2	2.2
Bahrain (BHIBOR)	1.517	0.0	0.0	0.0

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of January 12, 2022



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