



Major Economic News

- According to Reuters, KSA overtook Iraq as the largest oil exporter to India in July after a gap of over a year, as higher imports of Iranian oil before the US sanctions changed trade routes. KSA and Iraq remained the two largest oil exporters to India in July, despite a decrease in monthly supplies by 12.0% and around 23.0%, respectively. (Source: Argaam)
- According to Adel Al-Issa, the official spokesperson for insurance companies, the opening of Saudi market to foreign insurance firms would improve service quality and introduce new products to the Kingdom. It added the quality of various services would improve due to the good past performance of foreign players. (Source: Argaam)
- According to data issued by the justice ministry, the value of KSA's real estate transactions fell 51.0% YoY to SAR 10.5bn in the month ended August 12. (Source: Argaam)

Major Corporate News

- Saudi Real Estate Refinance Co. (SRC), held by the Public Investment Fund (PIF), inked a partnership agreement with the Saudi British Bank (SABB) to offer more diversified home financing solutions at better prices. (Source: Argaam)
- Saudi Paper Manufacturing Co.'s shareholders are likely to vote on a 45.56% capital reduction to SAR 245.0mn from SAR 450.0mn on September 10, 2018. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.2% to 12,193.8. The value traded stood at SAR 8.8bn (up 3.0% over previous day), while the advance-decline ratio stood at 94/98. The parallel market index decreased 0.5% to 26,058.0 points. The value traded stood at SAR 97.9mn (down 8.8% over previous day). Most sectors in the main market ended in the green. Telecom and Diversified Financials (up 2.6% and 2.4%, respectively) advanced the most; Retailing and Utilities (down 1.3% and 0.9%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-21	Q4-20	Y/Y %	Q3-21	Q/Q %
United Wire Factories Co.	7.9	17.0	-53.5	8.1	-2.5

Top Gainers

Company	Price	Change%
RED SEA	24.08	10.0
TADAWUL GROUP	168.60	5.4
SABB	41.75	4.9
RIBL	32.30	4.4
PETRO RABIGH	24.58	4.2

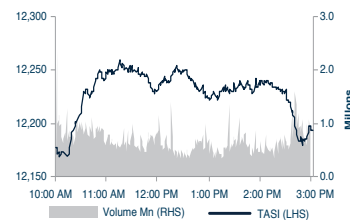
Top Losers

Company	Price	Change%
MAADEN	88.60	-2.6
ATHEEB TELECOM	31.65	-2.5
JARIR	201.60	-2.2
TAWUNIYA	78.40	-2.0
ACWA POWER	102.00	-1.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,194	12,260	12,166	0.2	8.1
NomuC	26,058	26,480	26,005	(0.5)	0.3

TASI movement during session



TASI Ratios

P/E* (x)	24.7
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	5,714	(0.0)	3.6	21.4
Materials	7,903	(0.1)	7.6	20.2
Capital Goods	8,053	0.3	6.7	High
Commercial Service	4,482	0.8	0.9	Neg
Transportation	5,671	(0.3)	8.3	Neg
Consumer Durables	6,689	0.4	5.4	49.6
Consumer Services	4,961	0.0	6.9	Neg
Media	27,692	2.3	19.1	44.8
Retailing	10,193	(1.3)	3.5	38.3
Food & Staples	9,390	(0.3)	2.9	36.3
Food & Beverages	5,058	(0.1)	4.6	39.6
Healthcare	7,873	1.5	7.6	41.6
Pharma & Bio Tech	5,462	1.7	5.2	High
Banks	13,489	0.1	10.4	24.5
Diversified Financials	7,951	2.4	16.4	High
Insurance	6,067	(0.5)	1.3	49.4
Telecom	7,701	2.6	5.8	22.3
Utilities	6,531	(0.9)	10.1	9.5
REITs	4,720	(0.1)	2.3	Neg
Real Estate	3,288	0.1	3.7	Neg
Software & Services	30,997	(0.2)	8.2	36.3

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
12,101	11,846	11,554	6.91

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	26.1	631.7	1,184.2
Previous week	36.7	954.7	1,661.4

Top Weighted Companies

Company	Price	Change%
Al Rajhi	148.20	-1.2
SNB	73.50	0.7
Saudi Aramco	36.80	-0.3
SABIC	124.40	0.5
STC	120.00	3.4



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai remained flat, while Abu Dhabi increased 0.8%. Qatar and Egypt rose 0.8% and 0.1%, respectively. Kuwait and Bahrain decreased 0.3% each. Meanwhile, Oman remained flat.
- According to EIA, oil inventories in the US fell 6.9mn barrels (prior: down 6.7mn) to 445.5mn in the week ended July 02. Gasoline inventories decreased 6.1mn barrels (prior: up 1.5mn) to 235.5mn, while distillate inventories rose 1.6mn barrels (prior: down 0.9mn) to 138.7mn. (Source: Econoday)
- US industrial production increased 0.1% MoM in July (consensus: 0.3%) compared with 1.0% in June, while manufacturing rose 0.3% MoM in July (in line with the consensus) against 0.8% in June. The capacity utilization rate level remained flat at 78.1% in July (consensus: 78.2%). (Source: Econoday)
- Oil prices plunged 2.3% on Wednesday, hitting an eight-week low after data revealed that US oil inventories increased unpredictably last week.
- Gold prices fell 1.6% to one-and-a-half year lows on Wednesday, as the US dollar continued to weigh on demand for the yellow metal.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	95.4	0.2	-0.6	-0.6
Euro	1.14	-0.3	0.0	0.0
Japanese Yen	114.7	0.1	-0.3	-0.3
Sterling Pound	1.36	-0.4	0.4	0.4
Chinese Yuan	6.35	0.1	0.0	0.0
Indian Rupee	74.6	0.5	0.2	0.2
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	-0.1	-0.1
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.66	-0.1	0.0	0.0

Corporate Calendar

Date	Company	Event
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
25 th Jan	SADAFSCO	Cash Dividend Distribution
26 th Jan	SRECO	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,178	0.0	-0.6	-0.6	19.8
Abu Dhabi (ADX)	8,479	0.8	-0.1	-0.1	21.0
Kuwait (KSE)	6,065	-0.3	3.0	3.0	9.8
Qatar (QE)	12,571	0.8	8.1	8.1	16.0
Oman (MSM)	4,217	0.0	2.1	2.1	11.1
Bahrain (BSE)	1,811	-0.3	0.7	0.7	10.3
Egypt (EGX30)	11,876	0.1	-0.6	-0.6	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,368	-1.5	-2.7	-2.7	19.9
Nasdaq	15,211	-2.6	-6.8	-6.8	38.1
S&P 500	4,577	-1.8	-4.0	-4.0	25.6
FTSE 100	7,564	-0.6	2.4	2.4	18.1
Germany DAX 30	15,773	-1.0	-0.7	-0.7	15.2
France CAC 40	7,134	-0.9	-0.3	-0.3	21.6
Japan Nikkei 225	28,257	-0.3	-1.9	-1.9	16.0
Russia MOEX	3,329	-6.5	-12.1	-12.1	6.6
Hong Kong Hang Seng	24,113	-0.4	3.1	3.1	9.6
South Korea KOSPI	2,864	-0.9	-3.8	-3.8	13.3
China Shanghai Composite	3,570	0.8	-1.9	-1.9	15.3
Australia ASX 200	7,409	-0.1	-0.5	-0.5	23.1
India Sensex	60,755	-0.9	4.3	4.3	28.5
MSCI EM	1,242	-1.0	0.8	0.8	14.2
MSCI World	3,124	-1.6	-3.3	-3.3	22.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.1	-0.8	3.2	50.5
Brent Crude (\$/bbl)	86.1	1.9	10.6	10.6
Texas crude (\$/bbl)	78.9	-0.7	4.9	4.9
Natural Gas (\$/mmbtu)	4.29	0.7	15.1	15.1
Gold (\$/oz)	1,818	-0.3	-0.6	-0.6
Silver (\$/oz)	22.9	-0.3	-1.4	-1.4
Steel (\$/ton)	1,647	0.4	2.3	63.9
Iron Ore (CNY/MT)	687	1.3	14.8	-36.4
Wheat (\$/bu)	750	1.1	-2.7	-2.7
Corn (\$/bu)	591	-0.9	-0.4	-0.4
Sugar (\$/lb)	18.6	1.6	-1.5	-1.5
SMP* (EUR/MT)	3,440	0.5	5.5	54.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.248	0.7	3.9	3.9
Saudi Arabia (SAIBOR)	0.934	0.6	2.9	2.9
UAE (EIBOR)	0.310	-11.8	-5.5	-5.5
Qatar (QIBOR)	1.150	0.0	2.5	2.5
Bahrain (BHIBOR)	1.533	1.7	1.7	1.7

Data Sources: Tadawul, Bloomberg, Reuters

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

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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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