



## Major Economic News

- The value of Saudi Arabia's real estate transactions grew by 34% to SAR 19.4bn in December 2021 – January 2022, compared to SAR 14.4bn in the same period last year. The real estate deals rose 8% M/M. (Source: Argam)
- The Saudi Export Development Authority (Saudi Exports) launched the institutional transformation strategy, through which it aims to move to a new stage to be in line with the objectives of Vision 2030, while integrating with a number of relevant government agencies in diversifying the local economy by promoting Saudi non-oil exports. (Source: Argam)

## Major Corporate News

- Yousef Al-Benyan, CEO of Saudi Basic Industries Corp., said that the Saudi-Korean joint venture, SABIC SK Nexlene, which is located in South Korea, with investments worth USD 2.0bn, is nearing completion. He expects the JV to start production before the end of FY22, with a capacity of 1.0mn tons of diversified petrochemicals. (Source: Argam)
- The Red Sea Development Co. announced the financial closure of its loan worth SAR 14.1bn (USD 3.8bn) with four Saudi banks. The loan will secure the banking facilities and capital obligations needed for the first phase of the project. (Source: Argam)
- Saudi Investment Recycling Co. inked an MoU with the Royal Commission for Jubail and Yanbu (RCJY) to implement integrated solutions of waste management and recycling of mining, industrial and non-industrial waste in the RCJY cities. (Source: Argam)

## Market Analysis

- The Saudi Stock Exchange increased 0.5% to 12,260.1 points. The value traded stood at SAR 7.5bn (down 14.8% over previous day), while the advance-decline ratio stood at 89/105. The parallel market index increased 0.4% to 26,158.3 points. The value traded stood at SAR 140.9mn (up 44.0% over previous day). Most sectors in the main market ended in the red. Materials and Telecom (up 1.3% and 0.9%, respectively) advanced the most; Diversified Financials and Healthcare (down 1.6% and 1.2%, respectively) led the laggards.

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

Company	Q4-21	Q4-20	Y/Y %	Q3-21	Q/Q %
YANSAB	335.0	332.7	0.7	179.8	86.3

## Top Gainers

Company	Price	Change%
SHARQIYAH DEV	103.60	4.7
ZOUJAJ	46.45	4.4
SABIC AGRI-NUTRIENTS	192.40	4.1
MAADEN	92.20	4.1
ALLIANZ SF	26.00	3.6

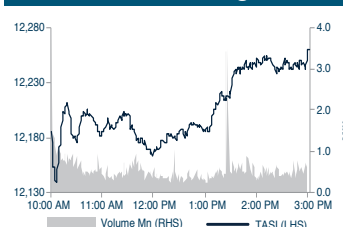
## Top Losers

Company	Price	Change%
TADAWUL GROUP	163.00	-3.3
SIECO	102.00	-2.9
BAAZEEM	115.80	-2.0
BUDGET SAUDI	48.90	-2.0
SULAIMAN ALHABIB	166.00	-1.8

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,260	12,260	12,135	0.5	8.7
NomuC	26,158	26,192	25,885	0.4	0.7

## TASI movement during session



## TASI Ratios

P/E* (x)	24.9
Price-to-Book (x)	2.5
Dividend Yield (%)	1.0
Return on Equity (%)	19.9

Source: Argam  
\*Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,700	(0.2)	3.3	21.4
Materials	8,004	1.3	9.0	20.6
Capital Goods	7,997	(0.7)	6.0	High
Commercial Service	4,462	(0.5)	0.4	Neg
Transportation	5,640	(0.5)	7.8	Neg
Consumer Durables	6,731	0.6	6.0	49.8
Consumer Services	4,975	0.3	7.2	Neg
Media	27,764	0.3	19.4	45.1
Retailing	10,128	(0.6)	2.8	38.1
Food & Staples	9,360	(0.3)	2.6	36.2
Food & Beverages	5,071	0.2	4.9	39.7
Healthcare	7,782	(1.2)	6.4	41.0
Pharma & Bio Tech	5,488	0.5	5.7	High
Banks	13,606	0.9	11.3	24.7
Diversified Financials	7,821	(1.6)	14.5	49.7
Insurance	6,101	0.6	1.9	49.7
Telecom	7,769	0.9	6.8	22.5
Utilities	6,491	(0.6)	9.4	9.4
REITs	4,711	(0.2)	2.2	Neg
Real Estate	3,284	(0.1)	3.6	Neg
Software & Services	30,949	(0.2)	8.0	36.1

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
12,162	11,927	11,607	6.95

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	33.6	802.0	1,517.7
Previous week	36.7	954.7	1,661.4

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	150.40	1.5
SNB	74.10	0.8
Saudi Aramco	36.70	-0.3
SABIC	126.60	1.8
STC	121.00	0.8



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 0.3%, while Abu Dhabi increased 1.6%. Oman and Qatar increased 0.5% and 0.3%, respectively; while Bahrain and Kuwait rose 0.2% and 0.1%, respectively. Meanwhile, Egypt declined 1.4%.
- US housing starts rose 1.4% to an annual rate of 1.702mn (consensus: 1.650mn) in December compared to the revised rate of 1.678mn in November. (Source: Econoday, RTT News)
- UK's CPI rose 5.4% in December (consensus: an increase of 5.2%) versus 5.1% growth registered in November. This was the highest annual inflation rate in the UK in nearly 30 years. On M/M basis, CPI gained 0.5% (consensus: an increase of 0.3%) after rising 0.7% in November. (Source: RTT News)
- Japan posted a merchandise trade deficit of JPY 582.2bn in December (consensus: a deficit of JPY 784.1bn) versus the downwardly revised deficit of JPY 955.6bn in November. Exports grew 17.5% Y/Y, while imports rose 41.1% Y/Y. (Source: RTT News)
- Oil prices increased 1.1%, hitting a fresh seven-year high, driven by prevailing geopolitical tension and expectations of tighter supply.
- Gold prices rose 1.5%, as the weaker US dollar boosted demand for the yellow metal.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	95.6	-0.1	-0.1	-0.1
Euro	1.13	0.2	-0.2	-0.2
Japanese Yen	114.3	-0.2	-0.7	-0.7
Sterling Pound	1.36	0.1	0.6	0.6
Chinese Yuan	6.35	-0.1	-0.1	-0.1
Indian Rupee	74.4	-0.2	0.1	0.1
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	0.0	-0.4	-0.4
Kuwaiti Dinar	0.30	0.0	-0.1	-0.1
Omani Rial	0.39	0.1	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	15.71	-0.2	0.0	0.0

## Corporate Calendar

Date	Company	Event
20 <sup>th</sup> Jan	NCLE	Cash Dividend Distribution
20 <sup>th</sup> Jan	SICO SAUDI REIT	OGM
20 <sup>th</sup> Jan	Baazeem	OGM
20 <sup>th</sup> Jan	Jouf Cement	EGM
25 <sup>th</sup> Jan	SADAFCO	Cash Dividend Distribution
26 <sup>th</sup> Jan	SRECO	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,169	-0.3	-0.9	-0.9	19.8
Abu Dhabi (ADX)	8,613	1.6	1.5	1.5	21.0
Kuwait (KSE)	6,071	0.1	3.1	3.1	9.8
Qatar (QE)	12,612	0.3	8.5	8.5	16.0
Oman (MSM)	4,239	0.5	2.7	2.7	10.8
Bahrain (BSE)	1,814	0.2	0.9	0.9	10.3
Egypt (EGX30)	11,715	-1.4	-2.0	-2.0	8.0

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,029	-1.0	-3.6	-3.6	19.4
Nasdaq	15,048	-1.1	-7.8	-7.8	36.7
S&P 500	4,533	-1.0	-4.9	-4.9	24.8
FTSE 100	7,590	0.3	2.8	2.8	18.2
Germany DAX 30	15,810	0.2	-0.5	-0.5	15.3
France CAC 40	7,173	0.5	0.3	0.3	21.7
Japan Nikkei 225	27,467	-2.8	-4.6	-4.6	15.8
Russia MOEX	3,437	3.2	-9.3	-9.3	6.5
Hong Kong Hang Seng	24,128	0.1	3.1	3.1	9.9
South Korea KOSPI	2,842	-0.8	-4.5	-4.5	13.2
China Shanghai Composite	3,558	-0.3	-2.2	-2.2	15.3
Australia ASX 200	7,332	-1.0	-1.5	-1.5	22.9
India Sensex	60,099	-1.1	3.2	3.2	27.8
MSCI EM	1,240	-0.1	0.6	0.6	14.1
MSCI World	3,099	-0.8	-4.1	-4.1	22.1

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	90.2	0.0	13.8	13.8
Brent Crude (\$/bbl)	88.4	1.1	13.7	13.7
Texas crude (\$/bbl)	87.0	1.8	15.6	15.6
Natural Gas (\$/mmbtu)	4.0	-5.9	8.1	8.1
Gold (\$/oz)	1,840.5	1.5	0.6	0.6
Silver (\$/oz)	24.1	2.8	3.6	3.6
Steel (\$/ton)	1,438.0	0.7	0.2	0.2
Iron Ore (CNY/MT)	746.5	3.8	9.1	9.1
Wheat (\$/bu)	796.5	3.6	3.3	3.3
Corn (\$/bu)	610.5	1.8	2.9	2.9
Sugar (\$/lb)	19.1	2.2	1.0	1.0
SMP* (EUR/MT)	3,485.0	1.9	3.6	3.6

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.254	0.0	4.5	0.0
Saudi Arabia (SAIBOR)	0.941	0.7	2.9	0.0
UAE (EIBOR)	0.472	16.2	-5.5	0.0
Qatar (QIBOR)	1.150	0.0	2.5	0.0
Bahrain (BHIBOR)	1.567	3.3	1.7	0.0

Data Sources: Tadawul, Bloomberg, Reuters

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

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RESEARCH  
DIVISION

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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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