



Major Economic News

- Saudi Arabia's oil exports grew by 2.0% M/M to 6.95 mbpd in November, the highest level in 18 months. Compared to October 2020, oil exports rose by 9.0% from 6.35 mbpd. The Kingdom's crude output rose 1.0% M/M to 9.9 mbpd in November, the highest level in 19 months. (Source: Argaam)
- The Ministries of Education and Health announced resuming in-person classes for all students at the primary and kindergarten levels, less than 12 years old, at public, private, international, and foreign schools from January 23. (Source: Argaam)

Major Corporate News

- Saudi Basic Industries Corp. launched the commercial operations at the joint venture project with Exxon Mobil in the US Gulf Coast. The project comprises the construction of an ethylene production unit with a capacity of about 1.8 MTA, which will feed two polyethylene units with a capacity of about 1.3 MTA and a monoethylene glycol unit with a capacity of about 1.1 MTA. (Source: Argaam)
- Elm Co. set the IPO price range between SAR 113-128 per share. The book-building process for institutional investors begins on January 23 and will end at 3 pm on January 28. (Source: Argaam)
- The final offer price for IPO of East Pipes Integrated Company for Industry was set at SAR 80 per share with a coverage ratio of 71.8x of the total offer shares. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.3% to 12,291.0 on Thursday. The value traded stood at SAR 6.7bn (down 10.3% over previous day), while the advance-decline ratio stood at 86/103. The parallel market index decreased 0.3% to 26,070.8 points. The value traded stood at SAR 179.8mn (up 27.7% over previous day). Most sectors in the main market ended in the green. Commercial Service and Healthcare (up 1.0% each) advanced the most; Diversified Financials and Media (down 1.0% and 0.7%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

| Company | Q4-21 | Q4-20 | Y/Y % | Q3-21 | Q/Q % |
|-----------------|-------|-------|-------|-------|-------|
| Almarai Company | 286.5 | 335.9 | -14.7 | 409.1 | -30.0 |
| SADAFICO* | 54.6 | 64.2 | -15.0 | 53.7 | 1.6 |

*- represents Q3-22 results, as year ending is March

Top Gainers

| Company | Price | Change% |
|------------------|-------|---------|
| NAMA CHEMICALS | 41.50 | 5.9 |
| MEPCO | 50.90 | 4.0 |
| SADR | 83.90 | 3.7 |
| ASTRA INDUSTRIAL | 43.00 | 3.4 |
| BSFR | 50.80 | 3.2 |

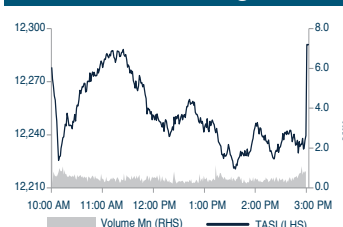
Top Losers

| Company | Price | Change% |
|----------------|--------|---------|
| YANSAB | 70.00 | -2.6 |
| AWPT | 111.20 | -2.3 |
| ALKHALEEL TRNG | 19.80 | -2.0 |
| ABO MOATI | 43.20 | -1.9 |
| ALHOKAIR GROUP | 18.40 | -1.9 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI | 12,291 | 12,291 | 12,218 | 0.3 | 8.9 |
| NomuC | 26,071 | 26,410 | 25,983 | (0.3) | 0.4 |

TASI movement during session



TASI Ratios

| | |
|----------------------|------|
| P/E* (x) | 25.0 |
| Price-to-Book (x) | 2.6 |
| Dividend Yield (%) | 1.0 |
| Return on Equity (%) | 19.9 |

Source: Argaam
*Excluding Aramco

| Index | Close | Daily Change% | YTD % | PE (TTM) |
|------------------------|--------|---------------|-------|----------|
| Energy | 5,718 | 0.3 | 3.7 | 21.5 |
| Materials | 7,988 | (0.2) | 8.8 | 20.5 |
| Capital Goods | 8,043 | 0.6 | 6.6 | High |
| Commercial Service | 4,505 | 1.0 | 1.4 | Neg |
| Transportation | 5,642 | 0.0 | 7.8 | Neg |
| Consumer Durables | 6,682 | (0.7) | 5.2 | 49.4 |
| Consumer Services | 5,002 | 0.6 | 7.8 | Neg |
| Media | 27,559 | (0.7) | 18.5 | 44.8 |
| Retailing | 10,104 | (0.2) | 2.6 | 38.0 |
| Food & Staples | 9,392 | 0.3 | 3.0 | 36.3 |
| Food & Beverages | 5,068 | (0.1) | 4.8 | 39.7 |
| Healthcare | 7,857 | 1.0 | 7.4 | 41.5 |
| Pharma & Bio Tech | 5,449 | (0.7) | 5.0 | High |
| Banks | 13,670 | 0.5 | 11.9 | 24.8 |
| Diversified Financials | 7,742 | (1.0) | 13.4 | 49.3 |
| Insurance | 6,112 | 0.2 | 2.0 | 49.8 |
| Telecom | 7,821 | 0.7 | 7.5 | 22.6 |
| Utilities | 6,453 | (0.6) | 8.8 | 9.3 |
| REITs | 4,729 | 0.4 | 2.5 | Neg |
| Real Estate | 3,291 | 0.2 | 3.8 | Neg |
| Software & Services | 31,001 | 0.2 | 8.2 | 36.2 |

**Neg: Negative

Average Index Value

| Average 5 days | Average 10 days | Average 20 days | Average value traded for the month (bn) |
|----------------|-----------------|-----------------|---|
| 12,204 | 12,013 | 11,658 | 6.94 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | - | - | - |
| Previous week | 40.3 | 952.9 | 1,816.3 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|--------|---------|
| Al Rajhi | 150.40 | 0.0 |
| SNB | 74.00 | -0.1 |
| Saudi Aramco | 36.85 | 0.4 |
| SABIC | 126.40 | -0.2 |
| STC | 122.00 | 0.8 |



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 1.3% and 0.3%, respectively. Egypt grew 0.1%, while Qatar and Kuwait decreased 0.8% and 0.2%, respectively. Meanwhile, Oman and Bahrain declined 0.1% each.
- According to EIA, oil inventories in the US rose 0.5mn barrels to 413.8mn in the week ended January 14. Gasoline inventories increased 5.9mn barrels to 246.6mn, while distillate inventories fell 1.4mn barrels to 128.0mn. (Source: EIA)
- According to Baker Hughes, North America's rig count increased to 816 in the week ended January 21 from 792 earlier. The rig count rose to 604 in the US from 601 earlier, while remained unchanged at 18 in the Gulf of Mexico. The rig count in Canada increased to 212 from 191 earlier. (Source: Baker Hughes)
- UK's retail sales fell 3.7% M/M in December (consensus: a decline of 0.6%) as against 1.0% increase a month ago. This was the biggest decline since January 2021. (Source: RTT News)
- Oil prices fell 0.6% on Friday due to a significant build-up in US gasoline inventories, raising concerns over fuel demand.
- Gold prices fell 0.2% slashing some of the mid-week gains, when it reached to a two-months high.

Forex / Currency

| Currency | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index | 95.7 | 0.2 | -0.2 | -0.2 |
| Euro | 1.13 | -0.3 | -0.5 | -0.5 |
| Japanese Yen | 114.1 | -0.2 | -0.9 | -0.9 |
| Sterling Pound | 1.36 | -0.1 | 0.5 | 0.5 |
| Chinese Yuan | 6.34 | -0.1 | -0.2 | -0.2 |
| Indian Rupee | 74.4 | 0.0 | 0.0 | 0.0 |
| UAE Dirham | 3.67 | 0.0 | 0.0 | 0.0 |
| Qatari Rial | 3.64 | 0.0 | 0.0 | 0.0 |
| Kuwaiti Dinar | 0.30 | 0.0 | -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 | 15.72 | 0.4 | 0.4 | 0.4 |

Corporate Calendar

| Date | Company | Event |
|----------------------|-------------------|----------------------------|
| 25 th Jan | SADAFECO | Cash Dividend Distribution |
| 26 th Jan | SRECO | OGM |
| 27 th Jan | CHUBB | OGM |
| 30 th Jan | SAUDI ELECTRICITY | OGM |
| 01 st Feb | Nama Chemicals | OGM |
| 03 rd Feb | CHEMICAL | Cash Dividend Distribution |

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 3,210 | 1.3 | 0.4 | 0.4 | 20.0 |
| Abu Dhabi (ADX) | 8,706 | 0.3 | 2.6 | 2.6 | 21.0 |
| Kuwait (KSE) | 6,061 | -0.2 | 3.0 | 3.0 | 9.8 |
| Qatar (QE) | 12,512 | -0.8 | 7.6 | 7.6 | 15.9 |
| Oman (MSM) | 4,236 | -0.1 | 2.6 | 2.6 | 10.9 |
| Bahrain (BSE) | 1,813 | -0.1 | 0.9 | 0.9 | 10.3 |
| Egypt (EGX30) | 11,732 | 0.1 | -1.8 | -1.8 | 7.9 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones | 34,265 | -1.3 | -5.7 | -5.7 | 19.0 |
| Nasdaq | 14,438 | -2.7 | -11.5 | -11.5 | 35.2 |
| S&P 500 | 4,398 | -1.9 | -7.7 | -7.7 | 24.0 |
| FTSE 100 | 7,494 | -1.2 | 1.5 | 1.5 | 18.0 |
| Germany DAX 30 | 15,604 | -1.9 | -1.8 | -1.8 | 15.1 |
| France CAC 40 | 7,069 | -1.7 | -1.2 | -1.2 | 21.4 |
| Japan Nikkei 225 | 27,522 | -0.9 | -4.4 | -4.4 | 15.6 |
| Russia MOEX | 3,439 | -2.2 | -9.2 | -9.2 | 6.5 |
| Hong Kong Hang Seng | 24,966 | 0.1 | 6.7 | 6.7 | 10.0 |
| South Korea KOSPI | 2,834 | -1.0 | -4.8 | -4.8 | 13.1 |
| China Shanghai Composite | 3,523 | -0.9 | -3.2 | -3.2 | 15.1 |
| Australia ASX 200 | 7,176 | -2.3 | -3.6 | -3.6 | 22.3 |
| India Sensex | 59,037 | -0.7 | 1.3 | 1.3 | 27.0 |
| MSCI EM | 1,244 | -0.9 | 1.0 | 1.0 | 14.2 |
| MSCI World | 3,025 | -1.9 | -6.4 | -6.4 | 21.6 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|---------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 88.6 | -1.1 | 11.9 | 11.9 |
| Brent Crude (\$/bbl) | 87.9 | -0.6 | 13.0 | 13.0 |
| Texas crude (\$/bbl) | 85.1 | -2.0 | 13.2 | 13.2 |
| Natural Gas (\$/mmbtu) | 4.0 | 5.2 | 7.2 | 7.2 |
| Gold (\$/oz) | 1,835.4 | -0.2 | 0.3 | 0.3 |
| Silver (\$/oz) | 24.3 | -0.7 | 4.2 | 4.2 |
| Steel (\$/ton) | 1,425.0 | -0.9 | -0.7 | -0.7 |
| Iron Ore (CNY/MT) | 760.0 | 1.6 | 11.1 | 11.1 |
| Wheat (\$/bu) | 780.0 | -1.3 | 1.2 | 1.2 |
| Corn (\$/bu) | 616.3 | 0.9 | 3.9 | 3.9 |
| Sugar (\$/lb) | 18.9 | -0.2 | 0.1 | 0.1 |
| SMP* (EUR/MT) | 3,518.0 | 0.9 | 4.5 | 4.5 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|-----------------------|-------|-------------------|-----------|-----------|
| USD LIBOR | 0.258 | -0.1 | 5.0 | 0.0 |
| Saudi Arabia (SAIBOR) | 0.950 | 0.9 | 3.6 | 0.0 |
| UAE (EIBOR) | 0.414 | 0.0 | 5.0 | 0.0 |
| Qatar (QIBOR) | 1.150 | 0.0 | 2.5 | 0.0 |
| Bahrain (BHIBOR) | 1.567 | 0.0 | 5.0 | 0.0 |

Data Sources: Tadawul, Bloomberg, Reuters

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

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RESEARCH
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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.

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