



Major Economic News

- The National Debt Management Center's board of directors approved the annual borrowing plan for FY22 that includes forecasts of debt stability, based on the general budget statement, at SAR 938bn. It also includes a tendency to borrow SAR 43bn, to pay the dues of the principal and to the possibility of proactively considering additional financing. (Source: Argaam)

Major Corporate News

- Al-Dawaa Medical Services Co. announced the prospectus for the IPO of 25.5mn shares or 30% of its capital on the Saudi Exchange. The period for registering requests and book building period will run from February 13 to February 17, 2022. Retail subscription period will run for three days starting from February 27. (Source: Argaam)
- Methanol Chemicals Co. signed an agreement for preliminary engineering design for the methanol plant expansion with the company that owns the technology for the existing plant. The increase in production capacity of the plant will be used as feedstock for setting up further expansion projects. (Source: Argaam)
- Saudi Real Estate Co. completed the purchase of an undeveloped land plot in east Riyadh for SAR 783mn. Earlier, the company obtained Shariah-compliant banking facilities worth SAR 400mn from Bank AlJazira to finance part of the purchase value. (Source: Argaam)
- The Emirate of the Eastern Province announced signing of a contract with Saudi Public Transport Co. to launch a public bus transport project in Dammam and Qatif. The project value is SAR 149.6mn. (Source: Argaam)
- Al Moammar Information Systems Co.'s board of directors approved awarding and signing two contracts valued at SAR 84.5mn with Edarat Communications and Information Technology Co. (related party). (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 1.2% to 12,139.8. The value traded stood at SAR 5.4bn (down 19.5% over previous day), while the advance-decline ratio stood at 22/181. The parallel market index decreased 1.4% to 25,706.7 points. The value traded stood at SAR 95.5mn (down 46.9% over previous day). All sectors in the main market ended in the red. Media and Food & Beverages (down 3.2% and 2.1%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ATHEEB TELECOM	34.00	6.6
ALARABIA	112.80	2.6
TADAWUL GROUP	162.40	1.5
UACC	25.70	1.4
SSP	26.70	1.3

Top Losers

Company	Price	Change%
SRMG	227.20	-3.7
SABIC AGRI-NUTRIENTS	185.00	-3.1
SOLUTIONS	205.20	-3.1
MEPCO	49.40	-3.0
TAWUNIYA	77.50	-2.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,140	12,276	12,113	(1.2)	7.6
NomuC	25,707	26,064	25,577	(1.4)	(1.0)

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	5,662	(1.0)	2.7	21.3
Materials	7,858	(1.6)	7.0	20.2
Capital Goods	7,903	(1.7)	4.7	High
Commercial Service	4,453	(1.2)	0.2	Neg
Transportation	5,600	(0.7)	7.0	Neg
Consumer Durables	6,561	(1.8)	3.3	48.5
Consumer Services	4,949	(1.1)	6.6	Neg
Media	26,683	(3.2)	14.7	43.8
Retailing	9,974	(1.3)	1.3	37.5
Food & Staples	9,324	(0.7)	2.2	36.0
Food & Beverages	4,963	(2.1)	2.6	38.9
Healthcare	7,729	(1.6)	5.7	40.8
Pharma & Bio Tech	5,350	(1.8)	3.0	High
Banks	13,557	(0.8)	10.9	24.6
Diversified Financials	7,717	(0.3)	13.0	49.2
Insurance	5,996	(1.9)	0.1	48.9
Telecom	7,690	(1.7)	5.7	22.2
Utilities	6,384	(1.1)	7.6	9.2
REITs	4,699	(0.6)	1.9	Neg
Real Estate	3,238	(1.6)	2.1	Neg
Software & Services	30,393	(2.0)	6.1	35.3

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
12,210	12,071	11,706	6.84

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.4	130.9	275.4
Previous week	40.3	952.9	1,816.3

Top Weighted Companies

Company	Price	Change%
Al Rajhi	149.40	-0.7
SNB	73.40	-0.8
Saudi Aramco	36.50	-0.9
SABIC	125.00	-1.1
STC	119.60	-2.0



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi remained closed. Bahrain increased 0.1%, while Egypt and Qatar decreased 0.6% and 0.2%, respectively. Meanwhile, Kuwait and Oman fell 0.3% each.
- US initial jobless claims rose to 286,000 (consensus: 220,000), representing an increase of 55,000 from the previous week's revised level of 231,000. (Source: Reuters)
- China reduced its benchmark lending rate for the second consecutive month. The one-year loan prime rate (LPR) was reduced to 3.70% from 3.80%. The five-year LPR, the benchmark for mortgage rates, was lowered to 4.60% from 4.65%, which was the first cut since April 2020. (Source: RTT News)
- Japan's CPI rose 0.8% Y/Y in December (in line with consensus) compared to 0.6% increase in November. Core CPI, which excludes volatile food prices, was up 0.5% (consensus: an increase of 0.6%). On a seasonally adjusted M/M basis, CPI and core CPI both were up 0.1%. (Source: RTT News)
- Eurozone CPI rose 5.0% Y/Y in December (in line with preliminary estimates) versus a 4.9% increase in November. This was the highest inflation on record. Compared to the previous month, CPI rose 0.4% in December. (Source: RTT News)

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	95.6	0.0	0.0	0.0
Euro	1.1	0.0	-0.2	-0.2
Japanese Yen	113.7	0.0	-1.2	-1.2
Sterling Pound	1.4	0.0	0.2	0.2
Chinese Yuan	6.3	0.0	-0.2	-0.2
Indian Rupee	74.4	0.0	0.1	0.1
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.0	-0.4	-0.4
Kuwaiti Dinar	0.3	0.0	0.0	0.0
Omani Rial	0.4	0.0	0.0	0.0
Bahraini Dinar	0.4	0.0	0.0	0.0
Egyptian Pound	15.7	0.0	0.0	0.0

Corporate Calendar

Date	Company	Event
25 th Jan	SADAFICO	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	0.0	0.4	0.4	20.0
Abu Dhabi (ADX)	8,706	0.0	2.6	2.6	21.0
Kuwait (KSE)	6,044	-0.3	2.7	2.7	9.8
Qatar (QE)	12,488	-0.2	7.4	7.4	15.9
Oman (MSM)	4,224	-0.3	2.3	2.3	10.9
Bahrain (BSE)	1,815	0.1	1.0	1.0	10.3
Egypt (EGX30)	11,656	-0.6	-2.5	-2.5	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,265	0.0	-5.7	-5.7	19.0
Nasdaq	14,438	0.0	-11.5	-11.5	35.2
S&P 500	4,398	0.0	-7.7	-7.7	24.0
FTSE 100	7,494	0.0	1.5	1.5	18.0
Germany DAX 30	15,604	0.0	-1.8	-1.8	15.1
France CAC 40	7,069	0.0	-1.2	-1.2	21.4
Japan Nikkei 225	27,522	0.0	-4.4	-4.4	15.6
Russia MOEX	3,439	0.0	-9.2	-9.2	6.5
Hong Kong Hang Seng	24,966	0.0	6.7	6.7	9.9
South Korea KOSPI	2,834	0.0	-4.8	-4.8	13.0
China Shanghai Composite	3,523	0.0	-3.2	-3.2	15.1
Australia ASX 200	7,176	0.0	-3.6	-3.6	22.2
India Sensex	59,037	0.0	1.3	1.3	26.7
MSCI EM	1,244	0.0	1.0	1.0	14.2
MSCI World	3,025	0.0	-6.4	-6.4	21.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	88.6	0.0	11.9	11.9
Brent Crude (\$/bbl)	87.9	0.0	13.0	13.0
Texas crude (\$/bbl)	85.1	0.0	13.2	13.2
Natural Gas (\$/mmbtu)	4.0	0.0	7.2	7.2
Gold (\$/oz)	1,835.4	0.0	0.3	0.3
Silver (\$/oz)	24.3	0.0	4.2	4.2
Steel (\$/ton)	1,425.0	0.0	-0.7	-0.7
Iron Ore (CNY/MT)	760.0	0.0	11.1	11.1
Wheat (\$/bu)	780.0	0.0	1.2	1.2
Corn (\$/bu)	616.3	0.0	3.9	3.9
Sugar (\$/lb)	18.9	0.0	0.1	0.1
SMP* (EUR/MT)	3,518.0	0.0	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)	0.947	-0.3	4.4	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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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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