



Major Economic News

- The Tourism Development Fund announced the launch of a tourism project, spanning 100,000 sq.m., in Taif with total investments of SAR 300mn in partnership with Al Ameen Co. The project comprises a hotel with 150 keys, along with other retail and entertainment facilities. (Source: Argaam)

Major Corporate News

- SABIC Agri-Nutrients Co. signed a binding agreement to acquire a 49% stake in ETG Inputs Holdco Ltd. for an enterprise value of USD 320mn (SAR 1.2bn). ETG Inputs is a limited liability company engaged in the blending and distribution of agri-nutrients, where it directs its sales to farmers and end customers in several African countries. (Source: Argaam)
- Theeb Rent a Car Co. received acceptance of its financial bidding for vehicle rental for the Ministry of Human Resources and Social Development via Etimad platform, with a total value of SAR 27.1mn. The contract includes a long-term vehicle leasing agreement with the ministry for a period of four years. (Source: Argaam)
- Saudi Public Transport Co. signed a public transport contract in Madinah with the Madinah Region Development Authority at a total value of SAR 57.5mn. The contract is valid for five years and is expected to have a positive impact on the company's revenues starting from H1-22. (Source: Argaam)
- National Glass Industries Co. signed an MoU with Saudi Investment Recycling Co. for establishing a joint venture (JV) for glass waste recycling. The JV will focus on processing glass waste into raw material for glass manufacturing and conducting research. The MoU is valid for two years. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange decreased 0.6% to 12,068.4. The value traded stood at SAR 4.7bn (down 12.2% over previous day), while the advance-decline ratio stood at 65/123. The parallel market index decreased 0.5% to 25,573.0 points. The value traded stood at SAR 107.2mn (up 12.3% over previous day). Most sectors in the main market ended in the red. Media and Utilities (up 1.6% and 1.2%, respectively) advanced the most; Food & Staples and Commercial Service (down 1.2% and 1.1%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SIECO	102.60	2.8
BUPA ARABIA	135.00	2.7
CARE	70.20	2.6
MOUWASAT	193.00	2.2
ALMRAKEZ	23.04	2.2

Top Losers

Company	Price	Change%
NAMA CHEMICALS	40.50	-3.6
BAWAN	36.70	-3.4
SNB	71.60	-2.5
TCC	18.24	-2.4
CHEMANOL	37.50	-2.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,068	12,175	12,031	(0.6)	7.0
NomuC	25,573	25,785	25,437	(0.5)	(1.6)

TASI movement during session



TASI Ratios

P/E* (x)	24.5
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	5,631	(0.6)	2.1	21.1
Materials	7,819	(0.5)	6.5	20.1
Capital Goods	7,828	(0.9)	3.7	High
Commercial Service	4,404	(1.1)	(0.9)	Neg
Transportation	5,562	(0.7)	6.3	Neg
Consumer Durables	6,537	(0.4)	2.9	48.3
Consumer Services	4,926	(0.4)	6.2	Neg
Media	27,107	1.6	16.6	44.3
Retailing	10,039	0.7	1.9	37.7
Food & Staples	9,209	(1.2)	1.0	35.7
Food & Beverages	4,939	(0.5)	2.1	38.7
Healthcare	7,820	1.2	6.9	41.3
Pharma & Bio Tech	5,376	0.5	3.6	High
Banks	13,411	(1.1)	9.7	24.3
Diversified Financials	7,663	(0.7)	12.2	49.0
Insurance	6,013	0.3	0.4	49.1
Telecom	7,641	(0.6)	5.0	22.1
Utilities	6,462	1.2	8.9	9.3
REITs	4,703	0.1	2.0	Neg
Real Estate	3,229	(0.3)	1.8	Neg
Software & Services	30,196	(0.6)	5.4	35.0

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
12,191	12,111	11,752	6.72

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	10.2	240.7	515.3
Previous week	40.3	952.9	1,816.3

Top Weighted Companies

Company	Price	Change%
Al Rajhi	147.40	-1.3
SNB	71.60	-2.5
Saudi Aramco	36.30	-0.5
SABIC	125.00	0.0
STC	118.80	-0.7



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi decreased 2.0% and 0.1%, respectively. Qatar rose 0.3%, while Oman and Kuwait declined 0.5% and 0.2%, respectively. Meanwhile, Bahrain and Egypt fell 0.3% each.
- UK's IHS Markit manufacturing PMI (flash) fell to 56.9 in January (consensus: 57.9) compared to 57.9 in December. The services PMI declined to 53.3 in January (consensus: 54.8) from 53.6 in December. (Source: RTT News)
- Eurozone IHS Markit manufacturing PMI (flash) rose to 59.0 in January (consensus: 57.5) compared to 58.0 a month ago. Easing supply chain delays provided a boost to manufacturing production. The services PMI fell to 51.2 from 53.1. (Source: RTT News)
- The manufacturing sector in Japan continued to expand in January with manufacturing PMI of 54.6 versus 54.3 in December, due to faster growth in both output and new orders. (Source: RTT News)
- Oil prices declined 1.8% impacted by expectations of more aggressive tightening by the US Federal Reserve ahead of the central bank's meeting.
- Gold prices rose 0.4%, as investors resorted to the safe haven metal amid high volatility in equity markets and rising geopolitical tensions over Ukraine issue.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	96.0	0.3	0.3	0.3
Euro	1.1	-0.2	-0.4	-0.4
Japanese Yen	114.0	0.2	-1.0	-1.0
Sterling Pound	1.3	-0.5	-0.3	-0.3
Chinese Yuan	6.3	-0.1	-0.4	-0.4
Indian Rupee	74.6	0.2	0.3	0.3
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.1	-0.4	-0.4
Kuwaiti Dinar	0.3	0.0	-0.1	-0.1
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)	3,147	-2.0	-1.5	-1.5	19.7
Abu Dhabi (ADX)	8,701	-0.1	2.5	2.5	21.0
Kuwait (KSE)	6,029	-0.2	2.4	2.4	9.8
Qatar (QE)	12,523	0.3	7.7	7.7	15.9
Oman (MSM)	4,202	-0.5	1.8	1.8	10.8
Bahrain (BSE)	1,810	-0.3	0.7	0.7	10.4
Egypt (EGX30)	11,616	-0.3	-2.8	-2.8	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,365	0.3	-5.4	-5.4	19.1
Nasdaq	14,510	0.5	-11.1	-11.1	35.3
S&P 500	4,410	0.3	-7.5	-7.5	24.1
FTSE 100	7,297	-2.6	-1.2	-1.2	17.5
Germany DAX 30	15,011	-3.8	-5.5	-5.5	14.5
France CAC 40	6,788	-4.0	-5.1	-5.1	20.6
Japan Nikkei 225	27,588	0.2	-4.2	-4.2	15.3
Russia MOEX	3,235	-5.9	-14.6	-14.6	6.1
Hong Kong Hang Seng	24,656	-1.2	5.4	5.4	9.7
South Korea KOSPI	2,792	-1.5	-6.2	-6.2	12.6
China Shanghai Composite	3,524	0.0	-3.2	-3.2	14.9
Australia ASX 200	7,140	-0.5	-4.1	-4.1	21.7
India Sensex	57,492	-2.6	-1.3	-1.3	25.8
MSCI EM	1,222	-1.8	-0.8	-0.8	13.9
MSCI World	3,006	-0.6	-7.0	-7.0	21.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	89.5	1.0	13.0	13.0
Brent Crude (\$/bbl)	86.3	-1.8	10.9	10.9
Texas crude (\$/bbl)	83.3	-2.1	10.8	10.8
Natural Gas (\$/mmbtu)	4.0	0.7	8.0	8.0
Gold (\$/oz)	1,843.1	0.4	0.8	0.8
Silver (\$/oz)	24.0	-1.3	2.9	2.9
Steel (\$/ton)	1,426.0	0.1	-0.6	-0.6
Iron Ore (CNY/MT)	759.0	-0.1	11.0	11.0
Wheat (\$/bu)	800.5	2.6	3.9	3.9
Corn (\$/bu)	621.0	0.8	4.7	4.7
Sugar (\$/lb)	18.8	-0.5	-0.4	-0.4
SMP* (EUR/MT)	3,493.0	-0.7	3.8	3.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.258	-0.1	4.9	4.9
Saudi Arabia (SAIBOR)	0.972	2.5	6.7	6.7
UAE (EIBOR)	0.412	-0.1	4.8	4.8
Qatar (QIBOR)	1.150	0.0	2.5	2.5
Bahrain (BHIBOR)	1.567	0.0	5.0	5.0

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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