



Major Economic News

- Saudi Arabia's Ministry of Municipal, Rural Affairs and Housing said the National Program for the Development of Collective Housing for Individuals approved the licensing of 3,176 collective housing units in FY21, compared to the target number of 2,143. The program also provided housing units for more than 547,000 residents in FY21, exceeding the target number of 450,000. (Source: Argaam)

Major Corporate News

- Elm Co. successfully completed the book-building process for participating categories for its IPO. The company set the final offer price at SAR 128 per share. The retail offering will run from February 03 until February 06. (Source: Argaam)
- Saudi Aramco started drawing up engineering and design plans for carbon capture and storage project, with a capacity of 7.0mn tons per annum of carbon dioxide sequestered from its operations. (Source: Argaam)
- Al Maather REIT Fund completed the pledging process for the title deeds of three real estate properties, namely Al Salam Schools in Riyadh, Al Nokhbah Schools in Unayzah and Towlan Hotel Suites in Khobar. This mortgage is collateral to guarantee for Sharia-compliant facility, which will be provided by Al Rajhi Bank, in favor of the fund. (Source: Argaam)
- Saudi Arabian Amiantit Co.'s board raised its previous capital hike recommendation to SAR 346.5mn through rights issue. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange remained flat at 12,179.3. The value traded stood at SAR 6.6bn (up 11.8% over previous day), while the advance-decline ratio stood at 104/88. The parallel market index decreased 0.1% to 25,659.5 points. The value traded stood at SAR 59.6mn (up 43.8% over previous day). Most sectors in the main market ended in the green. Consumer Durables and Consumer Services (up 1.4% and 1.0%, respectively) advanced the most; Telecom and Software & Services (down 1.0% and 0.9%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

| Company | Q4-21 | Q4-20 | Y/Y % | Q3-21 | Q/Q % |
|------------------------|---------|-------|-------|---------|-------|
| Zain KSA | 71.0 | 36.0 | 97.2 | 60.4 | 17.5 |
| SABIC Agri-Nutrients | 2,763.7 | 233.6 | NM | 1,206.5 | 129.1 |
| Herfy Food Service Co. | 49.5 | 20.6 | 140.9 | 60.1 | -17.5 |
| Methanol Chemicals Co. | 79.8 | -13.8 | NM | 74.1 | 7.7 |

Top Gainers

| Company | Price | Change% |
|------------------|-------|---------|
| SASCO | 36.45 | 10.0 |
| FITAIHI GROUP | 45.80 | 6.5 |
| SAPTCO | 23.98 | 5.3 |
| UCA | 34.95 | 4.6 |
| ASTRA INDUSTRIAL | 42.95 | 3.7 |

Top Losers

| Company | Price | Change% |
|------------------|--------|---------|
| ACIG | 20.06 | -3.6 |
| SIPCHEM | 42.60 | -2.9 |
| JADWA REIT SAUDI | 15.78 | -2.0 |
| ALARABIA | 107.40 | -1.7 |
| MAADANIYAH | 27.40 | -1.4 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI | 12,179 | 12,196 | 12,147 | 0.0 | 8.0 |
| NomuC | 25,660 | 25,660 | 25,488 | (0.1) | (1.2) |

TASI movement during session



TASI Ratios

| | |
|----------------------|------|
| P/E* (x) | 24.1 |
| Price-to-Book (x) | 2.5 |
| Dividend Yield (%) | 1.3 |
| Return on Equity (%) | 19.9 |

Source: Argaam
*Excluding Aramco

| Index | Close | Daily Change% | YTD % | PE (TTM) |
|------------------------|--------|---------------|-------|----------|
| Energy | 5,723 | 0.2 | 3.8 | 21.5 |
| Materials | 7,818 | (0.3) | 6.5 | 20.1 |
| Capital Goods | 7,833 | 0.4 | 3.8 | High |
| Commercial Service | 4,465 | 0.8 | 0.5 | Neg |
| Transportation | 5,639 | 0.9 | 7.7 | Neg |
| Consumer Durables | 6,643 | 1.4 | 4.6 | 49.1 |
| Consumer Services | 5,067 | 1.0 | 9.2 | Neg |
| Media | 28,762 | 0.2 | 23.7 | 46.3 |
| Retailing | 10,214 | 1.0 | 3.7 | 38.4 |
| Food & Staples | 9,189 | (0.6) | 0.7 | 35.7 |
| Food & Beverages | 4,979 | (0.3) | 3.0 | 39.0 |
| Healthcare | 7,912 | 0.7 | 8.2 | 41.7 |
| Pharma & Bio Tech | 5,290 | (0.6) | 1.9 | High |
| Banks | 13,548 | (0.0) | 10.9 | 24.6 |
| Diversified Financials | 7,733 | 0.6 | 13.2 | 49.4 |
| Insurance | 6,211 | (0.2) | 3.7 | High |
| Telecom | 7,576 | (1.0) | 4.1 | 21.9 |
| Utilities | 6,570 | (0.7) | 10.7 | 9.5 |
| REITs | 4,700 | (0.3) | 1.9 | Neg |
| Real Estate | 3,261 | 0.4 | 2.8 | Neg |
| Software & Services | 29,832 | (0.9) | 4.1 | 34.7 |

**Neg: Negative

Average Index Value

| Average 5 days | Average 10 days | Average 20 days | Average value traded for the month (bn) |
|----------------|-----------------|-----------------|---|
| 12,136 | 12,170 | 11,885 | 6.60 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | - | - | - |
| Previous week | 27.9 | 655.6 | 1,323.9 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|--------|---------|
| Al Rajhi | 147.80 | -0.7 |
| SNB | 73.00 | 1.4 |
| Saudi Aramco | 36.90 | 0.0 |
| SABIC | 123.40 | -0.5 |
| STC | 117.60 | -1.2 |



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 1.0% and 0.4%, respectively. Qatar rose 0.2%, while Kuwait and Oman increased 0.1% each. Bahrain decreased 0.2%, while Egypt remained closed.
- According to Baker Hughes, North America's rig count increased to 827 in the week ended January 28 from 816 earlier. The rig count rose to 610 in the US from 604 earlier, while remained unchanged at 18 in the Gulf of Mexico. The rig count in Canada increased to 217 from 212 earlier. (Source: Baker Hughes)
- US GDP grew at an annualized rate of 6.9% in Q4-21 (consensus: 5.5% growth) compared to 2.3% increase in Q3-21. The expansion in the economy was led by consumer activity and business spending. For FY21, GDP growth came in at 5.7%, the strongest pace since 1984. (Source: CNBC)
- US initial jobless claims dropped to 260,000 (consensus: 265,000), representing a fall of 30,000 from the previous week's revised level of 290,000. (Source: Econoday)
- Oil prices rose 0.8% on Friday, reaching a new seven-year high, due to concerns of tight energy supply amid geopolitical tensions.
- Gold prices fell 0.3%, impacted by the rise in US dollar and treasury yields.

Forex / Currency

| Currency | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index | 97.3 | 0.0 | 1.7 | 1.7 |
| Euro | 1.1 | 0.1 | -1.9 | -1.9 |
| Japanese Yen | 115.3 | -0.1 | 0.2 | 0.2 |
| Sterling Pound | 1.3 | 0.1 | -1.0 | -1.0 |
| Chinese Yuan | 6.4 | 0.0 | 0.2 | 0.2 |
| Indian Rupee | 75.0 | 0.0 | 0.9 | 0.9 |
| UAE Dirham | 3.7 | 0.0 | 0.0 | 0.0 |
| Qatari Rial | 3.7 | 0.0 | -0.3 | -0.3 |
| 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 | 0.2 | 0.2 | 0.2 |

Corporate Calendar

| Date | Company | Event |
|----------------------|-------------------|----------------------------|
| 30 th Jan | ZOUJAJ | Cash Dividend Distribution |
| 30 th Jan | SAUDI ELECTRICITY | OGM |
| 01 st Feb | Nama Chemicals | OGM |
| 03 rd Feb | CHEMICAL | Cash Dividend Distribution |
| 06 th Feb | Bawan | Cash Dividend Distribution |
| 07 th Feb | ALBAHA | OGM |

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 3,220 | 1.0 | 0.8 | 0.8 | 17.8 |
| Abu Dhabi (ADX) | 8,766 | 0.4 | 3.3 | 3.3 | 20.7 |
| Kuwait (KSE) | 6,020 | 0.1 | 2.3 | 2.3 | 9.7 |
| Qatar (QE) | 12,509 | 0.2 | 7.6 | 7.6 | 15.9 |
| Oman (MSM) | 4,171 | 0.1 | 1.0 | 1.0 | 10.7 |
| Bahrain (BSE) | 1,808 | -0.2 | 0.6 | 0.6 | 10.4 |
| Egypt (EGX30) | 11,500 | 0.0 | -3.8 | -3.8 | 7.8 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones | 34,725 | 1.7 | -4.4 | -4.4 | 18.6 |
| Nasdaq | 14,455 | 3.2 | -11.4 | -11.4 | 34.3 |
| S&P 500 | 4,432 | 2.4 | -7.0 | -7.0 | 23.7 |
| FTSE 100 | 7,466 | -1.2 | 1.1 | 1.1 | 17.8 |
| Germany DAX 30 | 15,319 | -1.3 | -3.6 | -3.6 | 14.8 |
| France CAC 40 | 6,966 | -0.8 | -2.6 | -2.6 | 20.7 |
| Japan Nikkei 225 | 26,717 | 2.1 | -7.2 | -7.2 | 15.0 |
| Russia MOEX | 3,489 | 0.9 | -7.9 | -7.9 | 6.6 |
| Hong Kong Hang Seng | 23,550 | -1.1 | 0.7 | 0.7 | 9.4 |
| South Korea KOSPI | 2,663 | 1.9 | -10.6 | -10.6 | 12.1 |
| China Shanghai Composite | 3,361 | -1.0 | -7.6 | -7.6 | 14.4 |
| Australia ASX 200 | 6,988 | 2.2 | -6.1 | -6.1 | 21.7 |
| India Sensex | 57,200 | -0.1 | -1.8 | -1.8 | 26.1 |
| MSCI EM | 1,191 | -0.1 | -3.3 | -3.3 | 13.4 |
| MSCI World | 3,006 | 1.7 | -7.0 | -7.0 | 21.1 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|---------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 90.3 | -0.6 | 13.9 | 13.9 |
| Brent Crude (\$/bbl) | 90.0 | 0.8 | 15.7 | 15.7 |
| Texas crude (\$/bbl) | 86.8 | 0.2 | 15.4 | 15.4 |
| Natural Gas (\$/mmbtu) | 4.6 | 8.3 | 24.4 | 24.4 |
| Gold (\$/oz) | 1,791.5 | -0.3 | -2.1 | -2.1 |
| Silver (\$/oz) | 22.5 | -1.3 | -3.6 | -3.6 |
| Steel (\$/ton) | 1,170.0 | -0.4 | -18.5 | -18.5 |
| Iron Ore (CNY/MT) | 801.5 | 3.7 | 17.2 | 17.2 |
| Wheat (\$/bu) | 786.3 | 1.2 | 2.0 | 2.0 |
| Corn (\$/bu) | 636.0 | 1.7 | 7.2 | 7.2 |
| Sugar (\$/lb) | 18.2 | -1.1 | -3.6 | -3.6 |
| SMP* (EUR/MT) | 3,650.0 | -0.1 | 8.5 | 8.5 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|-----------------------|-------|-------------------|-----------|-----------|
| USD LIBOR | 0.317 | 1.8 | 10.7 | 10.7 |
| Saudi Arabia (SAIBOR) | 0.977 | 2.6 | 7.2 | 7.2 |
| UAE (EIBOR) | 0.454 | 6.9 | 9.0 | 9.0 |
| 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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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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