



## Major Economic News

- Consumer spending in Saudi Arabia rose by 1.0% to nearly SAR 93.2bn in December, from SAR 92.7bn during the same period last year. Total consumer spending since the beginning of last year reached SAR 1.1tn, up 7.0% Y/Y. POS transactions rose by 18.0% to SAR 44.4bn in December from SAR 37.6bn in the same month last year. (Source: Argaam)
- Several public and private entities in the Kingdom unveiled investments of more than USD 6.4bn (SAR 24.0bn) to support future technologies, startups, and technological entrepreneurship. This came during activities of the first edition of the tech event Leap 22, held in Riyadh. (Source: Argaam)

## Major Corporate News

- STC plans to establish a new wholly-owned company specializing in datacenter hosting, international and regional connectivity with an initial capital of SAR 100mn. The telecom operator intends to transfer assets worth ~SAR 2.1bn as of December 2021 to the new company. The new company is expected to inject SAR 1.7bn as an additional investment, bringing the total investment to SAR 3.8bn. (Source: Argaam)
- Nahdi Medical Co. seeks about SAR 4.9bn (USD 1.3bn) through a potential IPO, according to a Bloomberg report. The Kingdom's largest pharmacy retail chain appointed HSBC Saudi Arabia and SNB Capital to manage the sale of a 30% stake on the Saudi stock market. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.2% to 12,293.4. The value traded stood at SAR 6.9bn (down 24.1% over previous day), while the advance-decline ratio stood at 82/114. The parallel market index decreased 0.1% to 25,558.9 points. The value traded stood at SAR 47.3mn (down 23.0% over previous day). Most sectors in the main market ended in the red. Insurance and Healthcare (up 1.3% and 1.0%, respectively) advanced the most; Consumer Durables and Pharma & Bio Tech (down 1.0% each) led the laggards.

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

Company	Q4-21	Q4-20	Y/Y %	Q3-21	Q/Q %
Saudi National Bank	3,357.0	3,360.0	-0.1	3,785.0	-11.3
Nayifat Finance Co.	51.4	60.9	-15.5	57.6	-10.7

## Top Gainers

Company	Price	Change%
SIECO	116.00	6.0
ALAHLI REIT 1	12.92	5.9
MOUWASAT	207.00	4.3
BUPA ARABIA	154.20	3.8
ALMUNAJEM	63.60	3.3

## Top Losers

Company	Price	Change%
NAMA CHEMICALS	39.00	-3.2
SAUDI CABLE	19.52	-2.7
SISCO	32.70	-2.7
SAPTCO	23.36	-2.4
ASEER	21.52	-2.4

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,293	12,349	12,246	0.2	9.0
NomuC	25,559	25,642	25,285	(0.1)	(1.6)

## TASI movement during session



## TASI Ratios

P/E* (x)	24.4
Price-to-Book (x)	2.5
Dividend Yield (%)	1.3
Return on Equity (%)	20.0

Source: Argaam  
\*Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,781	(0.1)	4.8	21.7
Materials	7,814	(0.2)	6.4	20.0
Capital Goods	7,898	0.1	4.7	High
Commercial Service	4,532	(0.5)	2.0	Neg
Transportation	5,666	(0.6)	8.2	Neg
Consumer Durables	6,663	(1.0)	4.9	49.3
Consumer Services	5,012	(0.5)	8.0	Neg
Media	27,819	(0.2)	19.6	45.1
Retailing	10,186	(0.9)	3.4	38.3
Food & Staples	9,156	0.5	0.4	35.8
Food & Beverages	4,993	(0.1)	3.3	39.2
Healthcare	7,937	1.0	8.5	41.5
Pharma & Bio Tech	5,303	(1.0)	2.2	High
Banks	13,767	0.4	12.6	25.1
Diversified Financials	7,810	(0.7)	14.4	49.5
Insurance	6,356	1.3	6.1	High
Telecom	7,640	0.1	5.0	21.9
Utilities	6,617	0.1	11.5	9.6
REITs	4,716	0.1	2.3	Neg
Real Estate	3,277	(0.2)	3.3	Neg
Software & Services	30,152	(0.3)	5.2	35.2

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
12,237	12,205	12,026	6.86

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	23.5	616.8	1,050.0
Previous week	27.9	655.6	1,323.9

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	147.80	-0.3
SNB	74.90	1.5
Saudi Aramco	37.25	-0.3
SABIC	124.00	-0.5
STC	117.20	-0.2



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai decreased 1.0%, while Abu Dhabi increased 0.1%. Egypt and Kuwait rose 1.0% and 0.9%, respectively; while Qatar and Bahrain increased 0.6% and 0.3%, respectively. Meanwhile, Oman fell 0.1%.
- US ISM manufacturing PMI fell to 57.6 in January (consensus: 57.5) from a revised 58.8 in December, declining for the third consecutive month to its lowest level in more than a year. The continued decline in the headline index was due to decrease in the new orders index to 57.9 in January from 61.0 in December and the production index to 57.8 from 59.4. (Source: RTT News, Econoday)
- UK's manufacturing PMI dropped to 57.3 in January (flash reading: 56.9) from 57.9 in the previous month. Production growth accelerated for the third straight month to its highest since July 2021. (Source: RTT News)
- Eurozone manufacturing PMI rose to a five-month high of 58.7 in January (flash reading: 59.0) versus 59.0 in December. (Source: RTT News)
- Oil prices plunged 2.2%, falling from seven-year highs, due to the expectations that major producers could increase their supply in the market.
- Gold prices rose 0.2% driven by weaker US dollar and geopolitical concerns over Ukraine.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	96.4	-0.2	-0.2	0.7
Euro	1.1	0.3	0.3	-0.9
Japanese Yen	114.7	-0.3	-0.3	-0.3
Sterling Pound	1.4	0.6	0.6	-0.1
Chinese Yuan	6.4	0.0	0.0	0.2
Indian Rupee	74.8	0.2	0.2	0.6
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.0	0.0	-0.4
Kuwaiti Dinar	0.3	-0.1	-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	-0.1	-0.1	0.0

## Corporate Calendar

Date	Company	Event
03 <sup>rd</sup> Feb	CHEMICAL	Cash Dividend Distribution
06 <sup>th</sup> Feb	Bawan	Cash Dividend Distribution
06 <sup>th</sup> Feb	MIS	EGM
07 <sup>th</sup> Feb	ALBAHA	OGM
09 <sup>th</sup> Feb	TAPRCO	OGM
09 <sup>th</sup> Feb	Saudi Cable	EGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,171	-1.0	-1.0	-0.8	16.4
Abu Dhabi (ADX)	8,717	0.1	0.1	2.7	20.8
Kuwait (KSE)	6,102	0.9	0.9	3.7	9.7
Qatar (QE)	12,573	0.6	0.6	8.1	16.3
Oman (MSM)	4,111	-0.1	-0.1	-0.5	10.7
Bahrain (BSE)	1,815	0.3	0.3	1.0	10.3
Egypt (EGX30)	11,603	1.0	1.0	-2.9	7.8

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	35,405	0.8	0.8	-2.6	19.0
Nasdaq	15,020	0.6	0.6	-8.0	35.4
S&P 500	4,547	0.7	0.7	-4.6	24.1
FTSE 100	7,536	1.0	1.0	2.0	18.1
Germany DAX 30	15,619	1.0	1.0	-1.7	15.1
France CAC 40	7,099	1.4	1.4	-0.7	21.1
Japan Nikkei 225	27,078	0.3	0.3	-6.0	15.3
Russia MOEX	3,548	0.5	0.5	-6.3	6.7
Hong Kong Hang Seng	23,802	0.0	0.0	1.7	9.5
South Korea KOSPI	2,663	0.0	0.0	-10.6	12.1
China Shanghai Composite	3,361	0.0	0.0	-7.6	14.4
Australia ASX 200	7,006	0.5	0.5	-5.9	21.6
India Sensex	58,863	1.5	1.5	1.0	26.8
MSCI EM	1,214	0.5	0.5	-1.5	13.7
MSCI World	3,087	0.9	0.9	-4.5	21.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	91.1	0.0	0.0	15.0
Brent Crude (\$/bbl)	89.2	-2.2	-2.2	14.6
Texas crude (\$/bbl)	88.2	0.1	0.1	17.3
Natural Gas (\$/mmbtu)	4.8	-2.5	-2.5	33.6
Gold (\$/oz)	1,801.2	0.2	0.2	-1.5
Silver (\$/oz)	22.6	0.8	0.8	-2.8
Steel (\$/ton)	1,180.0	1.3	1.3	-17.8
Iron Ore (CNY/MT)	801.5	0.0	0.0	17.2
Wheat (\$/bu)	769.0	1.0	1.0	-0.2
Corn (\$/bu)	634.8	1.4	1.4	7.0
Sugar (\$/lb)	18.5	1.4	1.4	-2.1
SMP* (EUR/MT)	3,599.0	-0.5	-0.5	7.0

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.309	0.0	0.0	10.0
Saudi Arabia (SAIBOR)	1.006	0.2	10.0	10.0
UAE (EIBOR)	0.461	0.0	9.7	9.7
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.
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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.
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