



Major Economic News

- The Saudi Cabinet approved the Minister of Finance, Mohammed Al-Jadaan, to issue a license to the local digital bank - D360 Bank. The Bank will be established with a SAR 1.65bn capital through a consortium of individual and corporate investors, with PIF as one of the key investors. The digital bank will be led by Derayah Financial Co. (Source: Argaam)

Major Corporate News

- Zain KSA's board of directors approved the final offers received from PIF, Prince Saud bin Fahad, and Sultan Holding Co to acquire stakes in Zain KSA's tower infrastructure comprising 8,069 towers, valuing these assets at SAR 3.0bn. (Source: Argaam)
- CMA approved the request from Advanced Petrochemical Co. to increase its capital from SAR 2.2bn to SAR 2.6bn. The capital hike will be done by issuing one bonus share for every five existing shares. (Source: Argaam)
- Arabian Contracting Services Co. announced that it has won a bid to rent 40 digital billboards to be installed on bridges and tunnels in Jeddah at a total amount of SAR 1.0bn for 10 years. Total revenue for FY22 is expected to increase by 5.0%. (Source: Argaam)
- GASCO signed a share purchase agreement with Mohammed bin Manahi bin Muneer Albuqami to acquire 55% ownership in Best Gas Carrier Co. The transaction was valued at SAR 29.1mn. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 1.2% to 12,350.6. The value traded stood at SAR 8.5bn (up 10.3% over previous day), while the advance-decline ratio stood at 139/51. The parallel market index increased 0.2% to 25,153.4 points. The value traded stood at SAR 141.2mn (down 11.0% over previous day). Most sectors in the main market ended in the green. Banks and Food & Staples (up 2.6% and 2.1%, respectively) advanced the most; Insurance and Telecom (down 0.3% and 0.1%, respectively) were the only laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q4-21	Q4-20	Y/Y %	Q3-21	Q/Q %
Saudi British Bank	427.0	679.0	-37.1	886.0	-51.8
Yamama Cement Co.	-11.9	135.4	NM	40.0	NM
Solutions	114.5	73.8	55.2	257.2	-55.5

Top Gainers

Company	Price	Change%
SADR	80.70	10.0
ASEER	22.00	9.0
SVCP	77.90	5.4
ALLIANZ SF	27.00	5.1
RAYDAN	21.16	4.2

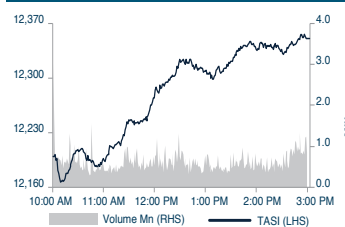
Top Losers

Company	Price	Change%
SIECO	113.80	-4.7
SIPCHEM	42.85	-2.2
ALHAMMADI	39.70	-1.6
SAUDI CERAMICS	51.70	-1.5
BUPA ARABIA	168.00	-1.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,351	12,358	12,160	1.2	9.5
NomuC	25,153	25,222	25,023	0.2	(3.2)

TASI movement during session



TASI Ratios

P/E* (x)	23.3
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	5,793	0.0	5.0	21.7
Materials	7,737	0.1	5.4	19.8
Capital Goods	7,624	0.4	1.0	High
Commercial Service	4,507	2.0	1.4	Neg
Transportation	5,478	0.5	4.7	Neg
Consumer Durables	6,411	0.8	1.0	47.4
Consumer Services	5,008	0.4	7.9	Neg
Media	27,824	1.0	19.7	45.3
Retailing	10,085	0.9	2.4	37.9
Food & Staples	9,273	2.1	1.7	35.4
Food & Beverages	4,984	0.6	3.1	39.2
Healthcare	7,891	1.5	7.9	41.6
Pharma & Bio Tech	5,178	0.8	(0.3)	High
Banks	14,081	2.6	15.2	25.4
Diversified Financials	7,791	0.6	14.1	49.5
Insurance	6,512	(0.3)	8.7	High
Telecom	7,685	(0.1)	5.6	21.8
Utilities	6,574	0.0	10.8	9.5
REITs	4,685	0.1	1.6	Neg
Real Estate	3,175	0.5	0.1	Neg
Software & Services	30,488	1.4	6.4	35.5

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
12,212	12,207	12,206	6.40

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	23.9	606.8	1,089.1
Previous week	28.5	772.1	1,360.9

Top Weighted Companies

Company	Price	Change%
Al Rajhi	156.00	4.0
SNB	72.20	1.7
Saudi Aramco	37.30	0.0
SABIC	121.00	0.3
STC	115.80	-0.3



REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 1.0% and 0.3%, respectively. Egypt, Bahrain, Kuwait and Qatar increased 1.4%, 0.7%, 0.6% and 0.2%, respectively. Meanwhile, Oman declined 0.1%.
- US Producer Price Index, final demand (PPI-FD) rose 1.0% M/M in January (consensus: 0.5%) against a prior revised increase of 0.4% in December. PPI-FD less food & energy gained 0.8% M/M in January (consensus: 0.5%) compared with an increase of 0.6% in December. (Source: Econoday)
- Eurozone GDP grew 0.3% Q/Q (in line with consensus) compared to a 2.3% expansion in Q3-21. On Y/Y basis, GDP growth accelerated to 4.6% in Q4-21 (in line with consensus) versus 3.9% increase in Q3-21. (Source: RTT News)
- China's CPI rose 0.9% Y/Y in January (consensus: an increase of 1.0%) compared to 1.5% growth in December. On M/M basis, CPI was up 0.4% as against 0.3% gain in December. (Source: RTT News)
- Oil prices plunged 3.3%, as supply concerns reduced to some extent with Russian troops returning to their base from Ukraine border.
- Gold prices fell 0.9%, as investors abandoned the safe-haven metal amid easing geopolitical tension between Russia and Ukraine.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	96.0	-0.4	-0.6	0.3
Euro	1.1	0.5	1.1	-0.1
Japanese Yen	115.6	0.1	0.4	0.5
Sterling Pound	1.4	0.1	0.7	0.0
Chinese Yuan	6.3	-0.3	-0.5	-0.3
Indian Rupee	75.3	-0.3	1.0	1.3
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.1	-0.1	-0.5
Kuwaiti Dinar	0.3	0.0	-0.1	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	-0.1	-0.1	-0.1

Corporate Calendar

Date	Company	Event
17 th Feb	ACWA Power	OGM
17 th Feb	FIPCO	OGM
20 th Feb	Advanced	Cash Dividend Distribution
21 st Feb	BJAZ	Cash Dividend Distribution
21 st Feb	ASLAK	Cash Dividend Distribution
21 st Feb	STC	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,279	1.0	2.4	2.6	14.4
Abu Dhabi (ADX)	9,135	0.3	5.0	7.6	21.1
Kuwait (KSE)	6,300	0.6	4.2	7.0	10.6
Qatar (QE)	12,714	0.2	1.7	9.4	15.8
Oman (MSM)	4,082	-0.1	-0.8	-1.2	10.2
Bahrain (BSE)	1,866	0.7	3.1	3.8	10.8
Egypt (EGX30)	11,563	1.4	0.6	-3.2	7.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,989	1.2	-0.4	-3.7	18.6
Nasdaq	14,621	2.5	-2.1	-10.4	33.7
S&P 500	4,471	1.6	-1.0	-6.2	23.2
FTSE 100	7,609	1.0	1.9	3.0	16.2
Germany DAX 30	15,413	2.0	-0.4	-3.0	14.8
France CAC 40	6,980	1.9	-0.3	-2.4	17.6
Japan Nikkei 225	26,865	0.0	-0.5	-6.7	15.7
Russia MOEX	3,600	3.4	2.0	-4.9	6.9
Hong Kong Hang Seng	24,356	-0.8	2.3	4.1	9.9
South Korea KOSPI	2,677	-1.0	0.5	-10.1	11.9
China Shanghai Composite	3,446	0.5	2.5	-5.3	14.8
Australia ASX 200	7,207	-0.5	3.4	-3.2	19.3
India Sensex	58,142	3.1	0.2	-0.2	24.9
MSCI EM	1,229	0.7	1.7	-0.2	13.7
MSCI World	3,054	1.4	-0.2	-5.5	2.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	95.1	-1.5	4.4	20.0
Brent Crude (\$/bbl)	93.3	-3.3	2.3	19.9
Texas crude (\$/bbl)	92.1	-3.6	4.4	22.4
Natural Gas (\$/mmbtu)	4.3	2.6	-11.7	21.1
Gold (\$/oz)	1,853.6	-0.9	3.1	1.3
Silver (\$/oz)	23.4	-2.0	4.0	0.2
Steel (\$/ton)	1,125.0	-0.5	-3.4	-21.6
Iron Ore (CNY/MT)	806.0	0.0	0.6	17.8
Wheat (\$/bu)	785.8	-2.5	2.5	1.5
Corn (\$/bu)	637.5	-2.7	2.1	7.1
Sugar (\$/lb)	17.6	-0.5	-1.3	-5.5
SMP* (EUR/MT)	3,630.0	0.0	0.3	7.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.459	0.00	0.1	0.2
Saudi Arabia (SAIBOR)	1.187	0.01	0.2	0.3
UAE (EIBOR)	0.573	0.00	0.1	0.2
Qatar (QIBOR)	1.150	0.00	0.0	0.0
Bahrain (BHIBOR)	1.567	0.00	0.0	0.1

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of February 15, 2022



RESEARCH DIVISION

Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

RESEARCH
DIVISION

AlJazira Capital, the investment arm of Bank AlJazira, is a Shariaa Compliant Saudi Closed Joint Stock company and operating under the regulatory supervision of the Capital Market Authority. AlJazira Capital is licensed to conduct securities business in all securities business as authorized by CMA, including dealing, managing, arranging, advisory, and custody. AlJazira Capital is the continuation of a long success story in the Saudi Tadawul market, having occupied the market leadership position for several years. With an objective to maintain its market leadership position, AlJazira Capital is expanding its brokerage capabilities to offer further value-added services, brokerage across MENA and International markets, as well as offering a full suite of securities business.

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.

Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities may, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Investment Banking | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068