



## Major Economic News

- Saudi Arabia's general reserves declined to SAR 338.3bn in January, a SAR 8.9bn drop compared to December 2021. The Kingdom's current account grew by SAR 3.2bn M/M to around SAR 41.3bn in January. (Source: Argaam)

## Major Corporate News

- Saudi Steel Pipe Co. won contracts to supply steel pipes for oil and gas to Tenaris Global Services in Uruguay, at an estimated value of SAR 88.5mn. The contract term extends over three months and Tenaris Global Services (Uruguay) is a related party. The company expects the financial impact of the contracts to reflect in Q2-22. (Source: Argaam)
- Jarir Marketing Co.'s shareholders approved stopping the allocation of 10% of net profit to statutory reserve, starting from the financial results for the period ending December 31, 2021. (Source: Argaam)
- Amlak International Real Estate Finance Co. announced the renewal and modification of a Sharia-compliant credit facility agreement with The Saudi Investment Bank at a total value of SAR 664.5mn. The financing is aimed at facilitating the company's business and enhance its ability to finance its clients. (Source: Argaam)
- Maharah Human Resources Co.'s wholly-owned subsidiary, Growth Avenue Investment Co., extended the MoU signed earlier to acquire a 40% stake in Salis for Trading and Marketing Co. by three months until June 01, 2022. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 0.7% to 12,674.3. The value traded stood at SAR 12.2bn (up 2.4% over previous day), while the advance-decline ratio stood at 85/114. The parallel market index decreased 0.1% to 25,001.0 points. The value traded stood at SAR 91.0mn (down 2.4% over previous day). Most sectors in the main market ended in the green. Materials and Commercial service (up 2.5% and 1.7%, respectively) advanced the most; Media and Consumer Durables (down 2.9% and 0.9%, respectively) led the laggards.

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

Company	Q4-21	Q4-20	Y/Y %	Q3-21	Q/Q %
Taiba Investments Co.	-64.1	-8.1	NM	-38.4	NM
SISCO	-0.8	28.1	NM	4.0	NM
Astra Industrial	51.8	37.9	36.6	45.4	14.1

## Top Gainers

Company	Price	Change%
EQUIPMENT HOUSE	78.80	16.6
SABIC AGRI-NUTRIENTS	171.00	7.4
PETROCHEM	47.90	6.4
AMANA INSURANCE	33.40	4.4
BUPA ARABIA	168.40	4.0

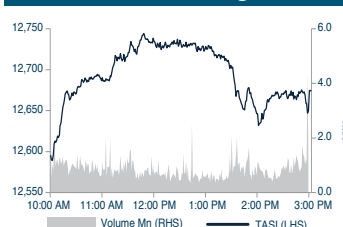
## Top Losers

Company	Price	Change%
SABB TAKAFUL	22.68	-4.9
TAPRCO	153.80	-4.1
SAUDI CABLE	22.40	-3.8
SRMG	241.80	-3.3
GASCO	53.40	-3.3

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,674	12,748	12,584	0.7	12.3
NomuC	25,001	25,044	24,929	(0.1)	(3.8)

## TASI movement during session



## TASI Ratios

P/E* (x)	21.9
Price-to-Book (x)	2.4
Dividend Yield (%)	1.7
Return on Equity (%)	20.0

Source: Argaam  
\*Excluding Aramco

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,366	0.1	15.4	24.1
Materials	8,154	2.5	11.0	21.1
Capital Goods	7,189	(0.1)	(4.7)	High
Commercial Service	4,545	1.7	2.3	Neg
Transportation	5,407	1.0	3.3	Neg
Consumer Durables	5,882	(0.9)	(7.4)	43.6
Consumer Services	5,145	0.6	10.9	Neg
Media	28,527	(2.9)	22.7	46.8
Retailing	10,218	0.5	3.8	38.4
Food & Staples	9,230	1.1	1.2	34.6
Food & Beverages	5,033	1.1	4.1	39.6
Healthcare	8,012	0.6	9.5	43.0
Pharma & Bio Tech	5,139	0.5	(1.0)	High
Banks	14,261	0.1	16.7	25.5
Diversified Financials	7,736	1.0	13.3	49.4
Insurance	6,333	1.1	5.7	High
Telecom	7,617	0.5	4.7	21.7
Utilities	6,887	1.4	16.1	10.0
REITs	4,723	(0.0)	2.4	Neg
Real Estate	3,308	0.2	4.3	Neg
Software & Services	29,949	(0.2)	4.5	High

\*\*Neg: Negative

## Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
12,501	12,485	12,344	12.18

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	34.0	766.9	1,239.8
Previous week	46.8	1,163.4	1,730.2

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	160.00	-0.2
SNB	67.50	-1.0
Saudi Aramco	41.45	-0.2
SABIC	129.00	3.5
STC	115.00	0.9



## REGIONAL AND INTERNATIONAL MARKETS

- Among other regional markets, Dubai and Abu Dhabi increased 1.3% and 2.2%, respectively. Qatar, Egypt and Bahrain rose 2.5%, 1.2% and 0.2%, respectively. Meanwhile, Kuwait and Oman remained closed.
- US and its allies agreed to release 60.0mn barrels of oil from their reserves to ease the impact of Russia-Ukraine war on energy prices, according to the White House and the International Energy Agency. US will release 30.0mn barrels from its strategic petroleum reserves. (Source: CNN)
- US ISM manufacturing PMI rose to 58.6 (consensus: 58.0) compared to 57.6 in January. (Source: Econoday)
- UK's manufacturing PMI increased to a three-month high of 58.0 in February (consensus: 57.3) from 57.3 in January. The increase was driven by faster growth in output, new orders, and stocks of purchases. (Source: RTT News, Econoday)
- Oil prices surged 3.9%, hitting a seven and half year high, as negotiations between Russia and Ukraine failed, thus raising global energy supply concerns.
- Gold prices increased 1.9%, as the yellow metal continued to attract the safe-haven demand amid ongoing Russia-Ukraine crisis.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	97.4	0.7	0.7	1.8
Euro	1.1	-0.8	-0.8	-2.2
Japanese Yen	114.9	-0.1	-0.1	-0.1
Sterling Pound	1.3	-0.7	-0.7	-1.5
Chinese Yuan	6.3	0.1	0.1	-0.6
Indian Rupee	75.3	0.0	0.0	1.3
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.7	0.0	0.0	-0.6
Kuwaiti Dinar	0.3	0.0	0.0	0.2
Omani Rial	0.4	0.1	0.1	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
02 <sup>nd</sup> Mar	QACCO	Cash Dividend Distribution
02 <sup>nd</sup> Mar	SOLUTIONS	EGM
03 <sup>rd</sup> Mar	Saudi Ceramics	Cash Dividend Distribution
03 <sup>rd</sup> Mar	FITNESS TIME	Cash Dividend Distribution
07 <sup>th</sup> Mar	BURUJ	OGM
09 <sup>th</sup> Mar	SGS	OGM

\*EGM: Extra Ordinary Meeting

\*OGM: Ordinary General Meeting

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,398	1.3	1.3	6.3	16.0
Abu Dhabi (ADX)	9,521	2.2	2.2	12.2	21.7
Kuwait (KSE)	6,291	0.0	0.0	6.9	10.8
Qatar (QE)	13,272	2.5	2.5	14.2	16.6
Oman (MSM)	4,055	0.0	0.0	-1.8	10.3
Bahrain (BSE)	1,968	0.2	0.2	9.5	8.9
Egypt (EGX30)	11,276	1.2	1.2	-5.6	6.9

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	33,295	-4.1	-1.8	-8.4	18.0
Nasdaq	14,006	-3.1	-1.6	-14.2	32.3
S&P 500	4,306	-2.8	-1.5	-9.6	22.4
FTSE 100	7,330	-1.8	-1.7	-0.7	15.2
Germany DAX 30	13,905	-9.2	-3.8	-12.5	13.1
France CAC 40	6,396	-8.2	-3.9	-10.6	17.0
Japan Nikkei 225	26,845	0.5	1.2	-6.8	15.4
Russia MOEX	3,489	0.0	0.9	-7.9	4.6
Hong Kong Hang Seng	22,762	-3.3	0.2	-2.7	8.8
South Korea KOSPI	2,663	0.0	-1.3	-10.6	11.8
China Shanghai Composite	3,489	3.8	0.8	-4.1	14.9
Australia ASX 200	7,097	1.6	0.7	-4.7	17.2
India Sensex	57,200	0.0	1.7	-1.8	24.2
MSCI EM	1,176	-1.2	0.4	-4.5	12.8
MSCI World	2,931	-2.5	-1.6	-9.3	19.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	104.0	4.1	4.1	31.2
Brent Crude (\$/bbl)	105.0	3.9	3.9	35.0
Texas crude (\$/bbl)	103.4	8.0	8.0	37.5
Natural Gas (\$/mmbtu)	4.6	3.9	3.9	30.4
Gold (\$/oz)	1,945.3	1.9	1.9	6.3
Silver (\$/oz)	25.4	3.8	3.8	8.9
Steel (\$/ton)	1,060.0	0.4	0.4	-26.1
Iron Ore (CNY/MT)	739.5	3.0	-7.7	8.1
Wheat (\$/bu)	984.0	5.4	5.4	27.1
Corn (\$/bu)	725.8	5.1	5.1	22.0
Sugar (\$/lb)	18.3	3.6	3.6	-1.4
SMP* (EUR/MT)	3,770.0	0.2	0.2	12.0

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.504	-0.02	0.0	0.3
Saudi Arabia (SAIBOR)	1.516	0.00	0.0	0.6
UAE (EIBOR)	0.565	-0.03	0.0	0.2
Qatar (QIBOR)	1.150	0.00	0.0	0.0
Bahrain (BHIBOR)	1.600	0.00	0.0	0.1

Data Sources: Tadawul, Bloomberg, Reuters

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

Updated as of March 1, 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 maybe, 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