



## Major Economic News

- SAMA decided to raise its repo rate to 125bps from 100bps and reverse repo rate to 75bps from 25bps. The decision followed the US Federal Reserve increasing interest rates to range between 0.25% and 0.50%. (Source: Argaam))

## Major Corporate News

- CMA approved the request received from Saudi Industrial Investment Group (SIIG) to increase its capital from SAR 4,500mn to SAR 7,548mn by issuing 304.8 ordinary shares to acquire all shares issued in National Petrochemical Co. which are not owned by SIIG through securities exchange. (Source: Argaam)
- CMA board issued a resolution approving Abdullah Al Othaim Investment Co.'s application for the offering of 30mn shares, representing 30% of its share capital. (Source: Argaam)
- Arabian Contracting Services Co. announced the signing sites lease contract for 40 digital billboards to be installed on bridges and tunnels in Jeddah at a total amount of over SAR 1.0bn for 10 years. Consequently, revenues are likely to increase by 5.0% of the total target for FY22. (Source: Argaam)
- CMA board issued a resolution to approve Retal Urban Development Co.'s request to offer 12.0mn shares, representing 30% of the company's capital, in a public offering. (Source: Argaam)

## Market Analysis

- The Saudi Stock Exchange increased 2.0% to 12,656.2. The value traded stood at SAR 10.4bn (up 49.1% over previous day), while the advance-decline ratio stood at 144/56. The parallel market index increased 1.2% to 24,726.0 points. The value traded stood at SAR 58.5mn (down 28.5% over previous day). Most sectors in the main market ended in the green. Energy and Telecom (up 5.2% and 3.8%, respectively) advanced the most; Utilities and Pharma & Bio Tech (down 5.5% and 0.3%, respectively) led the laggards.

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

Company	Q4-21	Q4-20	Y/Y %	Q3-21	Q/Q %
MEPCO	95.0	4.2	NM	65.0	46.1
Lazurde	-4.0	-33.9	NM	7.8	NM
Mouwasat	146.8	143.1	2.6	142.7	2.9
Shaker	0.3	1.4	-77.5	12.3	-97.4

## Top Gainers

Company	Price	Change%
MAADEN	122.0	9.9
ETIHAD ETISALAT	42.3	9.9
SAUDI ARAMCO	41.0	5.8
ASTRA INDUSTRIAL	39.9	5.6
SIPCHEM	50.6	5.0

## Top Losers

Company	Price	Change%
SAUDI ELECTRICITY	27.7	-9.9
SHARQIYAH DEV	102.0	-2.3
WALAA	16.7	-2.2
ATAA	61.7	-2.1
AMANA INSURANCE	30.8	-1.9

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,656	12,656	12,448	2.0	12.2
NomuC	24,726	24,734	24,359	1.2	-4.8

## TASI movement during session



## TASI Ratios

P/E* (x)	24.7
Price-to-Book (x)	2.6
Dividend Yield (%)	1.9
Return on Equity (%)	20.0

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,300	5.2	14.2	23.9
Materials	8,467	2.8	15.3	21.8
Capital Goods	6,918	1.2	(8.3)	High
Commercial Service	4,476	0.5	0.7	Neg
Transportation	5,447	0.5	4.1	Neg
Consumer Durables	5,672	0.1	(10.7)	42
Consumer Services	4,919	(0.1)	6.0	Neg
Media	29,253	1.3	25.8	46.8
Retailing	9,778	0.9	(0.7)	36.7
Food & Staples	9,273	0.5	1.7	43.2
Food & Beverages	4,911	1.5	1.6	38.3
Healthcare	8,212	2.0	12.3	44.7
Pharma & Bio Tech	4,901	(0.3)	(5.6)	High
Banks	13,996	1.8	14.5	25.1
Diversified Financial	7,561	0.4	10.7	48.7
Insurance	6,088	1.0	1.6	High
Telecom	7,826	3.8	7.5	21.6
Utilities	6,997	(5.5)	17.9	10.2
REITs	4,635	0.2	0.5	Neg
Real Estate	3,318	0.4	4.6	Neg
Software & Services	29,364	0.5	2.5	31.2

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,569	12,680	12,598	10.62

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	34.4	824.30	1,526.60
Previous week	55.9	1,256.80	2,202.20

## Top Weighted Companies

Company	Price	Change%
Al Rajhi	153.8	1.9
SNB	68.4	0.4
Saudi Aramco	41.0	5.8
SABIC	128.8	1.9
STC	111.6	1.8



## Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 2.0% and 1.2%, respectively. Egypt and Qatar increased 2.7% and 0.3%, respectively. Oman, Bahrain and Kuwait decreased 0.7%, 0.4% and 0.1%, respectively.
- US Federal Reserve approved to increase interest rate by 25bps to a range of 0.25%-0.5%, the first rate hike in more than three years. The central bank also outlined a plan for rate hikes for the remaining of FY22, that includes six more hikes, pointing to a consensus funds rate of 1.9% by the end of the year. The Federal Open Market Committee indicated three more hikes in FY23. (Source: EIA, Econoday)
- According to EIA, oil inventories in the US increased 4.3mn barrels (prior: down 1.9mn) to 415.9mn in the week ended March 11. Gasoline inventories decreased 3.6mn barrels (prior: down 1.4mn) to 241.0mn, while distillate inventories rose 0.3mn barrels (prior: down 5.2mn) to 114.2mn. (Source: EIA, Econoday)
- Oil prices fell 1.9% due to an unexpected increase in US oil inventories and progress in peace talks between Russia and Ukraine.
- Gold prices rose 0.5% driven by a weaker US dollar, as the interest rate increase by the US Fed was in line with the expectations.

## Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	98.6	-0.5	2.0	3.1
Euro	1.1	0.7	-1.6	-2.9
Japanese Yen	118.7	0.4	3.2	3.2
Sterling Pound	1.3	0.8	-2.0	-2.8
Chinese Yuan	6.4	-0.3	0.8	0.1
Indian Rupee	76.3	-0.4	1.2	2.6
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	0.4	0.5
Omani Rial	0.4	0.0	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
17 <sup>th</sup> Mar	STC	Cash Dividend Distribution
20 <sup>th</sup> Mar	Advanced	EGM
21 <sup>st</sup> Mar	GROUP FIVE	EGM
23 <sup>rd</sup> Mar	QACCO	OGM
23 <sup>rd</sup> Mar	YANSAB	OGM
23 <sup>rd</sup> Mar	Jarir	Cash Dividend Distribution

\*EGM: Extra Ordinary Meeting  
\*OGM: Ordinary General Meeting

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## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,373	2.0	0.5	5.5	15.8
Abu Dhabi (ADX)	9,591	1.2	2.9	13.0	22.1
Kuwait (KSE)	6,229	-0.1	-1.0	5.8	10.6
Qatar (QE)	13,280	0.3	2.6	14.2	17.0
Oman (MSM)	4,312	-0.7	6.3	4.4	11.2
Bahrain (BSE)	1,961	-0.4	-0.1	9.1	8.9
Egypt (EGX30)	10,706	2.7	-3.9	-10.4	6.3

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,063	1.5	0.5	-6.3	18.1
Nasdaq	13,957	3.7	-2.0	-14.5	31.7
S&P 500	4,358	2.2	-0.4	-8.6	22.4
FTSE 100	7,292	1.6	-2.2	-1.3	14.9
Germany DAX 30	14,441	3.8	-0.1	-9.1	14.8
France CAC 40	6,589	3.7	-1.1	-7.9	15.4
Japan Nikkei 225	25,762	1.6	-2.9	-10.5	15.2
Russia MOEX	2,470	20.0	-28.5	-34.8	NA
Hong Kong Hang Seng	20,088	9.1	-11.6	-14.1	8.0
South Korea KOSPI	2,659	1.4	-1.5	-10.7	14.0
China Shanghai Composite	3,171	3.5	-8.4	-12.9	13.9
Australia ASX 200	7,175	1.1	1.8	-3.6	17.5
India Sensex	56,817	1.9	1.0	-2.5	24.9
MSCI EM	1,081	5.3	-7.7	-12.3	12.6
MSCI World	2,936	2.5	-1.4	-9.1	19.4

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	107.5	-0.1	7.6	35.6
Brent Crude (\$/bbl)	98.0	-1.9	-2.9	26.0
Texas crude (\$/bbl)	95.0	-1.5	-0.7	26.4
Natural Gas (\$/mmbtu)	4.7	3.9	7.9	35.4
Gold (\$/oz)	1,927.3	0.5	1.0	5.4
Silver (\$/oz)	25.1	0.8	2.6	7.6
Steel (\$/ton)	1,100.0	-2.2	4.2	-23.3
Iron Ore (CNY/MT)	794.5	-0.6	-0.9	16.2
Wheat (\$/bu)	1,069.3	-7.4	14.5	38.1
Corn (\$/bu)	730.0	-3.7	5.7	22.7
Sugar (\$/lb)	18.6	-0.9	4.9	-0.2
SMP* (EUR/MT)	4,018.0	-0.6	6.8	19.4

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.92	0.0	0.4	0.7
Saudi Arabia (SAIBOR)	2.01	0.1	0.5	1.1
UAE (EIBOR)	0.86	0.0	0.3	0.5
Qatar (QIBOR)	1.15	0.0	0.0	0.0
Bahrain (BHIBOR)	1.62	0.0	0.0	0.1

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.
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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