



Domestic Market News

- International **tourist spending in KSA** rose to SAR 141bn in 2023, while spending on accommodation topped with total spending of SAR 45bn. Spending on shopping was the second highest at SAR 25.5bn. (Source: Argaam)
- Saudi Arabia's cement market has started to see improved demand since July and will likely witness robust demand levels from the end of September until February 2025, said Badr Johar, Head of **National Cement Committee (NCC)**, Federation of Saudi Chambers (FSC). (Source: Argaam)
- China Energy Engineering Corporation (CEEC) signed contract worth USD 972mn to build a solar power plant in KSA. The JV includes **CEEC, PIF, ACWA Power and SAPCO**. (Source: Argaam)
- Electrical Industries Co.'s** subsidiary, Saudi Power Transformers Co., signed, on Aug. 14, a contract with Hyundai Engineering Co. Ltd for supplying transformers at a total value of SAR 281.13 million, excluding VAT. (Source: Argaam)
- Red Sea** signed a contract worth SAR 253.1mn with Modern Building Leaders, to execute mechanical, electrical and plumbing works. The financial impact will be reflected starting Q3-24. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased 0.4% to 11,849.7. The value traded stood at SAR 6.9bn (up 25.2% over the previous day), while the advance-decline ratio stood at 186/39. The parallel market index increased 0.7% to 25,534.9 points. The value traded stood at SAR 45.7mn (up 11.6% over the previous day). Most of the sectors in the main market ended in green. Pharma & Bio Tech and Media (up 4.8% and 4.4%, respectively) while Energy and Banks (down 0.2% each) declined the most.

Top Gainers

Company	Price	Change%
KINGDOM	8.47	10.0
SAUDI GERMAN	70.60	10.0
CHUBB	32.65	9.9
SASCO	63.60	9.8
ALBAHA	0.13	8.3

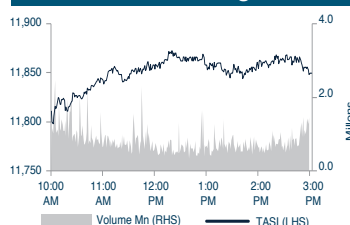
Top Losers

Company	Price	Change%
AL MAATHER REIT	8.79	-3.5
BAHRI	29.30	-1.5
PETRO RABIGH	7.88	-1.5
CITY CEMENT	17.60	-1.2
SABIC	74.50	-1.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,850	11,873	11,794	0.4	(1.6)
NomuC	25,535	25,538	25,281	0.7	4.1

TASI movement during session



TASI Ratios

P/E* (x)	25.5
Price-to-Book (x)	2.4
Dividend Yield (%)	2.8
Return on Equity (%)	19.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,329	-0.2	-14.5	15.8
Materials	5,580	0.0	-12.7	High
Capital Goods	12,316	1.6	22.1	27.3
Commercial Service	4,981	0.4	-10.7	36.1
Transportation	7,668	2.1	20.7	36.9
Consumer Durables	4,939	1.7	-0.8	Neg
Consumer Services	4,967	1.9	-0.2	36.3
Media	30,547	4.4	24.4	45.4
Consumer Discretionary Ret	7,448	2.1	-13.5	22
Consumer Staples Ret	8,953	1.2	-8.4	21.3
Food & Beverages	5,811	0.4	3.3	29.1
Healthcare	12,750	2.5	4.3	45
Pharma & Bio Tech	4,940	4.8	1.5	47.7
Banks	11,710	-0.2	-4.7	13.1
Financial Services	7,566	2.6	12.4	35.2
Insurance	11,142	2.8	29.6	27.1
Telecom	7,698	0.7	-0.9	15.1
Utilities	13,594	0.2	37.0	29.4
REITs	3,234	0.0	-11.8	25.2
Real Estate	3,663	0.2	19.8	43.2
Software & Services	76,869	3.2	12.1	44.7

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
11,765	11,754	11,940	6.96

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	23.7	962.60	1,883.90
Previous week	39.8	1,786.50	3,250.60

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.15	-0.2
Al Rajhi	84.00	-0.6
SNB	34.90	0.1
ACWA POWER	388.80	0.2
ALINMA	31.45	-0.6





International Market News

- **U.S. consumer prices** rose moderately in July and the annual increase in inflation slowed to below 3% for the first time in nearly 3-1/2 years, opening the door wider for the Federal Reserve to cut interest rates next month. (Source: Reuters)
- **China's factory output** growth slowed and missed expectations in July, adding to a series of indicators that show the world's second-largest economy is struggling to kick into a higher gear, even with recent government support. (Source: Reuters)
- **China's new home prices** fell at their fastest pace in nine years in July, as a slew of support policies failed to stabilise prices and restore confidence in the struggling property sector. (Source: Reuters)
- **Japan's economy** expanded by a much faster-than-expected annualised 3.1% in the second quarter, rebounding from a slump at the start of the year thanks to a strong rise in consumption and backing the case for another near-term interest rate hike. (Source: Reuters)
- **Oil prices** rose on Thursday, supported by optimism potential U.S. interest rate cuts will boost economic activity and fuel consumption though concerns over slower global demand curbed gains. Brent crude futures climbed 17 cents, or 0.21%, to \$79.93 a barrel by 0348 GMT. (Source: Reuters)
- **The Panama Canal** is struggling to persuade traders in liquefied natural gas and food commodities such as grains to return to the trade route after they were forced out by a historic drought last year. (Source: FT)

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.57	0.0	-1.5	1.2
Euro	1.10	0.2	1.7	-0.2
Japanese Yen	147.33	0.3	-1.8	4.5
Sterling Pound	1.28	-0.3	-0.2	0.8
Chinese Yuan	7.15	-0.0	-1.1	0.3
Indian Rupee	83.95	-0.0	0.3	0.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.1
Kuwaiti Dinar	0.31	-0.1	0.1	-0.4
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	49.10	-0.5	1.1	58.9

Corporate Calendar

Date	Company	Event
15-Aug	EXTRA	Cash Dividend Distribution
15-Aug	SAB	Eligibility of Cash Dividend
15-Aug	STC	Cash Dividend Distribution
15-Aug	MAHARAH	Eligibility of Cash Dividend
15-Aug	IOUD	EGM
15-Aug	MOBI INDUSTRY	Eligibility of Cash Dividend

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,213	0.7	-1.3	3.8	7.4
Abu Dhabi (ADX)	9,226	0.6	-1.2	-3.7	16.8
Kuwait (KSE)	7,716	1.3	-2.3	3.2	22.4
Qatar (QE)	10,108	0.4	-0.5	-6.7	11.2
Oman (MSM)	4,683	0.5	0.5	3.7	12.0
Bahrain (BSE)	1,941	0.4	-1.5	-1.5	7.4
Egypt (EGX30)	29,567	0.8	0.6	18.8	8.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,008	0.6	-2.0	6.2	22.3
Nasdaq	19,023	0.1	-1.8	13.1	33.5
S&P 500	5,455	0.4	-1.2	14.4	25.5
FTSE 100	8,281	0.6	-1.0	7.1	14.4
Germany DAX 30	17,886	0.4	-3.4	6.8	14.8
France CAC 40	7,333	0.8	-2.6	-2.8	13.8
Japan Nikkei 225	36,442	0.6	-6.8	8.9	22.2
Brazil IBOVESPA	133,318	0.7	4.4	-0.6	10.0
Hong Kong Hang Seng	17,113	-0.4	-1.3	0.4	9.6
South Korea KOSPI	2,645	0.9	-4.6	-0.4	13.7
China Shanghai Composite	2,851	-0.6	-3.0	-4.2	13.5
Australia ASX 200	7,851	0.3	-3.0	3.4	19.4
India Sensex	79,106	0.2	-3.2	9.5	24.0
MSCI EM	1,077	0.5	-0.8	5.2	15.5
MSCI World	3,522	0.6	-1.4	11.1	21.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	82.02	-0.6	-0.1	2.0
Brent Crude (\$/bbl)	79.76	-1.2	-1.2	3.5
Texas crude (\$/bbl)	76.98	-1.7	-1.2	7.4
Natural Gas (\$/mmbtu)	2.22	3.3	9.0	-17.0
Gold (\$/oz)	2,447.85	-0.7	0.0	18.7
Silver (\$/oz)	27.57	-1.0	-5.0	15.9
Steel (\$/ton)	660.00	-2.4	-6.3	-41.9
Iron Ore (CNY/MT)	788.50	0.0	3.2	-24.4
Wheat (\$/bu)	556.25	0.8	0.8	-16.9
Corn (\$/bu)	400.75	0.9	0.3	-20.4
Sugar (\$/lb)	17.97	-2.3	-5.1	-12.5
SMP* (EUR/MT)	2,413.00	0.0	2.2	-6.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.83	4.8	5.7	-8.0
KSA (SAIBOR 3M)	6.07	0.4	-12.8	-16.4
KSA (SAIBOR 6M)	5.87	-0.2	-8.8	-20.7
KSA (SAIBOR 12M)	5.68	5.1	-9.5	-31.6
USA (SOFR 3M)	5.10	-2.3	-14.6	-23.6
UAE (EIBOR 3M)	5.01	-3.9	-21.9	-31.5

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Aug 14, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,850
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	10,167.8
Value (SAR mn)	6,937.1
Volume (mn)	260.3
Number of Transactions	537,592
Market Breadth	186 : 39

Key statistics

1D return %	0.45%
MTD return %	-2.15%
QTD return	1.46%
YTD return	-0.98%
ADT vol. 3M* (mn)	308.8
ADT val. 3M (SARmn)	7,572.7

*ADT stands for Average Daily Traded

TASI market commentary

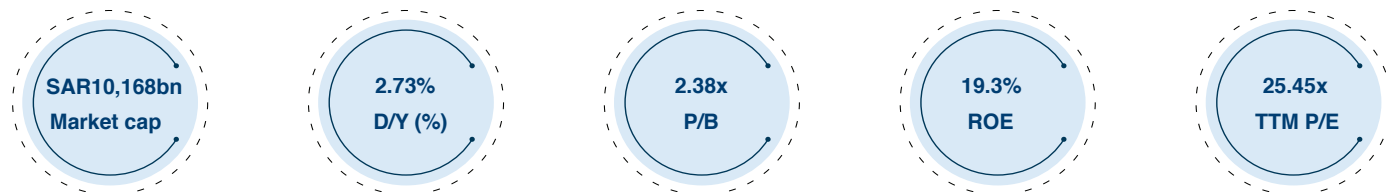
- TASI experienced a rise on Wednesday; primarily driven by the performance of the Telecommunication services sector (up 0.75%) and the Utilities sector (up 0.16%). At close, the Saudi market ended the day with a change of 0.45% at 11,850. In terms of activity, total volumes and value traded were ~260mn and ~SAR 6.9bn, respectively. The advance-decline ratio came in at 186/39.

Technical outlook

- TASI closed the last session near 11,850, registering a gain of 53 points. The buying attitude persisted, driving the index upwards after penetrating the 10-day SMA. TASI formed a green candlestick, that is presently encountering the notable resistance zone of the 61.8% Fibonacci level as well as the 20-day SMA around 11,870 – 11,940. Moreover, the RSI indicator has reached its mid-level around the 50 level, which needs to be surpassed to indicate a positive signal. TASI has an immediate resistance level of around 11,870. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,940 – 12,025. On the other hand, an immediate support level is observed around 11,720. If breached, the subsequent support levels would be around 11,670 -11,600. Currently, TASI is testing a significant resistance area encompassing the 61.8% Fibonacci level, the 20-day SMA, and a previous downward gap. Hence, traders are advised to diligently monitor the important resistance zone around 11,870 – 11,940.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,500	11,600	11,670	11,720	11,870	11,940	12,025



Source: Bloomberg, Argaam

TASI daily chart

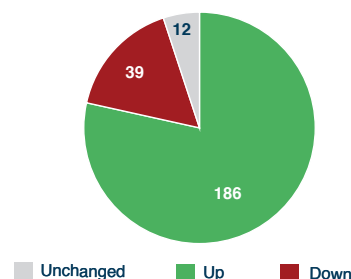


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
2230	Chemical	11.14	11.12 – 11.14	11.24 – 11.36	11.00
8010	Tawuniya	166.40	166.00 – 166.40	167.80 – 169.80	164.20
8160	Arabia Insurance	14.42	14.38 – 14.42	14.54 – 14.70	14.24
4050	Saudi Automotive Services	63.60	63.40 – 63.60	64.20 – 64.90	62.80
2283	First Mills	66.80	66.60 – 66.80	67.40 – 68.10	66.00
4002	Mouwasat	109.20	109.00 – 109.20	110.20 – 111.40	107.80
7203	Elm	986.00	983.60 – 986.00	995.00 – 1005.00	973.00

*As of 14th August 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

CHEMICAL has just penetrated its 20-day SMA as well as the level of the prior minor peak. Moreover, all the technical indicators show bullish structure.

Saudi Chemical Co. (CHEMICAL)



Source: Tradingview, Aljazira Capital

Technical observations

Tawuniya has just penetrated the level of the prior peak. Moreover, all the technical indicators show bullish structure.

The Company for Cooperative Insurance (Tawuniya)



Source: Tradingview, Aljazira Capital



Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

Candlestick: A candlestick (candle) is a type of price chart used to display the high, low, opening, and closing prices of a security for the period under consideration.

Support: This is the price level at which demand is strong enough to avoid any further price decline.

Resistance: This is the price level at which supply is strong enough to stop any further price increase.

Pattern/formation: This is a plot of a security's price activity over a certain period that can be used to identify potential trends, reversal of trends, price targets, entry and exit points, etc. There are various formations – such as head & shoulders, triangles, flags, etc.

Simple moving average: A simple moving average is formed by computing the average price of a security over a specific number of periods. Moving averages are based on closing prices.

Relative strength index (RSI): RSI is a momentum indicator that compares a security's price gains to its losses for a predetermined number of periods (generally, 14 periods are used). The RSI attempts to point out how security, in relative terms, is in the overbought/oversold zone.

Moving average convergence/divergence (MACD): MACD is a trading indicator that shows changes in the strength, direction, momentum, and duration of a trend in a stock's price through a collection of three- time series calculated from historical closing prices.

Fibonacci retracements: These are horizontal lines that indicate the expected areas of support/resistance for a security based on a predetermined price movement. These are usually indicated by Fibonacci ratios of 23.6%, 38.2%, 50.0%, 61.8%, and 100% from that movement.

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