



Major Economic News

- The **Ministry of Mineral Resources** issued 20 new mining licenses in February 2024. These licenses included 9 building materials quarry licenses, 6 surplus mineral ore licenses and 5 reconnaissance licenses. The total active mining licenses in sector amounted to 2,457 licenses by the end of February. (Source: Argaam)

Major Corporate News

- ADES's** liquidity amounts to SAR 750mn and management expects investments to reach DAR 5.5bn over next two years. The management mentioned that company has conservative loan policy which ensures any contract covers the loan value and generates high profits for shareholders by increasing contract-secured debt. Moreover, company is preparing to secure a risk-free loan. (Source: Argaam)
- Lana Company** signed a MoU to acquire 50% stake in Belarus based Solar Laser Systems which specializes in manufacturing of laser devices. The acquisition will be used to transfer industry and technologies in KSA. This acquisition will be funded internally from Lana's liquidity. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q1-24	Q1-23	Y/Y %	Q4-23	Q/Q %
AMLAK	8.6	11.0	-22.04	8.9	-3.13
OASIS	3.7	1.9	92.44	16.9	-78.14
ALAKARIA	2.9	8.9	-67.42	156.9	-98.15
AMERICANA	105.1	217.9	-51.79	122.9	-14.48
SUMOU	19.1	8.9	114.21	24.8	-22.85
SAUDI ARAMCO [^]	102.27	119.5	-14.45	100.2	2.05

NM means Not Meaningful. [^]Saudi Aramco data denoted in billions

Market Analysis

The **Saudi Stock Exchange** remained flat at 12,372.5. The value traded stood at SAR 7.4bn (up 40.0% over the previous day), while the advance-decline ratio stood at 116/110. The parallel market index increased 0.9% to 26,791.0 points. The value traded stood at SAR 39.3mn (up 57.4% over the previous day). Most sectors in the main market ended in the green. Insurance and Pharma & Bio Tech (up 7.2 and 2.5%, respectively) advanced the most, while Software & Services and Banks (down 2.3% and 0.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
BUPA ARABIA	275.00	10.0
MEDGULF	33.10	10.0
ALRAJHI TAKAFUL	148.40	9.9
WALAA	33.45	9.5
ALBAHA	0.14	7.7

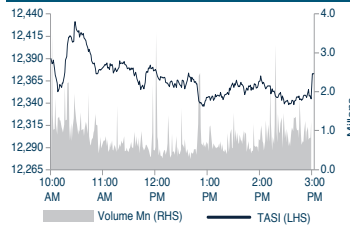
Top Losers

Company	Price	Change%
SOLUTIONS	334.40	-4.5
SAUDI CABLE	76.00	-3.6
GIG	33.85	-3.0
THIMAR	15.72	-2.7
TADAWUL GROUP	255.60	-2.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,373	12,432	12,334	0.0	3.4
NomuC	26,791	27,030	26,646	0.0	9.2

TASI movement during session



TASI Ratios

P/E* (x)	27.9
Price-to-Book (x)	2.5
Dividend Yield (%)	2.6
Return on Equity (%)	19.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,662	-0.2	-8.9	16.2
Materials	6,260	-0.3	-1.5	High
Capital Goods	12,517	1.3	26.1	44
Commercial Service	5,385	0.6	-3.1	High
Transportation	7,732	1.0	22.0	38.9
Consumer Durables	5,689	0.0	13.2	Neg
Consumer Services	5,457	1.4	10.5	41.5
Media	30,814	0.0	25.6	High
Consumer Discretionary Ret	8,262	-0.4	-3.1	24.4
Consumer Staples Ret	10,085	-0.6	4.2	24.9
Food & Beverages	6,286	0.4	12.1	31.5
Healthcare	13,777	1.3	14.6	50
Pharma & Bio Tech	5,210	2.5	7.3	47.6
Banks	11,781	-0.9	-3.4	13.6
Financial Services	8,212	-0.9	23.5	38.4
Insurance	11,921	7.2	40.7	32.3
Telecom	7,629	0.8	-1.2	14.4
Utilities	13,933	0.1	40.2	31.1
REITs	3,433	-0.1	-6.4	26.7
Real Estate	3,818	0.7	25.2	42.7
Software & Services	75,299	-2.3	9.8	45.8

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for April (bn)
12,368	12,353	12,460	7.92

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	12.6	472.60	906.00
Previous week	33.1	1,297.00	2,407.10

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	29.95	-0.2
Al Rajhi	80.30	-0.9
SNB	35.85	-2.4
ACWA POWER	400.00	0.1
ALINMA	32.60	1.9





International Market News

- **Euro area** private sector growth accelerated to 51.7 in April, from 50.3 in March. This reading touched to an 11-month high driven solely by the service sector, while the manufacturing output continued to fall. The new orders increased for the first time since May 2023, while backlog of works was a factor underpinning the higher output levels. (Source: RTT News)
- **Eurozone investor confidence** index posted -3.6 in May, versus the consensus estimate of -4.8. The investor confidence improved for the seventh straight month in May to hit the highest level since February 2022 as both current situation and expectations rose in small but steady steps. (Source: Reuters)
- **Eurozone producer prices** fell 7.8% Y/Y in March, marginally ahead of the consensus estimate of 7.7% fall. The producer prices declined steeply amid a continued downward trend in energy prices. The decline in energy prices was 20.0% versus a 21.3% slump in the previous month. While the prices for intermediate goods fell by 4.8%. (Source: RTT News)
- **Oil prices** gained 0.2% as the tensions in the Middle East intensified and the hopes of negotiations for the resolution faded.
- **Gold prices** gained 0.1% as the US dollar weakened after the recent US non-farm payrolls data boosted bets that the Fed would cut interest rates later this year.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.05	0.0	-1.1	3.7
Euro	1.08	0.1	1.0	-2.4
Japanese Yen	153.92	0.6	-2.5	9.1
Sterling Pound	1.26	0.1	0.6	-1.3
Chinese Yuan	7.21	0.3	-0.6	1.2
Indian Rupee	83.50	0.1	0.1	0.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	-0.0	0.0
Kuwaiti Dinar	0.31	-0.0	-0.2	0.0
Omani Rial	0.38	0.0	-0.0	-0.0
Bahraini Dinar	0.38	-0.0	0.0	0.0
Egyptian Pound	47.94	0.0	0.1	55.1

Corporate Calendar

Date	Company	Event
6-May	ARAMCO	EGM
6-May	TADAWUL GROUP	Cash Dividend Distribution
7-May	AL RAJHI REIT	Eligibility of Cash Dividend
7-May	LIME INDUSTRIES	EGM
8-May	SAUDI CEMENT	Cash Dividend Distribution
8-May	CLEAN LIFE	Eligibility of Cash Dividend

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,156	0.3	0.0	2.4	8.0
Abu Dhabi (ADX)	9,035	-0.0	-0.4	-5.7	18.0
Kuwait (KSE)	7,655	-0.2	-0.5	2.4	18.1
Qatar (QE)	9,639	-0.5	-0.9	-11.0	10.9
Oman (MSM)	4,792	-0.3	0.2	6.1	12.5
Bahrain (BSE)	2,022	-0.4	-0.3	2.6	7.9
Egypt (EGX30)	26,114	0.0	6.8	4.9	9.8

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,852	0.5	2.7	3.1	22.8
Nasdaq	18,094	1.1	3.7	7.5	33.4
S&P 500	5,181	1.0	2.9	8.6	24.8
FTSE 100	8,213	0.0	0.9	6.2	14.5
Germany DAX 30	18,175	1.0	1.4	8.5	15.2
France CAC 40	7,997	0.5	0.1	6.0	14.1
Japan Nikkei 225	38,236	0.0	-0.4	14.3	27.3
Russia MOEX	3,436	-0.2	-1.0	10.9	4.7
Hong Kong Hang Seng	18,578	0.6	4.6	9.0	10.5
South Korea KOSPI	2,677	0.0	-0.6	0.8	19.2
China Shanghai Composite	3,141	1.2	1.2	5.6	14.5
Australia ASX 200	7,682	0.7	0.2	1.2	19.4
India Sensex	73,896	0.0	-0.8	2.3	24.0
MSCI EM	1,067	0.5	2.0	4.2	15.4
MSCI World	3,391	0.9	2.6	7.0	21.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	86.07	0.0	-3.8	7.0
Brent Crude (\$/bbl)	83.33	0.4	-5.2	8.2
Texas crude (\$/bbl)	78.48	0.5	-4.2	9.5
Natural Gas (\$/mmbtu)	2.20	2.5	10.2	-12.9
Gold (\$/oz)	2,323.97	1.0	1.6	12.7
Silver (\$/oz)	27.44	3.3	4.4	15.3
Steel (\$/ton)	779.00	-4.2	-4.2	-31.4
Iron Ore (CNY/MT)	885.00	-0.3	-0.3	-15.1
Wheat (\$/bu)	648.75	4.2	7.5	0.5
Corn (\$/bu)	469.00	1.9	5.0	-5.1
Sugar (\$/lb)	19.48	1.0	0.4	-4.6
SMP* (EUR/MT)	2,354.00	0.0	0.6	-8.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.94	1.6	7.3	2.2
KSA (SAIBOR 3M)	6.23	-1.0	-0.9	-0.0
KSA (SAIBOR 6M)	6.15	-10.7	7.0	7.1
KSA (SAIBOR 12M)	5.96	5.9	7.7	-3.7
USA (SOFR 3M)	5.32	-0.6	-0.7	-1.0
UAE (EIBOR 3M)	5.21	-10.7	-10.3	-11.5

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 6, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,373
Short-term view	Profit Booking
52 weeks high/low	12,883 – 10,262

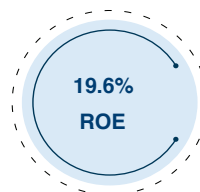
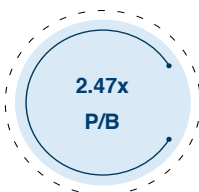
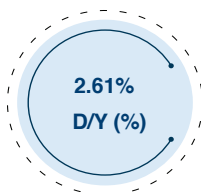
Market data

Exchange Market Cap. (SAR bn)	10,714.0
Value (SAR mn)	7,369.0
Volume (mn)	262.0
Number of Transactions	536,631
Market Breadth	116 : 110

Key statistics

1D return %	0.00%
MTD return %	-0.18%
QTD return	-0.23%
YTD return	3.39%
ADT vol. 3M* (mn)	358.9
ADT val. 3M (SARmn)	8,777.6

*ADT stands for Average Daily Traded



Source: Bloomberg, Argaam

TASI daily chart



Source: Tradingview, Aljazira Capital

TASI market commentary

- TASI witnessed no change on Monday; primarily impacted by contrast of the performance of the Banks sector (down 0.89%) and the Telecommunication services sector (up 0.81%). At close, the Saudi market ended the day with a change of 0.00% at 12,373. In terms of activity, total volumes and value traded were ~262mn and ~SAR 7.4bn, respectively. The advance-decline ratio came in at 116/110.

Technical outlook

- TASI closed the last session near 12,373, recording no change. The index witnessed a positive start in the last session; however, the profit-booking attitude forced the index to surrender its gains and close below the 20-day SMA that is located around 12,460. TASI formed a Spinning Top candlestick with the same close of the prior session, which needs to be confirmed by a subsequent bearish candlestick pattern to indicate a possible further profit booking attitude. Moreover, the RSI indicator is still testing a declining trendline below the 50 level. TASI has an immediate support level of around 12,260. If breached, the subsequent support levels would be around 12,185 – 12,100. On the other hand, an immediate resistance level is observed around 12,460. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,625 – 12,735. TASI continues hovering below the significant resistance zone formed by the previous troughs and the 20-day SMA around 12,370 – 12,460 for six consecutive sessions. Therefore, traders are advised to closely monitor this critical resistance zone, as the decisive close above it could potentially trigger a further buying sentiment in the market.

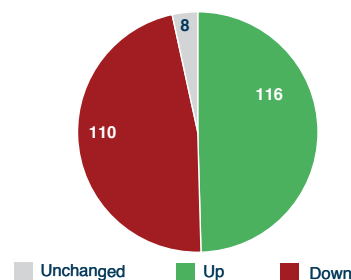
Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,100	12,185	12,260	12,370	12,460	12,625	12,735

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4142	Riyadh Cables	98.60	98.30 – 98.60	99.50 – 101.40	97.50
1301	ASLAK	34.65	34.55 – 34.65	35.00 – 35.45	34.25
2150	ZOUJAJ	43.65	43.55 – 43.65	44.05 – 44.50	43.15
6070	Al-Jouf	51.50	51.40 – 51.50	52.00 – 52.50	50.90
8260	Gulf General	16.60	16.56 – 16.60	16.76 – 16.94	16.42
8311	Enaya	18.48	18.42 – 18.48	18.66 – 18.86	18.28

*As of 06th May 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

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

Riyadh Cables Group Co. (RIYADH CABLES)



Source: Tradingview, Aljazira Capital

Technical observations

ASLAK started to bounce off the level of the prior peak after penetrating it. Moreover, all the technical indicators show bullish structure.

United Wire Factories Company (ASLAK)



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.

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