



Major Economic News

- **The licensed hospitality facilities in Makkah** reached 816 in Hajj season this year, with more than 227,000 rooms, according to the Ministry of Tourism. The total number of licensed rooms increased 38.0% Y/Y during Q1-24s. (Source: Argaam)
- **The aggregate sale of the 17 Saudi cement** producers was unchanged Y/Y at 4.2mn tons in May 2024. (Source: Argaam)

Major Corporate News

- In **Saudi Aramco's** stock sale, foreign investors are set to be allocated nearly half of the issue, as per a Reuters' report. Meanwhile, Bloomberg reported that the oil major is expected to allocate nearly 60.0% of its offer shares for foreign investors. The final share price was set at SAR 27.25 a share. The shares are expected to start trading on June 09. (Source: Reuters, Bloomberg)
- **Perfect Presentation for Commercial Services Co.** received SAR 39.3mn in compensation for one of the two Riyadh-based real estate properties subject to expropriation in Al Khuzama District, Diriyah. (Source: Tadawul)
- **National Housing Co.** reported the highest sales on record in May of more than SAR 3.0bn since the start of its projects, as per CEO Mohammed Al-Buty. Demand for the company's developed residential projects is on the rise. He noted that the company's projects receive strong turnout, and prices are at least 20% to 25% lower than similar units in surrounding projects. (Source: Argaam)

Market Analysis

The **Saudi Stock Exchange** increased 0.1% to 11,560.4. The value traded stood at SAR 6.5bn (down 19.8% over the previous day), while the advance-decline ratio stood at 70/155. The parallel market index increased 1.2% to 26,230.4 points. The value traded stood at SAR 31.4mn (down 6.9% over the previous day). Most sectors in the main market ended in red. Banks and Diversified Financials (up 1.2% and 1.1%, respectively) advanced the most, while Capital Goods and Insurance (down 3.1% and 2.0%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
MIAHONA	14.94	29.9
SAUDI CEMENT	44.85	3.8
TAIBA	41.65	2.7
QACCO	59.00	2.3
UACC	16.70	2.2

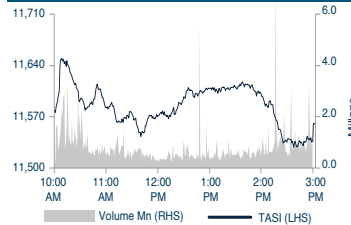
Top Losers

Company	Price	Change%
SAUDI CABLE	59.70	-7.9
AWPT	157.60	-7.6
ATHEEB TELECOM	106.40	-4.8
GASCO	84.70	-4.8
SADR	3.22	-4.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,560	11,655	11,526	0.1	(4.0)
NomuC	26,230	26,306	25,881	1.2	6.9

TASI movement during session



TASI Ratios

P/E* (x)	25.9
Price-to-Book (x)	2.3
Dividend Yield (%)	2.8
Return on Equity (%)	19.1

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,344	0.3	-14.2	15.9
Materials	5,726	-0.3	-10.4	High
Capital Goods	11,384	-3.1	12.9	24.9
Commercial Service	4,799	-0.6	-14.0	41.8
Transportation	7,042	-0.7	10.9	34.2
Consumer Durables	5,279	-0.6	6.0	Neg
Consumer Services	4,907	-1.6	-1.4	37
Media	26,934	-1.1	9.7	46.2
Consumer Discretionary Ret	7,469	-0.3	-13.3	22.2
Consumer Staples Ret	9,101	-1.4	-6.9	21.7
Food & Beverages	5,657	-1.7	0.5	28.1
Healthcare	12,670	0.8	3.7	47.7
Pharma & Bio Tech	4,482	-1.5	-7.9	41.5
Banks	11,372	1.2	-7.4	12.8
Financial Services	7,802	1.1	15.9	33.2
Insurance	9,964	-2.0	15.9	23.1
Telecom	7,302	-0.2	-6.0	14.2
Utilities	13,219	-1.3	33.2	28.7
REITs	3,253	0.6	-11.3	25.3
Real Estate	3,378	-0.2	10.5	39.7
Software & Services	66,955	-1.6	-2.4	39

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for June (bn)
11,632	11,670	11,910	7.02

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	35.1	1,454.20	2,934.40
Previous week	35	1,250.70	2,548.20

Top Weighted Companies

Company	Price	Change%
Al Rajhi	78.90	1.4
Saudi Aramco	28.30	0.4
SNB	35.45	1.6
ACWA POWER	382.20	-1.1
ALINMA	31.30	1.6





International Market News

- **According to Baker Hughes**, North America's rig count increased to 737 in the week ended June 07 from 728 earlier. The rig count fell to 594 in the US from 600 earlier, while decreased to 20 in the Gulf of Mexico from 21. The rig count in Canada increased to 143 from 128 earlier. (Source: Baker Hughes)
- **US nonfarm payroll** increased 272,000 M/M in May (consensus: a rise of 182,000) compared with 165,000 in April. The unemployment rate rose to 4.0% in May (consensus: 3.9%) from 3.9% in the previous month. (Source: CNBC, Econoday)
- **US initial jobless claims** increased to 229,000 (consensus: 216,000) in the week ended June 01, representing a rise of 8,000 from the previous week's revised level of 221,000. (Source: Econoday)
- **The European Central Bank** lowered interest rates for the first time in five years. The central bank cut the main refinancing rate by 25 bps to 4.25%. The deposit facility rate was lowered to 3.75% and the marginal lending rate to 4.50%. (Source: RTT News)
- **China's exports** grew 7.6% Y/Y in May (consensus: a rise of 6.0% Y/Y) following a 1.5% rise in April. The growth in imports decelerated to 1.8% in May from 8.4% in April. Consequently, the trade surplus increased significantly to USD 82.6bn in May from USD 72.4bn a month ago. (Source: RTT News)
- **Oil prices** fell 0.3% on Friday, due to lowered expectations of Fed rate cut post US job data.
- **Gold prices** dropped 3.5%, as strong US job data weighed on safe haven demand for gold.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.89	0.8	0.2	3.5
Euro	1.08	-0.8	-0.4	-2.2
Japanese Yen	156.75	0.7	-0.4	11.1
Sterling Pound	1.27	-0.6	-0.2	-0.1
Chinese Yuan	7.26	0.1	0.0	1.9
Indian Rupee	83.38	-0.1	-0.1	0.2
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	-0.3
Omani Rial	0.39	0.0	-0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	47.51	-0.0	0.5	53.7

Corporate Calendar

Date	Company	Event
9-Jun	BINDAWOOD	Cash Dividend Distribution
9-Jun	ALMODAWAT	EGM
9-Jun	SASCO	EGM
10-Jun	MAADANIYAH	EGM
10-Jun	HCC	EGM
10-Jun	STC	Cash Dividend Distribution

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,982	0.1	0.1	-1.9	7.8
Abu Dhabi (ADX)	8,957	0.2	1.1	-6.5	18.0
Kuwait (KSE)	7,669	0.0	-0.2	2.6	20.7
Qatar (QE)	9,532	0.4	2.3	-12.0	10.7
Oman (MSM)	4,771	-0.2	-1.5	5.7	12.7
Bahrain (BSE)	2,036	-0.1	-0.2	3.2	7.8
Egypt (EGX30)	26,429	-0.8	-1.8	6.2	7.6

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,799	-0.2	0.3	2.9	22.2
Nasdaq	19,001	-0.1	2.5	12.9	33.4
S&P 500	5,347	-0.1	1.3	12.1	25.0
FTSE 100	8,245	-0.5	-0.4	6.6	14.9
Germany DAX 30	18,557	-0.5	0.3	10.8	16.5
France CAC 40	8,002	-0.5	0.1	6.1	14.0
Japan Nikkei 225	38,684	-0.1	0.5	15.6	27.9
Russia MOEX	3,233	1.3	0.5	4.3	4.5
Hong Kong Hang Seng	18,367	-0.6	1.6	7.7	10.4
South Korea KOSPI	2,723	1.2	3.3	2.5	15.9
China Shanghai Composite	3,051	0.1	-1.2	2.6	14.0
Australia ASX 200	7,860	0.5	2.1	3.5	19.7
India Sensex	76,693	2.2	3.7	6.2	23.6
MSCI EM	1,073	-0.0	2.3	4.8	15.2
MSCI World	3,479	-0.3	1.0	9.8	21.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	82.73	1.6	-1.9	2.9
Brent Crude (\$/bbl)	79.62	-0.3	-2.5	3.3
Texas crude (\$/bbl)	75.53	-0.0	-1.9	5.4
Natural Gas (\$/mmbtu)	2.92	3.4	12.8	10.0
Gold (\$/oz)	2,293.78	-3.5	-1.4	11.2
Silver (\$/oz)	29.15	-6.9	-4.1	22.5
Steel (\$/ton)	728.00	-0.3	-4.3	-35.9
Iron Ore (CNY/MT)	901.50	4.3	2.0	-13.6
Wheat (\$/bu)	627.50	-1.9	-7.5	-2.8
Corn (\$/bu)	448.75	-0.7	0.6	-9.2
Sugar (\$/lb)	19.00	-1.1	3.8	-6.9
SMP* (EUR/MT)	2,534.00	-0.2	4.2	-1.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.89	-2.3	2.1	-2.1
KSA (SAIBOR 3M)	6.25	0.4	2.0	2.1
KSA (SAIBOR 6M)	6.13	-4.2	2.1	5.7
KSA (SAIBOR 12M)	5.88	-0.6	-0.3	-11.5
USA (SOFR 3M)	5.33	-0.0	-0.9	0.3
UAE (EIBOR 3M)	5.37	13.2	4.3	3.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of June 7, 2024

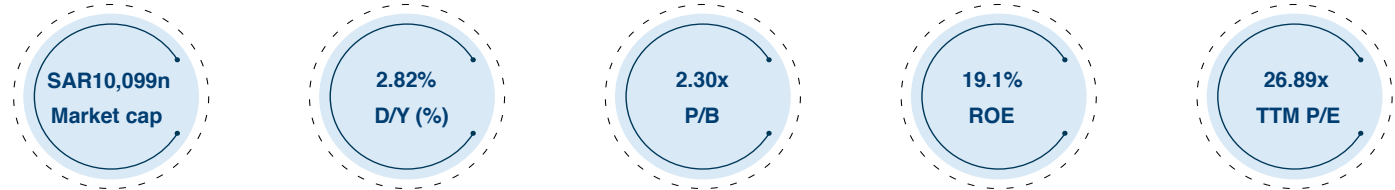


Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,560
Short-term view	Cautious
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,099.1
Value (SAR mn)	6,455.3
Volume (mn)	249.4
Number of Transactions	524,226
Market Breadth	70 : 155

Key statistics	
1D return %	0.06%
MTD return %	0.49%
QTD return	-6.78%
YTD return	-3.40%
ADT vol. 3M* (mn)	310.5
ADT val. 3M (SARmn)	7,660.6

*ADT stands for Average Daily Traded



Source: Bloomberg, Argam

TASI daily chart



Source: Tradingview, Aljazira Capital

SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
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No stocks recommendations due to market volatility

*As of 06th June 2024

TASI market commentary

- TASI experienced a modest rise on Thursday; primarily driven by the performance of the Banks sector (up 1.24%) and the Energy sector (up 0.31%). At close, the Saudi market ended the day with a change of 0.06% at 11,560. In terms of activity, total volumes and value traded were ~249mn and ~SAR 6.5bn, respectively. The advance-decline ratio came in at 70/155.

Technical outlook

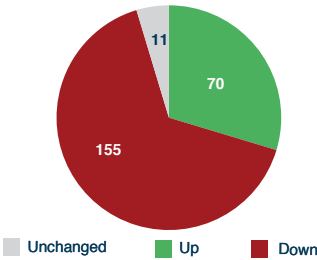
- TASI closed the last session near 11,560, registering a marginal gain of 7 points. The index witnessed a coiled session which started with a positive rebound followed by surrendering most of the gains and closing below its 5-day SMA around 11,630. TASI formed a Doji candlestick, which requires confirmation through a subsequent bullish candlestick pattern to signal a potential temporary positive rebound within the prevailing selling pressure towards the resistance of the prior peak around 11,830. Moreover, the RSI indicator is still hovering below the upper boundary of a declining channel. TASI has an immediate support level of around 11,440. If breached, the subsequent support levels would be around 11,365 – 11,260. On the other hand, an immediate resistance level is observed around 11,670. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,830 – 11,910. Traders are advised to keep exercising caution as long as the index maintains trading below its 20-day SMA around 11,910 and closely monitor the support level of the prior bottom around 11,440. A decisive weekly close below this level could potentially trigger further selling pressure.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,260	11,365	11,440	11,570	11,670	11,830	11,910

Our view



Market depth



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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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