



Major Economic News

- The **total AUM** held by capital market institutions licensed by Saudi Arabia's CMA rose 10% Q/Q to SAR 871.3bn in Q4-23. NBK Wealth Management was the institution with the highest Q/Q increase, followed by Rassanah Capital. On the other hand Emirates NBD Capital reported the steepest Q/Q drop in AUM. (Source: Argaam)
- KSA** achieved the highest evaluation level in the Competition Law Systems Report for 2023 by the United Nations Economic and Social Commission for Western Asia. KSA was rated "very strong", up from "advanced" in 2020. This was due to advancements in laws against anti-competitive practices and efforts to maintain fair and transparent competitive business environment. (Source: Argaam)

Major Corporate News

- Sumou** announced the signing of development management agreement with regards to Alinma Al-Taif Real Estate Fund for a project, wherein Sumou will receive management fees of SAR 21.5mn during the contract period. The contract period will be for 24 months. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

| Company | Q1-24 | Q1-23 | Y/Y % | Q4-23 | Q/Q % |
|----------------|-------|-------|----------|-------|--------|
| ARDCO | 70.5 | 32.4 | 117.56 | 149.5 | -52.84 |
| JAMJOOM PHARMA | 103.0 | 84.4 | 22.0 | 44.5 | 131.47 |
| GASCO | 78.6 | 73.0 | 7.67 | 42.6 | 84.51 |
| MODERN MILLS | 64.9 | 64.1 | 1.36 | 51.1 | 27.11 |
| SAUDI RE | 31.8 | 11.2 | 183.87 | 19.2 | 65.63 |
| RETAL | 62.3 | 41.5 | 49.93 | 56.4 | 10.50 |
| ALKHALEEJ TRNG | 65.0 | 3.3 | 1,900.63 | 56.37 | 10.49 |

Market Analysis

The **Saudi Stock Exchange** increased 0.8% to 12,460.1. The value traded stood at SAR 8.2bn (up 16.3% over the previous day), while the advance-decline ratio stood at 138/81. The parallel market index increased 0.5% to 26,886.6 points. The value traded stood at SAR 38.7mn (up 50.3% over the previous day). Most sectors in the main market ended in the green. Utilities and Media (up 7.9 and 4.6%, respectively) advanced the most, while Banks and Food & Staples (down 0.7% and 0.4%, respectively) led the laggards.

Top Gainers

| Company | Price | Change% |
|------------------|--------|---------|
| ACWA POWER | 438.80 | 9.7 |
| ALKHALEEJ TRNG | 37.25 | 8.9 |
| MEDGULF | 34.75 | 8.1 |
| ALBAHA | 0.14 | 7.7 |
| MALATH INSURANCE | 21.70 | 6.5 |

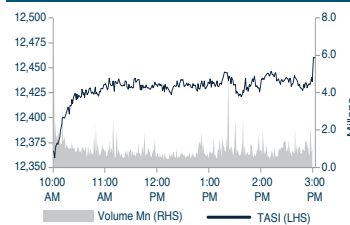
Top Losers

| Company | Price | Change% |
|------------|--------|---------|
| NAHDI | 133.60 | -2.5 |
| TAWUNIYA | 161.00 | -2.4 |
| JABAL OMAR | 27.40 | -2.3 |
| TECO | 0.89 | -2.2 |
| TASNEE | 13.22 | -2.1 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI | 12,460 | 12,460 | 12,359 | 0.8 | 4.1 |
| NomuC | 26,887 | 26,942 | 26,673 | 0.5 | 9.6 |

TASI movement during session



TASI Ratios

| | |
|----------------------|------|
| P/E* (x) | 28.1 |
| Price-to-Book (x) | 2.5 |
| Dividend Yield (%) | 2.6 |
| Return on Equity (%) | 19.2 |

*Source: Argaam (Excluding Aramco)

| Index | Close | Daily Change% | YTD % | PE (TTM) |
|----------------------------|--------|---------------|-------|----------|
| Energy | 5,658 | 0.0 | -9.0 | 16.2 |
| Materials | 6,300 | 1.2 | -0.8 | High |
| Capital Goods | 12,586 | 0.6 | 26.8 | 44.1 |
| Commercial Service | 5,337 | -0.1 | -4.0 | High |
| Transportation | 7,676 | -0.1 | 21.1 | 38.7 |
| Consumer Durables | 5,676 | 0.4 | 13.0 | Neg |
| Consumer Services | 5,452 | 1.3 | 10.4 | 40.8 |
| Media | 31,944 | 4.6 | 30.2 | High |
| Consumer Discretionary Ret | 8,243 | 0.1 | -3.3 | 24.3 |
| Consumer Staples Ret | 10,018 | -0.4 | 3.5 | 24.8 |
| Food & Beverages | 6,344 | 1.2 | 13.1 | 31.9 |
| Healthcare | 13,945 | 1.3 | 16.0 | High |
| Pharma & Bio Tech | 5,287 | -0.2 | 8.9 | 48.8 |
| Banks | 11,740 | -0.7 | -3.8 | 13.5 |
| Financial Services | 8,136 | 1.2 | 22.3 | 38.2 |
| Insurance | 12,011 | 0.8 | 41.8 | 32.6 |
| Telecom | 7,648 | 1.0 | -0.9 | 14.4 |
| Utilities | 15,062 | 7.9 | 51.6 | 33.5 |
| REITs | 3,441 | 0.7 | -6.2 | 26.7 |
| Real Estate | 3,785 | -0.3 | 24.1 | 42.2 |
| Software & Services | 76,443 | 1.8 | 11.5 | 46.4 |

Average Index Value

| Average days 5 | Average days 10 | Average days 20 | Average value traded for April (bn) |
|----------------|-----------------|-----------------|-------------------------------------|
| 12,383 | 12,351 | 12,446 | 6.73 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | 27.9 | 1,085.40 | 2,006.90 |
| Previous week | 33.1 | 1,297.00 | 2,407.10 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|--------|---------|
| Saudi Aramco | 29.95 | 0.0 |
| Al Rajhi | 80.30 | -0.6 |
| SNB | 35.95 | -0.6 |
| ACWA POWER | 438.80 | 9.7 |
| ALINMA | 32.20 | -1.4 |





International Market News

- According to **EIA**, oil inventories in the US decreased 1.4mn barrels (prior: up 7.3mn) to 459.5mn in the week ended May 03. Gasoline inventories increased 0.9mn barrels (prior: up 0.3mn) to 228.0mn, while distillate inventories increased 0.6mn barrels (prior: down 0.7mn) to 116.4mn. (Source: EIA, Econoday)
- US wholesale inventories** declined 0.4% in March, after increasing by 0.2% in February. This decrease was in-line with the consensus estimates. The decline was led by inventories of non-durable goods, which decreased 1.1%, followed by durable goods, which also decreased 0.1%. In terms of sales, the wholesale sales fell by 1.3%, while the sale of durable goods declined by 1.0%. The sales tumbling more than the inventories led to a rise in the inventories to sales ratio to 1.35 in March. (Source: RTT News)
- China's exports and imports** returned to growth in April after contracting in March, signaling an encouraging improvement in demand at home and overseas, thereby providing a boost to the economy. Shipments from China increased 1.5% Y/Y, while imports increased 8.4%. (Source: Reuters)
- Oil prices** gained 0.3% as shrinking US crude inventories signaled tighter supply, and also aided by the rising hopes of interest rate cuts by the Fed.
- Gold prices** fell 0.1% amid rising US treasury yields and strengthening of US dollar.

Forex / Currency

| Currency / USD | Close | Daily Change% | MTD % | YTD % |
|----------------|-------|---------------|-------|-------|
| Dollar Index | 105.5 | 0.1 | -0.6 | 4.2 |
| Euro | 1.1 | -0.1 | 0.8 | -2.6 |
| Japanese Yen | 155.5 | 0.5 | -1.4 | 10.3 |
| Sterling Pound | 1.2 | -0.1 | 0.0 | -1.8 |
| Chinese Yuan | 7.2 | 0.1 | -0.3 | 1.5 |
| Indian Rupee | 83.5 | 0.0 | 0.1 | 0.4 |
| UAE Dirham | 3.7 | 0.0 | 0.0 | 0.0 |
| Qatari Rial | 3.6 | 0.0 | -0.0 | 0.0 |
| Kuwaiti Dinar | 0.3 | 0.0 | -0.1 | 0.1 |
| Omani Rial | 0.4 | 0.0 | -0.0 | -0.0 |
| Bahraini Dinar | 0.4 | 0.0 | 0.0 | 0.0 |
| Egyptian Pound | 47.6 | -0.3 | -0.7 | 53.8 |

Corporate Calendar

| Date | Company | Event |
|--------|------------|------------------------------|
| 9-May | ACC | Cash Dividend Distribution |
| 9-May | SPM | Cash Dividend Distribution |
| 13-May | SAB | Cash Dividend Distribution |
| 13-May | MAADEN | EGM |
| 13-May | SADAFCO | Eligibility of Cash Dividend |
| 13-May | ACWA POWER | Cash Dividend Distribution |

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 4,193 | 0.9 | 0.9 | 3.3 | 8.1 |
| Abu Dhabi (ADX) | 9,177 | 1.2 | 1.2 | -4.2 | 18.4 |
| Kuwait (KSE) | 7,690 | 0.6 | -0.0 | 2.8 | 18.2 |
| Qatar (QE) | 9,623 | 0.0 | -1.1 | -11.2 | 10.8 |
| Oman (MSM) | 4,758 | -0.4 | -0.6 | 5.4 | 12.4 |
| Bahrain (BSE) | 2,027 | 0.2 | -0.1 | 2.8 | 7.7 |
| Egypt (EGX30) | 25,989 | -1.7 | 6.3 | 4.4 | 9.7 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones | 39,056 | 0.4 | 3.3 | 3.6 | 22.9 |
| Nasdaq | 18,085 | -0.0 | 3.7 | 7.5 | 33.4 |
| S&P 500 | 5,188 | -0.0 | 3.0 | 8.8 | 24.8 |
| FTSE 100 | 8,354 | 0.5 | 2.6 | 8.0 | 14.8 |
| Germany DAX 30 | 18,498 | 0.4 | 3.2 | 10.4 | 15.4 |
| France CAC 40 | 8,131 | 0.7 | 1.8 | 7.8 | 14.1 |
| Japan Nikkei 225 | 38,202 | -1.6 | -0.5 | 14.2 | 27.3 |
| Russia MOEX | 3,433 | 0.1 | -1.1 | 10.8 | 4.7 |
| Hong Kong Hang Seng | 18,314 | -0.9 | 3.1 | 7.4 | 10.3 |
| South Korea KOSPI | 2,745 | 0.4 | 2.0 | 3.4 | 19.7 |
| China Shanghai Composite | 3,128 | -0.6 | 0.8 | 5.2 | 14.3 |
| Australia ASX 200 | 7,804 | 0.1 | 1.8 | 2.8 | 19.7 |
| India Sensex | 73,466 | -0.1 | -1.4 | 1.7 | 23.9 |
| MSCI EM | 1,067 | -0.2 | 2.0 | 4.2 | 15.5 |
| MSCI World | 3,396 | -0.2 | 2.7 | 7.1 | 21.5 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|---------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 84.5 | -1.8 | -5.6 | 5.0 |
| Brent Crude (\$/bbl) | 83.6 | 0.5 | -4.9 | 8.5 |
| Texas crude (\$/bbl) | 79.0 | 0.8 | -3.6 | 10.2 |
| Natural Gas (\$/mmbtu) | 2.2 | -0.9 | 9.8 | -13.2 |
| Gold (\$/oz) | 2,308.9 | -0.2 | 1.0 | 11.9 |
| Silver (\$/oz) | 27.3 | 0.3 | 3.9 | 14.9 |
| Steel (\$/ton) | 780.0 | -0.6 | -4.1 | -31.3 |
| Iron Ore (CNY/MT) | 890.5 | -1.5 | 0.3 | -14.6 |
| Wheat (\$/bu) | 634.0 | -1.4 | 5.1 | -1.8 |
| Corn (\$/bu) | 458.5 | -1.8 | 2.6 | -7.2 |
| Sugar (\$/lb) | 19.6 | -1.8 | 1.0 | -4.0 |
| SMP* (EUR/MT) | 2,362.0 | 0.3 | 0.9 | -8.3 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|------------------|-------|-------------------|-----------|-----------|
| KSA (SAIBOR 1M) | 5.885 | -9.06 | 2.3 | -2.8 |
| KSA (SAIBOR 3M) | 6.238 | -3.16 | -0.3 | 0.6 |
| KSA (SAIBOR 6M) | 6.196 | 3.37 | 11.9 | 12.1 |
| KSA (SAIBOR 12M) | 5.943 | -0.92 | 6.3 | -5.2 |
| USA (SOFR 3M) | 5.326 | 0.23 | -0.3 | -0.6 |
| UAE (EIBOR 3M) | 5.324 | 4.45 | 0.8 | -0.4 |

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 8, 2024



| Technical observations | |
|------------------------|-----------------|
| Index | TASI |
| Ticker | SASEIDX Index |
| Last Close | 12,460 |
| Short-term view | Cautious Buy |
| 52 weeks high/low | 12,883 – 10,262 |

| Market data | |
|-------------------------------|----------|
| Exchange Market Cap. (SAR bn) | 10,751.4 |
| Value (SAR mn) | 8,189.9 |
| Volume (mn) | 297.6 |
| Number of Transactions | 581,198 |
| Market Breadth | 138: 81 |

| Key statistics | |
|---------------------|---------|
| 1D return % | 0.83% |
| MTD return % | 0.53% |
| QTD return | 0.47% |
| YTD return | 4.12% |
| ADT vol. 3M* (mn) | 358.9 |
| ADT val. 3M (SARmn) | 8,739.6 |

*ADT stands for Average Daily Traded

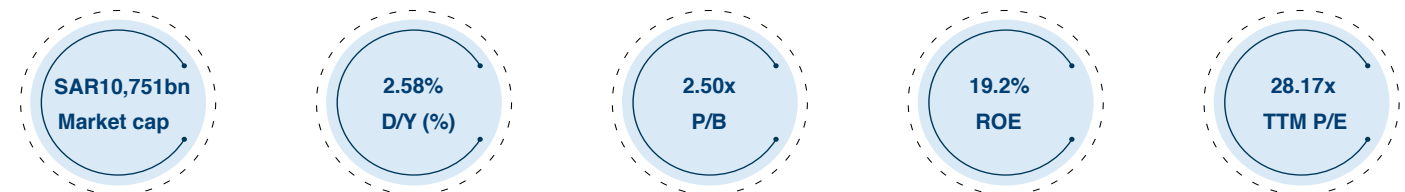
TASI market commentary

- TASI experienced a rise on Wednesday; primarily driven by the performance of the Materials sector (up 1.19%) and the Telecommunication services sector (up 0.95%). At close, the Saudi market ended the day with a change of 0.83% at 12,460. In terms of activity, total volumes and value traded were ~298mn and ~SAR 8.2bn, respectively. The advance-decline ratio came in at 138/81.

Technical outlook

- TASI closed the last session near 12,460, recording a notable gain of 102 points. The index experienced a positive session that surpassed both the upper boundary of the previous lateral sessions and the 20-day SMA situated around 12,445. TASI formed a Marubozu candlestick, indicating a possible further upside rebound toward the 50-day SMA near 12,550. Moreover, the RSI indicator penetrated a declining trendline as well as the 50 level. TASI has an immediate resistance level around 12,550. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,625 – 12,735. On the other hand, an immediate support level is observed around 12,370. If breached, the subsequent support levels would be around 12,300 – 12,185. TASI has penetrated the significant resistance of the 20-day SMA around 12,445, suggesting a potential further upside rebound toward the 50-day SMA around 12,550. Traders are advised to cautiously buy and closely monitor the crucial resistance of the 50-day SMA, as a successful breakthrough could indicate the end of the prevailing profit booking phase.

| Key price levels | | | | | | |
|------------------|--------|--------|--------|--------|--------|--------|
| S3 | S2 | S1 | Pivot | R1 | R2 | R3 |
| 12,185 | 12,300 | 12,370 | 12,445 | 12,550 | 12,625 | 12,735 |



Source: Bloomberg, Argam

TASI daily chart

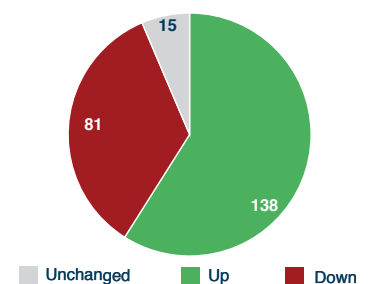


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

| Code | Company | Close* | Buy range | Sell range | Stop loss |
|------|---------------------------|--------|-----------------|-----------------|-----------|
| 2120 | Saudi Advanced Industries | 45.10 | 45.00 – 45.10 | 45.50 – 46.10 | 44.60 |
| 2050 | Savola Group | 51.70 | 51.60 – 51.70 | 52.20 – 52.70 | 51.10 |
| 2040 | Saudi Ceramics | 36.35 | 36.25 – 36.35 | 36.70 – 37.05 | 35.95 |
| 4071 | Alarabia | 225.00 | 224.40 – 225.00 | 227.00 – 229.60 | 222.40 |
| 8150 | ACIG | 20.66 | 20.60 – 20.66 | 20.86 – 21.08 | 20.42 |
| 4323 | Sumou | 63.00 | 62.80 – 63.00 | 63.60 – 64.30 | 62.30 |

*As of 08th May 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

SAIC has just penetrated the level of the prior minor peak as well as the 20-day SMA after bouncing of a rising trendline. Moreover, all the technical indicators show bullish structure

Saudi Advanced Industries Co. (SAIC)



Source: Tradingview, Aljazira Capital

Technical observations

Savola Group has just penetrated its 20-day SMA after bouncing off the lower boundary of the declining channel. Moreover, all the technical indicators show bullish structure.

Savola Group (Savola Group)



Source: Tradingview, Aljazira Capital



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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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