



## Domestic Market News

- According to IEA, surplus oil supply is likely in 2025, due to increased capacity from the non-OPEC+ members and persistence of waning Chinese demand despite recent economic support measures. (Source: Argaam)
- According to Ministry of Human Resources, 364K citizens entered the labour market in 2024. Fifty quality localization decisions were implemented over the past 4 years, to drive the labour market. (Source: Argaam)
- Investment opportunities in KSA's healthcare market are expanding. It is the fastest growing market. KSA aims to become a global hub, which is addressing the global healthcare challenges. (Source: Argaam)
- Chemical** signed a non-binding MoU with AIDawaa, to locally manufacture a group of essential medicines needed in the KSA market. (Source: Tadawul)
- WSM** signed contract with National eLearning Center, to arbitrate and accredit short university programs. The positive financial impact could be reflected in FY25. (Source: Tadawul)
- Alakaria** signed contract for construction of TSE Network for Green Riyadh Program has been signed with the Royal Commission of Riyadh City, for a contract value of SAR 660.3mn. The financial impact to be reflected in Q4-24 and until Q2-26. (Source: Tadawul)
- Atheeb Telecom** announced awarding 2 projects with DETASAD for a total amount of SAR 127.6mn. The financial impact to be reflected from Q3-24. (Source: Tadawul)

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

Company	Q3-24	Q3-23	Y/Y %	Q2-24	Q/Q %
ALDREES	84.6	67.6	25.15	82.4	2.66
YAMAMA CEMENT	97.9	40.8	140.1	84.6	15.7
FIRST MILLS	61.3	54.0	13.40	45.5	34.66

## Market Analysis

The Saudi Stock Exchange increased 1.1% to 12,008.3. The value traded stood at SAR 5.8bn (up 28.9% over the previous day), while advance-decline ratio stood at 171/55. The parallel market index increased 0.6% to 26,719.0 points. The value traded stood at SAR 117.1mn (up 33.0% over the previous day). Most of the sectors in the main market ended in green. Banks and Media (up 2.3% and 1.9%, respectively), while Diversified Financials and Utilities (down 0.3% and 0.2%, respectively) declined the most.

## Top Gainers

Company	Price	Change%
ALBAHA	0.27	8.0
DWF	143.00	6.9
SAUDI RE	37.55	6.8
ALOMRAN	41.80	5.4
MAADEN	53.60	4.3

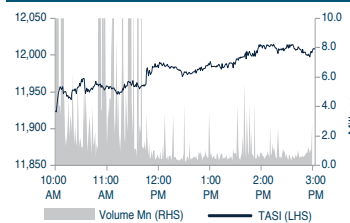
## Top Losers

Company	Price	Change%
MBC GROUP	43.00	-3.5
CARE	184.00	-3.2
RED SEA	65.60	-1.9
SFICO	25.25	-1.8
SADR	3.65	-1.6

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,008	12,018	11,895	1.1	(0.2)
NomuC	26,719	26,748	26,390	0.6	8.9

## TASI movement during session



## TASI Ratios

P/E* (x)	26.1
Price-to-Book (x)	2.5
Dividend Yield (%)	2.7
Return on Equity (%)	19.3

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,145	0.2	-17.4	15.4
Materials	5,897	1.3	-7.7	High
Capital Goods	13,602	1.2	34.9	27.8
Commercial Service	4,965	0.1	-11.0	37.9
Transportation	7,424	0.4	16.9	34.4
Consumer Durables	5,373	0.4	7.9	Neg
Consumer Services	5,178	0.7	4.0	40.2
Media	34,651	1.9	41.1	High
Consumer Discretionary Ret	8,109	1.2	-5.9	23
Consumer Staples Ret	9,418	0.7	-3.6	23.5
Food & Beverages	6,117	0.9	8.7	29.3
Healthcare	12,573	0.5	2.9	41.9
Pharma & Bio Tech	5,246	1.2	7.8	44.3
Banks	11,528	2.3	-6.2	12.5
Financial Services	8,153	-0.3	21.1	32.4
Insurance	10,367	0.4	20.6	24.9
Telecom	8,052	0.4	3.6	15.6
Utilities	14,864	-0.2	49.8	30.8
REITs	3,240	1.0	-11.6	26.9
Real Estate	3,767	0.1	23.2	45.7
Software & Services	78,406	0.0	14.3	41.4

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for October (bn)
11,968	11,982	12,062	6.76

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	10.3	1,487.90	808.40
Previous week	34.7	3,774.10	2,531.50

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.10	0.2
Al Rajhi	85.00	2.8
ACWA POWER	442.20	-0.5
SNB	34.90	1.2
STC	42.45	0.6





## International Market News

- **Eurozone** current account surplus fell to Euro 31bn, from Euro 41bn, marking the lowest surplus since March. The expected level of the surplus was at Euro 42bn. This drastic fall was due to steep fall in surplus on goods trade, even as surplus on services trade rose. (Source: Reuters)
- **UK** retail sales grew 0.3% in September, beating the expectations of 0.3% fall. This marked third consecutive increase. This beat was attributable to higher technology products sales. Food store sales declined 1.9% due to unreasonably poor weather and consumer cut-backs on luxury food items. (Source: RTT News)
- **ECB** cuts the key interest rates by 25bps, as expected, as policymakers assessed the disinflation process being on track but are increasingly concerned over the health of the economy. The ECB policymakers have also started to air doubts over the resilience of the labor market. (Source: CNBC)
- **China's** GDP grew 4.6% Y/Y in Q3, marking weakest growth since Q1-23. This growth was despite an improvement in the retail sales as the property market continued to be a major drag on the growth. Retail sales growth improved to 3.2%, while the property investments contracted 10.1%. (Source: RTT News)
- **Japan's** CPI was up 2.5% Y/Y, well below the 2.7% estimate. On a monthly basis the CPI fell 0.3%, after rising 0.5% in August. The core CPI was up 2.4%, exceeding expectations of 2.3% rise. (Source: Reuters)
- **Oil prices** gained 1.7% due to continued conflicts in the Middle East, thereby causing concerns about supply.
- **Gold prices** fell 0.02% due to stronger US Dollar and heightened US yields.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.01	0.5	3.2	2.6
Euro	1.08	-0.5	-2.9	-2.0
Japanese Yen	150.84	0.9	5.0	6.9
Sterling Pound	1.30	-0.5	-2.9	2.0
Chinese Yuan	7.14	0.3	1.8	0.1
Indian Rupee	84.07	0.0	0.3	1.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.0
Kuwaiti Dinar	0.31	-0.1	0.4	-0.3
Omani Rial	0.38	0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	48.65	0.0	0.7	57.4

## Corporate Calendar

Date	Company	Event
23-Oct	MUNAWLA	EGM
24-Oct	SALAMA	EGM
27-Oct	NETWORKERS	EGM
28-Oct	SAUDI CABLE	EGM
28-Oct	MULKIA REIT	Eligibility of Cash Dividend
28-Oct	ALBABTAIN FOOD	EGM

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,478	0.2	-0.6	10.3	8.7
Abu Dhabi (ADX)	9,275	-0.1	-1.6	-3.2	16.9
Kuwait (KSE)	7,531	-0.2	-2.3	0.7	22.1
Qatar (QE)	10,607	-0.1	-0.1	-2.1	11.7
Oman (MSM)	4,800	-0.2	1.9	6.3	12.5
Bahrain (BSE)	1,993	0.2	-1.0	1.1	7.8
Egypt (EGX30)	30,445	3.1	-3.6	22.3	8.0

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	42,932	-0.8	1.4	13.9	23.3
Nasdaq	20,361	0.2	1.5	21.0	34.7
S&P 500	5,854	-0.2	1.6	22.7	26.7
FTSE 100	8,318	-0.5	1.0	7.6	14.7
Germany DAX 30	19,461	-1.0	0.7	16.2	16.2
France CAC 40	7,536	-1.0	-1.3	-0.1	13.9
Japan Nikkei 225	38,955	-0.1	2.7	16.4	23.4
Brazil IBOVESPA	130,362	-0.1	-1.1	-2.8	9.9
Hong Kong Hang Seng	20,478	-1.6	-3.1	20.1	10.9
South Korea KOSPI	2,605	0.4	0.4	-1.9	13.4
China Shanghai Composite	3,268	0.2	-2.0	9.9	15.8
Australia ASX 200	8,344	0.7	0.9	9.9	21.5
India Sensex	81,151	-0.1	-3.7	12.3	24.7
MSCI EM	1,148	-0.6	-1.9	12.2	16.1
MSCI World	3,740	-0.3	0.5	18.0	23.3

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	74.69	-0.9	0.0	-7.1
Brent Crude (\$/bbl)	74.29	1.7	3.5	-3.6
Texas crude (\$/bbl)	70.56	1.9	3.5	-1.5
Natural Gas (\$/mmbtu)	2.31	2.4	-20.9	-25.2
Gold (\$/oz)	2,719.85	-0.1	3.2	31.8
Silver (\$/oz)	33.79	0.2	8.4	42.0
Steel (\$/ton)	705.00	0.0	-4.1	-37.9
Iron Ore (CNY/MT)	794.00	3.1	0.3	-23.9
Wheat (\$/bu)	572.25	-0.1	-2.0	-14.5
Corn (\$/bu)	409.50	1.2	-3.6	-18.7
Sugar (\$/lb)	21.83	-1.6	-2.8	5.4
SMP* (EUR/MT)	2,513.00	-0.5	-4.3	-2.5

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.48	-9.4	-2.7	-43.6
KSA (SAIBOR 3M)	5.60	-2.6	2.4	-63.6
KSA (SAIBOR 6M)	5.42	-0.9	-6.4	-65.3
KSA (SAIBOR 12M)	5.18	-0.4	-8.5	-81.5
USA (SOFR 3M)	4.63	-0.5	3.4	-70.5
UAE (EIBOR 3M)	4.68	13.1	2.4	-64.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Oct 21, 2024





## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,008
<b>Short-term view</b>	Cautious Buy
52 weeks high/low	12,883 – 10,262

## Market data

Exchange Market Cap. (SAR bn)	10,0324
Value (SAR mn)	5,793.3
Volume (mn)	1,190.3
Number of Transactions	445,075
Market Breadth	171 : 55

## Key statistics

1D return %	1.06%
MTD return %	-1.78%
QTD return	-1.78%
YTD return	0.34%
ADT vol. 3M* (mn)	481.8
ADT val. 3M (SARmn)	7,050.7

\*ADT stands for Average Daily Traded

## TASI market commentary

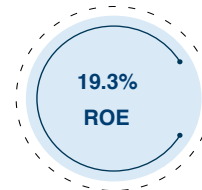
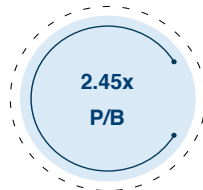
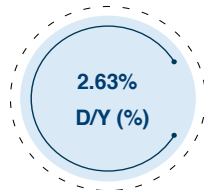
- TASI experienced a rise on Monday; primarily driven by the performance of the Banks sector (up 2.33%) and the Materials sector (up 1.31%). At close, the Saudi market ended the day with a change of 1.06% at 12,008. In terms of activity, total volumes and value traded were ~1,190mn and ~SAR 5.8bn, respectively. The advance-decline ratio came in at 171/55.

## Technical outlook

- TASI closed the last session near 12,008, registering an increase of 125 points. Once again, the index witnessed an intervening temporary buying attitude to maintain the short-term sideways movement, repositioning it within the range between its 10-day and 20-day SMAs. TASI formed a long-bodied green candlestick, illustrating the temporary buying interest amidst the prevailing selling pressure in the market. Additionally, the RSI indicator is currently revisiting its 50-level. TASI has an immediate resistance level of around 12,080. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,150 – 12,260. On the other hand, an immediate support level is observed around 11,925. If breached, the subsequent support levels would be around 11,845 – 11,765. Traders are advised to cautiously buy as the current temporary upside rebound may potentially extend to retest the lower boundary of the Wedge pattern near the resistance zone of 12,150 – 12,260.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,765	11,845	11,925	11,965	12,080	12,150	12,260



Source: Bloomberg, Argaam

## TASI daily chart

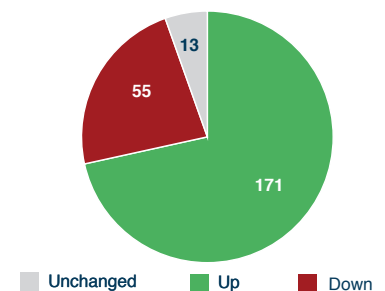


Source: Tradingview, Aljazira Capital

## Our view



## Market depth



## SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
1150	Alinma Bank	29.20	29.15 – 29.20	29.45 – 29.80	28.85
2060	TASNEE	10.62	10.60 – 10.62	10.72 – 10.84	10.48
7203	Elm	1030.00	1027.40 – 1030.00	1038.40 – 1050.00	1017.00
4005	Care	184.00	183.60 – 184.00	185.60 – 187.60	181.60
1212	Astra Industrial	175.80	175.40 – 175.80	177.40 – 179.40	173.40
5110	Saudi Electricity	16.30	16.26 – 16.30	16.44 – 16.62	16.10
2120	Saudi Advanced Industries	36.20	36.10 – 36.20	36.50 – 36.90	35.75

\*As of 21<sup>st</sup> October 2024

\* Note – Stop loss is based on an intraday basis

## CHARTS OF THE DAY

## Technical observations

**Alinma** has just penetrated the level of the prior minor peak after penetrating its 20-day SMA. Moreover, all the technical indicators show bullish structure.

## Alinma Bank (Alinma)



Source: Tradingview, Aljazira Capital

## Technical observations

**TASNEE** has just formed a Doji candlestick at the level of the previous bottom. Moreover, all the technical indicators show bullish structure.

## National Industrialization Co. (TASNEE)



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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