



Major Domestic News

- **Saudia** named as 'The World's Most Improved Airline' and was ranked 1st for Best Economy Class Airline. Its trajectory has improved over the past seven years, from 82nd place in 2017 to 20th position in 2024. (Source: Argaam)
- **KSA's** Minister of Finance mentioned that Vision 2030 will be supported by labor market reforms like enhancing female participation in workforce, focusing on higher education and training to the youth. (Source: Argaam)
- UAE based supermarket chain **Spinney's** to open up 12 new stores in KSA by 2028. The CEO highlighted the growth potential of KSA's retail sector, driven by an increase in affluent population. (Source: Argaam)
- **Keir** signed a contract with the Ministry of Interior for operation and maintenance of fibre optic network in Riyadh and Makkah. The contract duration is 36 months and a contract value of SAR 30.6mn. (Source: Tadawul)
- **ACWA Power** signed 3 power purchase agreements for 3 large-scale PV Solar Plants located in western and northern regions for a contract value of SAR 12.3bn with 25 years duration. The production capacity of these plants 2,000MW, 2,000 MW and 1,500MW of renewable power. (Source: Tadawul)
- **First Mills** signed a financing facility agreement with SIDF for SAR 150mn to support financing its working capital, business operations and company's growth & expansion. The amount to be repaid in 24 months in 4 equal installments. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** decreased by 0.6% to 11,656.4. The value traded stood at SAR 5.5bn (down 23.0% over the previous day), while the advance-decline ratio stood at 109/117. The parallel market index decreased 0.3% to 26,355.3 points. The value traded stood at SAR 96.61mn (up 14.9% over the previous day). Most of the sectors in the main market ended in red. Insurance and Commercial Service (up 1.0% and 0.8%, respectively) advanced the most, while Utilities and Media (down 2.7% and 1.7%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
MIAHONA	24.90	8.9
RASAN	60.90	5.9
GIG	31.10	5.4
SAUDI RE	28.25	5.0
ALRAJHI TAKAFUL	189.00	5.0

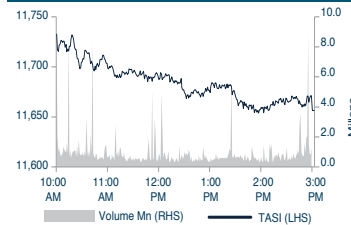
Top Losers

Company	Price	Change%
ADES	20.32	-4.6
SRMG	207.40	-3.5
ACWA POWER	344.20	-3.3
ATAA	60.40	-2.9
ALBILAD	32.60	-2.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,656	11,734	11,653	(0.6)	(3.2)
NomuC	26,355	26,747	26,239	(0.3)	7.4

TASI movement during session



TASI Ratios

P/E* (x)	26.2
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	5,241	0.1	-15.9	15.6
Materials	5,719	-0.6	-10.5	High
Capital Goods	12,524	0.6	24.2	28.6
Commercial Service	5,063	0.8	-9.2	High
Transportation	7,675	-0.2	20.8	36.9
Consumer Durables	5,297	0.4	6.3	Neg
Consumer Services	5,118	-0.2	2.8	38.5
Media	27,665	-1.7	12.7	47.5
Consumer Discretionary Ret	7,458	-0.1	-13.4	22.2
Consumer Staples Ret	9,203	0.4	-5.8	22
Food & Beverages	5,963	-1.5	6.0	29.6
Healthcare	13,060	-0.6	6.8	48.7
Pharma & Bio Tech	4,675	-0.3	-3.9	44.4
Banks	11,543	-0.8	-6.1	13
Financial Services	7,798	-0.1	15.8	33
Insurance	11,164	1.0	29.9	27.2
Telecom	7,520	-0.2	-3.2	14.5
Utilities	12,231	-2.7	23.2	26.6
REITs	3,274	-0.3	-10.7	25.5
Real Estate	3,352	-0.1	9.7	39.6
Software & Services	69,216	-1.1	0.9	40.1

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for June (bn)
11,663	11,701	11,707	11.31

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	26.4	1,046.90	2,038.30
Previous week	96.9	3,760.60	3,210.50

Top Weighted Companies

Company	Price	Change%
Al Rajhi	81.10	-1.1
Saudi Aramco	27.70	0.2
SNB	35.90	0.1
ACWA POWER	344.20	-3.3
ALINMA	31.40	-1.6





International Market News

- According to **EIA**, oil inventories in the US increased 3.6mn barrels (prior: down 2.5mn) to 460.7mn in the week ended June 21. Gasoline inventories increased 2.7mn barrels (prior: down 2.3mn) to 233.9mn, while distillate inventories declined 0.4mn barrels (prior: down 1.7mn) to 121.3mn. (Source: EIA, Econoday)
- US new home sales** plunged by 11.3% to 619,000 in May, after jumping 2.0% to 698,000 in April. The median sales price of new houses sold in May was USD 417,400, down 0.9% Y/Y. This huge drop in new home sales is due to the jump in the mortgage rates which weighed on the demand. (Source: RTT News)
- China's industrial profits** rose 0.7% Y/Y in May. This sharply slower pace of growth underlined the struggles faced by China, due to weaker domestic demand. The automobile industry, a major contributor to consumer discretionary growth, had a profit margin of 4.6%, underperforming the average of 5% in the overall factory sector. (Source: Reuters)
- Japan's retail sales** rose 3.0% Y/Y in May, ahead of the consensus estimate of 2.0% increase. Sales from large retailers were up 4.0% Y/Y, while commercial sales were up 5.6% Y/Y. (Source: Reuters)
- Oil prices** fell 0.6% due to stronger US Dollar and build-up of US inventory, spurring the demand fear.
- Gold prices** fell 0.9% due to stronger US Dollar and rising US treasury yields.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.05	0.4	1.3	4.7
Euro	1.07	-0.3	-1.5	-3.2
Japanese Yen	160.81	0.7	2.2	14.0
Sterling Pound	1.26	-0.5	-0.9	-0.9
Chinese Yuan	7.30	0.2	0.5	2.5
Indian Rupee	83.58	0.2	0.1	0.4
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	-0.1	-0.2
Omani Rial	0.39	0.0	-0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	48.02	-0.7	1.6	55.4

Corporate Calendar

Date	Company	Event
27-Jun	SIPCHEM	Eligibility for Cash Dividend
27-Jun	DAR ALARKAN	EGM
27-Jun	TADCO	EGM
27-Jun	ETIHAD ETISALAT	EGM
27-Jun	HORIZON FOOD	EGM
27-Jun	WSM	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,006	0.2	0.7	-1.3	7.9
Abu Dhabi (ADX)	8,966	-0.4	1.2	-6.4	18.0
Kuwait (KSE)	7,533	-0.8	-1.9	0.8	21.1
Qatar (QE)	9,871	0.4	5.9	-8.9	11.1
Oman (MSM)	4,674	1.6	-3.6	3.5	12.5
Bahrain (BSE)	2,034	-0.1	-0.3	3.2	8.5
Egypt (EGX30)	27,501	0.9	2.1	10.5	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,128	0.0	1.1	3.8	22.4
Nasdaq	19,751	0.3	6.6	17.4	34.8
S&P 500	5,478	0.2	3.8	14.8	25.7
FTSE 100	8,225	-0.3	-0.6	6.4	14.7
Germany DAX 30	18,155	-0.1	-1.9	8.4	16.0
France CAC 40	7,609	-0.7	-4.8	0.9	13.2
Japan Nikkei 225	39,667	1.3	3.1	18.5	27.6
Russia MOEX	3,123	0.0	-2.9	0.8	4.5
Hong Kong Hang Seng	18,090	0.1	0.1	6.1	10.1
South Korea KOSPI	2,792	0.6	5.9	5.2	16.5
China Shanghai Composite	2,973	0.8	-3.7	-0.1	14.0
Australia ASX 200	7,783	-0.7	1.1	2.5	19.6
India Sensex	78,674	0.8	6.4	8.9	24.5
MSCI EM	1,086	0.1	3.6	6.1	15.6
MSCI World	3,520	-0.0	2.2	11.1	22.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	87.23	-0.3	3.4	8.5
Brent Crude (\$/bbl)	85.25	0.3	4.4	10.7
Texas crude (\$/bbl)	80.90	0.1	5.1	12.9
Natural Gas (\$/mmbtu)	2.75	-4.1	3.1	1.8
Gold (\$/oz)	2,298.23	-0.9	-1.3	11.4
Silver (\$/oz)	28.77	-0.5	-5.4	20.9
Steel (\$/ton)	675.00	-5.9	-11.3	-40.5
Iron Ore (CNY/MT)	832.00	0.9	-5.9	-20.2
Wheat (\$/bu)	560.50	0.0	-19.9	-14.6
Corn (\$/bu)	436.50	-1.5	-6.5	-13.3
Sugar (\$/lb)	19.51	0.1	6.7	-5.0
SMP* (EUR/MT)	2,481.00	-0.3	2.1	-3.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.82	-3.9	-4.7	-8.9
KSA (SAIBOR 3M)	6.25	-1.4	2.0	2.1
KSA (SAIBOR 6M)	6.03	3.4	-8.0	-4.4
KSA (SAIBOR 12M)	5.87	-0.6	-1.3	-12.5
USA (SOFR 3M)	5.33	-0.5	-0.8	0.3
UAE (EIBOR 3M)	5.23	0.1	-9.3	-9.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of June 26, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,656
Short-term view	Cautious
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	9,995.9
Value (SAR mn)	5,463.3
Volume (mn)	287.6
Number of Transactions	473,987
Market Breadth	109 : 117

Key statistics

1D return %	-0.63%
MTD return %	1.33%
QTD return	-6.01%
YTD return	-2.60%
ADT vol. 3M* (mn)	326.6
ADT val. 3M (SARmn)	8,219.0

*ADT stands for Average Daily Traded

TASI market commentary

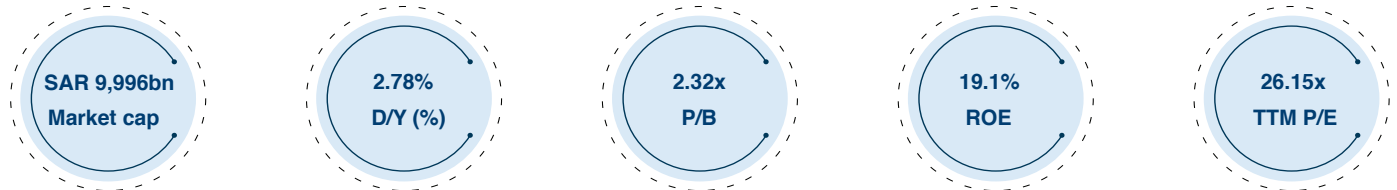
- TASI experienced a decline on Wednesday; primarily driven by the performance of the Banks sector (down 0.80%) and the Materials sector (down 0.62%). At close, the Saudi market ended the day with a change of -0.63% at 11,656. In terms of activity, total volumes and value traded were ~288mn and ~SAR 5.5bn, respectively. The advance-decline ratio came in at 109/117.

Technical outlook

- TASI closed the last session near 11,656, registering a loss of 74 points. The index witnessed a profit-taking attitude after testing the 20-day SMA 11,735 to resume fluctuating within a tight range for four consecutive sessions. TASI formed a red candlestick that closed below the 5-day SMA indicating a potential further decline. Moreover, the RSI indicator continues to hover below the 50 level. TASI has an immediate support level of around 11,570. If breached, the subsequent support levels would be around 11,440 – 11,365. On the other hand, an immediate resistance level is observed around 11,700. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,800 – 11,900. TASI continues fluctuating within the prevailing short-term sideways movement between the 200-day EMA around 11,900 and the previous bottom near 11,440. Accordingly, traders are advised to exercise caution as long as the index maintains trading below the significant resistance of the 200-day EMA around 11,900 and closely monitor the significant support of the previous bottom near 11,440.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,365	11,440	11,570	11,640	11,700	11,800	11,900



Source: Bloomberg, Argaam

TASI daily chart

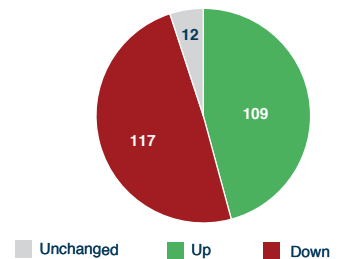


Source: Tradingview, Aljazira Capital

Our view



Market depth



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 26th June 2024

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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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