



## Major Economic News

- Saudi Arabia's** oil exports rose in March by nearly 2% M/M to SAR 6.4mn bpd. However, Saudi oil exports declined 15% Y/Y. The Kingdom's total output slumped slightly in March by 0.4% M/M to 8.9mn bpd. Domestic oil consumption decreased 5%. (Source: Argaam)
- Saudi Arabia's Minister of Tourism** expects the tourism sector to become a key driver of economy. It could contribute about 10% of GDP and create 1.6mn jobs by 2030. The continued growth in the sector led to revising the Kingdom's goals and raising them to 150mn visitors by 2030. The Minister also confirmed plans to double the number of pilgrims and Umrah performers by 2030. (Source: Argaam)

## Major Corporate News

- Retal's subsidiary** signed a contract on 20th May, with ROSHN group for the development, design and building of 1,962 residential units. The contract value is said to be SAR 2.9bn with a tenure of 45 months. The project is expected to positively impact Retal's financial results throughout its execution between 2024-2028. (Source: Tadawul)
- Al Hokair Group** announced the signing of a non-binding MoU with Tibah Airports Company. The main aim of this MoU is to establish a framework for joint cooperation in the areas of providing catering, hotels, entertainment, food and beverage services at airports affiliated with Tibah Airports Company. This MoU would remain in effect until 30th December, 2024. (Source: Tadawul)

## Market Analysis

The **Saudi Stock Exchange** decreased 0.6% to 12,125.4. The value traded stood at SAR 6.1bn (down 37.3% over the previous day), while the advance-decline ratio stood at 68/155. The parallel market index decreased 0.1% to 27,036.5 points. The value traded stood at SAR 31.0mn (down 23.6% over the previous day). Most sectors in the main market ended in the red. Consumer Durables and Utilities (up 0.4% and 0.3%, respectively) advanced the most, while Media and Software & Services (down 2.7% and 1.9%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
ALBAHA	0.14	7.7
AMAK	63.80	7.1
MEDGULF	25.40	6.7
ALMUNAJEM	112.00	5.3
CHEMANOL	16.46	4.7

## Top Losers

Company	Price	Change%
CENOMI RETAIL	10.06	-8.0
ALBABTAIN	41.35	-7.4
SHARQIYAH DEV	20.20	-4.5
ALARABIA	222.40	-4.1
EAST PIPES	153.20	-4.1

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,125	12,179	12,059	(0.6)	1.3
NomuC	27,037	27,083	26,828	(0.1)	10.2

## TASI movement during session



## TASI Ratios

P/E* (x)	27.4
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	19.1

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,638	0.0	-9.3	16.1
Materials	6,087	-0.5	-4.2	High
Capital Goods	12,651	-0.7	27.4	44.1
Commercial Service	5,063	-0.3	-8.9	48.6
Transportation	7,198	0.3	13.5	36.9
Consumer Durables	5,690	0.4	13.3	Neg
Consumer Services	5,217	-0.9	5.6	39.8
Media	28,902	-2.7	17.8	High
Consumer Discretionary Ret	7,908	0.2	-7.2	23.2
Consumer Staples Ret	9,530	0.2	-1.5	23.2
Food & Beverages	5,960	-0.6	6.3	30.1
Healthcare	12,939	-1.1	7.6	46.8
Pharma & Bio Tech	5,041	-0.3	3.8	46.8
Banks	11,491	-1.1	-5.8	13.2
Financial Services	7,763	-0.6	16.7	36.7
Insurance	10,332	-0.4	22.0	28
Telecom	7,658	-0.1	-0.8	14.4
Utilities	15,955	0.3	60.5	35.2
REITs	3,292	-0.7	-10.2	25.7
Real Estate	3,386	-1.1	11.1	37.9
Software & Services	68,952	-1.9	0.5	41.7

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for May (bn)
12,149	12,233	12,293	6.53

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	10.5	407.50	838.20
Previous week	33.1	1,296.50	2,578.50

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	29.90	0.0
Al Rajhi	79.80	-0.3
SNB	34.35	-2.0
ACWA POWER	478.00	0.6
ALINMA	31.40	-1.1





## International Market News

- The **import prices in the US** increased by 0.9% in April, after increasing by an upwardly revised 0.6% in March. The consensus estimates had expected the import prices to increase by 0.3%. The annual rate of growth by import prices accelerated to 1.1% in April, reflecting the largest over-the-year increase since December 2022. The much bigger than expected monthly increase by import prices partly reflected a continued surge in prices for fuel imports, which shot up by 2.4% in April. (Source: RTT News)
- Fed Vice Chair** indicated that the Fed is not ready to say that the inflation is heading to the central bank's target of 2%, despite last week inflation data showed easing. The Fed officials are skeptical if the recent slowdown in inflation will be long lasting. (Source: Reuters)
- Eurozone inflation** remained stable in April at 2.4% Y/Y as initially estimated. The core inflation weakened to 2.7% in April, from 2.9% in March. The non-energy industrial goods price grew 0.9% after rising 1.1%. Likewise, the service cost climbed at a slower rate of 3.7%. (Source: Reuters)
- Oil prices** fell 0.6% due to the fear of high interest rate and inflation still far away from the Fed's target, could likely depress the consumer and industrial demand.
- Gold prices** gained 0.8% at the back of increasing expectations of major central banks, including Fed, might ease their monetary policies during 2024.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.57	0.1	-1.6	3.2
Euro	1.09	-0.1	1.8	-1.6
Japanese Yen	156.26	0.4	-1.0	10.8
Sterling Pound	1.27	0.0	1.7	-0.2
Chinese Yuan	7.25	0.2	-0.1	1.7
Indian Rupee	83.33	0.0	-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	-0.1	-0.4	-0.1
Omani Rial	0.38	0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.0	0.0
Egyptian Pound	46.64	-0.6	-2.6	50.9

## Corporate Calendar

Date	Company	Event
21-May	SIPCHEM	EGM
21-May	STC	Eligibility of Cash Dividend
21-May	THEEB	Eligibility of Cash Dividend
21-May	YCC	Eligibility of Cash Dividend
21-May	SEDCO CAPITAL REIT	Eligibility of Cash Dividend
21-May	JADWA REIT	Eligibility of Cash Dividend

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,067	-0.0	-2.1	0.2	8.0
Abu Dhabi (ADX)	9,038	-0.0	-0.3	-5.6	18.1
Kuwait (KSE)	7,811	-0.4	1.6	4.5	14.5
Qatar (QE)	9,677	-0.3	-0.5	-10.6	10.9
Oman (MSM)	4,782	0.0	-0.1	5.9	12.7
Bahrain (BSE)	2,018	0.1	-0.5	2.4	7.7
Egypt (EGX30)	27,229	-0.3	11.4	9.4	10.4

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,807	-0.5	5.3	5.6	23.4
Nasdaq	18,674	0.7	7.1	11.0	34.5
S&P 500	5,308	0.1	5.4	11.3	25.4
FTSE 100	8,424	0.0	3.4	8.9	15.0
Germany DAX 30	18,769	0.3	4.7	12.0	16.5
France CAC 40	8,196	0.3	2.6	8.7	14.2
Japan Nikkei 225	39,070	0.7	1.7	16.8	26.9
Russia MOEX	3,468	-1.0	-0.1	11.9	4.9
Hong Kong Hang Seng	19,636	0.4	10.5	15.2	11.0
South Korea KOSPI	2,742	0.6	1.9	3.3	17.6
China Shanghai Composite	3,171	0.5	2.1	6.6	14.1
Australia ASX 200	7,864	0.6	2.6	3.6	19.8
India Sensex	74,006	0.0	-0.6	2.4	22.7
MSCI EM	1,102	0.2	5.4	7.6	15.7
MSCI World	3,477	0.1	5.2	9.7	21.7

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	86.53	0.5	-3.3	7.6
Brent Crude (\$/bbl)	83.71	-0.3	-4.7	8.7
Texas crude (\$/bbl)	79.80	-0.3	-2.6	11.4
Natural Gas (\$/mmbtu)	2.75	4.8	38.2	9.2
Gold (\$/oz)	2,425.31	0.4	6.1	17.6
Silver (\$/oz)	31.82	1.1	21.0	33.7
Steel (\$/ton)	789.00	0.3	-3.0	-30.5
Iron Ore (CNY/MT)	903.50	1.5	1.8	-13.4
Wheat (\$/bu)	688.75	5.8	14.2	6.7
Corn (\$/bu)	460.50	1.8	3.1	-6.8
Sugar (\$/lb)	18.68	3.0	-3.8	-8.5
SMP* (EUR/MT)	2,400.00	-0.2	2.5	-6.9

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.85	-3.4	-0.9	-6.0
KSA (SAIBOR 3M)	6.21	0.1	-2.6	-1.7
KSA (SAIBOR 6M)	6.04	-2.7	-3.7	-3.6
KSA (SAIBOR 12M)	5.91	-2.4	3.0	-8.4
USA (SOFR 3M)	5.33	0.1	-0.1	-0.5
UAE (EIBOR 3M)	5.17	-2.7	-14.3	-15.5

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 20, 2024





## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,125
Short-term view	Cautious
52 weeks high/low	12,883 – 10,262

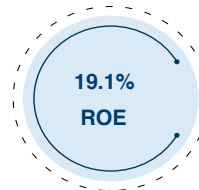
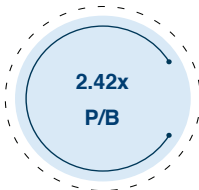
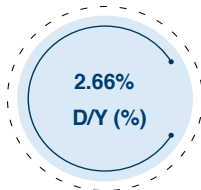
## Market data

Exchange Market Cap. (SAR bn)	10,646.4
Value (SAR mn)	6,079.0
Volume (mn)	207.3
Number of Transactions	478,124
Market Breadth	68 : 155

## Key statistics

1D return %	-0.60%
MTD return %	-2.17%
QTD return	-2.23%
YTD return	1.32%
ADT vol. 3M* (mn)	344.4
ADT val. 3M (SARmn)	8,251.2

\*ADT stands for Average Daily Traded



Source: Bloomberg, Argaam

## 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 20<sup>th</sup> May 2024

## TASI market commentary

- TASI experienced a decline on Monday; primarily driven by the performance of the Banks sector (down 1.12%) and the Materials sector (down 0.54%). At close, the Saudi market ended the day with a change of -0.60% at 12,125. In terms of activity, total volumes and value traded were ~207mn and ~SAR 6.1bn, respectively. The advance-decline ratio came in at 68/155.

## Technical outlook

- TASI closed the last session near 12,125, marking a loss of 73 points. The selling pressure resurfaced, causing the index to move downwards and close below crucial moving averages. TASI formed a red candlestick, indicating a potential continuation of the prevailing downward trajectory toward the significant support zone of 12,000 – 11,880. Moreover, the RSI indicator is moving downward heading to its oversold zone near the level of 30. TASI has an immediate support level of around 12,100. If breached, the subsequent support levels would be around 12,000 – 11,880. On the other hand, an immediate resistance level is observed around 12,260. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,330– 12,470. Traders should remain cautious in the short term as long as the index continues to trade below 12,330. Furthermore, a confirmed close below 12,100 could potentially initiate more selling pressure.

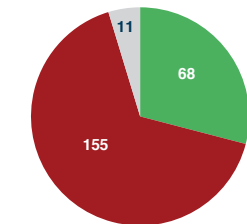
## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,880	12,000	12,100	12,185	12,260	12,330	12,470

## Our view



## Market depth



Unchanged Up Down



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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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