



Major Economic News

- **The Human Capability Development Program (HCDP)** is working on a mega project to anticipate the needs of the labor market, which will also help narrow the gap between the labor market needs and human capability in the educational and training institutions. The program aims to help the Saudi citizens compete globally and expand this competitiveness in all areas targeted by Vision 2030. (Source: Argaam)
- **KSA's** international reserve assets went up 0.5% M/M to SAR 1.6tn in January 2024. On a yearly basis, the Kingdom's foreign reserve assets fell by 4%, or SAR 70 billion (Source: Argaam)

Major Corporate News

- **Northern Cement** signed an agreement to sell its entire shares of Cement Experts to UAE based Global Trading for USD 55mn. The asset's book value is SAR 42.9mn. The company indicated that the deal aims to enter other strategic partnerships that enable it to expand investment into promising markets. (Source: Argaam)
- **Al Hokair Group** announces the completion of purchase of the building Novotel Hotel and Suites building in Riyadh at a value of SAR 38mn, which was paid through obtaining financing. The hotel consists of 115 rooms and suites, several meeting rooms, a café and a health club. The financial impact is expected to begin in Q1FY24. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q4-23	Q4-22	Y/Y %	Q3-23	Q/Q %
Amiantit	-36.5	9.3	NM*	-130.1	NM

*NM indicates Not Meaningful

Market Analysis

The **Saudi Stock Exchange** increased 0.9% to 12,404.6. The value traded stood at SAR 11.5bn (up 4.1% over the previous day), while the advance-decline ratio stood at 129/85. The parallel market index increased 0.3% to 25,378.9 points. The value traded stood at SAR 33.2mn (up 7.9% over the previous day). Most sectors in the main market ended in the green. Energy and Diversified Financials (up 2.6% and 2.5%, respectively) advanced the most, while Capital Goods and Media (down 1.3% and 1.2%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
TANMIAH	122.20	9.9
SALAMA	26.85	8.7
ALBAHA	0.15	7.1
SEERA	32.35	7.1
AMANA INSURANCE	12.80	6.0

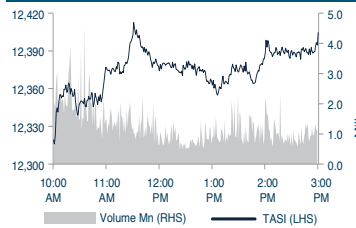
Top Losers

Company	Price	Change%
LUMI	114.60	-5.1
ATHEEB TELECOM	80.10	-4.0
RIYADH CABLES	114.40	-3.9
SAUDI GERMAN	117.00	-3.0
BAWAN	50.60	-2.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,405	12,413	12,300	0.9	3.7
NomuC	25,379	25,498	25,173	0.3	3.5

TASI movement during session



TASI Ratios

P/E* (x)	27.1
Price-to-Book (x)	2.4
Dividend Yield (%)	2
Return on Equity (%)	20.4

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,983	2.6	-3.8	16.6
Materials	6,170	-0.5	-2.9	High
Capital Goods	11,624	-1.3	17.1	38.4
Commercial Service	5,487	-1.2	-1.3	35.1
Transportation	7,237	-1.2	14.2	44.1
Consumer Durables	4,988	0.5	-0.7	Neg
Consumer Services	5,482	1.4	11.0	38
Media	31,880	-1.2	30.0	High
Consumer Discretionary Ret	8,560	-0.2	0.4	27.7
Consumer Staples Ret	10,404	0.7	7.5	26.7
Food & Beverages	6,292	0.1	12.2	32.5
Healthcare	13,508	-0.4	12.3	High
Pharma & Bio Tech	5,603	0.2	15.4	High
Banks	12,906	1.5	5.8	15.1
Financial Services	7,331	2.5	10.2	33.5
Insurance	8,843	1.3	4.4	23.7
Telecom	8,144	0.7	5.5	15.3
Utilities	9,926	-0.9	-0.1	19.8
REITs	3,610	0.2	-1.6	High
Real Estate	3,324	0.7	9.0	49.5
Software & Services	79,691	0.1	16.2	49.4

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,256	12,105	12,106	8.99

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	30.4	1,040.70	1,796.40
Previous week	42.3	1,506.00	2,536.30

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.75	2.8
Al Rajhi	90.80	1.1
SNB	42.25	1.9
SABIC	78.40	-2.0
STC	41.50	0.7





International Market News

- The **US CPI** rose by 0.3% in January after inching up by 0.2% in December. Economists expected the consumer prices to increase by 0.2%. The bigger than expected monthly increase in the consumer prices was partly due to a continued advance by shelter costs, which increased by 0.6% in January after rising by 0.4% in December. (Source: RTT News)
- Fed policymakers** waiting for more evidence of easing price pressures before they cut interest rates, after the consumer inflation continued to stay elevated. Although the job market is still strong, inflation at elevated levels gives the Fed little reason to rush on rate cuts. (Source: Investing.com)
- UK pay growth** eased at a slower than expected pace in the fourth quarter to create a bumpy road ahead for an interest rate cut as the Bank of England awaits more signs of easing in the labor market. The unemployment rate fell to 3.8% in the fourth quarter from 4.2% in the third quarter. (Source: RTT News)
- Germany** to reduce its economic growth forecast to just 0.2% for 2024, as the country's GDP shrank 0.3% in 2023 under the pressure of high inflation, rising interest rates and a weak economy. (Source: Reuters)
- Oil prices** fell 0.3% after industry data pointed to an outsized build in US crude inventories, along with reeling from US CPI reading which further dented bets on early rate cuts.
- Gold prices fell 0.2%** as the US inflation data exerts selling pressure as it diminishes early interest rate cuts.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.96	0.8	1.6	3.6
Euro	1.07	-0.6	-1.0	-3.0
Japanese Yen	150.80	1.0	2.6	6.9
Sterling Pound	1.26	-0.3	-0.8	-1.1
Chinese Yuan	7.23	0.2	0.6	1.5
Indian Rupee	83.01	0.0	-0.0	-0.2
UAE Dirham	3.67	0.0	-0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.1
Kuwaiti Dinar	0.31	0.0	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	30.93	0.1	0.2	0.1

Corporate Calendar

Date	Company	Event
15-Feb	SEDCO CAPITAL REIT	Cash Dividend Distribution
15-Feb	DERAYAH REIT	Eligibility for cash dividend
20-Feb	AMIAANTIT	EGM
20-Feb	A.OTHAIM MARKET	Eligibility for cash dividend
21-Feb	SABIC AGRI	Cash Dividend Distribution
21-Feb	BANAN	Cash Dividend Distribution

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,219	0.2	1.2	3.9	8.334
Abu Dhabi (ADX)	9,351	0.3	-1.7	-2.4	18.247
Kuwait (KSE)	8,069	-0.1	1.4	7.9	17.212
Qatar (QE)	10,093	0.5	0.0	-6.8	11.627
Oman (MSM)	4,590	0.6	0.6	1.7	12.453
Bahrain (BSE)	2,079	0.1	0.6	5.5	7.732
Egypt (EGX30)	28,605	0.4	1.1	14.9	13.745

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,273	-1.4	0.3	1.5	21.9
Nasdaq	17,600	-1.6	2.7	4.6	34.3
S&P 500	4,953	-1.4	2.2	3.8	23.8
FTSE 100	7,512	-0.8	-1.6	-2.9	10.1
Germany DAX 30	16,881	-0.9	-0.1	0.8	14.6
France CAC 40	7,625	-0.8	-0.4	1.1	13.4
Japan Nikkei 225	37,964	2.9	4.6	13.4	27.2
Russia MOEX	3,255	0.2	1.3	5.0	3.0
Hong Kong Hang Seng	15,747	0.0	1.7	-7.6	8.3
South Korea KOSPI	2,650	1.1	6.1	-0.2	18.5
China Shanghai Composite	2,866	0.0	2.8	-3.7	13.2
Australia ASX 200	7,604	-0.1	-1.0	0.2	16.8
India Sensex	71,555	0.7	-0.3	-0.9	22.6
MSCI EM	997	0.1	2.2	-2.6	14.9
MSCI World	3,240	-1.2	1.1	2.2	20.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	83.79	0.7	-1.3	4.2
Brent Crude (\$/bbl)	82.77	0.9	1.3	7.4
Texas crude (\$/bbl)	77.87	1.2	2.7	8.7
Natural Gas (\$/mmbtu)	1.69	-4.5	-19.6	-27.4
Gold (\$/oz)	1,993.15	-1.3	-2.3	-3.4
Silver (\$/oz)	22.12	-2.6	-3.7	-7.0
Steel (\$/ton)	933.00	0.0	-3.1	-17.8
Iron Ore (CNY/MT)	981.50	0.0	-6.9	-5.9
Wheat (\$/bu)	597.00	-0.4	-1.4	-6.6
Corn (\$/bu)	430.75	0.1	-3.9	-8.6
Sugar (\$/lb)	22.62	-1.0	-2.7	10.8
SMP* (EUR/MT)	2,490.00	-0.2	-1.7	-3.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.92	3.4	3.6	0.8
KSA (SAIBOR 3M)	6.19	-3.7	-17.8	-4.3
KSA (SAIBOR 6M)	6.00	1.9	0.3	-7.7
KSA (SAIBOR 12M)	5.93	-1.9	-1.3	-6.9
USA (SOFR 3M)	5.31	0.0	-0.8	-2.4
UAE (EIBOR 3M)	5.35	-4.9	11.3	2.3

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of February 13, 2024





Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,405
Short-term view	Cautious Buy
52 weeks high/low	12,413– 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,099.4
Value (SAR mn)	11,502.8
Volume (mn)	388.5
Number of Transactions	655,541
Market Breadth	129 : 85

Key statistics	
1D return %	0.88%
MTD return %	5.15%
QTD return	3.65%
YTD return	3.65%
ADT vol. 3M* (mn)	293.5
ADT val. 3M (SARmn)	7,279.8

*ADT stands for Average Daily Traded

TASI market commentary

- TASI experienced a rise on Tuesday; primarily driven by the performance of the Energy sector (up 2.64%) and the Banks sector (up 1.53%). At close, the Saudi market ended the day with a change of 0.88% at 12,405. In terms of activity, total volumes and value traded were ~389mn and ~SAR 11.5bn, respectively. The advance-decline ratio came in at 129/85.

Technical outlook

- TASI concluded the recent session near 12,405, marking a significant gain of 109 points. As expected, the prevailing buying sentiment persisted, driving the index higher, and successfully broke through both the upper boundary of the declining channel and the 52-week high of around 12,344. Moreover, TASI formed a Marubozu Open candlestick, depicting the prevailing buying attitude. However, it is important to note that the index is currently approaching the first target near the significant resistance of the 127.2% Fibonacci retracement level around 12,500 where a possible intervening profit-booking attitude may appear. Additionally, the RSI indicator is still moving upward above the level of 50. TASI has an immediate resistance level near 12,500. If successfully surpassed, the following resistance level would be around 12,700. On the other hand, an immediate support level is observed near 12,280. If breached, the subsequent support would be around 12,190. Traders are advised to cautiously buy and closely monitor the significant resistance level around 12,500.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
12,100	12,190	12,280	12,345	12,500	12,700	12,920



Source: Bloomberg, Argaam

TASI daily chart

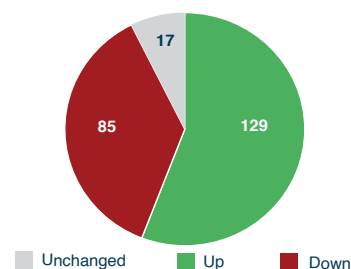


Source: Tradingview, Aljazira Capital

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 13th Feb 2024

* Note – Stop loss is based on an intraday basis



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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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