



Domestic Market News

- **IEA** expects global oil demand to rise by 0.87 mnbpd in Q2-24, despite slowdown in China's demand growth. OECD shifted from contraction of 0.3 mnbpd in Q1 to growth of 0.19 mnbpd in Q2. (Source: Argam)
- Number of bank branches in **KSA** reached 1,903 by end of H1-24, up by 2 on Y/Y basis. While the Saudi based branches decreased to 1,860. Moreover 18 new branches while 16 were closed. (Source: Argam)
- **Equipment House** received project worth SAR 73.8mn from Ministry of Transport, to maintain, operate equipment for smart transportation. Financial impact to be reflected in Q4-24. (Source: Tadawul)
- **TECO** appointed Eng. Abdullah bin Omar Al-Suwailem as the CEO along with his responsibilities as Vice Chairman of the Board and MD. (Source: Tadawul)
- **Savola** received letter of proxy from one of the substantial holders of group, holding 8.2% stake, expressing interest to transfer all shares to investment portfolio owned by Mohammed Abdullah AlRabea & Partners Limited Co. (Source: Tadawul)
- **NBM** signed an agreement to increase the limit of its banking facilities granted by Riyadh Bank by SAR 90mn. The funding will finance ongoing project supplies, and the financing duration is 24 months. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased 0.5% to 11,796.8. The value traded stood at SAR 5.5bn (down 9.4% over the previous day), while the advance-decline ratio stood at 163/62. The parallel market index increased 0.3% to 25,365.1 points. The value traded stood at SAR 41.0mn (up 27.7% over the previous day). Most of the sectors in the main market ended in green. Transportation and Healthcare (up 3.6% and 1.8%, respectively) while Food & Beverages and REITs (down 0.4% each) declined the most.

Top Gainers

Company	Price	Change%
CHUBB	29.70	10.0
SGS	51.20	9.9
AYYAN	17.56	8.9
ALRAJHI TAKAFUL	196.20	5.8
MIS	166.60	5.4

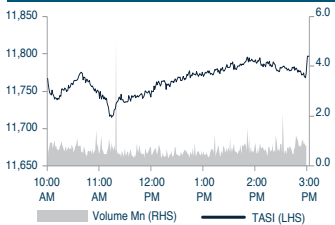
Top Losers

Company	Price	Change%
SAUDI KAYAN	8.09	-2.7
SIECO	21.98	-2.5
NAYIFAT	12.70	-2.5
MAHONA	35.05	-2.4
HB	51.20	-2.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,797	11,798	11,713	0.5	(2.0)
NomuC	25,365	25,437	25,225	0.3	3.4

TASI movement during session



TASI Ratios

P/E* (x)	25.3
Price-to-Book (x)	2.4
Dividend Yield (%)	2.8
Return on Equity (%)	19.3

*Source: Argam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,338	0.9	-14.3	15.9
Materials	5,581	0.2	-12.7	High
Capital Goods	12,127	1.1	20.3	26.9
Commercial Service	4,961	1.5	-11.1	36
Transportation	7,512	3.6	18.3	36.4
Consumer Durables	4,859	0.7	-2.4	Neg
Consumer Services	4,877	0.7	-2.0	35.5
Media	29,267	0.6	19.2	43.9
Consumer Discretionary Ret	7,297	0.0	-15.3	21.6
Consumer Staples Ret	8,844	0.1	-9.5	21.1
Food & Beverages	5,788	-0.4	2.8	29
Healthcare	12,435	1.8	1.7	44
Pharma & Bio Tech	4,716	1.2	-3.1	45.5
Banks	11,728	-0.3	-4.5	13.1
Financial Services	7,373	1.0	9.5	33.3
Insurance	10,838	1.6	26.1	26.4
Telecom	7,641	1.3	-1.6	15
Utilities	13,572	1.0	36.8	29.4
REITs	3,233	-0.4	-11.8	25.2
Real Estate	3,656	0.7	19.6	43.1
Software & Services	74,521	1.5	8.7	43.3

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
11,741	11,780	11,956	6.96

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	16.8	702.20	1,346.30
Previous week	39.8	1,786.50	3,250.60

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.20	0.9
Al Rajhi	84.50	-1.2
SNB	34.85	-0.1
ACWA POWER	388.00	0.8
ALINMA	31.65	0.0





International Market News

- **US** producer price index inched up by 0.1% in July after rising by 0.2% in June. Meanwhile, the annual rate of producer price growth slowed to 2.2%. Economists had expected the annual rate of producer price growth to decelerate to 2.3%. (Source: Reuters)
- The NFIB Small Business Optimism Index rose for the fourth month in a row in July, up 2.2 points to 93.7 from 91.5 in June. This small business sentiment in the **US** strengthened to a two-and-a-half-year high, despite inflation remaining the top concern. (Source: CNBC)
- Basis **UK's** wage growth data, the average earnings excluding bonus climbed 5.4% Y/Y in the three months to June. This was the weakest growth since mid-2022. The unemployment rate fell to 4.2%, while it was expected to rise marginally to 4.5%. The slower-than-expected deceleration in the UK wage growth supports the case for gradual interest rate cuts by the Bank of England later this year. (Source: RTT News)
- Aggregate bank financing in **China** totalled CNY 18.9tn YTD and was down CNY 3.2tn. In July, banks lent only CNY 260bn in local currency, well below economists' forecast of CNY 450bn. China's bank lending remains weak amid high interest rate scenario. (Source: CNBC)
- **Oil prices** fell 1.6% as investors turned less nervous about the potential for a wider conflict in the Middle East.
- **Gold prices** fell 0.5% as investors await US inflation data for cues about Fed's rate-cut path.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.56	-0.6	-1.5	1.2
Euro	1.10	0.6	1.5	-0.4
Japanese Yen	146.84	-0.3	-2.1	4.1
Sterling Pound	1.29	0.7	0.0	1.0
Chinese Yuan	7.15	-0.4	-1.1	0.3
Indian Rupee	83.97	0.0	0.3	0.9
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	0.2	-0.4
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	49.35	0.1	1.6	59.7

Corporate Calendar

Date	Company	Event
14-Aug	MRNA	Eligibility of Cash Dividend
14-Aug	RAOOM	Cash Dividend Distribution
14-Aug	MODERN MILLS	Cash Dividend Distribution
14-Aug	MIRAL	EGM
14-Aug	ALMAWARID	Eligibility of Cash Dividend
14-Aug	DALLAH HEALTH	Cash Dividend Distribution

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,185	-0.4	-2.0	3.1	7.3
Abu Dhabi (ADX)	9,175	-0.4	-1.8	-4.2	16.6
Kuwait (KSE)	7,620	-0.8	-3.5	1.9	13.9
Qatar (QE)	10,071	-0.2	-0.8	-7.0	11.2
Oman (MSM)	4,660	-0.6	-0.0	3.2	11.9
Bahrain (BSE)	1,934	-0.1	-1.8	-1.9	7.4
Egypt (EGX30)	29,331	-1.3	-0.2	17.8	8.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,766	1.0	-2.6	5.5	22.1
Nasdaq	19,006	2.5	-1.8	13.0	33.5
S&P 500	5,434	1.7	-1.6	13.9	25.4
FTSE 100	8,235	0.3	-1.6	6.5	14.3
Germany DAX 30	17,812	0.5	-3.8	6.3	14.7
France CAC 40	7,276	0.3	-3.4	-3.5	13.7
Japan Nikkei 225	36,233	3.4	-7.3	8.3	22.1
Brazil IBOVESPA	132,398	1.0	3.7	-1.3	9.9
Hong Kong Hang Seng	17,174	0.4	-1.0	0.7	9.6
South Korea KOSPI	2,622	0.1	-5.4	-1.3	13.9
China Shanghai Composite	2,868	0.3	-2.4	-3.6	13.5
Australia ASX 200	7,827	0.2	-3.3	3.1	19.3
India Sensex	78,956	-0.9	-3.4	9.3	24.0
MSCI EM	1,071	0.2	-1.3	4.6	15.4
MSCI World	3,502	1.6	-2.0	10.5	21.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	82.49	1.4	0.5	2.6
Brent Crude (\$/bbl)	80.69	-2.0	-0.0	4.7
Texas crude (\$/bbl)	78.35	-2.1	0.6	9.4
Natural Gas (\$/mmbtu)	2.15	-1.9	5.5	-19.6
Gold (\$/oz)	2,465.16	-0.3	0.7	19.5
Silver (\$/oz)	27.85	-0.4	-4.0	17.1
Steel (\$/ton)	676.00	-0.3	-4.0	-40.4
Iron Ore (CNY/MT)	788.50	0.0	3.2	-24.4
Wheat (\$/bu)	551.75	-1.4	-0.0	-17.5
Corn (\$/bu)	397.25	-1.1	-0.6	-21.1
Sugar (\$/lb)	18.39	0.5	-2.9	-10.4
SMP* (EUR/MT)	2,413.00	-0.2	2.2	-6.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.79	5.1	1.0	-12.8
KSA (SAIBOR 3M)	6.06	-1.6	-13.2	-16.8
KSA (SAIBOR 6M)	5.87	-3.4	-8.6	-20.5
KSA (SAIBOR 12M)	5.63	-2.3	-14.6	-36.6
USA (SOFR 3M)	5.12	0.2	-12.3	-21.3
UAE (EIBOR 3M)	5.05	-2.1	-18.0	-27.6

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Aug 13, 2024





Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,797
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,158.5
Value (SAR mn)	5,542.3
Volume (mn)	209.7
Number of Transactions	450,711
Market Breadth	163 : 62

Key statistics	
1D return %	0.48%
MTD return %	-2.58%
QTD return	1.00%
YTD return	-1.43%
ADT vol. 3M* (mn)	308.6
ADT val. 3M (SARmn)	7,562.2

*ADT stands for Average Daily Traded

TASI market commentary

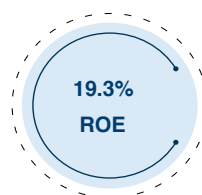
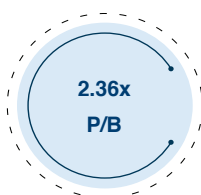
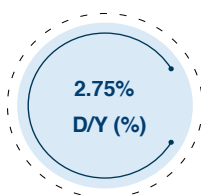
- TASI experienced a rise on Tuesday; primarily driven by the performance of the Telecommunication services sector (up 1.26%) and the Energy sector (up 0.89%). At close, the Saudi market ended the day with a change of 0.48% at 11,797. In terms of activity, total volumes and value traded were ~210mn and ~SAR 5.5bn, respectively. The advance-decline ratio came in at 163/62.

Technical outlook

- TASI closed the last session near 11,797, marking a gain of 56 points. The index started the last session with a profit-booking attitude, however, the buying power resurfaced once it tested the 5-day SMA around 11,740. TASI formed a green candlestick which penetrated the 50% Fibonacci level as well as the 10-day SMA around 11,780 suggesting a potential further rise toward the 61.8% Fibonacci level around 11,870. Moreover, the RSI indicator is currently testing a declining trendline near the 50 level. TASI has an immediate resistance level of around 11,870. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,950 – 12,025. On the other hand, an immediate support level is observed around 11,720. If breached, the subsequent support levels would be around 11,670 -11,600. TASI has just surpassed its 10-day SMA indicating a potential further rise toward the 61.8% Fibonacci level. Consequently, traders are advised to cautiously buy and closely monitor the significant resistance level of around 11,870, as the decisive breakout above this level could trigger further buying attitude.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,500	11,600	11,670	11,720	11,870	11,950	12,025



Source: Bloomberg, Argaam

TASI daily chart

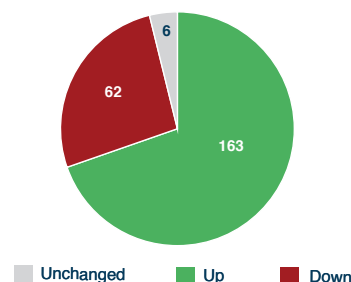


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
2382	Ades	20.86	20.82 - 20.86	21.04 - 21.28	20.60
4004	Dallah Health	166.40	166.00 - 166.40	167.80 - 169.80	164.20
2250	Saudi Industrial Investment Group	18.60	18.56 - 18.60	18.76 - 18.96	18.36
2370	MESC	30.55	30.45 - 30.55	30.80 - 31.15	30.15
8030	MEDGULF	24.46	24.40 - 24.46	24.66 - 24.94	24.14
4011	Lazurde	13.26	13.24 - 13.26	13.38 - 13.54	13.10
4031	Saudi Ground Services	51.20	51.10 - 51.20	51.70 - 52.20	50.50

*As of 13th August 2024

* Note - Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

ADES has just penetrated a declining trendline as well as its 20-day SMA. Moreover, all the technical indicators show bullish structure.

Ades Holding Co. (ADES)



Source: Tradingview, Aljazira Capital

Technical observations

Dallah Health has just penetrated its 100-day SMA as well as the level of the prior peak. Moreover, all the technical indicators show bullish structure.

Dallah Healthcare Company (Dallah Health)



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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