



## Domestic Market News

- Over 8.6mn tourists from GCC nations visited **KSA** in 2023, spending more than SAR 15bn. Bahrain ranked first and accounted for 38% of all GCC tourists. (Source: Argaam)
- KSA's** imports from the GCC nations rose 4% Y/Y to SAR 6.2bn in May. UAE accounted for 73% of total Saudi imports, to the tune of SAR 4.5bn and was up 25% Y/Y. (Source: Argaam)
- Residential mortgages in **KSA** dropped 11% to SAR 5.3bn in June. Value of new residential mortgage financing decreased by SAR 2.4bn, marking a 31% M/M decline. (Source: Argaam)
- Arabian Pipes** was awarded a new order worth SAR 107mn from Saudi Aramco, to supply steel pipes. The contract duration is 11 months and the financial impact is expected over Q2-25 and Q3-25. (Source: Tadawul)
- Leejam** opened 2 new fitness centers in Riyadh, under brand "Fitness Time – Ladies" and "Fitness Time Xpress". Financial impact is expected as of Q3-24. (Source: Tadawul)

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

Company	Q2-24	Q2-23	Y/Y %	Q1-24	Q/Q %
RIBL	2337.7	1982.3	17.93	2072.7	12.78
CATRION	73.2	63.7	14.82	71.23	2.74
SAUDI GERMAN	61.2	40.3	51.97	51.9	17.77
SAIB	486.4	443.8	9.59	442.4	9.95
SNB	5231.0	5016.0	4.29	5040.0	3.79
AL RAJHI	4698.0	4150.0	13.20	4405.0	6.65
EPCCO	61.0	51.0	19.61	68.0	-10.29
ALINMA	1416.6	1225.1	15.63	1314.7	7.75
AICC	13.2	20.7	-36.11	7.8	68.76
RIYADH CABLES	159.4	126.9	25.56	168.9	-5.68
ALBILAD	670.8	585.9	14.49	643.1	4.31
DALLAH	111.8	53.0	111.00	119.3	-6.25
LUBEREF	298.8	454.8	-34.29	239.0	25.03
BSF	1129.0	1073.0	5.22	1150.0	-1.83

## Market Analysis

The **Saudi Stock Exchange** decreased 2.4% to 11,754.4. The value traded stood at SAR 6.5bn (up 7.03% over the previous day), while the advance-decline ratio stood at 10/223. The parallel market index decreased 1.8% to 26,128.9 points. The value traded stood at SAR 36.5mn (down 14.8% over the previous day). All the sectors in the main market ended in red. Capital Goods and Commercial Service (down 5.6% and 4.4%, respectively) declined the most.

## Top Gainers

Company	Price	Change%
TAWUNIYA	154.00	8.0
AMAK	63.00	4.0
TALEEM REIT	11.30	2.2
WALAA	26.90	2.1
HB	48.80	1.7

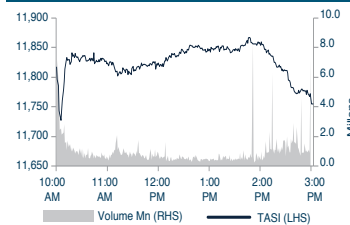
## Top Losers

Company	Price	Change%
KINGDOM	8.28	-10.0
TALCO	53.20	-10.0
OASIS	36.20	-10.0
ATHEEB TELECOM	85.40	-9.8
GULF UNION ALAHLIA	15.68	-9.4

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,754	11,868	11,722	(2.4)	(2.3)
NomuC	26,129	26,472	26,064	(1.8)	6.5

## TASI movement during session



## TASI Ratios

P/E* (x)	25.7
Price-to-Book (x)	2.4
Dividend Yield (%)	2.8
Return on Equity (%)	19.3

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,139	-1.3	-17.5	15.3
Materials	5,659	-2.5	-11.5	High
Capital Goods	11,838	-5.6	17.4	26
Commercial Service	4,980	-4.4	-10.7	36.3
Transportation	7,529	-3.3	18.5	36.8
Consumer Durables	4,943	-3.8	-0.8	Neg
Consumer Services	4,931	-3.9	-0.9	36.8
Media	30,522	-3.9	24.3	45.5
Consumer Discretionary Ret	7,383	-2.7	-14.3	21.8
Consumer Staples Ret	8,966	-2.6	-8.3	21.4
Food & Beverages	5,978	-2.7	6.2	29.7
Healthcare	12,393	-3.4	1.4	43.8
Pharma & Bio Tech	4,578	-3.8	-5.9	43.9
Banks	11,761	-3.0	-4.3	13.3
Financial Services	7,276	-4.3	8.0	33.9
Insurance	10,947	-0.2	27.4	26.6
Telecom	7,327	-3.0	-5.7	14.3
Utilities	13,813	-0.6	39.2	29.9
REITs	3,277	-1.6	-10.6	25.5
Real Estate	3,609	-1.5	18.1	42.3
Software & Services	72,422	-1.6	5.6	41.9

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for July (bn)
12,019	12,068	12,011	6.33

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	6.5	334.10	570.10
Previous week	30.7	1,455.10	2,501.40

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.15	-1.3
Al Rajhi	82.70	-2.7
SNB	36.55	-3.9
ACWA POWER	398.00	0.0
ALINMA	31.20	-2.8





## International Market News

- **US** factory orders plunged by 3.3% in June, significantly ahead of the consensus estimate of a 2.9% drop. This sharp decline was due to a steep fall in durable goods, which fell by 6.7% amid a 29.6% nosedive by orders for transportation equipment. (Source: Reuters)
- **US** construction spending fell by 0.3% to an annual rate of USD 2.1tn in June, significantly below the consensus estimate of a 0.2% rise. This decline was led by private construction which fell by 0.3%. (Source: RTT News)
- **Eurozone** manufacturing PMI remained unchanged in July at 45.8. However, the manufacturing sector continued to contract due to steep reduction in orders and output for the month of July. Further the unemployment rate too edged up as firms scaled back their staffing capacity amid weak economic activity. (Source: Reuters)
- **UK's** manufacturing PMI increased to 52.1 in July from 50.9 in June. Production volume grew at the fastest pace in nearly two and a-half years, spurred by new product launches, efforts to clear backlogs of work, and improved intakes of new business. (Source: CNBC)
- **China's** manufacturing PMI fell to 49.8 in July from 51.8 in June. The reading was expected to drop moderately to 51.5. The score suggested that conditions in China's manufacturing sector deteriorated for first time in nine months. (Source: Investing.com)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.21	0.0	-0.9	1.9
Euro	1.09	0.0	0.8	-1.2
Japanese Yen	146.53	0.0	-2.3	3.9
Sterling Pound	1.28	0.0	-0.4	0.5
Chinese Yuan	7.16	0.0	-0.9	0.5
Indian Rupee	83.75	0.0	0.0	0.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.0
Kuwaiti Dinar	0.31	0.0	-0.0	-0.6
Omani Rial	0.38	0.0	-0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	-0.0
Egyptian Pound	48.69	0.0	0.3	57.5

## Corporate Calendar

Date	Company	Event
5-Aug	EAST PIPES	Eligibility of Cash Dividend
6-Aug	BAAZEEM	EGM
7-Aug	ELM	Eligibility of Cash Dividend
8-Aug	ZOUJAJ	Eligibility of Cash Dividend
8-Aug	BUDGET SAUDI	Eligibility of Cash Dividend
8-Aug	AL RAJHI 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)	4,237	0.0	-0.7	4.4	8.3
Abu Dhabi (ADX)	9,292	0.0	-0.5	-3.0	18.6
Kuwait (KSE)	7,695	-2.2	-2.6	2.9	21.6
Qatar (QE)	10,057	0.0	-1.0	-7.1	11.3
Oman (MSM)	4,647	-0.4	-0.3	2.9	11.9
Bahrain (BSE)	1,951	-1.0	-0.9	-1.0	7.5
Egypt (EGX30)	28,504	-2.9	-3.0	14.5	8.0

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,737	0.0	-2.7	5.4	22.8
Nasdaq	18,441	0.0	-4.8	9.6	32.5
S&P 500	5,347	0.0	-3.2	12.1	25.0
FTSE 100	8,175	0.0	-2.3	5.7	14.3
Germany DAX 30	17,661	0.0	-4.6	5.4	15.6
France CAC 40	7,252	0.0	-3.7	-3.9	13.7
Japan Nikkei 225	35,910	0.0	-8.2	7.3	23.0
Brazil IBOVESPA	125,854	0.0	-1.4	-6.2	9.3
Hong Kong Hang Seng	16,946	0.0	-2.3	-0.6	9.5
South Korea KOSPI	2,676	0.0	-3.4	0.8	15.8
China Shanghai Composite	2,905	0.0	-1.1	-2.3	13.7
Australia ASX 200	7,943	0.0	-1.8	4.6	19.6
India Sensex	80,982	0.0	-0.9	12.1	24.7
MSCI EM	1,061	0.0	-2.2	3.7	15.3
MSCI World	3,449	0.0	-3.4	8.8	21.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	80.98	0.0	-1.4	0.7
Brent Crude (\$/bbl)	76.81	0.0	-4.8	-0.3
Texas crude (\$/bbl)	73.52	0.0	-5.6	2.6
Natural Gas (\$/mmbtu)	1.97	0.0	-3.4	-26.4
Gold (\$/oz)	2,443.24	0.0	-0.2	18.4
Silver (\$/oz)	28.56	0.0	-1.5	20.0
Steel (\$/ton)	681.00	0.0	-3.3	-40.0
Iron Ore (CNY/MT)	788.50	0.0	3.2	-24.4
Wheat (\$/bu)	539.00	0.0	2.2	-17.9
Corn (\$/bu)	403.25	0.0	0.9	-19.9
Sugar (\$/lb)	18.10	0.0	-4.4	-11.8
SMP* (EUR/MT)	2,428.00	0.0	2.8	-5.8

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.79	-1.1	1.6	-12.1
KSA (SAIBOR 3M)	6.19	2.5	-0.9	-4.4
KSA (SAIBOR 6M)	5.94	-0.3	-1.4	-13.3
KSA (SAIBOR 12M)	5.77	-0.2	-0.1	-22.1
USA (SOFR 3M)	5.23	0.0	-1.3	-10.4
UAE (EIBOR 3M)	5.14	0.0	-9.3	-19.0

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Aug 4, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,754
<b>Short-term view</b>	Cautious
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	9,914.1
Value (SAR mn)	6,458.2
Volume (mn)	334.1
Number of Transactions	570,142
Market Breadth	10 : 223

Key statistics	
1D return %	-2.42%
MTD return %	-2.93%
QTD return	0.64%
YTD return	-1.78%
ADT vol. 3M* (mn)	305.3
ADT val. 3M (SARmn)	7,553.1

\*ADT stands for Average Daily Traded

## TASI market commentary

- TASI experienced a decline on Sunday; primarily driven by the performance of the Telecommunication services sector (down 3.00%) and the Banks sector (down 2.98%). At close, the Saudi market ended the day with a change of -2.42% at 11,754. In terms of activity, total volumes and value traded were ~334mn and ~SAR 6.5bn, respectively. The advance-decline ratio came in at 10/223.

## Technical outlook

- TASI closed the last session near 11,754, recording a substantial loss of 291 points. The index witnessed a sell-off that initiated with a downward opening gap. TASI formed a red candlestick that breached the 50-day SMA, suggesting a potential continuation of the decline to test the lower boundary of an upward channel around 11,650. Additionally, the RSI indicator continued its downward trajectory, crossing below the 50 level. TASI has an immediate support level of around 11,650. If breached, the subsequent support levels would be around 11,500 - 11,450. On the other hand, an immediate resistance level is observed around 11,850. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,950 - 12,010. Following a sell-off that breached the 50-day SMA, TASI is currently moving towards testing crucial support near the lower boundary of a rising channel. As a result, traders are advised to exercise caution and closely monitor the level of around 11,650, as breaching it could trigger potential further selling pressure.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,450	11,500	11,650	11,790	11,850	11,950	12,010



Source: Bloomberg, Argaam

## TASI daily chart

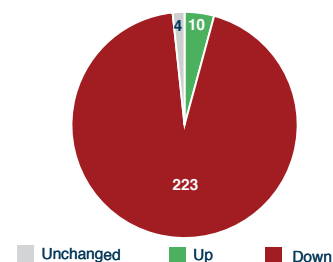


Source: Tradingview, Aljazira Capital

## 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 4<sup>th</sup> August 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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