



Domestic Market News

- **The Ministry of Industry and Mineral Resources** issued 86 new industrial licenses in April, at a total investment value of nearly SAR 2.3bn. The new licenses covered a number of industrial activities. (Source: Argaam)
- **National Company for Learning and Education's** Chairman Khalid Al-Khudiar said that student enrollment in private education in Saudi Arabia reached an all-time high of 16.5% of the total this year. (Source: Argaam)
- **Saudi Reinsurance Co.** inked a binding subscription agreement with PIF. The insurer will increase its capital from SAR 891.0mn to SAR 1.2bn. PIF will fully subscribe to the new shares, bringing its ownership in the company to 23.1% after the capital hike. (Source: Tadawul)
- **Saudi Arabia Refineries Co.** signed two non-binding MoUs to acquire entire stakes in German Saudi Industrial Co. and Golden Compass Mining Services Co. (Source: Tadawul)
- **The Company for Cooperative Insurance** has over SAR 180.0mn in direct technology investments, as per CEO Othman Alkassabi. He added that there are also indirect investments that are part of the company's 2025 strategy. (Source: Argaam)
- **Al Moammar Information Systems Co.** signed an MoU with Saudi Fransi Capital to study the feasibility of providing cloud services for artificial intelligence (AI) in Saudi Arabia. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased by 0.3% to 11,688.6. The value traded stood at SAR 3.9bn (down 20.3% over the previous day), while the advance-decline ratio stood at 139/87. The parallel market index increased 0.9% to 26,154.8 points. The value traded stood at SAR 44.5mn (down 0.9% over the previous day). Most of the sectors in the main market ended in green. Media and Consumer Durables (up 7.7% and 2.0%, respectively) advanced the most, while Pharma & Bio Tech and Capital Goods (down 1.4% and 0.4%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SRMG	236.60	9.9
ALBAHA	0.13	8.3
MEDGULF	30.55	8.0
MUSHARAKA REIT	5.16	8.0
SASCO	52.00	5.9

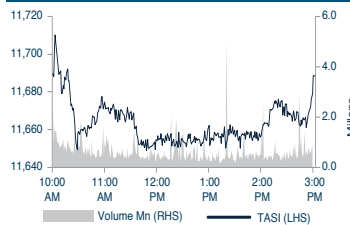
Top Losers

Company	Price	Change%
SAUDI RE	25.80	-6.7
ANAAM HOLDING	1.08	-4.4
ALYAMAMAH STEEL	35.65	-3.7
SAIC	44.30	-3.5
LIVA	20.00	-3.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,689	11,717	11,645	0.3	(2.9)
NomuC	26,155	26,196	25,797	0.9	6.6

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	5,321	-0.2	-14.6	15.8
Materials	5,724	0.0	-10.4	High
Capital Goods	12,970	-0.4	28.6	28.7
Commercial Service	5,126	1.3	-8.1	37.3
Transportation	7,798	0.4	22.8	37.7
Consumer Durables	5,389	2.0	8.2	Neg
Consumer Services	5,273	1.4	5.9	39.6
Media	30,174	7.7	22.9	49.4
Consumer Discretionary Ret	7,397	1.5	-14.1	22
Consumer Staples Ret	9,177	0.3	-6.1	21.9
Food & Beverages	6,070	0.8	7.8	30.1
Healthcare	13,006	0.5	6.4	45.9
Pharma & Bio Tech	4,622	-1.4	-5.0	43.4
Banks	11,374	0.1	-7.4	12.8
Financial Services	7,558	0.3	12.2	32.2
Insurance	11,255	-0.4	31.0	27.5
Telecom	7,508	-0.1	-3.4	14.7
Utilities	12,788	1.1	28.9	27.7
REITs	3,242	1.1	-11.6	25.3
Real Estate	3,294	0.0	7.8	38.9
Software & Services	69,071	-0.3	0.7	40.2

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for June (bn)
11,641	11,670	11,680	5.52

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	3.9	195.30	378.70
Previous week	29	1,230.60	2,562.90

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.15	-0.2
Al Rajhi	79.50	-0.1
SNB	35.60	0.9
ACWA POWER	365.00	1.4
ALINMA	30.85	-0.2





International Market News

- **The UK construction sector** remained in the growth territory for the fourth straight month in June, but the pace of expansion softened amid a renewed fall in housing activity. The headline construction PMI fell to 52.2 in June (consensus: 53.6), down from 54.7 in May. (Source: RTT News)
- **UK's new car registrations** grew by 1.1% Y/Y in June to reach 179,263 units. The increase was primarily driven by the fleet sector, where registrations rose 14.2%. In H1-24, car sales grew 6.0% Y/Y to more than 1.0mn units. (Source: RTT News)
- **The Eurozone's household saving rate** rose to 15.3% in Q1-24 from 14.1% in Q4-23. Savings rose to their highest level in about three years while investments continued to fall. (Source: Reuters)
- **China's central bank** said it would start conducting temporary bond repurchase agreements or reverse repos to make open market operations more efficient and keep sufficient banking liquidity. (Source: Reuters)
- **Japan posted a current account surplus** of JPY 2.8tn in May (consensus: a surplus of JPY 2.1tn) compared to JPY 2.5tn surplus in April. Imports rose 9.3% Y/Y to JPY 9.2tn, while exports jumped 12.1% to 8.1tn; a trade deficit of JPY 1.1tn. (Source: RTT News)
- **Japan's average base pay** rose 2.5% in May, the fastest rate in 31 years with strong gain in part-time wages. But inflation-adjusted real wages fell for a record 26th straight month as a weakening yen and higher commodity prices pushed up import costs. (Source: Reuters)

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.88	0.0	-0.9	3.5
Euro	1.08	0.0	1.2	-1.8
Japanese Yen	160.75	0.0	-0.1	14.0
Sterling Pound	1.28	0.0	1.3	0.7
Chinese Yuan	7.29	0.0	-0.1	2.3
Indian Rupee	83.49	0.0	0.1	0.3
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	-0.2	-0.4
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	47.99	0.0	-0.1	55.3

Corporate Calendar

Date	Company	Event
8-Jul	AYYAN	EGM
8-Jul	GASCO	Eligibility for Cash Dividend
10-Jul	APC	EGM
10-Jul	AL HOKAI MEDICAL GROUP	End of IPO
11-Jul	SIPCHEM	Cash Dividend Distribution
11-Jul	SEDCO CAPITAL REIT	Cash Dividend Distribution

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,070	0.0	1.0	0.3	8.0
Abu Dhabi (ADX)	9,139	0.0	0.9	-4.6	18.3
Kuwait (KSE)	7,602	0.0	0.8	1.7	21.3
Qatar (QE)	10,123	0.5	1.6	-6.5	11.4
Oman (MSM)	4,689	0.0	0.0	3.9	12.5
Bahrain (BSE)	2,003	0.0	-1.1	1.6	8.4
Egypt (EGX30)	28,602	0.8	3.0	14.9	8.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,376	0.0	0.7	4.5	22.6
Nasdaq	20,392	0.0	3.6	21.2	36.0
S&P 500	5,567	0.0	2.0	16.7	26.1
FTSE 100	8,204	0.0	0.5	6.1	14.4
Germany DAX 30	18,475	0.0	1.3	10.3	16.3
France CAC 40	7,676	0.0	2.6	1.8	13.3
Japan Nikkei 225	40,912	0.0	3.4	22.3	26.2
Russia MOEX	3,123	0.0	-2.9	0.8	4.5
Hong Kong Hang Seng	17,800	0.0	0.5	4.4	9.9
South Korea KOSPI	2,862	0.0	2.3	7.8	16.9
China Shanghai Composite	2,950	0.0	-0.6	-0.8	14.0
Australia ASX 200	7,822	0.0	0.7	3.0	19.3
India Sensex	79,997	0.0	1.2	10.7	25.2
MSCI EM	1,105	0.0	1.7	7.9	16.0
MSCI World	3,581	0.0	2.0	13.0	22.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	90.09	0.0	2.3	12.0
Brent Crude (\$/bbl)	86.54	0.0	0.2	12.3
Texas crude (\$/bbl)	83.16	0.0	2.0	16.1
Natural Gas (\$/mmbtu)	2.32	0.0	-10.8	-14.0
Gold (\$/oz)	2,392.16	0.0	2.8	16.0
Silver (\$/oz)	31.22	0.0	7.1	31.2
Steel (\$/ton)	675.00	0.0	0.1	-40.5
Iron Ore (CNY/MT)	874.00	0.0	5.6	-16.2
Wheat (\$/bu)	590.50	0.0	3.0	-10.0
Corn (\$/bu)	424.00	0.0	0.8	-15.8
Sugar (\$/lb)	20.14	0.0	-0.8	-1.9
SMP* (EUR/MT)	2,380.00	0.0	-1.8	-7.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.82	0.3	-2.8	-9.2
KSA (SAIBOR 3M)	6.22	-1.8	-0.6	-0.8
KSA (SAIBOR 6M)	5.95	-5.8	-6.1	-12.5
KSA (SAIBOR 12M)	5.85	-0.4	-1.9	-14.3
USA (SOFR 3M)	5.31	0.0	-1.8	-2.5
UAE (EIBOR 3M)	5.30	0.0	0.1	-2.9

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of July 7, 2024



Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,689
Short-term view	Profit Booking
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	10,112.9
Value (SAR mn)	3,938.3
Volume (mn)	195.3
Number of Transactions	378,720
Market Breadth	139 : 87

Key statistics

1D return %	0.26%
MTD return %	0.08%
QTD return	0.08%
YTD return	-2.33%
ADT vol. 3M* (mn)	314.4
ADT val. 3M (SARmn)	7,918.1

*ADT stands for Average Daily Traded

TASI market commentary

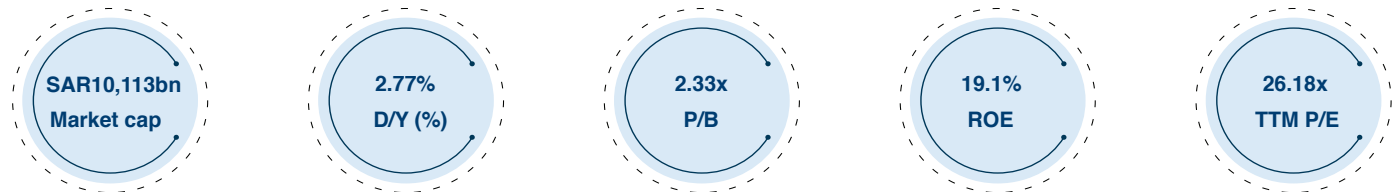
- TASI experienced a rise on Sunday; primarily driven by the performance of the Banks sector (up 0.14%) and the Utilities sector (up 1.11%). At close, the Saudi market ended the day with a change of 0.26% at 11,689. In terms of activity, total volumes and value traded were ~195mn and ~SAR 3.9bn, respectively. The advance-decline ratio came in at 139/87.

Technical outlook

- TASI closed the last session near 11,689, registering a gain of 30 points. The index experienced a coiled session which fluctuated in a narrow range between the 10-day and 20-day EMAs. TASI formed a Spinning Top candlestick, indicating a balance between the attitudes of market participants that kept the index below its 20-day EMA. Additionally, the RSI indicator continues to hover below the 50 level. TASI has an immediate resistance level of around 11,715. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,800 – 11,900. On the other hand, an immediate support level is observed around 11,570. If breached, the subsequent support levels would be around 11,440 – 11,365. As TASI resumes its fluctuations below its 20-day EMA within the prevailing short-term sideways movement, a potential retest of the lower boundary of the prevailing short-term sideways at 11,440 may occur. In light of this, traders are advised to trade cautiously as long as the index maintains trading below its 200-day EMA near 11,900 and closely monitor the significant support level around 11,440 where the previous bottom is located.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,365	11,440	11,570	11,660	11,715	11,800	11,900



Source: Bloomberg, Argaam

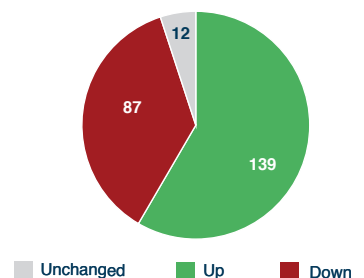
TASI daily chart



Our view



Market depth



Source: Tradingview, Aljazira Capital





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
2001	Methanol Chemicals Company (Chemanol)	15.44	15.40 – 15.44	15.58 – 15.76	15.24
4262	Lumi Rental Co. (LUMI)	96.40	96.20 – 96.40	97.30 – 98.30	95.20
2300	Saudi Paper Manufacturing Co. (SPM)	78.90	78.70 – 78.90	79.60 – 80.50	77.90
4291	National Company for Learning and Education (NCLE)	175.00	174.60 – 175.00	176.60 – 178.60	172.80
2100	Wafrah for Industry & Development Co. (Wafrah)	45.15	45.05 – 45.15	45.55 – 46.05	44.60
6070	Al-Jouf Agricultural Development Co. (ALJOUF)	73.70	73.50 – 73.70	74.40 – 75.20	72.80
1320	Saudi Steel Pipe Co. (SSP)	72.00	71.80 – 72.00	72.70 – 73.50	71.10

*As of 07th July 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

Chemanol has just penetrated a declining trendline after bouncing off its 20-day SMA as well as the level of the prior minor peak. Moreover, all the technical indicators show bullish structure.

Methanol Chemicals Company (Chemanol)



Source: Tradingview, Aljazira Capital

Technical observations

LUMI has just penetrated the level of the previous peak after bouncing off its 10-day SMA. Moreover, all the technical indicators show bullish structure.

Lumi Rental Co. (LUMI)



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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