



Major Economic News

- **Saudi Arabia** to launch Riyadh Metro and expand infrastructure to facilitate traffic. KSA is keen to apply the latest technologies for traffic management and legislative arrangements to improve traffic in Riyadh. Accordingly, it has allocated SAR 70bn to improve road network in Riyadh. (Source: Argaam)
- **Saudi Arabia's** Municipal and Rural Affairs and Housing announced signing of 5 MoUs by NHC, to boost supply chains in real estate development projects. It intends to set up an industrial city and logistics zones in Riyadh, which will boost the real estate development, improve project quality, enhance local output, and create job opportunities. (Source: Argaam)

Major Corporate News

- **Keir** won a project from Saudi Electricity to establish ground line between 2 stations in the Southern Region, for a total value of SAR 76.9mn. Keir will undertake high-voltage (132kV) underground cable works, substations, protection for substations. (Source: Argaam)
- **Paper Home** approved the expansion of its factory for producing corrugated cardboard, as well as paper and plastic labels. This expansion aims to increase its production capacity by 150%. The project cost is estimated at SAR 30mn and will be financed through available cash, bank facilities and other financing programs. It expects to start the project in Q1-24, with commercial production expected to begin in Q1-25. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** was flat at 12,122.5. The value traded stood at SAR 5.4bn (down 11.2% over the previous day), while the advance-decline ratio stood at 82/144. The parallel market index decreased 0.4% to 26,933.3 points. The value traded stood at SAR 36.0mn (up 16.1% over the previous day). Most sectors in the main market ended in the red. Insurance and Software & Services (up 2.5% and 1.1%, respectively) advanced the most, while Pharma & Bio Tech and Capital Goods (down 2.5% and 1.6%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALRAJHI TAKAFUL	153.00	9.9
RETAL	9.56	5.3
MEDGULF	26.60	4.7
SAUDI ELECTRICITY	18.30	4.7
RED SEA	31.90	4.4

Top Losers

Company	Price	Change%
ALBAHA	0.13	-7.1
ALBABTAIN	39.50	-4.5
ALSAIF GALLERY	10.38	-4.2
CARE	172.40	-3.8
ATHEEB TELECOM	112.40	-3.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,122	12,145	12,085	(0.0)	1.3
NomuC	26,933	27,672	26,878	(0.4)	9.8

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	5,646	0.1	-9.2	16.2
Materials	6,125	0.6	-3.6	High
Capital Goods	12,449	-1.6	25.4	43.3
Commercial Service	5,035	-0.6	-9.4	48.4
Transportation	7,193	-0.1	13.5	37
Consumer Durables	5,690	0.0	13.3	Neg
Consumer Services	5,183	-0.6	4.9	39.8
Media	29,123	0.8	18.7	High
Consumer Discretionary Ret	7,821	-1.1	-8.3	22.9
Consumer Staples Ret	9,481	-0.5	-2.0	23.1
Food & Beverages	5,924	-0.6	5.6	29.9
Healthcare	12,931	-0.1	7.5	46.7
Pharma & Bio Tech	4,916	-2.5	1.2	45.9
Banks	11,482	-0.1	-5.9	13.2
Financial Services	7,789	0.3	17.1	36.9
Insurance	10,593	2.5	25.0	28.8
Telecom	7,674	0.2	-0.6	14.4
Utilities	15,763	-1.2	58.6	34.9
REITs	3,286	-0.2	-10.4	25.6
Real Estate	3,397	0.3	11.4	38
Software & Services	69,711	1.1	1.7	42.2

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for May (bn)
12,150	12,209	12,275	6.45

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	15.9	599.10	1,276.50
Previous week	33.1	1,296.50	2,578.50

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	29.95	0.2
Al Rajhi	79.20	-0.8
SNB	34.60	0.7
ACWA POWER	469.00	-1.9
ALINMA	31.85	1.4





International Market News

- The **euro area** trade surplus increased to EUR 24.1bn in March, as the decline in imports exceeded the pace of fall in exports. The shipment of goods decreased 9.2% Y/Y, while the imports logged a sharper fall of 12.0% Y/Y. On a seasonally adjusted basis, exports posted a monthly growth of 0.1%, while imports dropped 0.1%. (Source: RTT News)
- UK manufacturers** expect production to increase in the three months to August and their selling price inflation expectations softened. Manufacturers are witnessing an increase in output volumes for the first time in 1.5 years. This is a positive sign given manufacturers witnessing a deterioration in the order book balance from March-May. (Source: RTT News)
- Japan's exports** rose 8.3% Y/Y, for the fifth straight month in April. However, in terms of volume, the shipments fell 3.2% Y/Y. This robust growth in exports was aided by a boost in value from the weak yen, however shipment volumes struggled as soft demand weighed on growth. (Source: Reuters)
- Japan's core machinery orders** rose 2.9% M/M in March, beating consensus estimates of 2.2% fall. This data is seen as a key gauge of capital spending in the coming six to nine months. On a Y/Y basis the core machinery orders increased 2.7%. (Source: Reuters)
- Oil prices** fell 0.7% due to lingering US inflation could likely keep the interest rates higher for longer.
- Gold prices** fell 0.5% at the back of revaluations of Fed's monetary policy stance in light of its recent commentary on interest rate cut hopes.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.66	0.1	-1.5	3.3
Euro	1.09	-0.0	1.8	-1.7
Japanese Yen	156.17	-0.1	-1.0	10.7
Sterling Pound	1.27	0.0	1.7	-0.2
Chinese Yuan	7.25	0.0	-0.1	1.7
Indian Rupee	83.31	-0.0	-0.1	0.1
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	-0.3	-0.1
Omani Rial	0.38	-0.0	-0.0	-0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	46.63	-0.0	-2.6	50.9

Corporate Calendar

Date	Company	Event
22-May	BSFR	Eligibility of Cash Dividend
22-May	BSFR	EGM
22-May	TCC	Eligibility of Cash Dividend
22-May	TCC	EGM
22-May	CARE	EGM
22-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)	4,075	0.2	-1.9	0.4	8.0
Abu Dhabi (ADX)	9,009	-0.3	-0.6	-5.9	18.1
Kuwait (KSE)	7,791	-0.3	1.3	4.2	14.4
Qatar (QE)	9,716	0.0	-0.1	-10.3	10.9
Oman (MSM)	4,779	-0.1	-0.1	5.9	12.7
Bahrain (BSE)	2,014	-0.2	-0.7	2.2	7.7
Egypt (EGX30)	27,225	-0.0	11.4	9.4	10.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,873	0.2	5.4	5.8	23.4
Nasdaq	18,714	0.2	7.3	11.2	34.5
S&P 500	5,321	0.3	5.7	11.6	24.8
FTSE 100	8,416	-0.1	3.3	8.8	14.9
Germany DAX 30	18,727	-0.2	4.4	11.8	16.5
France CAC 40	8,141	-0.7	2.0	7.9	14.1
Japan Nikkei 225	38,947	-0.3	1.4	16.4	26.8
Russia MOEX	3,428	-1.1	-1.2	10.6	4.9
Hong Kong Hang Seng	19,221	-2.1	8.2	12.7	10.8
South Korea KOSPI	2,724	-0.7	1.2	2.6	17.5
China Shanghai Composite	3,158	-0.4	1.7	6.2	13.9
Australia ASX 200	7,852	-0.2	2.4	3.4	19.8
India Sensex	73,953	-0.1	-0.7	2.4	22.7
MSCI EM	1,093	-0.8	4.5	6.8	15.7
MSCI World	3,480	0.1	5.3	9.8	21.8

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.89	-0.7	-4.0	6.8
Brent Crude (\$/bbl)	82.88	-1.0	-5.7	7.6
Texas crude (\$/bbl)	79.26	-0.7	-3.3	10.6
Natural Gas (\$/mmbtu)	2.67	-2.9	34.2	6.0
Gold (\$/oz)	2,421.05	-0.2	5.9	17.4
Silver (\$/oz)	31.98	0.5	21.6	34.4
Steel (\$/ton)	791.00	0.3	-2.7	-30.3
Iron Ore (CNY/MT)	904.00	0.1	1.9	-13.3
Wheat (\$/bu)	697.50	1.3	15.6	8.0
Corn (\$/bu)	458.00	-0.5	2.5	-7.3
Sugar (\$/lb)	18.56	-0.6	-4.4	-9.1
SMP* (EUR/MT)	2,413.00	0.5	3.1	-6.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.79	-6.4	-7.4	-12.5
KSA (SAIBOR 3M)	6.23	1.5	-1.1	-0.3
KSA (SAIBOR 6M)	6.06	1.6	-2.1	-1.9
KSA (SAIBOR 12M)	5.91	0.3	3.3	-8.2
USA (SOFR 3M)	5.33	0.3	0.1	-0.2
UAE (EIBOR 3M)	5.30	12.8	-1.5	-2.7

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 21, 2024



Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,123
Short-term view	Cautious
52 weeks high/low	12,883 – 10,262

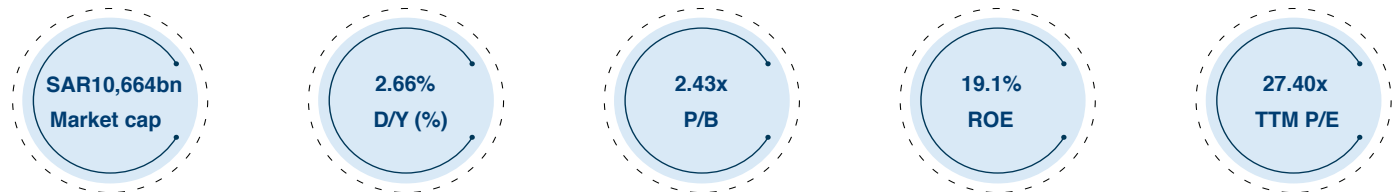
Market data

Exchange Market Cap. (SAR bn)	10,663.5
Value (SAR mn)	5,397.4
Volume (mn)	191.6
Number of Transactions	438,234
Market Breadth	82 : 144

Key statistics

1D return %	-0.02%
MTD return %	-2.20%
QTD return	-2.25%
YTD return	1.30%
ADT vol. 3M* (mn)	340.5
ADT val. 3M (SARmn)	8,145.5

*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 21st May 2024

TASI market commentary

- TASI experienced a marginal decline on Tuesday; primarily driven by the performance of the Banks sector (down 0.08%) and the Utilities sector (down 1.21%). At close, the Saudi market ended the day with a change of -0.02% at 12,123. In terms of activity, total volumes and value traded were ~192mn and ~SAR 5.4bn, respectively. The advance-decline ratio came in at 82/144.

Technical outlook

- TASI closed the last session near 12,123, marking a marginal loss of 3 points. The index witnessed a coiled session which fluctuated in a narrow range. Moreover, the index ended the session with a close below important short-term moving averages, implying a potential continuation of the downside move toward the significant support zone of 12,000 – 11,880. TASI has formed a Doji candlestick within the context of the prevailing downward trajectory. Furthermore, the RSI indicator is still in a downward movement, approaching 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 exercise caution in the short term, particularly as long as the index continues to trade below 12,330. Furthermore, a confirmed close below 12,100 could potentially trigger additional selling pressure.

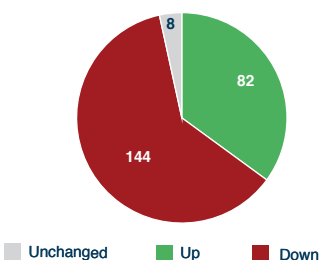
Key price levels

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



Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

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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Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068