



Major Economic News

- **Saudi** posted a trade surplus of SAR 27.8bn in November. The total exports fell 16% Y/Y to SAR 95bn, whereas imports increased 4% Y/Y to SAR 67.1bn. Oil exports shed 19% Y/Y to SAR 72.4bn, while non-oil exports were also down 1% Y/Y to SAR 22.6bn. (Source: Argaam)
- **Saudi government** is studying with several private sector companies a draft project to develop building and operating standards in the retail sector. (Source: Argaam)
- **Major Corporate News**
- **United Mining** said that the approximate financial impact of adjusting gas prices is an increase in sales costs by 4.5%. The company expects this impact to appear in Q1FY24. (Source: Argaam)
- **Savola Group** indicated that the rights issue had four interlinked components, namely, the rights issue, strengthening the financial position, capital reduction and the distribution of the in-kind shares to eligible shareholders. (Source: Tadawul)
- **Dussur** in collaboration with Baker Hughes launched Saudi Petrolite Chemicals facility that will focus on manufacturing of chemicals in Jubail. The facility aims to increase the Kingdom's supply base of raw materials, as well as accelerate the development of the skills and capabilities of Saudi human cadres in manufacturing. (Source: Argaam)
- **GAS Arabian Services Company** announces contract award from **Yamama Cement Company (YCC)** for procurement of metering skids, pressure reduction station etc and construction of gas pipelines. (Source: Argaam)

Market Analysis

The **Saudi Stock Exchange** increased 0.1% to 12,209.1. The value traded stood at SAR 7.9bn (down 15.4% over the previous day), while the advance-decline ratio stood at 120/95. The parallel market index decreased 0.6% to 25,301.0 points. The value traded stood at SAR 25.7mn (down 6.6% over the previous day). Most sectors in the main market ended in the green. Pharma & Biotech and Capital Goods (up 2.8% each) advanced the most, while Healthcare and Consumer Durables (down 1.4% and 1.0%, respectively) led the laggards

Top Gainers

Company	Price	Change%
ATHEEB TELECOM	75.90	10.0
SAL	273.60	10.0
APC	161.20	10.0
TANMIAH	113.00	9.9
CHEMICAL	5.81	6.4

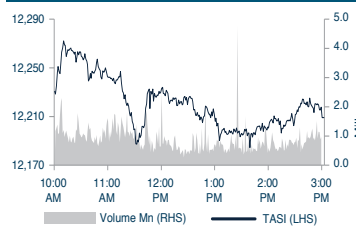
Top Losers

Company	Price	Change%
DALLAH HEALTH	176.00	-3.4
CARE	193.80	-3.3
SAUDI GERMAN	123.00	-3.0
ALHAMMADI	66.60	-2.9
TAKWEEN	20.52	-2.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,209	12,272	12,179	0.1	2.0
NomuC	25,301	25,554	25,092	(0.6)	3.1

TASI movement during session



TASI Ratios

P/E* (x)	26.8
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	5,747	-0.8	-7.6	16.1
Materials	6,130	0.6	-3.5	High
Capital Goods	11,778	2.8	18.6	37.7
Commercial Service	5,406	0.5	-2.8	34.4
Transportation	7,291	2.4	15.0	42.7
Consumer Durables	5,024	-1.0	0.0	Neg
Consumer Services	5,390	0.6	9.1	37.5
Media	31,766	-0.7	29.5	High
Consumer Discretionary Ret	8,571	-0.2	0.5	27.7
Consumer Staples Ret	10,395	-0.1	7.4	26.8
Food & Beverages	6,327	-0.9	12.8	33
Healthcare	13,579	-1.4	12.9	High
Pharma & Bio Tech	5,245	2.8	8.0	High
Banks	12,696	0.2	4.1	14.8
Financial Services	7,245	-0.3	8.9	33.1
Insurance	8,795	0.8	3.8	23.4
Telecom	8,048	-1.0	4.3	15.4
Utilities	9,780	0.1	-1.6	19.5
REITs	3,611	-0.1	-1.5	High
Real Estate	3,238	1.2	6.2	47.9
Software & Services	76,835	-0.4	12.0	47.8

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,135	12,059	12,081	8.34

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	7.9	0.30	0.00
Previous week	42.3	1,506.00	2,536.30

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	30.45	-0.8
Al Rajhi	89.90	0.4
SNB	41.00	-0.4
SABIC	79.50	0.5
STC	41.30	-1.7





International Market News

- The **US initial jobless claims** for the week of February 08, 2024, slipped to 218,000 registering a decrease of 9,000 from the previous week's upwardly revised level of 227,000. Whereas the non-farm pay-roll employment spiked by 353,000 jobs in January, compared to economist estimates of 180,000 jobs. (Source: RTT News)
- The **US wholesale inventories** increased by 0.4% in December, after falling 0.4% in November. The growth in wholesale inventories matched the economist's expectations. The rebound in wholesale inventories came as inventories of durable goods increased by 0.6%. off-setting a 0.1% decrease in inventories of non-durable goods. (Source: RTT News)
- The **UK starting salary inflation** reached the lowest in nearly three years in January amid rising staff supply. The permanent salary inflation remained high in January, but the rate of growth was the softest since March 2021. On the other hand, the temp wage growth rose to a five-month high. The competition for skilled staff continued to raise pay rates higher. (Source: CNBC)
- EU member states** struck a preliminary deal to ease the bloc's stringent fiscal rules, giving governments more time to reduce debt as well as incentives to boost public investments in climate, industrial policy and security. The revamp to the two-decades-old rules came after some EU countries recorded high debt as they increased their spending to help their economies. (Source: Reuters)

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.1	0.0	0.8	2.7
Euro	1.1	0.0	-0.3	-2.3
Japanese Yen	149.3	0.0	1.6	5.8
Sterling Pound	1.3	0.0	-0.5	-0.8
Chinese Yuan	7.2	0.0	0.4	1.3
Indian Rupee	83.0	0.0	-0.0	-0.2
UAE Dirham	3.7	0.0	-0.0	0.0
Qatari Rial	3.6	0.0	0.0	0.1
Kuwaiti Dinar	0.3	0.0	0.1	0.2
Omani Rial	0.4	0.0	0.0	0.0
Bahraini Dinar	0.4	0.0	-0.0	0.0
Egyptian Pound	30.9	0.0	0.0	-0.1

Corporate Calendar

Date	Company	Event
12-Feb	SABIC	Eligibility for cash dividend
12-Feb	ALDAWAA	Eligibility for cash dividend
13-Feb	TAKWEEN	EGM
13-Feb	ALDAWAA	EGM
13-Feb	JADWA REIT	Eligibility for cash dividend
13-Feb	MEFIC REIT	Eligibility for cash dividend

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,184	0.0	0.4	3.1	8.4
Abu Dhabi (ADX)	9,344	0.0	-1.7	-2.4	26.5
Kuwait (KSE)	8,058	1.2	1.2	7.8	17.2
Qatar (QE)	10,044	0.8	-0.4	-7.3	11.1
Oman (MSM)	4,563	0.4	0.0	1.1	12.4
Bahrain (BSE)	2,072	0.2	0.3	5.1	8.1
Egypt (EGX30)	28,199	-0.7	-0.3	13.3	13.5

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,672	0.0	1.4	2.6	22.1
Nasdaq	17,962	0.0	4.8	6.8	35.0
S&P 500	5,027	0.0	3.7	5.4	24.2
FTSE 100	7,573	0.0	-0.8	-2.1	10.2
Germany DAX 30	16,927	0.0	0.1	1.0	14.6
France CAC 40	7,648	0.0	-0.1	1.4	13.5
Japan Nikkei 225	36,897	0.0	1.7	10.3	26.5
Russia MOEX	3,242	0.0	0.9	4.6	3.0
Hong Kong Hang Seng	15,747	0.0	1.7	-7.6	8.3
South Korea KOSPI	2,620	0.0	4.9	-1.3	18.3
China Shanghai Composite	2,866	0.0	2.8	-3.7	13.2
Australia ASX 200	7,645	0.0	-0.5	0.7	16.8
India Sensex	71,595	0.0	-0.2	-0.9	22.6
MSCI EM	996	0.0	2.0	-2.8	14.9
MSCI World	3,281	0.0	2.4	3.5	20.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	83.1	0.0	-2.2	3.3
Brent Crude (\$/bbl)	82.2	0.0	0.6	6.7
Texas crude (\$/bbl)	76.8	0.0	1.3	7.2
Natural Gas (\$/mmbtu)	1.8	0.0	-12.0	-20.6
Gold (\$/oz)	2,024.3	0.0	-0.7	-1.9
Silver (\$/oz)	22.6	0.0	-1.5	-5.0
Steel (\$/ton)	945.0	0.0	-1.9	-16.7
Iron Ore (CNY/MT)	981.5	0.0	-6.9	-5.9
Wheat (\$/bu)	596.8	0.0	0.3	-5.0
Corn (\$/bu)	429.0	0.0	-4.3	-9.0
Sugar (\$/lb)	23.3	0.0	0.2	14.1
SMP* (EUR/MT)	2,492.0	0.0	-1.6	-3.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.894	1.80	0.9	-1.9
KSA (SAIBOR 3M)	6.192	-1.87	-17.6	-4.1
KSA (SAIBOR 6M)	5.984	-0.39	-1.1	-9.1
KSA (SAIBOR 12M)	5.921	-1.36	-1.8	-7.4
USA (SOFR 3M)	5.309	0.00	-0.6	-2.2
UAE (EIBOR 3M)	5.281	0.00	4.4	-4.6

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of February 11, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,209
Short-term view	Hold
52 weeks high/low	12,344 – 9,931

Market data

Exchange Market Cap. (SAR bn)	10,747.1
Value (SAR mn)	7,898.3
Volume (mn)	274.2
Number of Transactions	500,574
Market Breadth	120 : 95

Key statistics

1D return %	0.05%
MTD return %	3.50%
QTD return	2.02%
YTD return	2.02%
ADT vol. 3M* (mn)	289.7
ADT val. 3M (SARmn)	7,115.4

*ADT stands for Average Daily Traded

TASI market commentary

- TASI experienced a marginal rise on Sunday; primarily driven by the performance of the Banks sector (up 0.23%) and the Materials sector (up 0.23%). At close, the Saudi market ended the day with a change of 0.05% at 12,209. In terms of activity, total volumes and value traded were ~274mn and ~SAR 7.9bn, respectively. The advance-decline ratio came in at 120/95.

Technical outlook

- TASI closed near 12,209, marking a modest gain of 6 points. The index failed for two consecutive sessions to penetrate the upper boundary of the recent sideways movement around 12,280. Moreover, TASI formed a Spinning Top candlestick after the appearance of a Shooting Star candlestick, indicating a possible temporary profit booking attitude that may drive the index toward the 20-day SMA. Furthermore, the RSI indicator has penetrated a declining trendline, as a leading signal of a possible subsequent bullish sentiment in the short term. TASI has an immediate support level near 12,080. If breached, the subsequent support would be around 12,000, followed by 11,930. On the other hand, an immediate resistance level is observed near 12,280. If successfully surpassed, the following resistance level would be around 12,345, followed by 12,500. Traders are advised to closely monitor the significant support of the 20-day SMA around 12,080.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,930	12,000	12,080	12,200	12,280	12,345	12,500



Source: Bloomberg, Argaam

TASI daily chart

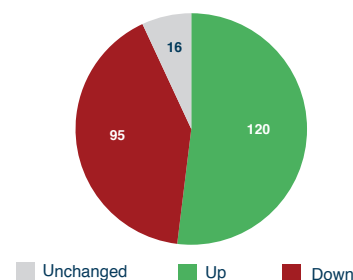


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4262	Lumi Rental Co.	119.00	118.80 - 119.00	120.20 - 121.60	117.80
4191	Abdullah Saad Mohammed Abo Moati for Bookstores Co.	31.95	31.85 - 31.95	32.25 - 32.80	31.60
4150	Arriyadh Development Co.	22.60	22.54 - 22.60	22.82 - 23.18	22.36
2160	Saudi Arabian Amiantit Co.	72.30	72.10 - 72.30	73.00 - 74.00	71.50
4161	BinDawood Holding Co.	6.68	6.66 - 6.68	6.74 - 6.85	6.60
6090	Jazan Energy And Development Co.	15.70	15.66 - 15.70	15.86 - 16.04	15.52
8120	Gulf Union Alahlia Cooperative Insurance Co.	15.64	15.60 - 15.64	15.78 - 16.08	15.48

*As of 11th Feb 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

LUMI has just penetrated the level of the prior peak after bouncing off its 5-day SMA. Moreover, all the technical indicators show bullish structure.

Lumi Rental Co. (LUMI)



Technical observations

ABO MOATI has penetrated the zone of prior peaks after bouncing off its 50-day SMA. Moreover, all the technical indicators show bullish structure.

Abdullah Saad Mohammed Abo Moati for Bookstores Co. (ABO MOATI)



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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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