



## Major Economic News

- **The Ministry of Environment**, Water and Agriculture explained that the state bears all customs duties for agricultural production inputs, as well as the establishment of agricultural and animal production factories outside the industrial sites of factories related to animal and agricultural production. (Source: Argaam)
- **Minister of Tourism** Ahmed Al-Khateeb stated that demand for licenses in Saudi Arabia's tourism sector has increased by 90%. (Source: Argaam)

## Major Corporate Nexws

- **Arabian Pipes Co.** signed a SAR 107 million contract to supply pipes from its factories to Saudi Aramco. The contract duration is 10 months, the company expecting the financial impact to appear during the first and second quarters of 2025. (Source: Tadawul)
- **Baladi poultry Co. announces** signing a contract for the supply of poultry meat processing equipment consisting of 2 lines with a production capacity of 25 thousand birds per hour and the contract period is 24 months. (Source: Tadawul)

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

Company	Q1-24	Q1-23	Y/Y %	Q4-23	Q/Q %
Lumi	44.7	50.3	-11.2	25.6	74.4
AlMawarid	26.4	22.2	19.2	21.2	24.4
Seera	61.0	57.0	7.0	116.0	-47.4
SRMG	86.9	121.0	-28.19	8.1	975.66
Mahara	50.0	32.3	55.04	9.3	439.12
Wafrah	10.6	6.1	75.09	5.7	85.66

## Market Analysis

The **Saudi Stock Exchange** decreased 1.1% to 12,120.9. The value traded stood at SAR 7.3bn (up 4.7% over the previous day), while the advance-decline ratio stood at 30/200. The parallel market index decreased 0.7% to 26,659.1 points. The value traded stood at SAR 30.3mn (up 7.1% over the previous day). Most sectors in the main market ended in the red. Only Food & Staples (up 0.1) advanced the most, while Healthcare and Software & Services (down 3.7% each) led the laggards.

## Top Gainers

Company	Price	Change%
ALJOUF	66.70	7.6
BCI	36.35	5.4
ALBABTAIN	46.50	3.9
SAL	271.40	1.9
JADWA REIT SAUDI	11.96	1.7

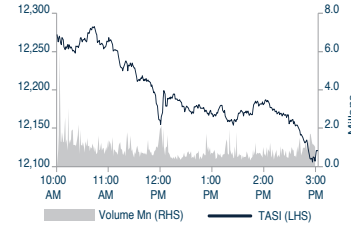
## Top Losers

Company	Price	Change%
SAPTCO	18.16	-9.9
2P	29.55	-9.9
MEDGULF	25.15	-9.9
MOUWASAT	120.40	-9.2
WALAA	24.30	-8.7

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,121	12,287	12,097	(1.1)	1.3
NomuC	26,659	26,901	26,582	(0.7)	8.7

## TASI movement during session



## TASI Ratios

P/E* (x)	27.5
Price-to-Book (x)	2.5
Dividend Yield (%)	2.6
Return on Equity (%)	19.2

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,619	-0.6	-9.6	16.1
Materials	6,131	-1.6	-3.5	High
Capital Goods	12,595	-0.8	26.8	43.7
Commercial Service	5,093	-0.5	-8.4	49.2
Transportation	7,262	-2.6	14.6	37
Consumer Durables	5,503	-1.2	9.5	Neg
Consumer Services	5,285	-2.1	7.0	39.8
Media	30,522	-3.2	24.4	High
Consumer Discretionary Ret	7,971	-1.1	-6.5	23.4
Consumer Staples Ret	9,827	0.1	1.5	24.3
Food & Beverages	6,049	-1.3	7.9	30.6
Healthcare	13,091	-3.7	8.9	47.3
Pharma & Bio Tech	5,073	-2.8	4.4	46.6
Banks	11,619	-0.5	-4.8	13.4
Financial Services	7,808	-1.6	17.4	37
Insurance	10,792	-2.1	27.4	29.4
Telecom	7,583	-1.6	-1.8	14.3
Utilities	14,197	-0.4	42.9	31.7
REITs	3,353	-0.9	-8.6	26.1
Real Estate	3,611	-2.1	18.4	40.3
Software & Services	70,824	-3.7	3.3	43.1

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for May (bn)
12,268	12,314	12,361	6.74

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	19.7	785.90	1,537.60
Previous week	35.2	1,381.20	2,560.20

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	29.80	-0.5
Al Rajhi	79.80	1.1
SNB	35.40	-1.4
ACWA POWER	408.00	-0.3
ALINMA	31.40	-1.4





## International Market News

- Asian stocks** rose on Wednesday while the dollar drifted lower as traders weighed mixed U.S. producer price data and braced for the crucial consumer price report later in the day that is likely to influence the Federal Reserve's near-term policy path. (Source: Reuters)
- European bourses** are poised to keep the rally going ahead of the always important U.S. CPI data after comments from Fed Chair Jerome Powell reassured investors that the next move from the U.S. central bank was unlikely to be a hike. Eurostoxx 50 futures are up 0.28%, German DAX futures 0.29% higher and FTSE futures 0.45% advanced. (Source: Reuters)
- Utility price hikes in more than 10 **Chinese** cities may briefly lift nationwide inflation from ultra-low levels, but could ultimately turn into a deflationary force in the world's no. 2 economy as they further erode the households' spending power, analysts say. (Source: Reuters)
- Oil prices** rose on Wednesday on expectations for higher demand as the U.S. dollar weakened and a report showed U.S. crude and gasoline inventories fell while the release of inflation data may point to a more supportive economic outlook. (Source: Reuters)
- Gold prices** traded flat on Wednesday as investors looked forward to a critical U.S. inflation print that could offer clues on the Federal Reserve's interest rate cut trajectory. Spot gold held its ground at \$2,359.02 per ounce, as of 0314 GMT. (Source: Reuters)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.0	-0.2	-1.1	3.6
Euro	1.1	0.3	1.4	-2.0
Japanese Yen	156.4	0.1	-0.9	10.9
Sterling Pound	1.3	0.3	0.8	-1.1
Chinese Yuan	7.2	0.0	-0.2	1.6
Indian Rupee	83.5	-0.0	0.1	0.4
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.6	0.0	-0.0	0.0
Kuwaiti Dinar	0.3	-0.0	-0.1	0.1
Omani Rial	0.4	-0.0	-0.0	-0.0
Bahraini Dinar	0.4	0.0	-0.0	0.0
Egyptian Pound	46.9	-0.4	-2.1	51.7

## Corporate Calendar

Date	Company	Event
15-May	ZOUJAJ	Eligibility of Cash Dividend
15-May	STC	Cash Dividend Distribution
15-May	ALWASAIL INDUSTRIAL	Cash Dividend Distribution
15-May	ALKHABEER REIT	Eligibility of Cash Dividend
16-May	SIIG	EGM
16-May	SACO	EGM

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,137	-0.9	-0.5	1.9	8.1
Abu Dhabi (ADX)	9,058	-0.4	-0.1	-5.4	16.9
Kuwait (KSE)	7,871	-0.1	2.3	5.3	14.4
Qatar (QE)	9,646	-0.2	-0.8	-10.9	10.9
Oman (MSM)	4,758	-0.2	-0.6	5.4	12.4
Bahrain (BSE)	2,023	0.0	-0.3	2.6	7.5
Egypt (EGX30)	25,340	-0.2	3.6	1.8	9.7

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,558	0.3	4.6	5.0	23.2
Nasdaq	18,323	0.7	5.1	8.9	33.8
S&P 500	5,247	0.5	4.2	10.0	25.1
FTSE 100	8,428	0.2	3.5	9.0	14.9
Germany DAX 30	18,716	-0.1	4.4	11.7	15.6
France CAC 40	8,226	0.2	3.0	9.0	14.3
Japan Nikkei 225	38,356	0.5	-0.1	14.6	26.5
Russia MOEX	3,464	0.2	-0.2	11.8	4.8
Hong Kong Hang Seng	19,074	-0.2	7.4	11.9	10.7
South Korea KOSPI	2,730	0.1	1.4	2.8	16.7
China Shanghai Composite	3,146	-0.1	1.3	5.7	14.1
Australia ASX 200	7,727	-0.3	0.8	1.8	19.4
India Sensex	73,105	0.5	-1.9	1.2	22.4
MSCI EM	1,081	0.2	3.3	5.6	15.1
MSCI World	3,435	0.4	3.9	8.4	21.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.9	0.2	-3.9	6.9
Brent Crude (\$/bbl)	82.4	-1.2	-6.2	6.9
Texas crude (\$/bbl)	78.0	-1.4	-4.8	8.9
Natural Gas (\$/mmbtu)	2.3	-1.6	17.7	-6.9
Gold (\$/oz)	2,358.1	0.9	3.1	14.3
Silver (\$/oz)	28.6	1.5	8.8	20.3
Steel (\$/ton)	783.0	0.3	-3.7	-31.0
Iron Ore (CNY/MT)	923.0	5.2	4.0	-11.5
Wheat (\$/bu)	672.5	-2.1	11.5	4.1
Corn (\$/bu)	467.5	-1.1	4.6	-5.4
Sugar (\$/lb)	18.9	1.3	-2.8	-7.5
SMP* (EUR/MT)	2,395.0	0.4	2.3	-7.1

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.880	-1.92	1.8	-3.3
KSA (SAIBOR 3M)	6.301	5.17	6.0	6.9
KSA (SAIBOR 6M)	6.071	-5.26	-0.6	-0.4
KSA (SAIBOR 12M)	5.943	0.02	6.3	-5.1
USA (SOFR 3M)	5.327	0.43	-0.1	-0.5
UAE (EIBOR 3M)	5.328	-6.69	1.3	0.1

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 14, 2024





## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,121
Short-term view	Cautious
52 weeks high/low	12,883 – 10,262

## Market data

Exchange Market Cap. (SAR bn)	10,600.2
Value (SAR mn)	7,336.9
Volume (mn)	285.2
Number of Transactions	591,161
Market Breadth	30 : 200

## Key statistics

1D return %	-1.13%
MTD return %	-2.21%
QTD return	-2.26%
YTD return	1.28%
ADT vol. 3M* (mn)	355.2
ADT val. 3M (SARmn)	8,540.9

\*ADT stands for Average Daily Traded

## TASI market commentary

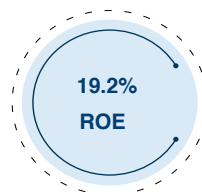
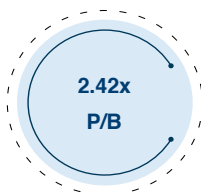
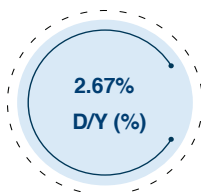
TASI experienced a decline on Tuesday; primarily driven by the performance of the Telecommunication services sector (down 1.59%) and the Materials sector (down 1.56%). At close, the Saudi market ended the day with a change of -1.13% at 12,121. In terms of activity, total volumes and value traded were ~285mn and ~SAR 7.3bn, respectively. The advance-decline ratio came in at 30/200.

## Technical outlook

TASI closed the last session near 12,121, recording a substantial loss of 139 points. The prevailing selling pressure intensified, resulting in a break below the support level of the previous trough around 12,185. Notably, TASI formed a Bearish Engulfing candlestick pattern, highlighting the dominance of the selling sentiment. Furthermore, this bearish breakthrough of the mentioned support level paves the way for a potential further decline towards a significant support zone situated near the lower boundary of the declining channel, ranging between 12,000 – 11,880. Additionally, the RSI indicator continued its downward movement below the 50 level. 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 12,185. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,315– 12,380. Traders are advised to exercise caution and closely monitor the significant support zone near the lower boundary of the declining channel near 12,000 – 11,880.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,880	12,000	12,100	12,185	12,260	12,315	12,380



Source: Bloomberg, Argaam

## TASI daily chart

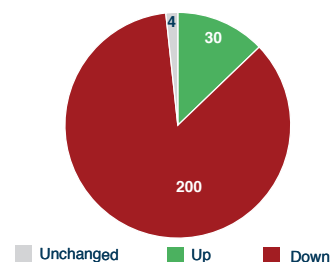


Source: Tradingview, Aljazira Capital

## Our view



## Market depth



## SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
------	---------	--------	-----------	------------	----------	-----------

No stocks recommendations due to market volatility

\* As of 14<sup>th</sup> May 2024

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.

## Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Investment Banking | Custody | Advisory

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