

Domestic Market News

- **Saudi Arabia's oil exports** fell 5.0% M/M in July to nearly 5.7mn bpd. On a Y/Y basis, Saudi oil exports also declined 5.0% from about 6.0mn bpd in July 2023. The Kingdom's crude output grew by 1.0% M/M to 8.9mn bpd in July. Local crude consumption also rose 15.0% to roughly 3.2mn bpd in July. (Source: Argaam)
- Saudi Arabia received nearly 17.5mn **international tourists** during the first seven months of 2024, according to a report by the United Nations World Tourism Organization, a 73.0% increase compared with the same period of 2019. (Source: Argaam)
- **The tourism sector** currently accounts for about 4.0% of Saudi Arabia's GDP and it is one of the new factors supporting the Kingdom's credit rating, as per Zahabia Gupta, Head of Sovereign Ratings at S&P Global Ratings. (Source: Argaam)
- **Middle East Specialized Cables Co.** signed a Shariah-compliant credit facilities agreement worth SAR 100mn with Alinma Bank. (Source: Tadawul)
- **Al Moammar Information Systems** signed a SAR 93.7mn contract, including VAT, with Saudi Electricity Co. for enhancing the latter's network infrastructure and communication. The three-year contract will have a positive financial impact starting from Q1-25. (Source: Tadawul)
- **Saudi Engines Manufacturing Co.'s** CEO Bader Al Zaabi said the factory being built on 150,000 sq. m. in King Salman International Complex for Maritime Industries and Services in Ras Al Khairwas nearly 40% completed. (Source: Argaam)

Market Analysis

The **Saudi Stock Exchange** increased 1.3% to 12,080.5. The value traded stood at SAR 9.5bn (up 67.4% over the previous day), while advance-decline ratio stood at 152/73. The parallel market index decreased 1.0% to 25,338.0 points. The value traded stood at SAR 103.9mn (up 60.8% over the previous day). Most of the sectors in the main market ended in green. Pharma & Bio Tech and Software & Services (up 3.5% and 3.2%, respectively), while Insurance and Diversified Financials (down 0.5% and 0.1%, respectively) declined the most.

Top Gainers

Company	Price	Change%
ATHEEB TELECOM	95.00	8.0
RED SEA	56.70	7.0
SASCO	89.10	6.5
JAMJOOM PHARMA	202.20	6.4
MEPCO	44.75	4.6

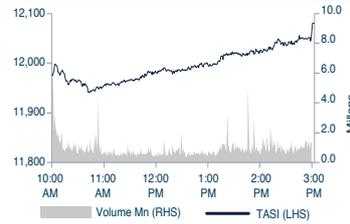
Top Losers

Company	Price	Change%
ALBAHA	0.16	-5.9
ENAYA	16.26	-3.4
SIDC	9.51	-3.0
BONYAN REIT	9.60	-2.2
NAYIFAT	15.64	-2.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,080	12,080	11,938	1.3	0.4
NomuC	25,338	25,574	25,338	(1.0)	3.3

TASI movement during session



TASI Ratios

P/E* (x)	26.2
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	19.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,189	1.1	-16.7	15.5
Materials	5,641	0.8	-11.8	High
Capital Goods	13,180	1.5	30.7	27
Commercial Service	5,142	1.0	-7.8	39.5
Transportation	7,519	0.4	18.4	35
Consumer Durables	5,309	0.3	6.6	Neg
Consumer Services	5,199	0.9	4.4	40.9
Media	32,226	1.5	31.3	48.9
Consumer Discretionary Ret	8,171	2.0	-5.2	23.1
Consumer Staples Ret	9,555	1.1	-2.2	24
Food & Beverages	6,205	1.7	10.3	30.5
Healthcare	12,927	1.5	5.7	43
Pharma & Bio Tech	5,884	3.5	20.9	High
Banks	11,987	1.6	-2.4	13
Financial Services	7,748	-0.1	15.1	30.2
Insurance	10,623	-0.5	23.6	25.6
Telecom	8,239	2.0	6.1	16
Utilities	13,983	1.1	40.9	29.1
REITs	3,357	0.5	-8.4	27.8
Real Estate	3,781	1.7	23.7	45.9
Software & Services	80,983	3.2	18.1	42.6

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for September (bn)
11,931	11,920	12,046	6.52

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	30.4	1,955.80	2,406.60
Previous week	30.6	2,331.40	2,460.60

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.40	1.1
Al Rajhi	89.90	2.0
SNB	35.20	1.9
ACWA POWER	404.80	1.2
ALINMA	29.50	0.7



International Market News

- According to **Baker Hughes**, North America's rig count decreased to 799 in the week ended September 20 from 808 earlier. The rig count fell to 588 in the US from 590 earlier, while decreased to 18 in in the Gulf of Mexico from 19. The rig count in Canada decreased to 211 from 218 earlier. (Source: Baker Hughes)
- US initial jobless claims** decreased to 219,000 (in line with consensus) in the week ended September 14, representing a fall of 12,000 from the previous week's revised level of 231,000. (Source: Econoday)
- US existing home sales** declined 2.5% M/M to an annual rate of 3.86mn in August (consensus: 3.90mn) after rising 1.3% to an annual rate of 3.95mn in July. The existing home sales fell to their lowest level since hitting an annual rate of 3.85mn in October 2023. On a Y/Y basis existing home sales fell 4.2%. (Source: RTT News)
- China** could issue ultra-long-term treasury bonds within two years to generate at least CNY 10.0tn (USD 1.4tn) worth of stimulus to the economy, as per a former central bank adviser Liu Shijin. (Source: Reuters)
- The Bank of Japan kept interest rates steady at 0.25% but noted improving domestic conditions. The central bank revised its assessment of consumption, signaling its confidence that a solid economic recovery would allow the central bank to raise interest rates again in the coming months. (Source: Reuters)
- Oil prices** fell 0.5% on Friday, due to concerns over sowing economy in China, a major consumer of crude oil; partially paring gains driven by US rate cut earlier in the week.
- Gold prices** jumped 1.4% fueled by a weaker US dollar after the US Fed rate cut announcement and expectations more rate cuts.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	100.72	0.1	-1.0	-0.6
Euro	1.12	0.0	1.0	1.1
Japanese Yen	143.85	0.9	-1.6	2.0
Sterling Pound	1.33	0.3	1.5	4.6
Chinese Yuan	7.04	-0.4	-0.7	-1.2
Indian Rupee	83.57	-0.1	-0.4	0.4
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	-0.0	0.0	0.0
Kuwaiti Dinar	0.31	0.1	-0.1	-0.7
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	48.52	-0.0	-0.2	57.0

Corporate Calendar

Date	Company	Event
24-Sep	SABIC	Cash Dividend Distribution
24-Sep	ALWASAIL INDUSTRIAL	Eligibility of Cash Dividend
24-Sep	ALMAJED OUD	Surplus Refund Date
24-Sep	RIYADH STEEL	EGM
25-Sep	DERAYAH REIT	Eligibility of Cash Dividend
25-Sep	ALMUJTAMA MEDICAL	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,436	0.3	2.6	9.3	8.6
Abu Dhabi (ADX)	9,439	-0.6	1.7	-1.5	17.2
Kuwait (KSE)	7,790	0.6	-0.4	4.2	22.8
Qatar (QE)	10,464	0.6	2.6	-3.4	11.6
Oman (MSM)	4,725	0.1	-0.4	4.7	12.2
Bahrain (BSE)	2,028	-0.1	3.6	2.8	8.0
Egypt (EGX30)	30,938	2.0	0.5	24.3	8.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	42,063	0.1	1.2	11.6	22.8
Nasdaq	19,791	-0.2	1.1	17.6	33.7
S&P 500	5,703	-0.2	1.0	19.6	26.0
FTSE 100	8,230	-1.2	-1.8	6.4	14.6
Germany DAX 30	18,720	-1.5	-1.0	11.8	15.6
France CAC 40	7,500	-1.5	-1.7	-0.6	13.9
Japan Nikkei 225	37,724	1.5	-2.4	12.7	22.7
Brazil IBOVESPA	131,065	-1.5	-3.6	-2.3	9.9
Hong Kong Hang Seng	18,259	1.4	1.5	7.1	9.8
South Korea KOSPI	2,593	0.5	-3.0	-2.3	13.4
China Shanghai Composite	2,737	0.0	-3.7	-8.0	13.2
Australia ASX 200	8,209	0.2	1.5	8.1	21.0
India Sensex	84,544	1.6	2.6	17.0	25.7
MSCI EM	1,106	0.6	0.6	8.1	15.3
MSCI World	3,677	-0.3	0.4	16.0	22.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	76.67	-0.4	-3.4	-4.7
Brent Crude (\$/bbl)	74.49	-0.5	-5.5	-3.3
Texas crude (\$/bbl)	71.92	-0.0	-2.2	0.4
Natural Gas (\$/mmbtu)	2.43	3.7	14.4	-11.2
Gold (\$/oz)	2,621.88	1.4	4.7	27.1
Silver (\$/oz)	31.18	1.3	8.0	31.0
Steel (\$/ton)	704.00	-0.1	-1.4	-38.0
Iron Ore (CNY/MT)	699.00	1.2	-9.9	-33.0
Wheat (\$/bu)	568.50	0.5	3.1	-15.0
Corn (\$/bu)	401.75	-1.0	0.2	-20.2
Sugar (\$/lb)	22.74	3.2	15.7	9.8
SMP* (EUR/MT)	2,613.00	0.0	5.8	1.4

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.47	-26.0	-55.4	-44.5
KSA (SAIBOR 3M)	5.64	-18.6	-42.7	-59.4
KSA (SAIBOR 6M)	5.48	-14.0	-35.8	-59.4
KSA (SAIBOR 12M)	5.30	-26.8	-24.8	-69.3
USA (SOFR 3M)	4.69	-6.2	-32.5	-64.0
UAE (EIBOR 3M)	4.81	-3.7	-24.1	-51.9

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Sept 20, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,081
Short-term view	Buy
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,081.9
Value (SAR mn)	9,471.2
Volume (mn)	361.6
Number of Transactions	524,786
Market Breadth	152 : 73

Key statistics	
1D return %	1.34%
MTD return %	-0.53%
QTD return	3.43%
YTD return	0.94%
ADT vol. 3M* (mn)	325.3
ADT val. 3M (SARmn)	6,828.5

*ADT stands for Average Daily Traded

TASI market commentary

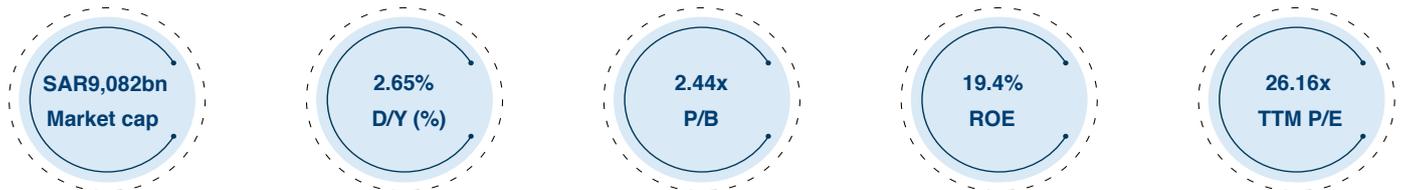
TASI experienced a rise on Thursday; primarily driven by the performance of the Telecommunication services sector (up 2.04%) and the Banks sector (up 1.59%). At close, the Saudi market ended the day with a change of 1.34% at 12,081. In terms of activity, total volumes and value traded were ~362mn and ~SAR 9.5bn, respectively. The advance-decline ratio came in at 152/73.

Technical outlook

TASI closed the last session near 12,081, registering a notable increase of 160 points. The buying attitude persisted propelling the index upwards to penetrate the significant resistance area near the 200-day and 10-day EMAs alongside a declining trendline of around 11,940. TASI formed a Bullish Marubozu Close candlestick that surpassed both the 20-day and 50-day SMAs, indicating potential continuation of the buying sentiment in the market. Furthermore, the RSI continued moving upwards after bouncing off an upward trendline. TASI has an immediate resistance level of around 12,115. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,235 – 12,330. On the other hand, an immediate support level is observed around 12,045. If breached, the subsequent support levels would be around 12,000 – 11,940. Traders are advised to consider buying positions and closely monitor the resistance zone near 12,235 – 12,330 where the prior peak was formed.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,825	11,940	12,000	12,045	12,115	12,235	12,330



Source: Bloomberg, Argaam

TASI daily chart

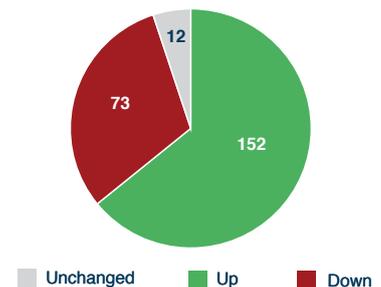


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
7204	2P	15.62	15.58 – 15.62	15.76 – 15.92	15.42
1212	Astra Industrial Group	168.60	168.20 – 168.60	170.00 – 172.00	166.40
4003	Extra	96.10	95.90 – 96.10	96.90 – 98.00	94.90
4292	Ataa	81.70	81.50 – 81.70	82.40 – 83.40	80.60
4300	Dar Alarkan	15.20	15.16 – 15.20	15.34 – 15.50	15.00
2280	Almarai	56.00	55.90 – 56.00	56.50 – 57.10	55.30
4263	SAL	288.00	287.40 – 288.00	290.40 – 293.80	284.20

*As of 19th September 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

2P has just penetrated a declining trendline as well as the 20-day SMA. Moreover, all the technical indicators show bullish structure.

Perfect Presentation for Commercial Services Co. (2P)



Source: Tradingview, Aljazira Capital

Technical observations

ASTRA INDUSTRIAL has penetrated a declining trendline and penetrated its 20-day SMA. Moreover, all the technical indicators show bullish structure.

Astra Industrial Group (ASTRA INDUSTRIAL)



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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