



## Domestic Market News

- KSA** was awarded contracts worth SAR 118.8bn, up 77% Y/Y, in Q1-24. While Q/Q values increased 110%, representing the second highest increase since Q3-15. (Source: Argaam)
- POS transactions in **KSA** reached SAR 13.6bn in the week ended August 17. The number of POS transactions hit 204.3mn. (Source: Argaam)
- Minister of Transport revealed that private sector investments in logistics zones at Saudi ports are more than SAR 10bn. **KSA** currently has 22 logistics zones and targets 59 zones by 2030. (Source: Argaam)
- Dar Alarkan's** global development arm Dar Global, announced plans to enter the Saudi market. It will be exploring acquisitions and joint ventures to foray into the Saudi market. Dar Alarkan's board does not expect any financial obligations. (Source: Tadawul)
- Malath** signed a MoU with Liva Insurance to evaluate a potential merger between the two. It will be implemented through statutory merger where one company will be fully absorbed by the other. The consideration will be in the form of newly issued ordinary shares. (Source: Tadawul)
- Anaam Holding** announced sale of Hyatt Al Fersan Hotel, located in Al-Jouf region, for a consideration worth SAR 19.1mn. The sale is conducted to finance the company's plans and activities. (Source: Tadawul)
- Arabian Mills** to float 15.4mn shares to the public, representing 30% of the company's share capital. The institutional offering will run from September 01 to September 05, while retail offering will run from September 18 to September 19. (Source: Tadawul)

## Market Analysis

The **Saudi Stock Exchange** increased 0.7% to 12,187.4. The value traded stood at SAR 8.9bn (up 1.8% over the previous day), while advance-decline ratio stood at 127/97. The parallel market index decreased 0.1% to 25,960.3 points. The value traded stood at SAR 36.7mn (down 42.3% over the previous day). Most of the sectors in the main market ended in green. Banks and Diversified Financials (up 2.4% and 1.8%, respectively) while Energy and Consumer Services (down 1.5% and 0.8%, respectively) declined the most.

## Top Gainers

Company	Price	Change%
RED SEA	37.70	7.1
TECO	0.87	6.1
ZOUJAJ	48.20	5.1
SAPTCO	18.80	5.0
TALCO	62.40	4.9

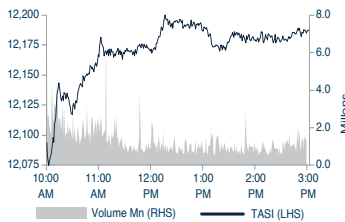
## Top Losers

Company	Price	Change%
CENOMI RETAIL	10.20	-3.4
ABO MOATI	29.50	-3.3
WATANIYA	30.25	-2.9
ALLIANZ SF	16.20	-2.9
AMANA INSURANCE	11.54	-2.9

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,187	12,202	12,071	0.7	1.2
NomuC	25,960	26,170	25,836	(0.1)	5.8

## TASI movement during session



## TASI Ratios

P/E* (x)	26.3
Price-to-Book (x)	2.5
Dividend Yield (%)	2.7
Return on Equity (%)	19.4

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,262	-1.5	-15.6	15.7
Materials	5,660	0.3	-11.5	High
Capital Goods	13,295	0.1	31.8	27.6
Commercial Service	5,219	0.8	-6.4	40.4
Transportation	7,872	0.3	23.9	36.5
Consumer Durables	5,233	-0.4	5.1	Neg
Consumer Services	5,123	-0.8	2.9	41.3
Media	31,034	-0.1	26.4	47.9
Consumer Discretionary Ret	7,855	0.5	-8.8	22.3
Consumer Staples Ret	9,263	-0.2	-5.2	23
Food & Beverages	5,909	-0.1	5.0	28
Healthcare	13,275	-0.4	8.6	44.1
Pharma & Bio Tech	5,159	0.9	6.0	43.8
Banks	12,227	2.4	-0.5	13.3
Financial Services	7,751	1.8	15.1	28.8
Insurance	11,463	-0.3	33.4	27.5
Telecom	7,805	1.4	0.5	14.9
Utilities	14,345	0.4	44.5	29.8
REITs	3,261	0.5	-11.1	26.1
Real Estate	3,813	0.4	24.8	45.7
Software & Services	78,022	0.3	13.8	41.6

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
12,042	11,904	11,912	7.2

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	31.6	1,349.30	2,154.90
Previous week	30.5	1,262.60	2,409.70

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.75	-1.6
Al Rajhi	89.10	3.0
SNB	36.85	3.1
ACWA POWER	415.00	0.5
ALINMA	32.85	1.9





## International Market News

- According to **EIA**, oil inventories in the US decreased 4.6mn barrels (prior: up 1.4mn) to 426.0mn in the week ended August 16. Gasoline inventories decreased 1.6mn barrels (prior: down 2.9mn) to 220.6mn, while distillate inventories declined 3.3mn barrels (prior: down 1.7mn) to 122.8mn. (Source: EIA, Econoday)
- The **US** economy added 818K fewer jobs from March 2023 to March 2024 than initially reported, reflecting 0.5% weaker job growth. A significant downward revision was done to the job growth in the professional and business services sector. (Source: Reuters)
- The minutes of the **Fed's** late July meeting revealed that the vast majority of participants believed it would likely be appropriate to lower rates at the next meeting if inflation data continued to come in about as expected. While almost all participants felt additional data was needed to provide greater confidence in the inflation. (Source: RTT News)
- Public sector net borrowing in the **UK** increased by GBP 1.8bn Y/Y to GBP 3.1bn in July. This was the highest July borrowing since 2021. The borrowings exceeded the official estimate due to a significant increase in public spending. (Source: CNBC)
- Japan's** exports reported an annual growth of 10.3%, stronger than June's 5.4% increase. Shipments have been rising since last December. However, the latest increase was weaker than the expected growth of 11.4%. While imports grew 16.6%, beating expectations for an increase of 14.9%. (Source: Reuters)
- Oil prices** dropped 1.4% as concerns over the US economy following a sharp downward revision in the number of jobs sparked a fresh concern about demand overshadowing a larger-than-expected decline in domestic crude stocks.
- Gold prices** fell 0.1% as US Dollar strengthened.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.04	-0.4	-2.9	-0.3
Euro	1.12	0.2	3.0	1.0
Japanese Yen	145.21	-0.0	-3.2	3.0
Sterling Pound	1.31	0.4	1.8	2.8
Chinese Yuan	7.13	0.2	-1.3	0.1
Indian Rupee	83.93	0.2	0.2	0.9
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	0.0	-0.5
Omani Rial	0.38	-0.0	-0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	48.78	-0.1	0.5	57.8

## Corporate Calendar

Date	Company	Event
22-Aug	ZOUJAJ	Cash Dividend Distribution
22-Aug	THEEB	Cash Dividend Distribution
22-Aug	ARABIAN DRILLING	Cash Dividend Distribution
22-Aug	RIBL	Cash Dividend Distribution
22-Aug	SEDCO CAPITAL REIT	Cash Dividend Distribution
22-Aug	DERAYAH REIT	Cash Dividend Distribution

EGM: Extra Ordinary Meeting\*  
OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,295	0.9	0.6	5.8	8.3
Abu Dhabi (ADX)	9,348	0.3	0.1	-2.4	16.7
Kuwait (KSE)	7,769	0.3	-1.6	3.9	22.8
Qatar (QE)	10,119	-0.4	-0.3	-6.6	11.2
Oman (MSM)	4,680	-0.3	0.4	3.7	12.1
Bahrain (BSE)	1,937	0.0	-1.7	-1.8	7.3
Egypt (EGX30)	29,914	-0.0	1.8	20.2	7.2

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,890	0.1	0.1	8.5	22.8
Nasdaq	19,825	0.5	2.4	17.8	35.0
S&P 500	5,621	0.4	1.8	17.8	26.3
FTSE 100	8,283	0.1	-1.0	7.1	14.4
Germany DAX 30	18,449	0.5	-0.3	10.1	15.2
France CAC 40	7,525	0.5	-0.1	-0.2	14.2
Japan Nikkei 225	37,952	-0.3	-2.9	13.4	23.1
Brazil IBOVESPA	136,464	0.3	6.9	1.7	10.3
Hong Kong Hang Seng	17,391	-0.7	0.3	2.0	9.7
South Korea KOSPI	2,701	0.2	-2.5	1.7	15.0
China Shanghai Composite	2,857	-0.4	-2.8	-4.0	13.5
Australia ASX 200	8,010	0.2	-1.0	5.5	19.8
India Sensex	80,905	0.1	-1.0	12.0	24.6
MSCI EM	1,101	-0.3	1.5	7.5	15.2
MSCI World	3,631	0.4	1.7	14.6	22.4

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	78.49	0.1	-4.4	-2.4
Brent Crude (\$/bbl)	76.05	-1.5	-5.8	-1.3
Texas crude (\$/bbl)	71.93	-2.8	-7.7	0.4
Natural Gas (\$/mmbtu)	2.18	-1.0	6.9	-18.5
Gold (\$/oz)	2,512.56	-0.1	2.7	21.8
Silver (\$/oz)	29.60	0.6	2.0	24.4
Steel (\$/ton)	672.00	1.5	-4.5	-40.8
Iron Ore (CNY/MT)	738.50	2.2	-3.3	-29.2
Wheat (\$/bu)	544.00	-2.2	-1.4	-18.7
Corn (\$/bu)	398.25	0.1	-0.4	-20.9
Sugar (\$/lb)	17.65	0.5	-6.8	-14.0
SMP* (EUR/MT)	2,423.00	0.4	2.6	-6.0

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.88	3.3	10.6	-3.1
KSA (SAIBOR 3M)	6.11	6.9	-8.7	-12.2
KSA (SAIBOR 6M)	5.85	0.1	-11.1	-23.0
KSA (SAIBOR 12M)	5.57	-2.8	-20.8	-42.9
USA (SOFR 3M)	5.10	-1.9	-13.9	-23.0
UAE (EIBOR 3M)	5.07	14.4	-16.2	-25.8

Data Sources: Tadawul, Bloomberg, Reuters  
Closes as of Aug 21, 2024





## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,187
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

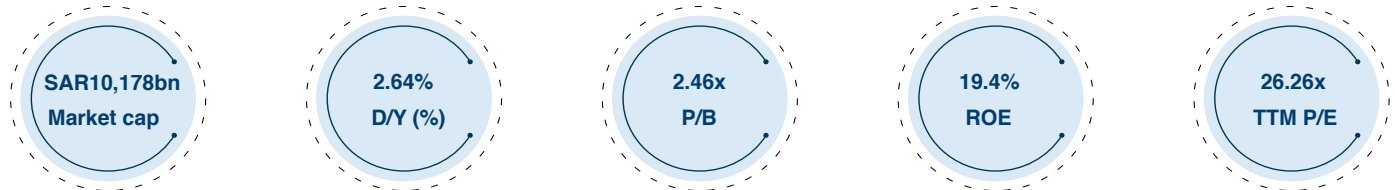
## Market data

Exchange Market Cap. (SAR bn)	10,177.8
Value (SAR mn)	8,906.4
Volume (mn)	404.0
Number of Transactions	580,629
Market Breadth	127 : 97

## Key statistics

1D return %	0.69%
MTD return %	0.64%
QTD return	4.35%
YTD return	1.84%
ADT vol. 3M* (mn)	322.7
ADT val. 3M (SARmn)	7,835.9

\*ADT stands for Average Daily Traded



Source: Bloomberg, Argaam

## TASI daily chart



Source: Tradingview, Aljazira Capital

## TASI market commentary

- TASI experienced a rise on Wednesday; primarily driven by the performance of the Banks sector (up 2.42%) and the Telecommunication services sector (up 1.40%). At close, the Saudi market ended the day with a change of 0.69% at 12,187. In terms of activity, total volumes and value traded were ~404mn and ~SAR 8.9bn, respectively. The advance-decline ratio came in at 127/97.

## Technical outlook

- TASI closed the last session near 12,187, registering a gain of 84 points. As anticipated, the index demonstrated a robust buying attitude following its breakthrough of both the 100-day SMA and a declining trendline of around 12,070, propelling it upwards. TASI formed a long green candlestick, approaching a test of the notable resistance zone of the prior peak near 12,200 – 12,235. Additionally, the RSI indicator shows an upward movement above the 50 level, indicating positive momentum in the near term. TASI has an immediate resistance level of around 12,200. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,235 – 12,310. On the other hand, an immediate support level is observed around 12,070. If breached, the subsequent support levels would be around 12,015 - 11,910. TASI has resumed its upward trajectory after surpassing the 100-day SMA and the declining trendline, nevertheless, it approaches a critical test of the significant resistance zone of the prior peak. Traders are advised to buy cautiously and closely monitor the resistance level of around 12,200 – 12,235 as a decisive breakout above this level would signal a reversal of the previous downside move.

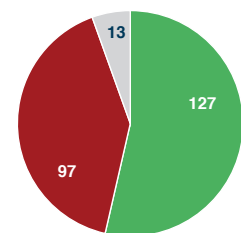
## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,860	11,910	12,015	12,070	12,200	12,235	12,310

## Our view



## Market depth



Unchanged Up Down





## SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
2070	SPIMACO	31.50	31.40 – 31.50	31.80 – 32.10	31.10
4014	Equipment House	57.20	57.10 – 57.20	57.70 – 58.40	56.50
1202	Middle East Paper	40.80	40.70 – 40.80	41.15 – 41.60	40.30
1111	Tadawul Group	239.00	238.40 – 239.00	241.00 – 243.80	235.80
2284	Modern Mills	49.80	49.70 – 49.80	50.25 – 50.80	49.15
6004	Catrion	119.40	119.20 – 119.40	120.40 – 121.80	117.80
4190	Jarir	12.92	12.90 – 12.92	13.02 – 13.18	12.76

\*As of 21<sup>st</sup> August 2024

\* Note – Stop loss is based on an intraday basis

## CHARTS OF THE DAY

## Technical observations

**SPIMACO** has penetrated the resistance zone of the prior peaks. Moreover, all the technical indicators show bullish structure.

## Saudi Pharmaceutical Industries and Medical Appliances Corp (SPIMACO)



Source: Tradingview, Aljazira Capital

## Technical observations

**EQUIPMENT HOUSE** has just penetrated the level of the prior peak. Moreover, all the technical indicators show bullish structure

## Scientific and Medical Equipment House Co. (EQUIPMENT HOUSE)



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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