



Domestic Market News

- HRSD** with Ministry of Municipal, Rural Affairs and Housing, announced localizing 25% of engineering professions starting July 21. The aim is to increase participation in labor market. (Source: Argaam)
- Real estate transactions** increased 17% Y/Y to SAR 605bn, within a year of implementing Real Estate Brokerage Law. Residential transactions accounted for SAR 305bn, while commercial transactions accounted for SAR 300bn. (Source: Argaam)
- Alandalus** begins construction of qualitative commercial center in Makkah Al-Mukarramah region with total project cost of SAR 831mn. Project will commence in Q2-24 and complete during Q1-27, post which financial impact will appear. (Source: Tadawul)
- HMG** terminated 50-year lease contract signed with Municipality in Nov-21 for constructing and operating a hospital on the leased land. This termination will not have any financial or contractual liability. (Source: Tadawul)
- SAPTCO** was awarded a project worth SAR 93mn from Alahsa Municipality, with a duration of 5-years. Project includes operating public transport network. (Source: Tadawul)
- Waja** was awarded a SAR 5.7mn project to provide technical advisory services to the Shaqra Institute. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q2-24	Q2-23	Y/Y %	Q1-24	Q/Q %
TADAWUL	163.8	105.2	55.70	201.5	-18.71

Market Analysis

The **Saudi Stock Exchange** increased by 0.3% to 12,188.3. The value traded stood at SAR 8.8bn (up 18.5% over the previous day), while the advance-decline ratio stood at 108/113. The parallel market index decreased 0.7% to 25,702.3 points. The value traded stood at SAR 39.6mn (down 3.8% over the previous day). Most of the sectors in the main market ended in red. Food & Beverages and Commercial Service (up 1.1% and 1.0%, respectively) advanced the most, while Software & Services and Media (down 1.6% and 1.5%, respectively) declined the most.

Top Gainers

Company	Price	Change%
SMASCO	9.41	6.3
SAPTCO	18.88	5.8
TECO	0.83	5.1
SIDC	9.18	5.0
NGC	25.25	3.7

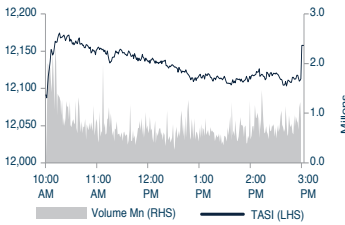
Top Losers

Company	Price	Change%
ALBAHA	0.12	-7.7
ALSAGR INSURANCE	23.34	-6.2
LEEJAM SPORTS	230.00	-3.1
AYYAN	18.82	-3.1
MBC Group	44.60	-3.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,188	12,188	12,117	0.3	1.3
NomuC	25,702	25,968	25,687	(0.7)	4.8

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	5,381	0.3	-13.6	16
Materials	5,956	0.2	-6.8	High
Capital Goods	12,713	-1.1	26.1	28.1
Commercial Service	5,155	1.0	-7.6	37.5
Transportation	8,055	0.5	26.8	39
Consumer Durables	5,460	1.0	9.6	Neg
Consumer Services	5,371	-0.6	7.9	39.8
Media	32,811	-1.5	33.6	High
Consumer Discretionary Ret	7,614	-0.1	-11.6	22.6
Consumer Staples Ret	9,296	-0.3	-4.9	22.2
Food & Beverages	6,343	1.1	12.7	31.3
Healthcare	13,099	-0.8	7.2	46.2
Pharma & Bio Tech	4,758	-0.4	-2.3	44.9
Banks	12,066	1.0	-1.8	13.6
Financial Services	7,700	0.2	14.3	32.7
Insurance	11,440	-0.3	33.1	27.9
Telecom	7,747	-0.1	-0.3	15.1
Utilities	13,770	-1.1	38.7	29.8
REITs	3,312	0.1	-9.7	25.7
Real Estate	3,629	0.6	18.7	42.5
Software & Services	72,759	-1.6	6.1	42

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for July (bn)
12,051	11,902	11,788	6.21

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	37	1,315.90	2,603.80
Previous week	26.4	1,048.40	2,184.70

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.45	0.4
Al Rajhi	84.00	0.8
SNB	38.30	1.6
ACWA POWER	392.40	-1.3
ALINMA	32.60	0.6





International Market News

- According to **Baker Hughes**, North America's rig count increased 783 in the week ended July 19 from 773 earlier. The rig count rose to 586 in the US from 584 earlier, while decreased to 20 in the Gulf of Mexico from 21. The rig count in Canada increased to 197 from 189. (Source: Baker Hughes)
- Initial jobless claims** increased by 20,000 from the previous week, to 243,000. Economists had expected jobless claims to edge up to 230,000. Rising claims imply that the labor market is cooling at a measured pace. (Source: Reuters)
- Eurozone** inflation expectations for 2024 and 2025 remained unchanged at 2.4% and 2.0%. While inflation expectation for 2026 was revised down to 1.9%. Whereas the jobless rate is expected to climb to 6.5% in 2024 but fall to 6.4% in 2026. (Source: RTT News)
- The **UK central government receipts** advanced GBP 1.2bn, while the expenditure decreased by GBP 2.1bn Y/Y in June. The government borrowed GBP 49.8bn in June, which was GBP 3.2bn ahead of the consensus estimate. (Source: RTT News)
- Oil prices** on Friday fell 2.9% as US Dollar strengthened and demand concerns from China increased.
- Gold prices** on Friday fell 1.8% as the US Dollar strengthened and recovery in the bond yields amid growing speculation of election results in the US.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.40	0.2	-1.4	3.0
Euro	1.09	-0.1	1.6	-1.4
Japanese Yen	157.48	0.1	-2.1	11.7
Sterling Pound	1.29	-0.2	2.1	1.4
Chinese Yuan	7.29	0.1	-0.2	2.2
Indian Rupee	83.66	0.0	0.3	0.5
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	-0.3	-0.5
Omani Rial	0.39	-0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	48.24	-0.0	0.4	56.1

Corporate Calendar

Date	Company	Event
21-Jul	ALDAWLIAH	Cash Dividend Distribution
22-Jul	GASCO	Cash Dividend Distribution
22-Jul	SIIG	Cash Dividend Distribution
22-Jul	SABIC AGRI	Cash Dividend Distribution
23-Jul	SPC	EGM
24-Jul	MARAFIQ	Eligibility of Cash Dividend

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,181	0.3	3.7	3.0	8.1
Abu Dhabi (ADX)	9,246	0.2	2.0	-3.5	18.5
Kuwait (KSE)	7,759	-0.2	2.9	3.8	21.7
Qatar (QE)	10,034	-1.2	0.7	-7.4	11.3
Oman (MSM)	4,697	0.1	0.2	4.1	11.5
Bahrain (BSE)	1,979	-0.3	-2.3	0.4	7.6
Egypt (EGX30)	28,654	1.1	3.2	15.1	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,288	-0.9	3.0	6.9	23.1
Nasdaq	19,523	-0.9	-0.8	16.0	34.4
S&P 500	5,505	-0.7	0.8	15.4	25.8
FTSE 100	8,156	-0.6	-0.1	5.5	14.3
Germany DAX 30	18,172	-1.0	-0.3	8.5	16.0
France CAC 40	7,535	-0.7	0.7	-0.1	13.1
Japan Nikkei 225	40,064	-0.2	1.2	19.7	25.7
Brazil IBOVESPA	127,616	-0.0	3.0	-4.9	9.4
Hong Kong Hang Seng	17,418	-2.0	-1.7	2.2	9.7
South Korea KOSPI	2,795	-1.0	-0.1	5.3	16.5
China Shanghai Composite	2,982	0.2	0.5	0.2	14.1
Australia ASX 200	7,972	-0.8	2.6	5.0	19.7
India Sensex	80,605	-0.9	2.0	11.6	25.1
MSCI EM	1,090	-1.5	0.3	6.4	16.0
MSCI World	3,554	-0.7	1.2	12.1	22.4

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	87.18	0.1	-1.0	8.4
Brent Crude (\$/bbl)	82.63	-2.9	-4.4	7.3
Texas crude (\$/bbl)	80.13	-3.2	-1.7	11.8
Natural Gas (\$/mmbtu)	2.13	0.1	-18.2	-21.1
Gold (\$/oz)	2,400.83	-1.8	3.2	16.4
Silver (\$/oz)	29.22	-2.0	0.3	22.8
Steel (\$/ton)	657.00	-0.3	-2.5	-42.1
Iron Ore (CNY/MT)	807.00	-0.9	-2.5	-22.6
Wheat (\$/bu)	542.75	1.4	-5.4	-17.3
Corn (\$/bu)	404.75	-0.1	-3.8	-19.6
Sugar (\$/lb)	18.66	-1.5	-8.1	-9.1
SMP* (EUR/MT)	2,363.00	0.0	-2.5	-8.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.78	2.8	-6.5	-12.9
KSA (SAIBOR 3M)	6.22	-3.0	-1.1	-1.3
KSA (SAIBOR 6M)	5.94	-1.5	-7.5	-13.9
KSA (SAIBOR 12M)	5.75	-1.5	-11.7	-24.2
USA (SOFR 3M)	5.28	0.1	-4.2	-4.8
UAE (EIBOR 3M)	5.22	6.7	-7.4	-10.4

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of July 18, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,188
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,341.8
Value (SAR mn)	8,756.6
Volume (mn)	387.1
Number of Transactions	588,239
Market Breadth	108 : 113

Key statistics	
1D return %	0.25%
MTD return %	4.36%
QTD return	4.36%
YTD return	1.85%
ADT vol. 3M* (mn)	305.4
ADT val. 3M (SARmn)	7,659.4

*ADT stands for Average Daily Traded

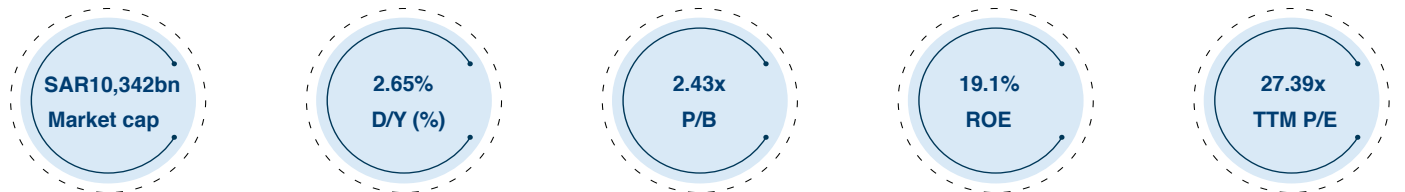
TASI market commentary

- TASI experienced a rise on Thursday; primarily driven by the performance of the Banks sector (up 1.01%) and the Energy sector (up 0.32%). At close, the Saudi market ended the day with a change of 0.25% at 12,188. In terms of activity, total volumes and value traded were ~387mn and ~SAR 8.8bn, respectively. The advance-decline ratio came in at 108/113.

Technical outlook

- TASI closed the last session near 12,188, registering a gain of 31 points. Initially, the index experienced a profit-taking sentiment at the start of the session, however, the buying power resurfaced, driving the index higher to record a streak of eleven consecutive rising sessions. Nonetheless, TASI approaches to test the significant resistance zone situated around 12,190 – 12,235, which aligns with the 161.8% Fibonacci level. Moreover, TASI formed a small-bodied green candlestick, reflecting an initial weakening in the near-term buying attitude. Furthermore, the RSI indicator approaches the level of 70. TASI has an immediate resistance level of around 12,190. 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 12,060. If breached, the subsequent support levels would be around 11,950– 11,900. TASI continues moving within the short-term upward trajectory, however, it is approaching a test of the significant resistance of the 161.8% Fibonacci level. Consequently, traders are advised to cautiously buy and closely monitor the resistance zone around 12,190– 12,235.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,900	11,950	12,060	12,155	12,190	12,235	12,330



Source: Bloomberg, Argaam

TASI daily chart

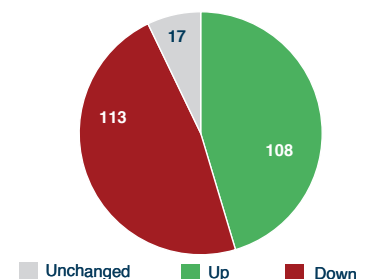


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4031	Saudi Ground Services	55.00	54.90 – 55.00	55.50 – 56.10	54.30
4250	Jabal Omar	26.70	25.65 – 26.70	26.95 – 27.25	26.35
2300	Saudi Paper Manufacturing	80.80	80.60 – 80.80	81.50 – 82.40	79.80
2330	Advanced Petrochemical	41.05	40.95 – 41.05	41.40 – 41.90	40.55
2360	Saudi Vitrified Clay Pipes	49.70	49.60 – 49.70	50.20 – 50.70	49.05
8120	Gulf Union Alahlia	20.18	20.14 – 20.18	20.36 – 20.58	19.92
4192	Alsaif Gallery	9.32	9.30 – 9.32	9.40 – 9.51	9.20

*As of 18th July 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

SGS has just penetrated the level of the prior peaks. Moreover, all the technical indicators show bullish structure.

Saudi Ground Services Co. (SGS)



Source: Tradingview, Aljazira Capital

Technical observations

Jabal Omar has penetrated the level of the previous peak. Moreover, all the technical indicators show bullish structure.

Jabal Omar Development Co. (Jabal Omar)



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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