



Domestic Market News

- **Saudi Arabia's inflation** remained unchanged at 1.5% in July compared to the previous month. Actual housing rents, with an increase of 11.1% Y/Y in July on a 12.0% rise in apartment rents, was the key contributor to the headline inflation. (Source: Argaam)
- **The Sakani program** revealed that 55,000 Saudi families benefited from the program during H1-24, marking an increase of nearly 8.0% compared to the same period last year, which saw 51,000 families benefiting. (Source: Argaam)
- **Gulf Union Al Ahlia Cooperative Insurance Co.** announced the appointment of Aljazira Capital as its Financial Advisor for the proposed merger with Gulf General Cooperative Insurance Co. (Source: Tadawul)
- **Aldrees Petroleum and Transport Services Co.** announced the opening of two new stations in Jeddah and Jazan. The new addition brought the total number of Aldrees stations across Saudi Arabia to over 950. (Source: Argaam)
- **Saudi Automotive Services Co.** opened two new stations in Riyadh and Jeddah. CEO Riyadh Almalik earlier said the company plans to launch 50 new stations in FY24. (Source: Argaam)

Market Analysis

The **Saudi Stock Exchange** increased 0.6% to 11,915.0. The value traded stood at SAR 6.8bn (down 1.6% over the previous day), while the advance-decline ratio stood at 170/51. The parallel market index increased 0.9% to 25,760.9 points. The value traded stood at SAR 31.6mn (down 30.8% over the previous day). Most of the sectors in the main market ended in green. Capital Goods and Healthcare (up 3.5% and 2.2%, respectively) while Media and Telecom (down 0.4% and 0.3%, respectively) declined the most.

Top Gainers

Company	Price	Change%
CENOMI RETAIL	10.42	9.9
SASCO	69.90	9.9
RED SEA	29.50	9.9
ALAKARIA	21.74	8.2
ASTRA INDUSTRIAL	174.00	5.8

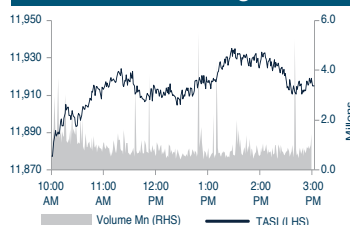
Top Losers

Company	Price	Change%
TALCO	56.90	-1.7
SRMG	245.00	-1.6
RASAN	55.10	-1.6
CHUBB	32.15	-1.5
YC	30.20	-1.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,915	11,937	11,872	0.6	(1.0)
NomuC	25,761	25,761	25,420	0.9	5.0

TASI movement during session



TASI Ratios

P/E* (x)	25.6
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	19.4

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,341	0.2	-14.3	16
Materials	5,590	0.2	-12.5	High
Capital Goods	12,746	3.5	26.4	26.5
Commercial Service	4,985	0.1	-10.6	38.5
Transportation	7,740	0.9	21.9	35.7
Consumer Durables	4,995	1.1	0.3	Neg
Consumer Services	4,995	0.6	0.3	40.2
Media	30,423	-0.4	23.9	47.3
Consumer Discretionary Ret	7,591	1.9	-11.9	21.6
Consumer Staples Ret	9,052	1.1	-7.4	22.5
Food & Beverages	5,859	0.8	4.1	27.9
Healthcare	13,033	2.2	6.6	43.4
Pharma & Bio Tech	5,010	1.4	2.9	43.2
Banks	11,712	0.0	-4.7	12.7
Financial Services	7,582	0.2	12.6	28.3
Insurance	11,189	0.4	30.2	26.9
Telecom	7,677	-0.3	-1.2	14.7
Utilities	13,825	1.7	39.3	28.8
REITs	3,253	0.6	-11.3	26
Real Estate	3,735	2.0	22.2	44.7
Software & Services	77,013	0.2	12.3	41.1

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
11,815	11,741	11,927	6.94

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	30.5	1,262.60	2,409.70
Previous week	39.8	1,786.50	3,250.60

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.20	0.2
Al Rajhi	83.80	-0.2
SNB	34.85	-0.1
ACWA POWER	397.00	2.1
ALINMA	31.50	0.2





International Market News

- **According to Baker Hughes**, North America's rig count remained decreased to 803 in the week ended August 16 from 805 earlier. The rig count fell to 586 in the US from 588 earlier, while it remained unchanged at 17 in the Gulf of Mexico. The rig count in Canada was unchanged at 217. (Source: Baker Hughes)
- **US housing starts** declined 6.8% to an annual rate of 1.238mn in July (consensus: 1.342mn), after jumping by 1.1% to the revised rate of 1.329mn in June. (Source: Econoday, RTT News)
- **US initial jobless claims** decreased to 227,000 (consensus: 234,000) in the week ended August 10, representing a fall of 7,000 from the previous week's revised level of 234,000. (Source: Econoday)
- **US industrial production** decreased 0.6% M/M in July (consensus: 0.1% fall) from a growth of 0.3% in June; manufacturing fell 0.3% M/M in July (in line with consensus) after remaining unchanged in June. The capacity utilization rate decreased to 77.8% in July (consensus: 78.6%). (Source: Econoday)
- **The Eurozone trade surplus** rose to EUR 22.3bn in June (consensus: EUR 13.3bn) from EUR 14.0bn in May. The improvement reflects an increase in the surplus for machinery and vehicles of EUR 2.9bn and chemicals by EUR 1.2bn. (Source: RTT News)
- **Oil prices** fell 1.7% on Friday, due to cease-fire talks in the Middle East and softening Chinese demand.
- **Gold prices** jumped 2.1% to an all-time high driven by a weaker US dollar amid rate-cut expectations.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.46	-0.5	-1.6	1.1
Euro	1.10	0.5	1.9	-0.1
Japanese Yen	147.63	-1.1	-1.6	4.7
Sterling Pound	1.29	0.7	0.7	1.7
Chinese Yuan	7.16	-0.2	-0.9	0.5
Indian Rupee	83.95	0.0	0.3	0.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.1
Kuwaiti Dinar	0.31	0.0	0.1	-0.5
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	48.90	-0.0	0.7	58.2

Corporate Calendar

Date	Company	Event
18-Aug	RIYAH CEMENT	Eligibility of Cash Dividend
18-Aug	ALINMA	Eligibility of Cash Dividend
19-Aug	SULAIMAN ALHABIB	Cash Dividend Distribution
19-Aug	MARAFIQ	Eligibility of Cash Dividend
20-Aug	SAUDI ARAMCO	Eligibility of Cash Dividend
20-Aug	YANSAB	Cash Dividend Distribution

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

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,243	0.6	-0.6	4.5	8.2
Abu Dhabi (ADX)	9,286	0.5	-0.6	-3.0	16.9
Kuwait (KSE)	7,733	0.2	-2.1	3.4	22.7
Qatar (QE)	10,125	0.2	-0.3	-6.5	11.2
Oman (MSM)	4,693	0.2	0.7	4.0	12.0
Bahrain (BSE)	1,937	-0.2	-1.6	-1.7	7.3
Egypt (EGX30)	29,629	0.2	0.9	19.0	7.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,660	0.2	-0.4	7.9	22.7
Nasdaq	19,509	0.1	0.8	15.9	34.4
S&P 500	5,554	0.2	0.6	16.4	26.0
FTSE 100	8,311	-0.4	-0.7	7.5	14.4
Germany DAX 30	18,322	0.8	-1.0	9.4	15.1
France CAC 40	7,450	0.4	-1.1	-1.2	14.1
Japan Nikkei 225	38,063	3.6	-2.7	13.7	23.2
Brazil IBOVESPA	133,953	-0.1	4.9	-0.2	10.1
Hong Kong Hang Seng	17,430	1.9	0.5	2.2	9.7
South Korea KOSPI	2,697	2.0	-2.7	1.6	14.9
China Shanghai Composite	2,879	0.1	-2.0	-3.2	13.6
Australia ASX 200	7,971	1.3	-1.5	5.0	19.7
India Sensex	80,437	1.7	-1.6	11.3	24.4
MSCI EM	1,094	1.6	0.8	6.8	14.8
MSCI World	3,584	0.5	0.4	13.1	22.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	81.29	-0.0	-1.0	1.1
Brent Crude (\$/bbl)	79.68	-1.7	-1.3	3.4
Texas crude (\$/bbl)	76.65	-1.9	-1.6	7.0
Natural Gas (\$/mmbtu)	2.12	-3.4	4.3	-20.5
Gold (\$/oz)	2,508.01	2.1	2.5	21.6
Silver (\$/oz)	28.98	2.2	-0.1	21.8
Steel (\$/ton)	656.00	-0.6	-6.8	-42.2
Iron Ore (CNY/MT)	723.00	-0.3	-5.4	-30.7
Wheat (\$/bu)	552.50	0.4	0.1	-17.4
Corn (\$/bu)	392.50	-1.1	-1.8	-22.0
Sugar (\$/lb)	18.03	0.8	-4.8	-12.2
SMP* (EUR/MT)	2,419.00	0.0	2.4	-6.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.85	1.8	7.5	-6.2
KSA (SAIBOR 3M)	6.01	-5.7	-18.5	-22.0
KSA (SAIBOR 6M)	5.86	-1.2	-10.0	-21.9
KSA (SAIBOR 12M)	5.63	-4.5	-14.0	-36.0
USA (SOFR 3M)	5.13	2.7	-11.3	-20.3
UAE (EIBOR 3M)	5.01	-0.2	-22.6	-32.2

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of Aug 16, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,915
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	10,201.7
Value (SAR mn)	6,825.0
Volume (mn)	300.0
Number of Transactions	525,859
Market Breadth	170 : 51

Key statistics

1D return %	0.55%
MTD return %	-1.61%
QTD return	2.02%
YTD return	-0.44%
ADT vol. 3M* (mn)	309.4
ADT val. 3M (SARmn)	7,567.2

*ADT stands for Average Daily Traded

TASI market commentary

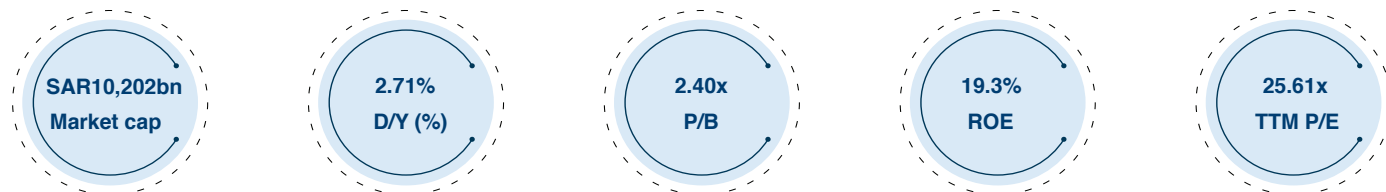
- TASI experienced a rise on Thursday; primarily driven by the performance of the Energy sector (up 0.23%) and the Materials sector (up 0.18%). At close, the Saudi market ended the day with a change of 0.55% at 11,915. In terms of activity, total volumes and value traded were ~300mn and ~SAR 6.8bn, respectively. The advance-decline ratio came in at 170/51.

Technical outlook

- TASI closed the last session near 11,915, marking a gain of 65 points. The index exhibited a continued buying attitude, propelling it upwards to penetrate the 61.8% Fibonacci level around 11,865 and approaching the 20-day SMA around 11,930. TASI formed a green candlestick, reflecting the dominant buying sentiment. Additionally, the RSI indicator has penetrated a declining trendline as well as the 50 level, indicating a potential positive breakout in the price action. TASI has an immediate resistance level of around 11,930. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,025 – 12,100. On the other hand, an immediate support level is observed around 11,865. If breached, the subsequent support levels would be around 11,720 - 11,670. TASI has penetrated the 61.8% Fibonacci level amidst a prevailing buying sentiment to reach its 20-day SMA. Traders are advised to buy cautiously and closely monitor the resistance level of around 11,930 as a decisive breakout at this level could potentially trigger a further buying attitude.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,600	11,670	11,720	11,865	11,930	12,025	12,100



Source: Bloomberg, Argaam

TASI daily chart

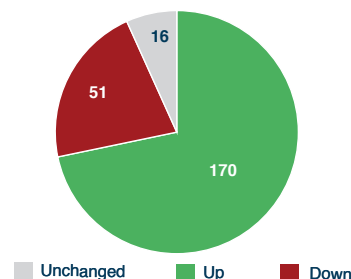


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
2081	Alkhorayef Water and Power Technologies	183.60	183.20 – 183.60	185.20 – 187.20	181.20
4260	Budget Saudi	96.10	95.90 – 96.10	96.90 – 98.00	94.90
4261	Theeb	72.00	71.80 – 72.00	72.60 – 73.40	71.10
2382	Ades	21.30	21.24 – 21.30	21.48 – 21.72	21.02
4250	Jabal Omar	25.75	25.70 – 25.75	26.00 – 26.25	25.45
4071	Alarabia	212.00	211.40 – 212.00	213.80 – 216.20	209.20
7200	MIS	172.60	172.20 – 172.60	174.00 – 176.00	170.40

*As of 15th August 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

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

Alkhorayef Water and Power Technologies Co. (AWPT)



Source: Tradingview, Aljazira Capital

Technical observations

Budget Saudi has just penetrated the level of the prior peak. Moreover, all the technical indicators show bullish structure.

United International Transportation Co. (Budget Saudi)



Source: Tradingview, Aljazira Capital



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