



## Major Economic News

- Saudi Arabia** posted actual revenues of SAR 293.4bn and expenditure of SAR 305.8bn in Q1-24, recording a budget deficit of SAR 12.4bn. In the Q1-24 budget, the government allocated SAR 51.6bn to the education sector, in addition to SAR 49.3bn and SAR 60.5bn to the military and the health & social development sectors, respectively. (Source: Argaam)

## Major Corporate News

- East Pipes** signed a contract with Maramer Contracting for a total value exceeding SAR 60mn. Under this six-month contract, East Pipes will manufacture, coat and supply steel pipes. The related financial impact will be reflected in the company's financial results in Q2 and Q3 of FY24/25. (Source: Tadawul)
- Almujtama Medical** announces the board of director's approval to rent a building top open a pharmacy in Jeddah, at a value of SAR 0.4mn annually, for a period of 10 years. The financial impact of this contract will be reflected starting in the second half of FY24. (Source: Tadawul)

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

Company	Q1-24	Q1-23	Y/Y %	Q4-23	Q/Q %
FITNESS TIME	94.0	63.0	49.21	129.0	-27.13
BAWAN	29.2	34.5	-15.58	36.4	-19.84
EPCCO	68.0	56.0	21.43	50.0	36.00
BUPA ARABIA	359.4	188.6	90.58	104.8	242.74
SOLUTIONS	353.0	303.8	16.19	162.0	117.89
SAUDI GERMAN	51.9	50.1	3.64	32.8	65.34
ACC	54.2	49.2	10.21	32.7	65.34

## Market Analysis

The **Saudi Stock Exchange** increased 0.2% to 12,373.1. The value traded stood at SAR 5.3bn (down 19.7% over the previous day), while the advance-decline ratio stood at 92/129. The parallel market index increased 1.3% to 26,790.2 points. The value traded stood at SAR 25.0mn (down 67.6% over the previous day). Most sectors in the main market ended in the green. Commercial Service and Banks (up 1.3 and 0.9%, respectively) advanced the most, while Utilities and Software & Services (down 1.3% and 0.7%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
OASIS	47.45	10.0
RAYDAN	33.40	8.1
SAUDI CABLE	78.80	6.5
MAHARAH	6.52	3.8
ALSAIF GALLERY	11.98	3.6

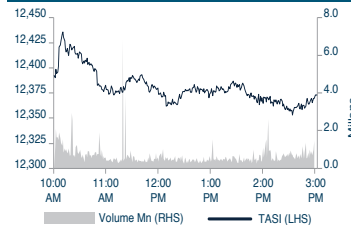
## Top Losers

Company	Price	Change%
GIG	34.90	-9.9
ALBAHA	0.13	-7.1
SALAMA	33.50	-5.6
NADEC	33.75	-4.5
GULF UNION ALAHLIA	22.92	-4.2

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,373	12,440	12,352	0.2	3.4
NomuC	26,790	26,840	26,493	1.3	9.2

## TASI movement during session



## TASI Ratios

P/E* (x)	28
Price-to-Book (x)	2.5
Dividend Yield (%)	2.6
Return on Equity (%)	19.6

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,673	0.2	-8.8	16.2
Materials	6,282	-0.3	-1.1	High
Capital Goods	12,358	0.2	24.5	43.5
Commercial Service	5,351	1.3	-3.7	High
Transportation	7,657	0.6	20.8	38.8
Consumer Durables	5,692	0.6	13.3	Neg
Consumer Services	5,380	0.2	8.9	41.1
Media	30,809	0.2	25.6	High
Consumer Discretionary Ret	8,297	0.5	-2.7	24.5
Consumer Staples Ret	10,147	-0.1	4.8	25.1
Food & Beverages	6,258	-0.4	11.6	31.5
Healthcare	13,597	-0.1	13.1	49.3
Pharma & Bio Tech	5,080	-0.7	4.6	46.7
Banks	11,883	0.9	-2.6	13.7
Financial Services	8,283	-0.1	24.6	38.8
Insurance	11,120	-0.4	31.3	30
Telecom	7,568	0.0	-2.0	14.2
Utilities	13,922	-1.3	40.1	31.1
REITs	3,438	-0.2	-6.3	26.7
Real Estate	3,792	0.2	24.4	42.5
Software & Services	77,038	-0.7	12.3	47.1

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for April (bn)
12,367	12,367	12,463	7.92

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.3	210.60	369.30
Previous week	33.1	1,297.00	2,407.10

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	30.00	0.2
Al Rajhi	81.00	1.5
SNB	36.75	1.5
ACWA POWER	399.80	-1.7
ALINMA	32.00	-0.8





## International Market News

- After growing for fifteen consecutive months, the **US service sector** activity unexpectedly contracted to 49.4 in April, from 51.4 in March. The reading was materially below the consensus estimate of 52.0. The services PMI contracted for the first time since December 2022 and also reflected notable slowdown in the pace of business activity growth. (Source: RTT News)
- The **new orders for US** manufactured goods surged by 1.6% M/M in March, in-line with the consensus estimates. The sharp increase in factory orders was led by durable goods, which inched up 2.6% M/M. Whereas the orders for non-durable goods also increased by 0.6%. (Source: Reuters)
- Euro area** jobless rate fell 10bps M/M to 6.0% while the unemployment rate remained unchanged at 6.5%, marking a record low for the fifth month in a row in March. The tight labour market could urge the European Central Bank to remain cautious even as policymakers gear up for an rate cut in June. (Source: RTT News)
- The **Caixin PMI** eased to 52.5 from 52.7 in March, remaining in an expansionary phase for the 16th straight month. China's services activity expansion slowed a touch amid rising costs, but growth in new orders accelerated and business sentiment rose solidly in a boost to hopes of a sustained economic recovery. (Source: CNBC)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.03	0.0	-1.1	3.6
Euro	1.08	0.0	0.9	-2.5
Japanese Yen	153.05	0.0	-3.0	8.5
Sterling Pound	1.25	0.0	0.4	-1.4
Chinese Yuan	7.19	0.0	-0.9	0.9
Indian Rupee	83.43	0.0	-0.0	0.3
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	-0.1	0.1
Omani Rial	0.38	0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	47.92	0.0	0.1	55.0

## Corporate Calendar

Date	Company	Event
6-May	ARAMCO	EGM
6-May	TADAWUL GROUP	Cash Dividend Distribution
7-May	AL RAJHI REIT	Eligibility of Cash Dividend
7-May	LIME INDUSTRIES	EGM
8-May	SAUDI CEMENT	Cash Dividend Distribution
8-May	CLEAN LIFE	Eligibility of Cash Dividend

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,143	0.0	-0.3	2.0	8.0
Abu Dhabi (ADX)	9,037	0.0	-0.3	-5.6	19.7
Kuwait (KSE)	7,667	0.2	-0.3	2.5	18.1
Qatar (QE)	9,690	0.8	-0.4	-10.5	10.9
Oman (MSM)	4,805	0.7	0.4	6.5	12.6
Bahrain (BSE)	2,031	0.1	0.1	3.0	8.0
Egypt (EGX30)	26,114	0.0	6.8	4.9	9.8

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,676	0.0	2.3	2.6	22.4
Nasdaq	17,891	0.0	2.6	6.3	33.0
S&P 500	5,128	0.0	1.8	7.5	24.5
FTSE 100	8,213	0.0	0.9	6.2	14.6
Germany DAX 30	18,002	0.0	0.4	7.5	15.0
France CAC 40	7,958	0.0	-0.3	5.5	14.0
Japan Nikkei 225	38,236	0.0	-0.4	14.3	27.3
Russia MOEX	3,442	0.0	-0.8	11.1	3.9
Hong Kong Hang Seng	18,476	0.0	4.0	8.4	10.4
South Korea KOSPI	2,677	0.0	-0.6	0.8	19.3
China Shanghai Composite	3,105	0.0	0.0	4.4	13.4
Australia ASX 200	7,629	0.0	-0.5	0.5	19.4
India Sensex	73,878	0.0	-0.8	2.3	24.0
MSCI EM	1,061	0.0	1.5	3.7	15.4
MSCI World	3,361	0.0	1.7	6.1	21.3

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	86.04	0.0	-3.8	7.0
Brent Crude (\$/bbl)	82.96	0.0	-5.6	7.7
Texas crude (\$/bbl)	78.11	0.0	-4.7	9.0
Natural Gas (\$/mmbtu)	2.14	0.0	7.6	-15.0
Gold (\$/oz)	2,301.74	0.0	0.7	11.6
Silver (\$/oz)	26.56	0.0	1.0	11.6
Steel (\$/ton)	813.00	0.0	0.0	-28.4
Iron Ore (CNY/MT)	887.50	0.0	0.0	-14.9
Wheat (\$/bu)	622.50	0.0	3.2	-3.6
Corn (\$/bu)	460.25	0.0	3.0	-6.8
Sugar (\$/lb)	19.28	0.0	-0.7	-5.5
SMP* (EUR/MT)	2,353.00	0.0	0.5	-8.7

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.919	4.29	5.7	0.6
KSA (SAIBOR 3M)	6.242	0.32	0.2	1.0
KSA (SAIBOR 6M)	6.254	9.57	17.7	17.8
KSA (SAIBOR 12M)	5.898	0.65	1.8	-9.7
USA (SOFR 3M)	5.328	0.00	-0.1	-0.4
UAE (EIBOR 3M)	5.319	0.00	0.4	-0.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 5, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,373
Short-term view	Profit Booking
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,728.3
Value (SAR mn)	5,264.3
Volume (mn)	210.6
Number of Transactions	369,348
Market Breadth	92 : 129

Key statistics	
1D return %	0.17%
MTD return %	-0.18%
QTD return	-0.23%
YTD return	3.39%
ADT vol. 3M* (mn)	358.5
ADT val. 3M (SARmn)	8,734.8

\*ADT stands for Average Daily Traded

### TASI market commentary

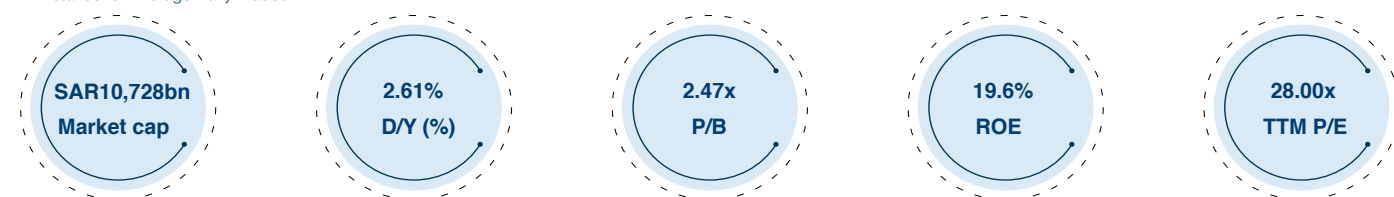
- TASI experienced a rise on Sunday; primarily driven by the performance of the Banks sector (up 0.89%) and the Energy sector (up 0.19%). At close, the Saudi market ended the day with a change of 0.17% at 12,373. In terms of activity, total volumes and value traded were ~211mn and ~SAR 5.3bn, respectively. The advance-decline ratio came in at 92/129.

### Technical outlook

- TASI closed the last session near 12,373, marking a gain of 21 points. Despite the robust start of the session, the profit booking sentiment resurfaced forcing the index to close below the declining trendline as well as its 20-day SMA which is located around 12,465. TASI formed a Shooting Star candlestick, which needs to be confirmed by a subsequent bearish candlestick pattern to indicate a possible further profit booking attitude. Moreover, the RSI indicator is still testing a declining trendline below the 50 level. TASI has an immediate support level around 12,260. If breached, the subsequent support levels would be around 12,185 – 12,100. On the other hand, an immediate resistance level is observed around 12,465. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,625 – 12,735. As TASI continues to encounter the significant resistance zone formed by the previous troughs and the 20-day SMA around 12,370 – 12,465, traders are advised to closely monitor this resistance zone. A decisive close above it could potentially trigger a further buying sentiment in the market.

### Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,100	12,185	12,260	12,370	12,465	12,625	12,735



Source: Bloomberg, Argaam

### TASI daily chart

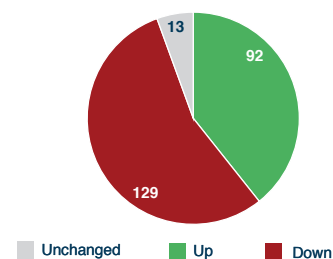


Source: Tradingview, Aljazira Capital

### Our view



### Market depth



### SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
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No stocks recommendations due to market volatility

\* As of 05<sup>th</sup> May 2024

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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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