



Domestic Market News

- KSA** signed contracts for the 2nd phase of Jafurah field development project along with Aramco's 3rd phase of gas network expansion project. With this KSA's gas production to increase by 63% to around 21.3 Bcf by 2030. (Source: Argaam)
- KSA's** merchandise imports fell 1% Y/Y to SAR 60.3bn. Imports of machinery and mechanical appliances accounted for 27% of total imports. Imports were mainly from China, accounting for 22% of total. (Source: Argaam)
- SRMG** signed contract with an advertising and public relations company to provide media and marketing services, with an annual value of SAR 240mn. Contract duration is for 3-years and financial impact is expected from Q2-24. (Source: Tadawul)
- Tihama** again extended the merger completion date to December 31, 2024 for the completion of legal ownership transfer and other regulatory approvals. (Source: Tadawul)
- Jadwa REIT** signed an agreement to sell Al Yaum Tower in Dammam, for SAR 190mn. This sale will provide flexibility for the fund and its financial position. It will have a long-term impact on the performance. (Source: Argaam)
- Saudi Top** signed a 36-month MoU with Voluntary Carbon Market, to promote expansion of the voluntary carbon market and advance climate action in the MENA region while contributing to climate action in KSA by compensating for emissions with carbon credits. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** decreased by 0.4% to 11,679.5. The value traded stood at SAR 5.3bn (down 19.7% over the previous day), while the advance-decline ratio stood at 102/119. The parallel market index decreased 0.6% to 26,145.8 points. The value traded stood at SAR 38.0mn (down 1.9% over the previous day). Most of the sectors in the main market ended in red. Consumer Durables and Transportation (up 1.5% and 1.2%, respectively) advanced the most, while Insurance and Banks (down 2.3% and 1.2%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
TALCO	57.60	9.9
MODERN MILLS	49.95	9.9
MIAHONA	28.45	8.4
ASTRA INDUSTRIAL	166.20	6.4
SMASCO	8.80	4.5

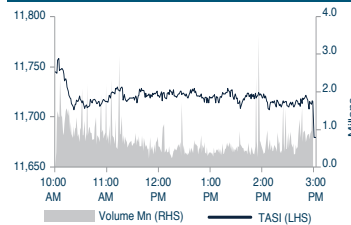
Top Losers

Company	Price	Change%
SASCO	52.60	-5.7
RAYDAN	29.15	-4.7
BUPA ARABIA	246.80	-4.0
ALSAGR INSURANCE	17.82	-3.9
ATHEEB TELECOM	89.00	-3.8

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,680	11,759	11,680	(0.4)	(3.0)
NomuC	26,146	26,431	25,905	(0.6)	6.6

TASI movement during session



TASI Ratios

P/E* (x)	26.2
Price-to-Book (x)	2.3
Dividend Yield (%)	2.8
Return on Equity (%)	19.1

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,277	0.7	-15.3	15.7
Materials	5,747	0.4	-10.1	High
Capital Goods	12,565	0.4	24.6	27.8
Commercial Service	5,114	0.4	-8.3	37.2
Transportation	7,836	1.2	23.4	37.9
Consumer Durables	5,351	1.5	7.4	Neg
Consumer Services	5,148	-0.3	3.4	38.8
Media	27,634	0.7	12.5	46.9
Consumer Discretionary Ret	7,401	-0.7	-14.1	22
Consumer Staples Ret	9,235	0.1	-5.5	22.1
Food & Beverages	6,028	-1.0	7.1	29.9
Healthcare	12,980	-0.5	6.2	45.8
Pharma & Bio Tech	4,714	0.4	-3.1	44.5
Banks	11,498	-1.2	-6.4	13
Financial Services	7,770	-0.8	15.4	33
Insurance	10,939	-2.3	27.3	26.8
Telecom	7,572	-0.2	-2.5	14.8
Utilities	12,480	-0.5	25.7	27.1
REITs	3,239	-1.0	-11.6	25.2
Real Estate	3,329	-1.0	8.9	39.4
Software & Services	69,976	-0.4	2.0	40.7

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for June (bn)
11,699	11,700	11,685	10.65

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.3	229.60	463.90
Previous week	33.1	1,347.00	2,548.90

Top Weighted Companies

Company	Price	Change%
Al Rajhi	80.00	-1.8
Saudi Aramco	27.90	0.7
SNB	36.25	-1.2
ACWA POWER	352.00	-0.6
ALINMA	31.10	0.0





International Market News

- **US consumer sentiment index** for June was upwardly revised to 68.2 from the preliminary reading of 65.6, but it was still lower than the May levels. The current economic conditions index slumped to 65.9 in June from 69.6 in May, while the index of consumer expectations rose to 69.6 in June from 68.8 in May. (Source: RTT News)
- **UK GDP** grew 0.7% Q/Q in Q1, recovering more than initially estimated. With this, UK has now come out of a technical recession. There were increases in the volume of net trade and household spending, partially offset by falls in gross capital formation and government consumption. (Source: Reuters)
- **Eurozone's** broad monetary aggregate M3 increased 1.6% Y/Y in May, after rising 1.3% in April. This was the fastest growth since March 2023. The annual fall in the narrower monetary aggregate M1, slowed to 4.9% from 5.9% in April. (Source: RTT News)
- **Japan's real GDP** shrank an 2.9% Y/Y in Q1, down from an earlier estimate of a 1.8% contraction. This downward revision can likely lead to a cut to BoJ's growth forecasts and could affect the timing of its next interest rate hike. (Source: Reuters)
- **Japan's manufacturing PMI** score was down to 50.0 in June, from 50.4 in May. new orders fell for the 13th successive month in June, but the pace of reduction was marginal. (Source: Reuters)

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.87	0.0	0.0	4.5
Euro	1.07	0.0	0.0	-3.0
Japanese Yen	160.88	0.0	0.0	14.1
Sterling Pound	1.26	0.0	0.0	-0.7
Chinese Yuan	7.30	0.0	0.0	2.4
Indian Rupee	83.39	0.0	0.0	0.2
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	-0.2
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	48.03	0.0	0.0	55.4

Corporate Calendar

Date	Company	Event
1-Jul	BAHRI	Cash Dividend Distribution
1-Jul	SASCO	Cash Dividend Distribution
3-Jul	IOUD	EGM
3-Jul	MAYAR	EGM
3-Jul	AME	Cash Dividend Distribution
4-Jul	NCLE	EGM

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

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,030	0.0	0.0	-0.7	7.9
Abu Dhabi (ADX)	9,061	0.0	0.0	-5.4	18.2
Kuwait (KSE)	7,544	-0.4	0.0	0.9	21.1
Qatar (QE)	9,968	0.1	0.0	-8.0	11.2
Oman (MSM)	4,687	-0.0	0.0	3.8	12.5
Bahrain (BSE)	2,025	-0.3	0.0	2.7	8.5
Egypt (EGX30)	27,766	0.0	0.0	11.5	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,119	0.0	0.0	3.8	22.4
Nasdaq	19,683	0.0	0.0	17.0	34.7
S&P 500	5,460	0.0	0.0	14.5	25.6
FTSE 100	8,164	0.0	0.0	5.6	14.6
Germany DAX 30	18,235	0.0	0.0	8.9	16.1
France CAC 40	7,479	0.0	0.0	-0.8	13.0
Japan Nikkei 225	39,583	0.0	0.0	18.3	25.4
Russia MOEX	3,123	0.0	0.0	0.8	4.5
Hong Kong Hang Seng	17,719	0.0	0.0	3.9	9.9
South Korea KOSPI	2,798	0.0	0.0	5.4	16.5
China Shanghai Composite	2,967	0.0	0.0	-0.3	14.0
Australia ASX 200	7,767	0.0	0.0	2.3	19.6
India Sensex	79,033	0.0	0.0	9.4	24.6
MSCI EM	1,086	0.0	0.0	6.1	15.7
MSCI World	3,512	0.0	0.0	10.8	22.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	88.06	0.0	0.0	9.5
Brent Crude (\$/bbl)	86.41	0.0	0.0	12.2
Texas crude (\$/bbl)	81.54	0.0	0.0	13.8
Natural Gas (\$/mmbtu)	2.60	0.0	0.0	-3.6
Gold (\$/oz)	2,326.75	0.0	0.0	12.8
Silver (\$/oz)	29.14	0.0	0.0	22.5
Steel (\$/ton)	674.00	0.0	0.0	-40.6
Iron Ore (CNY/MT)	828.00	0.0	0.0	-20.6
Wheat (\$/bu)	573.50	0.0	0.0	-12.6
Corn (\$/bu)	420.75	0.0	0.0	-16.4
Sugar (\$/lb)	20.30	0.0	0.0	-1.1
SMP* (EUR/MT)	2,424.00	0.0	0.0	-5.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.85	-1.8	0.0	-6.4
KSA (SAIBOR 3M)	6.23	-0.2	0.0	-0.2
KSA (SAIBOR 6M)	6.01	-1.6	0.0	-6.4
KSA (SAIBOR 12M)	5.87	-0.7	0.0	-12.5
USA (SOFR 3M)	5.32	0.0	0.0	-0.7
UAE (EIBOR 3M)	5.30	0.0	0.0	-3.0

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of June 30, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,680
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	10,055.7
Value (SAR mn)	5,314.6
Volume (mn)	229.6
Number of Transactions	463,943
Market Breadth	102 : 119

Key statistics

1D return %	-0.43%
MTD return %	1.53%
QTD return	-5.82%
YTD return	-2.41%
ADT vol. 3M* (mn)	323.5
ADT val. 3M (SARmn)	8,157.7

*ADT stands for Average Daily Traded

TASI market commentary

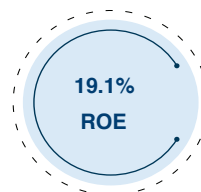
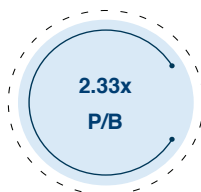
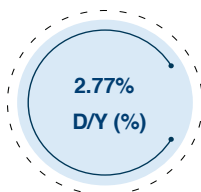
- TASI experienced a decline on Sunday; primarily driven by the performance of the Banks sector (down 1.23%) and the Telecommunication services sector (down 0.16%). At close, the Saudi market ended the day with a change of -0.43% at 11,680. In terms of activity, total volumes and value traded were ~230mn and ~SAR 5.3bn, respectively. The advance-decline ratio came in at 102/119.

Technical outlook

- TASI closed the last session near 11,680, registering a loss of 50 points. The index witnessed a sixth session of the series of lateral fluctuations in a narrow range around its important short-term moving averages. TASI formed a red candlestick reflecting a profit booking attitude after testing the 20-day EMA around 11,760. Penetrating this level is still required to open the path towards the 200-day EMA around 11,900. Additionally, the RSI indicator remains moving laterally below the 50 level. TASI has an immediate support level of around 11,640. If breached, the subsequent support levels would be around 11,570 – 11,440. On the other hand, an immediate resistance level is observed around 11,760. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,900 – 12,000. TASI is still hovering within the prevailing short-term sideways action, between the 200-day EMA around 11,900 and the previous bottom near 11,440, in light of this traders are advised to keep trading cautiously as long as the index continues to trade below the resistance of around 11,900.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,440	11,570	11,640	11,710	11,760	11,900	12,000



Source: Bloomberg, Argam

TASI daily chart

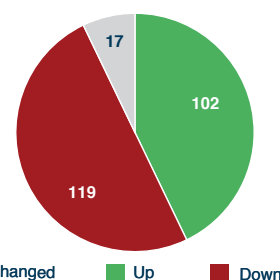


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4014	Equipment House	51.40	51.30 – 51.40	51.90 – 52.4	50.80
2190	Saudi Industrial Services	38.10	38.00 – 38.10	38.50 – 39.10	37.65
7010	STC	38.10	38.00 – 38.10	38.45 – 38.85	37.65
8311	Enaya	15.82	15.78 – 15.82	15.96 – 16.14	15.62
2060	Tasnee	11.56	11.54 – 11.56	11.66 – 11.80	11.42
2223	Luberef	132.60	132.20 – 132.60	133.80 – 135.20	131.00

*As of 30th June 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

EQUIPMENT HOUSE has just penetrated its 50-day SMA as well as the level of the previous peak after penetrating a declining trendline. Moreover, all the technical indicators show bullish structure.

Scientific and Medical Equipment House Co. (EQUIPMENT HOUSE)



Source: Tradingview, Aljazira Capital

Technical observations

SISCO started to bounce off the level of the prior peak as well as previously penetrated a declining trendline. Moreover, all the technical indicators show bullish structure.

Saudi Industrial Services Co. (SISCO)



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.

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Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068