



## Major Economic News

- Saudi Arabia will extend its **voluntary cut** of 1.0 mbpd, which was implemented in July 2023, until the end of Q2-24 in coordination with some OPEC+ participating countries. Therefore, the Kingdom's production will be ~9.0 mbpd until the end of June 2024. (Source: Argaam)
- Saudi Arabia's non-oil exports** fell 1.0% Y/Y to around SAR 71.1bn in Q4-23. Non-oil exports accounted for 24.0% of the Kingdom's total exports in Q4-23. (Source: Argaam)

## Major Corporate News

- SABIC Agri-Nutrients Co.** extended the MoU with Saudi Agricultural and Livestock Investment Co. for two years from the expiration date of the first MoU. (Source: Tadawul)
- First Milling Co.** started the commercial operation of its new mill located in its factory in Jeddah (durum mill for wheat production). The new mill will contribute to the diversification of product portfolios. (Source: Tadawul)
- Seera Group Holding** announced its agreement with PIF to terminate the non-binding terms document regarding PIF's proposed investment in the company's wholly owned subsidiary Almosafer Co. The termination was due to the inability to reach an agreement between the two parties regarding the deal. (Source: Tadawul)

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

Company	Q4-23	Q4-22	Y/Y %	Q3-23	Q/Q %
SAL	180.6	113.0	59.9	116.0	55.7
Sipchem	158.7	479.0	-66.9	233.1	-31.9
Alakaria	156.9	82.6	90.0	-15.6	NM

\* NM indicates Not Meaningful

## Market Analysis

The **Saudi Stock Exchange** decreased 0.6% to 12,555.2. The value traded stood at SAR 8.2bn (down 36.6% over the previous day), while the advance-decline ratio stood at 82/134. The parallel market index increased 2.1% to 26,962.4 points. The value traded stood at SAR 35.3mn (down 31.4% over the previous day). Most sectors in the main market ended in the green. Media and Commercial Service (up 2.5% and 2.1%, respectively) advanced the most, while Real Estate and Banks (down 1.3% and 1.2%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
ALRAJHI TAKAFUL	93.10	9.9
SSP	54.00	9.9
AVALON PHARMA	193.40	7.6
ALDREES	191.40	6.1
MAHARAH	7.73	5.9

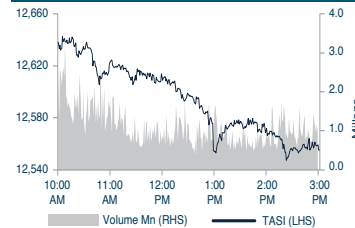
## Top Losers

Company	Price	Change%
ZAIN KSA	13.96	-6.3
AMIANIT	26.90	-4.3
HCC	11.64	-4.1
SAPTCO	20.12	-3.1
CHEMICAL	5.18	-3.0

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,555	12,645	12,546	(0.6)	4.9
NomuC	26,962	27,167	26,357	2.1	9.9

## TASI movement during session



## TASI Ratios

P/E* (x)	28.3
Price-to-Book (x)	2.5
Dividend Yield (%)	2.5
Return on Equity (%)	20.3

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,965	-0.4	-4.1	16.5
Materials	6,160	-0.5	-3.0	High
Capital Goods	12,339	1.3	24.3	41.3
Commercial Service	5,796	2.1	4.2	37.1
Transportation	7,510	1.3	18.5	45.7
Consumer Durables	5,534	0.3	10.2	Neg
Consumer Services	5,863	0.1	18.7	41.4
Media	33,188	2.5	35.3	High
Consumer Discretionary Ret	8,999	0.0	5.5	29.2
Consumer Staples Ret	10,465	0.3	8.1	27.2
Food & Beverages	6,619	0.9	18.0	34.1
Healthcare	13,841	-1.1	15.1	High
Pharma & Bio Tech	5,488	1.2	13.0	High
Banks	12,766	-1.2	4.6	15
Financial Services	7,830	1.1	17.7	35.5
Insurance	9,874	0.2	16.5	26.4
Telecom	8,300	-1.1	7.5	15.6
Utilities	10,448	-0.6	5.1	20.7
REITs	3,616	-0.6	-1.4	High
Real Estate	3,418	-1.3	12.1	High
Software & Services	84,473	-0.2	23.2	High

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,586	12,587	12,407	8.2

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	46.1	2,317.30	2,793.30
Previous week	46.5	1,860.50	2,810.20

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.55	-0.5
Al Rajhi	87.70	-1.5
SNB	41.85	-1.2
SABIC	78.20	-0.8
STC	42.05	-0.9



## International Market News

- **US consumer prices**, tracked by PCE price index, rose by 0.3% in January (in line with consensus) after inching up by a revised 0.1% in December. Excluding food and energy prices, core consumer prices increased 0.4% in January (in line with consensus) compared to a revised 0.1% in December. (Source: CNBC, RTT News)
- **US initial jobless claims** increased to 215,000 (consensus: 210,000) in the week ended February 24, representing a rise of 13,000 from the previous week's revised level of 202,000. (Source: RTT News)
- **Construction spending in the US** fell 0.2% to an annual rate of USD 2.102tn in January (consensus a rise of 0.2%) after increasing by 1.1% to a revised rate of USD 2.106tn in December (Source: RTT News)
- **The US consumer sentiment index** for February was downwardly revised to 76.9 (consensus: 79.6) from the previously reported 79.6. With the unexpected downward revision, the consumer sentiment index is now below the January reading of 79.0. (Source: RTT News)
- **Eurozone manufacturing PMI** fell slightly to 46.5 in February (consensus: 46.1) from a 10-month high of 46.6 in January. This was the second-slowest deterioration in manufacturing conditions since March 2023. (Source: RTT News)
- **China's Caixin manufacturing PMI** inched up to 50.9 in February from 50.8 in the previous month. A slightly quicker rise in manufacturing production was seen across China during February. (Source: RTT News)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.86	0.0	-0.3	2.5
Euro	1.08	0.0	0.3	-1.8
Japanese Yen	150.12	0.0	0.1	6.4
Sterling Pound	1.27	0.0	0.2	-0.6
Chinese Yuan	7.21	0.0	0.0	1.2
Indian Rupee	82.91	0.0	-0.0	-0.4
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	0.0	0.2
Omani Rial	0.38	0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.88	0.0	-0.0	-0.1

## Corporate Calendar

Date	Company	Event
4-Mar	CITY CEMENT	Cash Dividend Distribution
4-Mar	SABIC	Cash Dividend Distribution
4-Mar	SULAIMAN HABIB	Cash Dividend Distribution
5-Mar	MODERN MILLS	Start of IPO
6-Mar	TAKWEEN	Start of IPO
6-Mar	TAQAT MINERAL	Start of IPO

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,357	0.0	1.1	7.3	9.0
Abu Dhabi (ADX)	9,279	0.0	0.3	-3.1	20.0
Kuwait (KSE)	8,156	-0.0	-0.0	9.1	17.4
Qatar (QE)	10,475	0.0	0.0	-3.3	12.1
Oman (MSM)	4,620	1.4	1.4	2.3	12.5
Bahrain (BSE)	2,009	0.2	0.2	1.9	7.4
Egypt (EGX30)	29,058	0.3	0.3	16.7	14.0

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,087	0.0	0.2	3.7	22.4
Nasdaq	18,303	0.0	1.4	8.8	35.7
S&P 500	5,137	0.0	0.8	7.7	24.6
FTSE 100	7,683	0.0	0.7	-0.7	10.4
Germany DAX 30	17,735	0.0	0.3	5.9	15.3
France CAC 40	7,934	0.0	0.1	5.2	14.2
Japan Nikkei 225	39,911	0.0	1.9	19.3	28.7
Russia MOEX	3,267	0.0	0.3	5.4	3.0
Hong Kong Hang Seng	16,589	0.0	0.5	-2.7	8.7
South Korea KOSPI	2,642	0.0	0.0	-0.5	18.3
China Shanghai Composite	3,027	0.0	0.4	1.8	13.9
Australia ASX 200	7,746	0.0	0.6	2.0	19.6
India Sensex	73,745	0.0	1.7	2.1	23.4
MSCI EM	1,025	0.0	0.4	0.1	15.3
MSCI World	3,364	0.0	0.8	6.1	21.0

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	83.9	0.0	1.8	4.3
Brent Crude (\$/bbl)	83.6	0.0	-0.1	8.5
Texas crude (\$/bbl)	80.0	0.0	2.2	11.6
Natural Gas (\$/mmbtu)	1.8	0.0	-1.3	-20.4
Gold (\$/oz)	2,082.9	0.0	1.9	1.0
Silver (\$/oz)	23.1	0.0	2.0	-2.8
Steel (\$/ton)	790.0	0.0	-0.6	-30.4
Iron Ore (CNY/MT)	961.5	0.0	-0.3	-7.8
Wheat (\$/bu)	557.8	0.0	-3.2	-12.8
Corn (\$/bu)	424.8	0.0	-1.1	-12.2
Sugar (\$/lb)	21.1	0.0	-2.8	3.3
SMP* (EUR/MT)	2,500.0	0.0	0.0	-3.0

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.870	-1.78	-1.8	-4.4
KSA (SAIBOR 3M)	6.230	0.08	0.1	-0.2
KSA (SAIBOR 6M)	6.087	0.88	0.9	1.2
KSA (SAIBOR 12M)	5.915	-1.93	-1.9	-7.9
USA (SOFR 3M)	5.331	0.00	-0.2	-0.0
UAE (EIBOR 3M)	5.240	0.00	-4.7	-8.7

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of March 3, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,555
<b>Short-term view</b>	Profit Booking
52 weeks high/low	12,669 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	11,110.4
Value (SAR mn)	8,196.8
Volume (mn)	346.8
Number of Transactions	543,242
Market Breadth	82 : 134

Key statistics	
1D return %	-0.60%
MTD return %	-0.60%
QTD return	4.91%
YTD return	4.91%
ADT vol. 3M* (mn)	329.6
ADT val. 3M (SARmn)	8,149.3

\*ADT stands for Average Daily Traded

### TASI market commentary

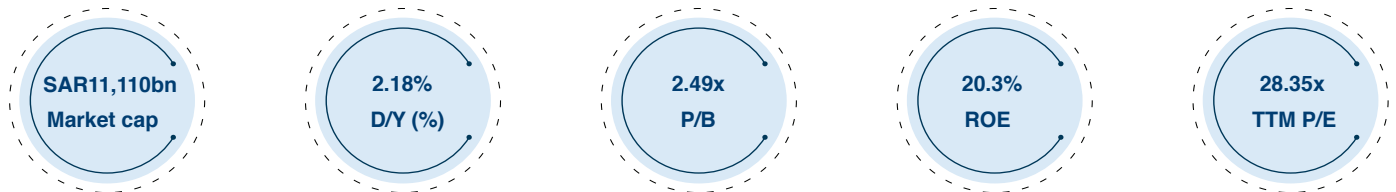
- TASI experienced a decline on Sunday; primarily driven by the performance of the Banks sector (down 1.23%), the Telecommunication services sector (down 1.06%). At close, the Saudi market ended the day with a change of -0.60% at 12,555. In terms of activity, total volumes and value traded were ~347mn and ~SAR 8.2bn, respectively. The advance-decline ratio came in at 82/134.

### Technical outlook

- TASI closed the last session near 12,555, registering a loss of 76 points. The market witnessed a resurgence of profit-booking sentiment, causing the index to decline and close below both the 5-day and 10-day SMAs, which were situated around 12,590. Notably, TASI formed a Bearish Engulfing candlestick pattern following the appearance of a Shooting Star candlestick, indicating a potential continuation of the current temporary profit-booking sentiment. This could drive the index to test its 20-day SMA, located around 12,400. Moreover, the RSI indicator started to move downward, heading to the lower boundary of a declining channel, indicating a possible further near-term profit-booking action. TASI has an immediate support level near 12,500. If breached, the subsequent support levels would be around 12,400 - 12,280. On the other hand, an immediate resistance level is observed near 12,700. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,970 - 13,175. Traders are advised to closely monitor the significant support zone of around 12,500 - 12,400, as a decisive close below it would generate further profit-booking attitudes in the market.

### Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,280	12,400	12,500	12,600	12,700	12,970	13,175



Source: Bloomberg, Argaam

### TASI daily chart

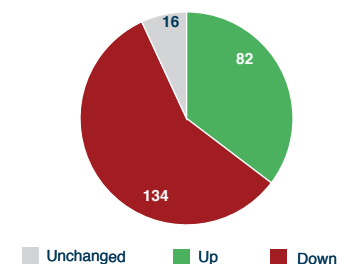


Source: Tradingview, Aljazira Capital

### Our view



### Market depth



### SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
------	---------	--------	-----------	------------	----------	-----------

No stocks recommendations due to market volatility

\* As of 03<sup>rd</sup> Mar 2024



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.