



### Domestic Market News

- **KSA** jumped to 4th position in the UN e-government development index in 2024. Additionally, it secured the 7th position in the e-participation index, while city of Riyadh ranked third among 193 cities worldwide. (Source: Argaam)
- **Saudi Cabinet** approved guiding model for MoU between SFDA and counterpart agencies in other countries for cooperating in areas of specialization. (Source: Argaam)
- **AWPT** signed SAR 219.9mn contract with National Water Company for expansion of tertiary treatment plant in Dammam with a capacity of 125,00 m3/day. Financial impact to be seen during Q1-25. (Source: Tadawul)
- **Red Sea** signed SAR 1.5bn contract with Modern Building Leaders for the supply, installation, testing and commissioning of infrastructure works. The financial impact to be seen during Q3-24. (Source: Tadawul)
- **SABIC** sold its 292.8mn shares worth SAR 3.6bn to 3.9bn, held in ALBA, to Maaden. This is in line with the company's priority of optimizing its portfolio and focusing on its core business. (Source: Tadawul)
- **Saudi Top** signed a contract with SABIC to purchase polycarbonate waste for 3 years. This contract will increase the quantities sold by 9,600 tons annually and is likely to increase revenues by SAR 45mn annually, starting from Q4-24. (Source: Tadawul)
- **Catrion** signed credit facility agreement worth SAR 425mn with Saudi Awwal Bank, for financing the execution cost of the Red Sea Central laundry project, through its wholly owned subsidiary. (Source: Tadawul)

### Market Analysis

The **Saudi Stock Exchange** increased 0.2% to 11,885.7. The value traded stood at SAR 5.7bn (up 5.4% over the previous day), while advance-decline ratio stood at 131/97. The parallel market index decreased 0.5% to 25,616.9 points. The value traded stood at SAR 31.7mn (down 3.2% over the previous day). Most of the sectors in the main market ended in green. Consumer Durables and Media (up 1.5% and 1.3%, respectively), while Software & Services and Food & Beverages (down 1.0% and 0.4%, respectively) declined the most.

#### Top Gainers

Company	Price	Change%
NASEEJ	71.00	9.6
MAADEN	41.95	6.6
RASAN	63.20	4.6
TECO	0.93	4.5
RETAL	14.24	3.9

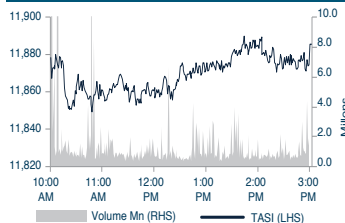
#### Top Losers

Company	Price	Change%
ALBAHA	0.17	-5.6
SAICO	17.22	-3.3
SAUDI CABLE	81.90	-2.5
CHEMANOL	16.80	-2.3
NADEC	28.35	-2.2

### Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,886	11,891	11,845	0.2	(1.3)
NomuC	25,617	25,785	25,498	(0.5)	4.4

#### TASI movement during session



#### TASI Ratios

P/E* (x)	25.7
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	5,149	-0.2	-17.4	15.4
Materials	5,574	1.2	-12.8	High
Capital Goods	12,977	0.3	28.7	26.5
Commercial Service	5,036	0.2	-9.7	38.8
Transportation	7,480	0.7	17.8	34.8
Consumer Durables	5,248	1.5	5.4	Neg
Consumer Services	5,133	0.1	3.1	40.7
Media	31,332	1.3	27.6	47.9
Consumer Discretionary Ret	7,954	1.2	-7.7	22.5
Consumer Staples Ret	9,471	0.4	-3.1	23.8
Food & Beverages	6,113	-0.4	8.6	30.1
Healthcare	12,747	0.0	4.3	42.4
Pharma & Bio Tech	5,568	0.1	14.4	47.6
Banks	11,705	-0.3	-4.7	12.7
Financial Services	7,750	0.0	15.1	29.8
Insurance	10,819	0.2	25.9	26
Telecom	8,051	0.0	3.6	15.6
Utilities	13,853	1.1	39.6	28.8
REITs	3,335	1.1	-9.0	27.6
Real Estate	3,687	0.9	20.6	44.9
Software & Services	78,055	-1.0	13.8	41.1

### Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for September (bn)
11,852	11,942	12,065	6.36

### Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	15.3	1,228.60	1,396.00
Previous week	30.6	2,331.40	2,460.60

### Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.20	-0.2
Al Rajhi	87.80	-1.0
SNB	34.30	0.6
ACWA POWER	401.20	1.6
ALINMA	29.20	-0.8





## International Market News

- US** business inventories rose by 0.4% in July, following a 0.3% rise in June, slightly exceeding economists' expectations of a 0.3% rise. The retail inventories were the key driver for the growth, as it grew by 0.8% in July, continuing its growth trend. (Source: Reuters)
- US** industrial production rose by 0.8% in August, after slumping 0.9% in July. The reading was materially ahead of the economist expectations of a 0.2% rise. The rebound in industrial production was led by a sharp 0.9% rise in manufacturing output, which had fallen 0.7% in July. (Source: RTT News)
- US** retail sales unexpectedly rose by 0.1% in August, after surging 1.1% in July. The economists had expected the retail sales to dip by 0.2%. The decline in receipts at auto dealerships was more than offset by strength in online purchases, suggesting that the economy remained on solid footing through much of Q3-24. (Source: Reuters)
- The **US** homebuilder confidence index rose to 41 in September, up from 39 in August, breaking a four-month decline and rebounding from its lowest levels since December 2023. Builders are optimistic about the future, driven by lower interest rates. (Source: CNBC)
- Japan's** exports rose 5.6% in August, up for a ninth straight month, meanwhile the imports grew 2.3%. As a result the trade balance stood at a deficit of USD 4.9bn, compared to the forecast of a shortfall of USD 9.8bn. (Source: Reuters)
- Oil prices** gained 1.4% as supply disruptions mounted with traders betting the demand to grow only if Fed lowers borrowing costs.
- Gold prices** fell 0.5% ahead of Fed's decision on interest rate cuts.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	100.89	0.1	-0.8	-0.4
Euro	1.11	-0.2	0.6	0.7
Japanese Yen	142.41	1.3	-2.6	1.0
Sterling Pound	1.32	-0.4	0.3	3.4
Chinese Yuan	7.11	0.2	0.3	-0.2
Indian Rupee	83.76	-0.2	-0.1	0.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	-0.0	0.0	0.0
Kuwaiti Dinar	0.30	-0.0	-0.2	-0.8
Omani Rial	0.38	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	48.42	-0.0	-0.4	56.6

## Corporate Calendar

Date	Company	Event
18-Sep	ATHEEB TELECOM	Eligibility of Cash Dividend
18-Sep	NAHDI	EGM
18-Sep	SAUDI TOP	Cash Dividend Distribution
18-Sep	ASG	Cash Dividend Distribution
19-Sep	YAQEEN	EGM
19-Sep	ETIHAD ETISALAT	Eligibility of Cash Dividend

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,395	-0.0	1.6	8.3	8.5
Abu Dhabi (ADX)	9,428	0.4	1.5	-1.6	17.1
Kuwait (KSE)	7,743	-0.2	-1.0	3.6	22.7
Qatar (QE)	10,405	-0.4	2.0	-3.9	11.5
Oman (MSM)	4,713	-0.4	-0.7	4.4	12.1
Bahrain (BSE)	2,018	3.8	3.1	2.4	7.9
Egypt (EGX30)	30,159	-0.3	-2.0	21.1	7.5

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	41,606	-0.0	0.1	10.4	22.6
Nasdaq	19,432	0.0	-0.7	15.5	33.1
S&P 500	5,635	0.0	-0.2	18.1	25.7
FTSE 100	8,310	0.4	-0.8	7.5	14.7
Germany DAX 30	18,726	0.5	-1.0	11.8	15.4
France CAC 40	7,487	0.5	-1.9	-0.7	13.8
Japan Nikkei 225	36,203	-1.0	-6.3	8.2	21.7
Brazil IBOVESPA	134,960	-0.1	-0.8	0.6	10.2
Hong Kong Hang Seng	17,660	1.4	-1.8	3.6	9.4
South Korea KOSPI	2,575	0.0	-3.7	-3.0	13.3
China Shanghai Composite	2,704	0.0	-4.9	-9.1	13.0
Australia ASX 200	8,141	0.2	0.6	7.2	20.8
India Sensex	83,080	0.1	0.9	15.0	25.3
MSCI EM	1,091	0.4	-0.9	6.5	15.1
MSCI World	3,641	-0.0	-0.6	14.9	22.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.16	0.9	-5.3	-6.5
Brent Crude (\$/bbl)	73.70	1.3	-6.5	-4.3
Texas crude (\$/bbl)	71.19	1.6	-3.2	-0.6
Natural Gas (\$/mmbtu)	2.32	-2.1	9.3	-15.2
Gold (\$/oz)	2,569.50	-0.5	2.6	24.6
Silver (\$/oz)	30.70	-0.1	6.4	29.0
Steel (\$/ton)	700.00	0.3	-2.0	-38.3
Iron Ore (CNY/MT)	752.00	3.1	-3.1	-27.9
Wheat (\$/bu)	575.75	-0.5	4.4	-13.9
Corn (\$/bu)	412.50	0.4	2.9	-18.1
Sugar (\$/lb)	20.37	4.0	3.6	-1.6
SMP* (EUR/MT)	2,600.00	1.0	5.3	0.9

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.75	0.2	-27.1	-16.2
KSA (SAIBOR 3M)	5.84	-4.3	-23.0	-39.7
KSA (SAIBOR 6M)	5.63	-1.2	-20.6	-44.2
KSA (SAIBOR 12M)	5.58	-2.6	3.5	-41.0
USA (SOFR 3M)	4.82	-4.4	-19.7	-51.2
UAE (EIBOR 3M)	4.86	-1.3	-19.3	-47.0

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Sept 17, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,886
Short-term view	Neutral
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	9,975.7
Value (SAR mn)	5,716.5
Volume (mn)	432.5
Number of Transactions	507,514
Market Breadth	131 : 97

Key statistics	
1D return %	0.15%
MTD return %	-2.14%
QTD return	1.77%
YTD return	-0.68%
ADT vol. 3M* (mn)	321.5
ADT val. 3M (SARmn)	6,785.8

\*ADT stands for Average Daily Traded

## TASI market commentary

- TASI experienced a rise on Tuesday; primarily driven by the performance of the Materials sector (up 1.21%) and the Telecommunication services sector (up 0.02%). At close, the Saudi market ended the day with a change of 0.15% at 11,886. In terms of activity, total volumes and value traded were ~433mn and ~SAR 5.7bn, respectively. The advance-decline ratio came in at 131/97.

## Technical outlook

- TASI closed the last session near 11,886, marking an increase of 18 points. The index experienced a coiled session which fluctuated within the range of the previous session. TASI continued hovering below the significant resistance area near the 200-day and 10-day EMAs around 11,920 – 11,940, forming a small-bodied green candlestick, which indicates a balanced situation between market participants in the near term. Additionally, the RSI continued moving laterally above an upward trendline. TASI has an immediate resistance level of around 11,940. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,000 – 12,075. On the other hand, an immediate support level is observed around 11,825. If breached, the subsequent support levels would be around 11,700 – 11,500. Traders should monitor closely the critical resistance level of around 11,940. Surpassing this level is essential to indicate market stability; otherwise, the short-term pressure may persist as long as the index stays below it.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,320	11,500	11,700	11,825	11,940	12,000	12,075



Source: Bloomberg, Argaam

## TASI daily chart

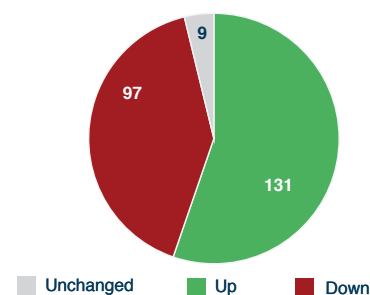


Source: Tradingview, Aljazira Capital

## Our view



## Market depth





## SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
2230	CHEMICAL	11.30	11.28 – 11.30	11.40 – 11.52	11.16
1303	Electrical Industries Company	6.70	6.68 – 6.70	6.76 – 6.83	6.61
4143	TALCO	59.70	59.60 – 59.70	60.20 – 60.90	58.90
6001	Halwani Bros.	65.80	65.60 – 65.80	66.40 – 67.10	65.00
2190	Saudi Industrial Services	30.70	30.60 – 30.70	31.00 – 31.30	30.30
7040	Atheeb Telecom	87.00	86.80 – 87.00	87.80 – 88.70	85.90
1321	East Pipes	148.00	147.60 – 148.00	149.20 – 151.00	146.20

\*As of 17<sup>th</sup> September 2024

\* Note – Stop loss is based on an intraday basis

## CHARTS OF THE DAY

## Technical observations

**CHEMICAL** has formed a Bullish Engulfing candlestick which bounced off a rising trendline. Moreover, all the technical indicators show bullish structure.

## Saudi Chemical Co. (CHEMICAL)



Source: Tradingview, Aljazira Capital

## Technical observations

**EIC** has formed a Tasuki Line candlestick and started to bounce off a rising trendline as well as its 50-day SMA. Moreover, all the technical indicators show bullish structure.

## Electrical Industries Company (EIC)



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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