



## Domestic Market News

- **KSA's** Ministry of Commerce issued 40,700 commercial registers in Q2-24, up 17.5% Y/Y. Riyadh, Makkah and the Eastern Province accounted for the largest number of issued registers with nearly 16,500, 10,300, and 6,500, respectively. (Source: Argaam)
- **Saudi** bank loans granted to non-financial government institutions and the private sector rose 11% Y/Y to SAR 2.8tn in May 2024. Private sector lending also increased 11% Y/Y to SAR 2.7tn. (Source: Argaam)
- **Elm** announced the resignation of Dr. Abdulrahman Saad AlJadhari from the position of CEO. The board appointed Mr. Mohammad Abdulaziz Alomair as the CEO of the Company, effective from 01 October. (Source: Tadawul)
- **2P** signed contract with Prince Muhammad bin Abdul-Aziz Hospital in Riyadh, for computer operation and maintenance project. The total value of the contract is SAR 51.7mn, with a duration of 36 months. The financial impact will be reflected over FY24-27. (Source: Tadawul)
- **BinDawood** signed a non-binding MoU with Regional Group Company in Qatar to grant commercial franchise rights to open 8 branches under "BinDawood" brand in Qatar. Positive financial impact is expected after signing the final agreement. (Source: Tadawul)
- **Dar Almarkabah** signed a car rental services contract with the Ministry of Investment, for providing cars through long-term and short-term rentals for a period of four years. The total contract value is SAR 24mn. (Source: Tadawul)

## Market Analysis

The **Saudi Stock Exchange** decreased by 0.1% to 11,595.2. The value traded stood at SAR 5.0bn (down 21.8% over the previous day), while the advance-decline ratio stood at 65/161. The parallel market index decreased 1.4% to 25,745.1 points. The value traded stood at SAR 24.7mn (down 25.0% over the previous day). Most of the sectors in the main market ended in red. Diversified Financials and Capital Goods (up 1.3% and 1.2%, respectively) advanced the most, while Media and Consumer Durables (down 1.6% and 1.0%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
ALBAHA	0.13	8.3
GIG	32.40	4.5
ALAMAR	82.20	4.2
LIVA	20.00	4.1
EIC	6.49	3.7

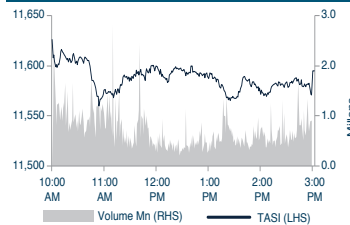
## Top Losers

Company	Price	Change%
RASAN	61.20	-5.3
ANAAM HOLDING	1.12	-3.5
ADES	20.22	-3.2
RED SEA	27.35	-3.0
BATIC	3.35	-2.9

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,595	11,626	11,558	(0.1)	(3.7)
NomuC	25,745	26,132	25,745	(1.4)	5.0

## TASI movement during session



## TASI Ratios

P/E* (x)	26
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	5,269	-0.7	-15.4	15.7
Materials	5,723	-0.1	-10.5	High
Capital Goods	12,901	1.2	27.9	28.5
Commercial Service	5,075	-0.9	-9.0	37
Transportation	7,838	-0.6	23.4	37.9
Consumer Durables	5,294	-1.0	6.3	Neg
Consumer Services	5,233	0.9	5.1	39.5
Media	27,889	-1.6	13.6	47
Consumer Discretionary Ret	7,299	-0.7	-15.3	21.7
Consumer Staples Ret	9,116	-0.4	-6.7	21.7
Food & Beverages	5,992	0.1	6.5	29.7
Healthcare	12,850	0.6	5.1	45.3
Pharma & Bio Tech	4,666	-0.2	-4.1	44.2
Banks	11,350	-0.1	-7.6	12.8
Financial Services	7,586	1.3	12.6	32.2
Insurance	10,873	0.0	26.5	26.6
Telecom	7,529	0.5	-3.1	14.7
Utilities	12,371	1.0	24.6	26.9
REITs	3,225	0.3	-12.0	25.1
Real Estate	3,273	-0.9	7.1	38.7
Software & Services	69,085	0.0	0.7	40.1

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for June (bn)
11,654	11,658	11,669	10.65

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	24	1,044.10	2,130.50
Previous week	33.1	1,347.00	2,548.90

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.85	-0.7
Al Rajhi	79.10	-0.6
SNB	35.60	-0.3
ACWA POWER	350.00	1.4
ALINMA	30.85	0.0





## International Market News

- According to **EIA**, oil inventories in the US decreased 12.2mn barrels (prior: up 3.6mn) to 448.5mn in the week ended June 28. Gasoline inventories decreased 2.2mn barrels (prior: up 2.7mn) to 231.7mn, while distillate inventories declined 1.5mn barrels (prior: down 0.4mn) to 119.7mn. (Source: EIA, Econoday)
- Fed's meeting** reveals that the officials are still not ready to begin interest rate cutting, until they had greater confidence that the inflation was moving sustainably towards the target. The Fed decided to maintain the target range for the federal funds at 5.25% to 5.5%. (Source: Reuters)
- The **US initial jobless claims** increased by 4,000 to 238,000 levels. Economists had expected it to inch up to 235,000. (Source: RTT News)
- US trade deficit increased to USD 75.1bn in May, from USD 74.5bn in April. Economists had expected it to increase to USD 76.2bn. The trade deficit in May marked the largest gap since the deficit reached USD 75.3bn in October 2022. The wider trade deficit compared to the previous month came as the value of exports decreased by more than the value of imports. (Source: Reuters)
- Oil prices** gained 0.9% due to larger than anticipated decline in US oil inventories.
- Gold prices** gained 1.1% due to weak US economic data and rising Fed rate cut expectations.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.40	-0.3	-0.4	4.0
Euro	1.08	0.4	0.7	-2.3
Japanese Yen	161.69	0.2	0.5	14.6
Sterling Pound	1.27	0.4	0.8	0.1
Chinese Yuan	7.30	-0.1	0.1	2.5
Indian Rupee	83.53	0.0	0.2	0.4
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	48.14	-0.0	0.2	55.7

## Corporate Calendar

Date	Company	Event
4-Jul	NCLE	EGM
4-Jul	VIEW	Cash Dividend Distribution
4-Jul	SABIC AGRI	Eligibility of Cash Dividend
4-Jul	SIIG	Eligibility of Cash Dividend
7-Jul	TAWUNIYA	Cash Dividend Distribution
7-Jul	SSP	Cash Dividend Distribution

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,079	0.4	1.2	0.5	8.0
Abu Dhabi (ADX)	9,094	0.1	0.4	-5.1	18.2
Kuwait (KSE)	7,570	0.4	0.3	1.2	21.2
Qatar (QE)	10,053	0.5	0.9	-7.2	11.3
Oman (MSM)	4,685	0.0	-0.0	3.8	12.5
Bahrain (BSE)	2,006	-0.5	-0.9	1.8	8.4
Egypt (EGX30)	28,161	0.6	1.4	13.1	8.0

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,308	-0.1	0.5	4.3	22.5
Nasdaq	20,187	0.9	2.6	20.0	35.6
S&P 500	5,537	0.5	1.4	16.1	25.9
FTSE 100	8,171	0.6	0.1	5.7	14.3
Germany DAX 30	18,375	1.2	0.8	9.7	16.2
France CAC 40	7,632	1.2	2.0	1.2	13.3
Japan Nikkei 225	40,581	1.3	2.5	21.3	26.0
Russia MOEX	3,123	0.0	-2.9	0.8	4.5
Hong Kong Hang Seng	17,979	1.2	1.5	5.5	10.0
South Korea KOSPI	2,794	0.5	-0.1	5.2	16.5
China Shanghai Composite	2,982	-0.5	0.5	0.3	14.1
Australia ASX 200	7,740	0.3	-0.4	2.0	19.1
India Sensex	79,987	0.7	1.2	10.7	25.0
MSCI EM	1,092	1.2	0.6	6.7	15.6
MSCI World	3,562	0.7	1.4	12.4	22.2

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	89.14	-0.5	1.2	10.8
Brent Crude (\$/bbl)	87.34	1.3	1.1	13.4
Texas crude (\$/bbl)	83.88	1.3	2.9	17.1
Natural Gas (\$/mmbtu)	2.42	-0.7	-7.0	-10.3
Gold (\$/oz)	2,356.20	1.1	1.3	14.2
Silver (\$/oz)	30.50	3.3	4.7	28.2
Steel (\$/ton)	669.00	-0.1	-0.7	-41.1
Iron Ore (CNY/MT)	861.00	1.5	4.0	-17.4
Wheat (\$/bu)	574.00	-1.2	0.1	-12.5
Corn (\$/bu)	419.50	-0.4	-0.3	-16.7
Sugar (\$/lb)	20.53	-0.4	1.1	0.0
SMP* (EUR/MT)	2,437.00	-0.9	0.5	-5.4

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.82	-3.1	-3.4	-9.7
KSA (SAIBOR 3M)	6.22	-1.7	-1.2	-1.4
KSA (SAIBOR 6M)	5.98	-2.4	-3.4	-9.8
KSA (SAIBOR 12M)	5.87	-0.3	-0.4	-12.9
USA (SOFR 3M)	5.31	-0.4	-1.0	-1.7
UAE (EIBOR 3M)	5.23	-7.9	-7.1	-10.1

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of July 3, 2024

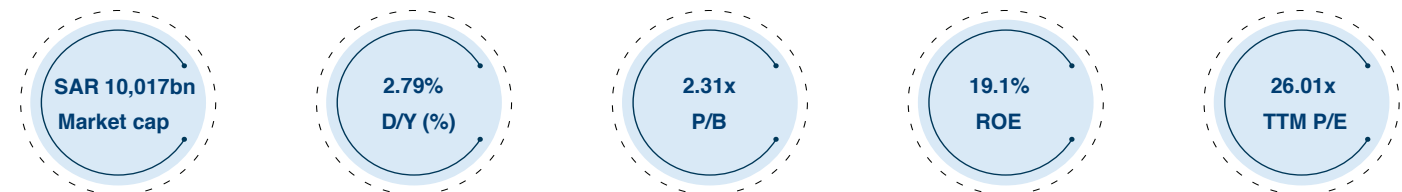


Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,595
Short-term view	Profit Booking
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,016.9
Value (SAR mn)	5,996.3
Volume (mn)	225.5
Number of Transactions	483,652
Market Breadth	65 : 161

Key statistics	
1D return %	-0.09%
MTD return %	-0.72%
QTD return	-0.72%
YTD return	-3.11%
ADT vol. 3M* (mn)	320.8
ADT val. 3M (SARmn)	8,044.2

\*ADT stands for Average Daily Traded



Source: Bloomberg, Argaam

### TASI daily chart



Source: Tradingview, Aljazira Capital

### 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 03<sup>rd</sup> July 2024

### TASI market commentary

- TASI experienced a decline on Wednesday; primarily driven by the performance of the Energy sector (down 0.73%) and the Materials sector (down 0.13%). At close, the Saudi market ended the day with a change of -0.09% at 11,595. In terms of activity, total volumes and value traded were ~226mn and ~SAR 5.0bn, respectively. The advance-decline ratio came in at 65/161.

### Technical outlook

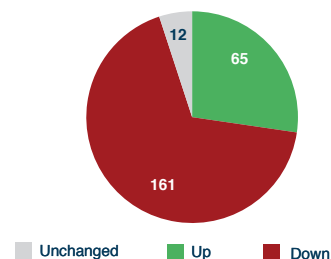
- TASI closed the last session near 11,595, marking a loss of 11 points. The profit-booking sentiment persisted pushing the index downward below all important short-term moving averages. TASI formed another red candlestick reflecting the prevailing profit booking attitude which may extend further; leading to a possible additional decline in the near term. Moreover, the RSI indicator continues hovering below the 50 level. TASI has an immediate support level of around 11,570. If breached, the subsequent support levels would be around 11,440 – 11,365. On the other hand, an immediate resistance level is observed around 11,660. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,720 – 11,900. TASI continues to experience profit-booking sentiment which may potentially drive it to retest the lower boundary of the prevailing short-term sideways at 11,440. Accordingly, traders are advised to closely monitor the significant support level around 11,440 where the previous bottom is situated.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,365	11,440	11,570	11,660	11,720	11,900	12,000

### Our view



### Market depth



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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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