



## Domestic Market News

- **KSA** capital market expected to see continued momentum in H2-24, backed by strong pipeline of IPOs and increased investor engagement by local and foreign players. (Source: Argaam)
- **KSA's** holdings of US treasuries rose USD 900mn M/M in May. KSA maintained its 17th place among the largest holders of US Treasuries for May. Long-term bonds represented 79% of the total, while short-term bonds formed 21%. (Source: Argaam)
- **Osool & Bakheet** signed SPA to acquire 51% shares of Advanced Operations Technology for SAR 5.1mn. Technical capabilities of the company will be enhanced with this acquisition and its expansion plans in financial technology sector. (Source: Tadawul)
- **Theeb** added 77 trucks from JIPCO, upscaling its fleet to 33K+ vehicles. This expansion aims to serve the business sector in KSA across various commercial fields. The financial impact is expected to be seen from Q4-24. (Source: Tadawul)
- **KHC, Sumou Holding and JEC** signed an agreement to establish a new fund worth SAR 6.8bn to acquire Alinma Jeddah Economic City Real Estate Fund, which is currently owned by JEC. (Source: Argaam)
- **Edarat** was awarded project worth SAR 7.1mn, with Almaviva to provide cloud services. The contract duration is for 5 years and 6 months. (Source: Tadawul)

## Market Analysis

The **Saudi Stock Exchange** increased by 0.1% to 12,202.9. The value traded stood at SAR 6.4bn (down 27.1% over the previous day), while the advance-decline ratio stood at 79/143. The parallel market index increased 0.2% to 25,762.9 points. The value traded stood at SAR 24.7mn (down 37.6% over the previous day). Most of the sectors in the main market ended in red. Commercial Service and Real Estate (up 2.8% and 1.6%, respectively) advanced the most, while Capital Goods and Healthcare (down 1.3% and 1.1%, respectively) declined the most.

## Top Gainers

Company	Price	Change%
SMASCO	10.34	9.9
MAHARAH	6.92	9.0
PETRO RABIGH	7.31	7.8
ATHEEB TELECOM	98.00	6.4
AMIAINTIT	28.10	5.2

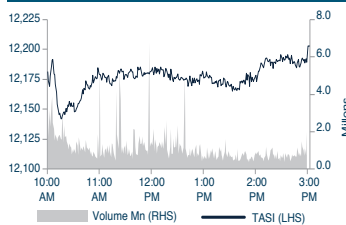
## Top Losers

Company	Price	Change%
LEEJAM SPORTS	216.00	-6.1
EIC	6.00	-5.5
ALINMA HOSPITALITY REIT	8.29	-3.4
MEDGULF	29.85	-3.1
ALAMAR	80.00	-2.8

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,203	12,203	12,136	0.1	1.4
NomuC	25,763	25,801	25,471	0.2	5.0

## TASI movement during session



## TASI Ratios

P/E* (x)	27.4
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	19.1

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,391	0.2	-13.5	16
Materials	5,932	-0.4	-7.2	High
Capital Goods	12,549	-1.3	24.4	27.8
Commercial Service	5,298	2.8	-5.0	38.6
Transportation	8,006	-0.6	26.0	39.2
Consumer Durables	5,423	-0.7	8.9	Neg
Consumer Services	5,318	-1.0	6.8	39.4
Media	32,926	0.3	34.1	High
Consumer Discretionary Ret	7,552	-0.8	-12.3	22.4
Consumer Staples Ret	9,267	-0.3	-5.2	22.2
Food & Beverages	6,333	-0.2	12.5	31.3
Healthcare	12,951	-1.1	5.9	45.7
Pharma & Bio Tech	4,768	0.2	-2.0	45.2
Banks	12,136	0.6	-1.2	13.7
Financial Services	7,772	0.9	15.4	33
Insurance	11,375	-0.6	32.4	27.7
Telecom	7,724	-0.3	-0.6	15
Utilities	13,809	0.3	39.1	29.9
REITs	3,294	-0.5	-10.1	25.6
Real Estate	3,686	1.6	20.6	43.2
Software & Services	72,338	-0.6	5.5	41.8

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for July (bn)
12,115	11,953	11,812	6.22

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	6.4	345.00	477.40
Previous week	37	1,315.90	2,603.80

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.50	0.2
Al Rajhi	84.60	0.7
SNB	38.30	0.0
ACWA POWER	393.80	0.4
ALINMA	32.70	0.3





## International Market News

- The **US** leading economic index decreased by 0.2% in June, compared to the expected 0.3% dip. The decline was due to gloomy consumer expectations, weak new orders, negative interest rate spread, and an increase in initial unemployment claims. (Source: RTT News)
- The **Eurozone** current account balance showed a surplus of EUR 37bn in May, unchanged from the previous month. The visible trade surplus decreased to EUR 33bn, while the services trade surplus increased to EUR 15bn. In the twelve months to May, the current account surplus totaled 2.4% of GDP. (Source: Reuters)
- UK** retail sales decreased 1.2% M/M in June, compared to the expected 0.4% dip. The large fall in retail sales suggests that rising real incomes and improving sentiment are not translating into an increase in spending on goods. (Source: Reuters)
- Earnings excluding bonuses in the **UK** grew 5.7% Y/Y in three months to May, marking the slowest growth in core pay since summer of 2022. However, it remained close to double the rate that would be consistent with the central bank's 2% inflation target. (Source: Reuters)
- Japan's** core CPI increased 2.6% in June, compared to the consensus estimate of 2.7%. The core inflation has risen for the second straight month, thereby keeping alive the hopes for another interest rate hike. The underlying inflation is likely to remain around 2% until early-2025, thereby prompting Bank of Japan to hike interest rates. (Source: Investing.com)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.40	0.0	-1.4	3.0
Euro	1.09	0.0	1.6	-1.4
Japanese Yen	157.48	0.0	-2.1	11.7
Sterling Pound	1.29	0.0	2.1	1.4
Chinese Yuan	7.29	0.0	-0.2	2.2
Indian Rupee	83.66	0.0	0.3	0.5
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	-0.3	-0.5
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	48.24	0.0	0.4	56.1

## Corporate Calendar

Date	Company	Event
22-Jul	GASCO	Cash Dividend Distribution
22-Jul	SIIG	Cash Dividend Distribution
22-Jul	SABIC AGRI	Cash Dividend Distribution
23-Jul	SPC	EGM
24-Jul	MARAFIQ	Eligibility of Cash Dividend
24-Jul	SARCO	EGM

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

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,181	0.0	3.7	3.0	8.1
Abu Dhabi (ADX)	9,246	0.0	2.0	-3.5	18.5
Kuwait (KSE)	7,721	-0.5	2.4	3.3	21.6
Qatar (QE)	10,060	0.3	0.9	-7.1	11.3
Oman (MSM)	4,683	-0.3	-0.1	3.7	11.4
Bahrain (BSE)	1,960	-1.0	-3.2	-0.6	7.6
Egypt (EGX30)	28,783	0.5	3.7	15.6	8.1

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,288	0.0	3.0	6.9	23.1
Nasdaq	19,523	0.0	-0.8	16.0	34.4
S&P 500	5,505	0.0	0.8	15.4	25.8
FTSE 100	8,156	0.0	-0.1	5.5	14.3
Germany DAX 30	18,172	0.0	-0.3	8.5	16.0
France CAC 40	7,535	0.0	0.7	-0.1	13.1
Japan Nikkei 225	40,064	0.0	1.2	19.7	25.7
Brazil IBOVESPA	127,616	0.0	3.0	-4.9	9.4
Hong Kong Hang Seng	17,418	0.0	-1.7	2.2	9.7
South Korea KOSPI	2,795	0.0	-0.1	5.3	16.5
China Shanghai Composite	2,982	0.0	0.5	0.2	14.1
Australia ASX 200	7,972	0.0	2.6	5.0	19.7
India Sensex	80,605	0.0	2.0	11.6	25.1
MSCI EM	1,090	0.0	0.3	6.4	15.7
MSCI World	3,554	0.0	1.2	12.1	22.3

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	87.18	0.0	-1.0	8.4
Brent Crude (\$/bbl)	82.63	0.0	-4.4	7.3
Texas crude (\$/bbl)	80.13	0.0	-1.7	11.8
Natural Gas (\$/mmbtu)	2.13	0.0	-18.2	-21.1
Gold (\$/oz)	2,400.83	0.0	3.2	16.4
Silver (\$/oz)	29.22	0.0	0.3	22.8
Steel (\$/ton)	657.00	0.0	-2.5	-42.1
Iron Ore (CNY/MT)	807.00	0.0	-2.5	-22.6
Wheat (\$/bu)	542.75	0.0	-5.4	-17.3
Corn (\$/bu)	404.75	0.0	-3.8	-19.6
Sugar (\$/lb)	18.66	0.0	-8.1	-9.1
SMP* (EUR/MT)	2,363.00	0.0	-2.5	-8.3

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.78	-0.5	-7.0	-13.4
KSA (SAIBOR 3M)	6.21	-1.1	-2.2	-2.4
KSA (SAIBOR 6M)	5.98	4.2	-3.2	-9.7
KSA (SAIBOR 12M)	5.76	0.7	-11.0	-23.5
USA (SOFR 3M)	5.28	0.0	-4.2	-4.8
UAE (EIBOR 3M)	5.22	0.0	-7.4	-10.4

Data Sources: Tadawul, Bloomberg, Reuters  
Closes as of July 21, 2024





## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,203
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

## Market data

Exchange Market Cap. (SAR bn)	10,355.3
Value (SAR mn)	6,380.1
Volume (mn)	345.0
Number of Transactions	477,367
Market Breadth	79 : 143

## Key statistics

1D return %	0.12%
MTD return %	4.48%
QTD return	4.48%
YTD return	1.97%
ADT vol. 3M* (mn)	305.9
ADT val. 3M (SARmn)	7,659.1

\*ADT stands for Average Daily Traded

## TASI market commentary

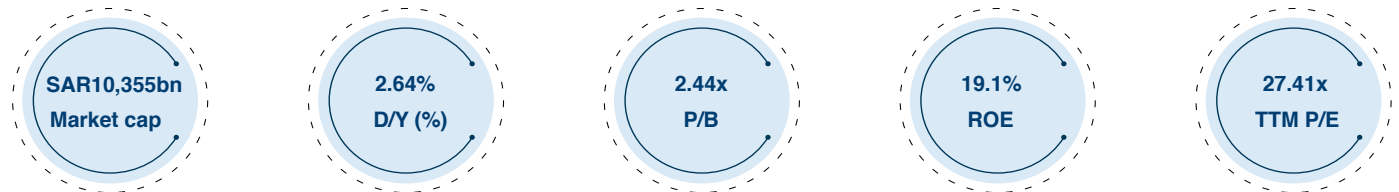
- TASI experienced a rise on Sunday; primarily driven by the performance of the Banks sector (up 0.58%) and the Energy sector (up 0.18%). At close, the Saudi market ended the day with a change of 0.12% at 12,203. In terms of activity, total volumes and value traded were ~345mn and ~SAR 6.4bn, respectively. The advance-decline ratio came in at 79/143.

## Technical outlook

- TASI closed the last session near 12,203, marking a gain of 15 points. Once again, the index witnessed an initial profit-taking attitude at the beginning of the session, followed by a reemergence of buying power, which led to recording the twelfth consecutive rising session. Meanwhile, TASI is currently approaching a significant resistance zone near the 100-day SMA as well as 161.8% Fibonacci level around 12,235. Moreover, TASI formed another small-bodied green candlestick, indicating a gradual decrease in near-term buying power. Additionally, the RSI indicator is nearing the level of 70. TASI has an immediate resistance level of around 12,235. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,330 – 12,410. On the other hand, an immediate support level is observed around 12,155. If breached, the subsequent support levels would be around 12,060 – 11,950. While TASI continues its short-term upward trajectory, it is important to note that it is currently approaching a test of the significant resistance zone near the 161.8% Fibonacci level and the 100-day SMA. Therefore, traders are advised to cautiously buy and closely monitor the resistance level around 12,235.

## Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,950	12,060	12,155	12,190	12,235	12,330	12,410



Source: Bloomberg, Argaam

## TASI daily chart

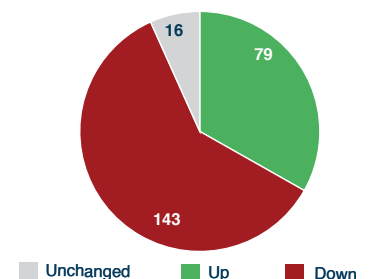


Source: Tradingview, Aljazira Capital

## Our view



## Market depth





## SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4015	Jamjoom Pharma	149.80	149.40 – 149.80	151.20 – 152.80	148.00
7204	2P	15.06	15.02 – 15.06	15.18 – 15.36	14.86
4292	Ataa Educational	63.70	63.60 – 63.70	64.30 – 65.00	62.90
2381	Arabian Drilling	139.40	139.00 – 139.40	140.60 – 142.20	137.60
4071	Alarabia	237.00	236.40 – 237.00	239.20 – 241.80	234.00
4191	Abo Moati	28.40	28.35 – 28.40	28.65 – 29.00	28.05
4150	Arriyadh Development	22.70	22.64 – 22.70	22.90 – 23.16	22.42

\*As of 21<sup>st</sup> July 2024

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

## CHARTS OF THE DAY

## Technical observations

**Jamjoom Pharma** has just penetrated the level of the prior minor peak. Moreover, all the technical indicators show bullish structure.

## Jamjoom Pharmaceuticals Factory Co. (Jamjoom Pharma)



Source: Tradingview, Aljazira Capital

## Technical observations

**2P** is retesting its 50 -day SMA as well as a previously penetrated declining trendline. Moreover, all the technical indicators show bullish structure.

## Perfect Presentation for Commercial Services Co. (2P)



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.

## 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.

Asset Management | Brokerage | Investment Banking | Custody | Advisory

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