



Domestic Market News

- **KSA's real GDP** falls 0.4% Y/Y in Q2-24, due to an 8.5% decline in oil-related activities. This decline was despite an 4.4% rise in non-oil activities. (Source: Argaam)
- **Rawasi** signed a contract worth SAR 35.9mn with Beller Arabian, to implement sewage networks in Dhurma. Contract duration is 24 months and the financial impact to be reflected during 2025 and H1-26. (Source: Tadawul)
- **AZM** signed a contract with Small and Medium Enterprises General Authority, for developing its internal systems. Contract value exceeds 5% of FY23 revenues and duration is for 28 months. (Source: Tadawul)
- **KnowledgeNet** signed an artificial intelligence project worth SAR 4.3mn, for developing the customer platform of Saudi National Bank. (Source: Tadawul)
- **Avalon Pharma** obtained banking facilities from Alinma Bank worth SAR 50mn, to finance the company operations. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q2-24	Q2-23	Y/Y %	Q1-24	Q/Q %
EAST PIPES*	71.2	-18.6	NM	179.6	-60.32
ARDCO	91.9	43.3	112.43	70.5	30.40
MESC	21.8	12.4	75.81	26.0	-16.15
SSP	72.0	87.0	-17.24	76.0	-5.26
2P	58.8	32.7	79.69	29.7	98.02
SIIG	64.0	120.0	-46.67	28.0	128.57
ALUJAIN	14.6	3.1	365.92	5.6	160.32
BUDGET SAUDI	70.2	70.3	-0.16	69.7	0.66
SAPTCO*	41.6	58.5	-28.91	-48.6	NM
SACO*	-3.9	-15.9	NM	-4.6	NM
CARE	69.5	47.8	45.40	81.3	-14.51
MARAFIQ	65.3	159.4	-59.01	42.8	52.69

*NM means Not Meaningful.

Market Analysis

The **Saudi Stock Exchange** increased 0.4% to 12,109.5. The value traded stood at SAR 6.4bn (up 19.3% over the previous day), while the advance-decline ratio stood at 64/163. The parallel market index decreased 0.1% to 26,651.2 points. The value traded stood at SAR 46.8mn (down 3.4% over the previous day). Most of the sectors in the main market ended in red. Media and Utilities (up 1.8% each) advanced the most, while Insurance and Capital Goods (down 2.0% and 0.8%, respectively) declined the most.

Top Gainers

Company	Price	Change%
APC	142.00	8.1
SADAFCO	343.60	4.8
MCDC	116.80	4.3
SIDC	8.85	4.1
EQUIPMENT HOUSE	56.20	4.1

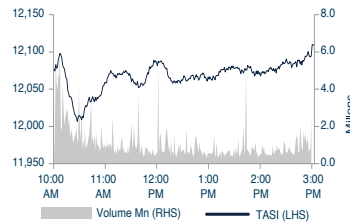
Top Losers

Company	Price	Change%
ALBAHA	0.12	-7.7
TALCO	60.00	-6.7
ACC	27.00	-4.8
MEDGULF	27.50	-4.2
LEEJAM SPORTS	200.00	-3.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,110	12,110	12,004	0.4	0.6
NomuC	26,651	26,771	26,502	(0.1)	8.7

TASI movement during session



TASI Ratios

P/E* (x)	27.1
Price-to-Book (x)	2.5
Dividend Yield (%)	2.7
Return on Equity (%)	19.2

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,229	-0.1	-16.1	15.5
Materials	5,820	-0.1	-8.9	High
Capital Goods	12,659	-0.8	25.5	27.9
Commercial Service	5,240	-0.6	-6.1	38.2
Transportation	7,807	-0.2	22.9	38.1
Consumer Durables	5,219	-0.5	4.8	Neg
Consumer Services	5,138	-0.8	3.2	38.1
Media	32,209	1.8	31.2	47.7
Consumer Discretionary Ret	7,586	-0.1	-11.9	22.4
Consumer Staples Ret	9,277	0.7	-5.1	22.1
Food & Beverages	6,185	0.2	9.9	30.8
Healthcare	13,034	-0.1	6.6	46
Pharma & Bio Tech	4,829	0.4	-0.8	46.2
Banks	12,193	0.9	-0.8	13.8
Financial Services	7,688	-0.4	14.2	38.1
Insurance	11,151	-2.0	29.7	27.2
Telecom	7,613	0.6	-2.0	14.9
Utilities	13,810	1.8	39.2	29.9
REITs	3,344	0.1	-8.8	26
Real Estate	3,685	0.0	20.5	43.3
Software & Services	74,325	0.0	8.4	42.9

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for July (bn)
12,099	12,127	11,988	6.33

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	24.7	1,220.10	2,007.30
Previous week	33.9	1,618.40	2,558.20

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.60	-0.2
Al Rajhi	85.60	0.7
SNB	38.00	1.3
ACWA POWER	395.00	2.4
ALINMA	32.40	0.0





International Market News

- According to **EIA**, oil inventories in the US decreased 3.4mn barrels (prior: down 3.7mn) to 433.0mn in the week ended July 26. Gasoline inventories decreased 3.7mn barrels (prior: down 5.6mn) to 223.8mn, while distillate inventories increased 1.5mn barrels (prior: down 2.8mn) to 126.8mn. (Source: EIA, Econoday)
- Fed Reserve** left the interest rates unchanged, as was widely expected. It acknowledged some progress toward its inflation objective but reiterated greater confidence before cutting rates. (Source: RTT News)
- Eurozone** CPI advanced 2.6% Y/Y in July, faster than the 2.5% increase in June. While the index was forecasted to increase by 2.5%. The core inflation was steady at 2.9%. All components of the CPI increased, with services cost increasing the most, followed by food, alcohol and tobacco prices. (Source: Reuters)
- BoJ** raised its benchmark rate unexpectedly, before the Fed's meeting to 0.25%, from 0-0.1%. The new rate is the highest since 2008. It also decided to reduce the amount of its monthly outright purchase of government bonds to JPY 3tn by Q1-26. (Source: CNBC)
- Oil prices** gained 2.8% on rising tensions in the Middle East and falling US crude stockpiles.
- Gold prices** gained 1.6% on hopes of rate cuts from the Federal Reserve.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.10	-0.4	0.0	2.7
Euro	1.08	0.1	0.0	-1.9
Japanese Yen	149.98	-1.8	0.0	6.3
Sterling Pound	1.29	0.2	0.0	1.0
Chinese Yuan	7.23	-0.2	0.0	1.4
Indian Rupee	83.73	0.0	0.0	0.6
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.0
Kuwaiti Dinar	0.31	-0.1	0.0	-0.6
Omani Rial	0.39	-0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	-0.0
Egyptian Pound	48.56	0.3	0.0	57.1

Corporate Calendar

Date	Company	Event
1-Aug	EXTRA	Eligibility of Cash Dividend
1-Aug	ALASEEL	Eligibility of Cash Dividend
1-Aug	RAOOM	Eligibility of Cash Dividend
1-Aug	SULAIMAN ALHABIB	Eligibility of Cash Dividend
1-Aug	DERAYAH REIT	Eligibility of Cash Dividend
1-Aug	CLEAN LIFE	Eligibility of Cash Dividend

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

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,268	-0.4	0.0	5.1	8.3
Abu Dhabi (ADX)	9,339	-0.6	0.0	-2.5	18.7
Kuwait (KSE)	7,899	0.7	0.0	5.6	22.1
Qatar (QE)	10,154	0.0	0.0	-6.2	11.4
Oman (MSM)	4,662	-0.1	0.0	3.3	11.8
Bahrain (BSE)	1,970	-0.4	0.0	-0.1	7.6
Egypt (EGX30)	29,379	1.2	0.0	18.0	8.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,843	0.2	0.0	8.4	23.4
Nasdaq	19,362	3.0	0.0	15.1	34.1
S&P 500	5,522	1.6	0.0	15.8	25.8
FTSE 100	8,368	1.1	0.0	8.2	14.6
Germany DAX 30	18,509	0.5	0.0	10.5	16.3
France CAC 40	7,531	0.8	0.0	-0.2	14.0
Japan Nikkei 225	39,102	1.5	0.0	16.8	25.1
Brazil IBOVESPA	127,652	1.2	0.0	-4.9	9.4
Hong Kong Hang Seng	17,345	2.0	0.0	1.7	9.7
South Korea KOSPI	2,771	1.2	0.0	4.3	16.3
China Shanghai Composite	2,939	2.1	0.0	-1.2	13.9
Australia ASX 200	8,092	1.7	0.0	6.6	20.0
India Sensex	81,741	0.4	0.0	13.2	25.1
MSCI EM	1,085	1.2	0.0	6.0	15.5
MSCI World	3,572	1.6	0.0	12.7	22.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	82.11	1.2	-6.8	2.1
Brent Crude (\$/bbl)	80.72	2.7	0.0	4.8
Texas crude (\$/bbl)	77.91	4.3	0.0	8.7
Natural Gas (\$/mmbtu)	2.04	-4.2	0.0	-23.8
Gold (\$/oz)	2,447.60	1.5	0.0	18.6
Silver (\$/oz)	29.01	2.2	-0.0	21.9
Steel (\$/ton)	704.00	5.7	0.0	-38.0
Iron Ore (CNY/MT)	764.00	0.1	0.0	-26.7
Wheat (\$/bu)	527.25	0.6	0.0	-19.7
Corn (\$/bu)	399.75	-1.3	0.0	-20.6
Sugar (\$/lb)	18.94	-0.9	0.0	-7.7
SMP* (EUR/MT)	2,362.00	-0.0	0.0	-8.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.78	-2.3	-7.4	-13.7
KSA (SAIBOR 3M)	6.20	-5.3	-3.3	-3.6
KSA (SAIBOR 6M)	5.96	-3.8	-5.4	-11.9
KSA (SAIBOR 12M)	5.77	-1.0	-9.6	-22.1
USA (SOFR 3M)	5.24	-0.7	-8.3	-9.0
UAE (EIBOR 3M)	5.23	-5.9	-6.6	-9.6

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of July 31, 2024



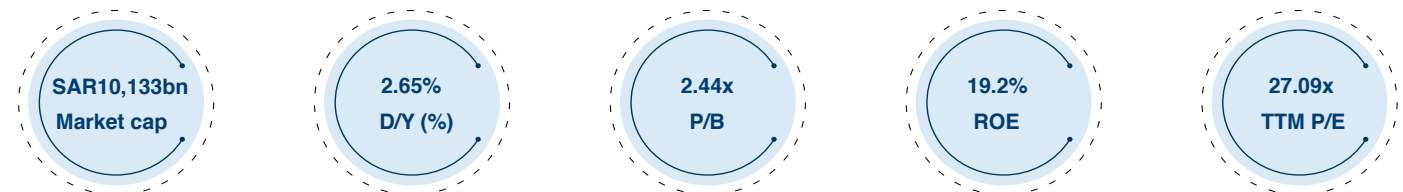


Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,110
Short-term view	Neutral
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,132.8
Value (SAR mn)	6,400.0
Volume (mn)	352.5
Number of Transactions	526,359
Market Breadth	64 : 163

Key statistics	
1D return %	0.37%
MTD return %	3.68%
QTD return	3.68%
YTD return	1.19%
ADT vol. 3M* (mn)	303.6
ADT val. 3M (SARmn)	7,542.1

*ADT stands for Average Daily Traded



Source: Bloomberg, Argaam

TASI daily chart



Source: Tradingview, Aljazira Capital

TASI market commentary

- TASI experienced a rise on Wednesday; primarily driven by the performance of the Banks sector (up 0.89%) and the Telecommunication services sector (up 0.58%). At close, the Saudi market ended the day with a change of 0.37% at 12,110. In terms of activity, total volumes and value traded were ~352mn and ~SAR 6.4bn, respectively. The advance-decline ratio came in at 64/163.

Technical outlook

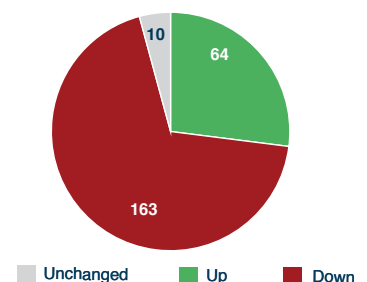
- TASI closed the last session near 12,110, registering a gain of 45 points. The resurgence of a buying sentiment propelled the index upwards, maintaining the prevailing lateral profit-booking action. TASI formed a green candlestick around the level of the prior minor trough, indicating the resumption of the near-term sideways movement. Nonetheless, the index continues to fluctuate laterally, a successful penetration of the significant resistance of the 100-day SMA and the 161.8% Fibonacci level around 12,235 is necessary to indicate the end of the dominant profit-booking sentiment. Moreover, the RSI indicator continues to hover above the 50 level. TASI has an immediate resistance level of around 12,125. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,190 – 12,235. On the other hand, an immediate support level is observed around 12,000. If breached, the subsequent support levels would be around 11,950 – 11,890. TASI remains fluctuating between both the 100-day and the 20-day SMAs, within a lateral profit booking movement in the near term. Traders are advised to closely monitor the resistance zone of 12,190 – 12,235, as the penetration could signal the end of the profit-booking attitude.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,890	11,950	12,000	12,125	12,190	12,235	12,330

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
2080	GASCO	106.40	106.20 – 106.40	107.40 – 108.60	105.00
4050	Saudi Automotive Services	63.40	63.20 – 63.40	64.00 – 64.70	62.60
1320	Saudi Steel Pipe	73.60	73.40 – 73.60	74.30 – 75.10	72.70
1111	Tadawul Group	231.60	231.00 – 231.60	233.60 – 236.20	228.60
4260	Budget Saudi	89.40	89.20 – 89.40	90.20 – 91.20	88.40
4210	Saudi Research and Media Group	260.80	260.20 – 260.80	263.00 – 266.00	257.40
2250	Saudi Industrial Investment Group	20.40	20.36 – 20.40	20.58 – 20.80	20.14

*As of 31st July 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

GASCO has just penetrated the upper boundary of a bullish continuation price pattern as well as its 10-day SMA. Moreover, all the technical indicators show bullish structure.

National Gas and Industrialization Co. (GASCO)



Source: Tradingview, Aljazira Capital

Technical observations

SASCO started to bounce off the level of the prior minor peaks as well as the 100-day EMA. Moreover, all the technical indicators show bullish structure.

Saudi Automotive Services Co. (SASCO)



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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