



Domestic Market News

- Remittances by expatriates in **KSA** rose 12% Y/Y to SAR 12.6bn in May. Meanwhile remittances by Saudi nationals to other countries jumped 6% Y/Y. (Source: Argaam)
- According to **Fitch Ratings**, Islamic finance-specific rules issued by SAMA from 2020 are enhancing banking regulations, through better transparency, increased consumer confidence and sharia governance. (Source: Argaam)
- CMA** seeks views on the draft regulatory enhancements for debt instrument offerings, which aims to develop regulatory framework for issuing debt instruments, by easing issuance requirements. It will help expedite the financing process and reduce the cost of issuance. (Source: Argaam)
- AIRasheed** obtained mining license for high-purity silica mine issued by Ministry of Industry and Mineral Resources, located in Riyadh region with a total area of 9.6mn sqmt. It will enhance operational capabilities and increase the production capacity. (Source: Tadawul)
- Elm** signed a data resources development agreement with Ministry of Interior and SDAIA, for a period of 10 years. The agreement does not include a fixed amount and may have a positive impact on the revenue during the duration of the agreement. (Source: Tadawul)
- Enaya** received approval from the Insurance Authority to rehabilitate the company for one year from 22nd July, 2024 to 21st July, 2025. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased by 0.5% to 11,779.8. The value traded stood at SAR 5.2bn (down 6.3% over the previous day), while the advance-decline ratio stood at 128/85. The parallel market index decreased 1.7% to 25,561.6 points. The value traded stood at SAR 34.9mn (down 55.7% over the previous day). Most of the sectors in the main market ended in green. Real Estate and Utilities (up 2.5% and 1.6%, respectively) advanced the most, while Media and Diversified Financials (down 1.1% and 0.6%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
ALKATHIRI	2.72	7.5
SASCO	56.00	6.1
MIAHONA	29.20	5.4
JABAL OMAR	24.06	5.3
TALCO	60.80	4.1

Top Losers

Company	Price	Change%
ALBAHA	0.12	-7.7
SSP	72.10	-2.7
EXTRA	94.20	-2.6
WATANIYA	32.55	-2.4
ALAMAR	79.80	-2.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,780	11,780	11,707	0.5	(2.1)
NomuC	25,562	26,028	25,558	(1.7)	4.2

TASI movement during session



TASI Ratios

P/E* (x)	26.4
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	5,322	-0.3	-14.6	15.8
Materials	5,720	-0.1	-10.5	High
Capital Goods	12,925	-0.1	28.2	28.6
Commercial Service	5,077	0.0	-9.0	36.9
Transportation	7,698	-0.4	21.2	37.3
Consumer Durables	5,362	1.3	7.6	Neg
Consumer Services	5,307	0.8	6.6	39.7
Media	29,723	-1.1	21.1	48.9
Consumer Discretionary Ret	7,436	-0.5	-13.7	22.1
Consumer Staples Ret	9,237	0.5	-5.5	22.1
Food & Beverages	6,075	-0.5	7.9	30.2
Healthcare	12,895	0.4	5.5	45.5
Pharma & Bio Tech	4,677	-0.4	-3.9	43.9
Banks	11,596	1.1	-5.6	13.1
Financial Services	7,442	-0.6	10.5	31.9
Insurance	11,260	0.7	31.0	27.5
Telecom	7,658	0.3	-1.4	14.9
Utilities	12,943	1.6	30.4	28
REITs	3,276	1.3	-10.7	25.5
Real Estate	3,346	2.5	9.5	39.4
Software & Services	68,502	0.4	-0.1	39.7

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for July (bn)
11,688	11,677	11,684	5.49

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	14.8	617.80	1,311.70
Previous week	29	1,230.60	2,562.90

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.15	-0.4
Al Rajhi	80.80	1.0
SNB	36.20	1.4
ACWA POWER	370.20	1.9
ALINMA	31.40	0.3





International Market News

- **US NFIB Small Business Optimism Index** rose to 91.5 in June from 90.5 in May. Small business sentiment unexpectedly rose and at a faster than expected pace, to reach its highest level thus far this year, but inflation remained a top concern for firms. (Source: RTT News)
- **UK retail sales** fell 0.2% Y/Y in June, as the cold weather in the first half of the year weighed on consumer spending. Electronics sales increased as football fans upgraded their home entertainment systems. (Source: Reuters)
- **China's CPI** rose 0.2% Y/Y in June against a 0.3% rise in May. Consumer prices grew for a fifth month in June but missed expectations. Food prices fell even more, despite supply disruptions caused by bad weather, underlining soft demand. Meanwhile the producer price index fell 0.8% Y/Y in June, less than a 1.4% decline in May, and matched a forecast 0.8% fall. The fall in the producer price index was the smallest in 17 months. (Source: Reuters)
- **Japan's** corporate goods price index rose 2.9% Y/Y in June as the yen's declines pushed up the cost of raw material imports. This kept alive the market expectations for a near-term interest rate hike by the central bank. (Source: Reuters)
- **Oil prices** fell 0.9% after US crude hub escapes the serious damage anticipated from hurricane Beryl.
- **Gold prices** gained 0.2% due to the growing speculation that the US Fed is likely to start cutting rates as early as September.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.13	0.1	-0.7	3.7
Euro	1.08	-0.1	0.9	-2.0
Japanese Yen	161.33	0.3	0.3	14.4
Sterling Pound	1.28	-0.2	1.1	0.4
Chinese Yuan	7.29	0.0	-0.1	2.3
Indian Rupee	83.50	-0.0	0.1	0.3
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	-0.2	-0.4
Omani Rial	0.39	0.0	-0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	48.07	0.2	0.1	55.5

Corporate Calendar

Date	Company	Event
10-Jul	APC	EGM
10-Jul	AL HOKAI MEDICAL GROUP	End of IPO
11-Jul	SIPCHEM	Cash Dividend Distribution
11-Jul	SEDCO CAPITAL REIT	Cash Dividend Distribution
11-Jul	ALRASHID INDUSTRIAL	Cash Dividend Distribution
14-Jul	BAAZEEM	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,078	-0.1	1.2	0.5	8.0
Abu Dhabi (ADX)	9,136	0.0	0.8	-4.6	18.3
Kuwait (KSE)	7,737	0.6	2.6	3.5	21.7
Qatar (QE)	10,166	0.1	2.0	-6.1	11.4
Oman (MSM)	4,691	0.1	0.1	3.9	12.5
Bahrain (BSE)	2,000	-0.3	-1.3	1.4	8.4
Egypt (EGX30)	28,466	0.2	2.5	14.3	8.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,292	-0.1	0.4	4.3	22.5
Nasdaq	20,453	0.1	3.9	21.6	36.1
S&P 500	5,577	0.1	2.1	16.9	26.1
FTSE 100	8,140	-0.7	-0.3	5.3	14.3
Germany DAX 30	18,236	-1.3	0.0	8.9	16.1
France CAC 40	7,509	-1.6	0.4	-0.5	13.1
Japan Nikkei 225	41,580	2.0	5.0	24.3	26.7
Brazil IBOVESPA	127,108	0.4	2.6	-5.3	9.3
Hong Kong Hang Seng	17,523	-0.0	-1.1	2.8	9.8
South Korea KOSPI	2,867	0.3	2.5	8.0	16.9
China Shanghai Composite	2,959	1.3	-0.3	-0.5	14.0
Australia ASX 200	7,830	0.9	0.8	3.1	19.3
India Sensex	80,352	0.5	1.7	11.2	25.3
MSCI EM	1,112	0.4	2.3	8.6	16.0
MSCI World	3,579	-0.1	1.9	12.9	22.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	88.01	-0.6	-0.1	9.4
Brent Crude (\$/bbl)	84.66	-1.3	-2.0	9.9
Texas crude (\$/bbl)	81.41	-1.1	-0.2	13.6
Natural Gas (\$/mmbtu)	2.34	-0.9	-9.9	-13.1
Gold (\$/oz)	2,364.09	0.2	1.6	14.6
Silver (\$/oz)	30.80	0.1	5.7	29.4
Steel (\$/ton)	670.00	-0.4	-0.6	-41.0
Iron Ore (CNY/MT)	874.00	0.0	5.6	-16.2
Wheat (\$/bu)	572.00	0.3	-0.3	-12.8
Corn (\$/bu)	408.50	0.2	-2.9	-18.9
Sugar (\$/lb)	19.62	-2.5	-3.3	-4.4
SMP* (EUR/MT)	2,380.00	0.0	-1.8	-7.6

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.86	4.3	1.1	-5.3
KSA (SAIBOR 3M)	6.22	0.3	-0.6	-0.8
KSA (SAIBOR 6M)	5.96	1.2	-4.7	-11.2
KSA (SAIBOR 12M)	5.86	-0.9	-1.2	-13.7
USA (SOFR 3M)	5.30	-0.1	-2.1	-2.7
UAE (EIBOR 3M)	5.30	-0.1	-0.1	-3.1

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of July 9, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,780
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,138.8
Value (SAR mn)	5,237.6
Volume (mn)	209.8
Number of Transactions	444,702
Market Breadth	128 : 85

Key statistics	
1D return %	0.53%
MTD return %	0.86%
QTD return	0.86%
YTD return	-1.57%
ADT vol. 3M* (mn)	312.8
ADT val. 3M (SARmn)	7,854.8

*ADT stands for Average Daily Traded

TASI market commentary

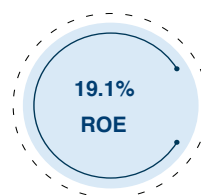
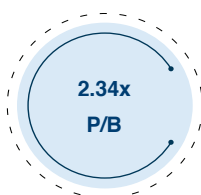
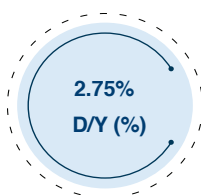
- TASI experienced a rise on Tuesday; primarily driven by the performance of the Banks sector (up 1.09%) and the Telecommunication services sector (up 0.33%). At close, the Saudi market ended the day with a change of 0.53% at 11,780. In terms of activity, total volumes and value traded were ~210mn and ~SAR 5.2bn, respectively. The advance-decline ratio came in at 128/85.

Technical outlook

- TASI closed the last session near 11,780, registering a gain of 62 points. The index exhibited sustained buying power, driving the index higher to break through a declining trendline after surpassing its 20-day EMA. TASI formed a green Marubozu candlestick, reflecting the buying attitude of the market participants and indicating a possible continuation toward the 200-day EMA of around 11,870. Meanwhile, the RSI indicator has just penetrated a declining trendline as well as the level of 50. TASI has an immediate resistance level of around 11,870. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,000 – 12,160. On the other hand, an immediate support level is observed around 11,675. If breached, the subsequent support levels would be around 11,570– 11, 440. TASI has just penetrated a declining trendline suggesting a potential further rise toward the resistance of the 200-day EMA around 11,870. In light of this, traders are advised to cautiously buy and closely monitor the resistance level of around 11,870 as the successful penetration of this level could potentially trigger further buying attitudes.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,440	11,570	11,675	11,770	11,870	12,000	12,160



Source: Bloomberg, Argaam

TASI daily chart

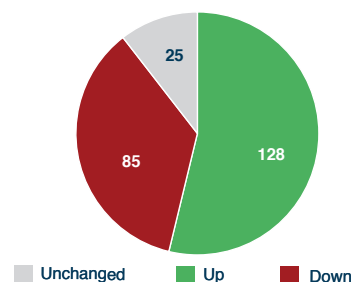


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4050	Saudi Automotive Services	56.00	55.80 – 56.00	56.50 – 57.30	55.30
4300	Dar Alarkan	11.88	11.86 – 11.88	11.98 – 12.12	11.74
4250	Jabal Omar	24.06	24.00 – 24.06	24.28 – 24.54	23.76
1120	Al Rajhi Bank	80.80	80.60 – 80.80	81.50 – 82.40	79.80
2282	Naqi	66.80	66.60 – 66.80	67.40 – 68.10	66.00
4014	Equipment House	54.10	54.00 – 54.10	54.60 – 55.20	53.40
2082	ACWA Power	370.20	369.20 – 370.20	373.40 – 377.60	365.40

*As of 09th July 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

SASCO has just penetrated the upper boundary of a declining channel as well as its 20-day SMA. Moreover, all the technical indicators show bullish structure.

Saudi Automotive Services Co. (SASCO)



Source: Tradingview, Aljazira Capital

Technical observations

DAR ALARKAN has just penetrated a declining trendline as well as its 20-day SMA. Moreover, all the technical indicators show bullish structure.

Dar Alarkan Real Estate Development Co (DAR ALARKAN)



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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