



## Major Economic News

- Saudi Arabia's** Ministry of Human Resources and Social Development will launch the wage protection service for the domestic workers as of 01 July, 2024 aligning with the ministry's initiatives to develop the industry, while preserving the rights of both employers and domestic workers. The service aims to ensure transparency in salary payments, via use of digital wallets and licensed banks through the Musaned platform. (Source: Argaam)

## Major Corporate News

- ADES** completed the signing of the jack-up drilling contract in Thailand with PTTEP Energy Development. The contract value is said to be of SAR 354mn with a duration of 18 months firm, and 9 month optional. The operations are expected to commence in the second half of FY24. (Source:Tadawul)
- TIBBIYAH** announced a contract from the Health Affairs of Ministry of National Guard, for securing the ortho consumables. The contract value is said to be SAR 87mn and the contract sign-off will be announced subsequently. (Source:Tadawul)

### Earnings update (Net Profit) (SAR mn)

Company	Q1-24	Q1-23	Y/Y %	Q4-23	Q/Q %
MOUWASAT	171.6	166.6	2.98	180.7	-5.04
MAADEN	981.7	419.4	134.06	890.4	10.25
JAZIRA TAKAFUL	12.8	7.1	79.42	2.9	348.26
EMAAR EC*	-352.0	-171.0	NM	-204.0	NM
TAIBA*	110.5	62.1	78.05	-33.7	NM
HCC	15.0	18.5	-18.95	3.2	364.23

\*NM means Not Meaningful.

## Market Analysis

The **Saudi Stock Exchange** increased 0.3% to 12,259.6. The value traded stood at SAR 7.0bn (up 31.3% over the previous day), while the advance-decline ratio stood at 85/134. The parallel market index decreased 1.2% to 26,859.4 points. The value traded stood at SAR 28.3mn (down 1.7% over the previous day). Most sectors in the main market ended in the red. Utilities and Media (up 4.4 and 2.5%, respectively) advanced the most, while Insurance and Healthcare (down 1.9% and 1.7%, respectively) led the laggards.

### Top Gainers

Company	Price	Change%
ACIG	20.18	9.9
ALJOUF	62.00	7.8
ACWA POWER	409.20	5.7
ZAMIL INDUST	21.10	5.0
RIYADH CABLES	100.80	4.9

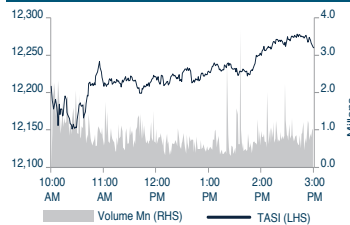
### Top Losers

Company	Price	Change%
MEDGULF	27.90	-10.0
GULF GENERAL	14.40	-10.0
WALAA	26.60	-10.0
SAICO	17.86	-10.0
ALETIHAD	22.00	-10.0

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,260	12,281	12,147	0.3	2.4
NomuC	26,859	27,152	26,821	(1.2)	9.5

### TASI movement during session



### TASI Ratios

P/E* (x)	27.5
Price-to-Book (x)	2.5
Dividend Yield (%)	2.6
Return on Equity (%)	19.2

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,650	0.0	-9.1	16.2
Materials	6,228	0.5	-2.0	High
Capital Goods	12,702	1.0	27.9	44.2
Commercial Service	5,121	-0.5	-7.9	49.4
Transportation	7,452	-0.3	17.6	37.5
Consumer Durables	5,571	-0.8	10.9	Neg
Consumer Services	5,396	0.6	9.2	40.5
Media	31,515	2.5	28.5	High
Consumer Discretionary Ret	8,057	-0.2	-5.5	23.7
Consumer Staples Ret	9,822	-1.0	1.5	24.3
Food & Beverages	6,127	-1.1	9.3	30.9
Healthcare	13,594	-1.7	13.0	49.1
Pharma & Bio Tech	5,218	-1.6	7.4	47.8
Banks	11,672	0.5	-4.3	13.5
Financial Services	7,939	-0.2	19.4	37.5
Insurance	11,023	-1.9	30.1	30
Telecom	7,705	-0.4	-0.2	14.5
Utilities	14,261	4.4	43.5	31.8
REITs	3,384	0.1	-7.7	26.3
Real Estate	3,689	-0.7	21.0	41.3
Software & Services	73,522	-0.1	7.2	44.6

### Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for May (bn)
12,316	12,342	12,380	6.67

### Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	12.3	500.80	946.40
Previous week	35.2	1,381.20	2,560.20

### Top Weighted Companies

Company	Price	Change%
Saudi Aramco	29.95	0.0
Al Rajhi	78.90	-0.1
SNB	35.90	0.6
ACWA POWER	409.20	5.7
ALINMA	31.85	-0.3



## International Market News

- The **Bank of England** left its key policy rate unchanged for the sixth consecutive meeting and signaled that the first rate cut since 2020 is on the horizon. The Monetary Policy Committee decided to hold the Bank Rate at 5.25 percent again. The current bank rate is the highest since early 2008. (Source: RTT News)
- China's** finance ministry plans to start raising USD 138bn in long-awaited, long-term special treasury bonds this week to raise funds it will use to stimulate key sectors of its flagging economy. These special government bonds would have tenors of 20 to 50 years. (Source: Reuters)
- Japan** envisages the need for electricity output to rise 35% to 50% by 2050 due to growing demand from semiconductor plants and data centres backing artificial intelligence. Power output should grow from 1 trillion kWh projected for the current decade to about 1.35-1.5 trillion kWh in 2050 to meet demand as Japan sets up more data centres, chip factories and other energy-consuming businesses. (Source: Reuters)
- Oil prices** gained 0.2% as the supply-demand balance tightened on operational disruptions and voluntary output cuts.
- Gold prices** gained 0.4% ahead of US PPI data and Fed's Powell speech.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.2	-0.1	-0.9	3.8
Euro	1.1	0.2	1.2	-2.3
Japanese Yen	156.2	0.3	-1.0	10.8
Sterling Pound	1.3	0.3	0.5	-1.4
Chinese Yuan	7.2	0.1	-0.2	1.6
Indian Rupee	83.5	0.0	0.1	0.4
UAE Dirham	3.7	0.0	0.0	0.0
Qatari Rial	3.6	-0.0	-0.0	0.0
Kuwaiti Dinar	0.3	0.0	-0.1	0.1
Omani Rial	0.4	0.0	-0.0	-0.0
Bahraini Dinar	0.4	-0.0	-0.0	0.0
Egyptian Pound	47.0	-0.7	-1.7	52.2

## Corporate Calendar

Date	Company	Event
14-May	BAAZEEM	Eligibility of Cash Dividend
14-May	BAAZEEM	EGM
14-May	SAUDI ARAMCO	Eligibility of Cash Dividend
14-May	SAUDI ELECTRICITY	Eligibility of Cash Dividend
14-May	SULAIMAN ALHABIB	EGM
14-May	ARDCO	Cash Dividend Distribution

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,173	0.0	0.4	2.8	8.1
Abu Dhabi (ADX)	9,093	0.0	0.3	-5.1	17.0
Kuwait (KSE)	7,883	0.5	2.5	5.4	18.6
Qatar (QE)	9,669	0.3	-0.6	-10.7	10.9
Oman (MSM)	4,770	-0.2	-0.3	5.7	12.4
Bahrain (BSE)	2,023	-0.0	-0.3	2.6	7.3
Egypt (EGX30)	25,381	0.9	3.8	2.0	9.7

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,432	-0.2	4.3	4.6	23.2
Nasdaq	18,199	0.2	4.3	8.2	33.6
S&P 500	5,221	-0.0	3.7	9.5	25.0
FTSE 100	8,415	-0.2	3.3	8.8	14.9
Germany DAX 30	18,742	-0.2	4.5	11.9	15.6
France CAC 40	8,209	-0.1	2.8	8.8	14.3
Japan Nikkei 225	38,179	-0.1	-0.6	14.1	27.1
Russia MOEX	3,457	0.2	-0.4	11.6	4.7
Hong Kong Hang Seng	19,115	0.8	7.6	12.1	10.7
South Korea KOSPI	2,727	-0.0	1.3	2.7	16.6
China Shanghai Composite	3,148	-0.2	1.4	5.8	14.2
Australia ASX 200	7,750	0.0	1.1	2.1	19.5
India Sensex	72,776	0.2	-2.3	0.7	22.4
MSCI EM	1,079	0.7	3.1	5.4	15.4
MSCI World	3,421	0.0	3.5	7.9	21.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.74	-1.4	-4.2	6.6
Brent Crude (\$/bbl)	83.36	0.7	-5.1	8.2
Texas crude (\$/bbl)	79.12	1.1	-3.4	10.4
Natural Gas (\$/mmbtu)	2.38	5.7	19.6	-5.5
Gold (\$/oz)	2,336.32	-1.0	2.2	13.2
Silver (\$/oz)	28.20	0.1	7.3	18.5
Steel (\$/ton)	781.00	0.1	-3.9	-31.2
Iron Ore (CNY/MT)	877.00	-1.5	-1.2	-15.9
Wheat (\$/bu)	687.00	3.5	13.9	6.4
Corn (\$/bu)	472.50	0.6	5.8	-4.4
Sugar (\$/lb)	18.63	-3.5	-4.0	-8.7
SMP* (EUR/MT)	2,386.00	1.0	1.9	-7.4

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.90	2.2	3.7	-1.4
KSA (SAIBOR 3M)	6.25	1.3	0.9	1.7
KSA (SAIBOR 6M)	6.12	2.6	4.7	4.8
KSA (SAIBOR 12M)	5.94	-2.1	6.3	-5.2
USA (SOFR 3M)	5.32	0.0	-0.6	-0.9
UAE (EIBOR 3M)	5.40	4.7	8.0	6.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 13, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,260
Short-term view	
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,682.3
Value (SAR mn)	7,007.3
Volume (mn)	269.6
Number of Transactions	541,546
Market Breadth	85 : 134

Key statistics	
1D return %	0.35%
MTD return %	-1.09%
QTD return	-1.14%
YTD return	2.44%
ADT vol. 3M* (mn)	356.7
ADT val. 3M (SARmn)	8,602.7

\*ADT stands for Average Daily Traded

### TASI market commentary

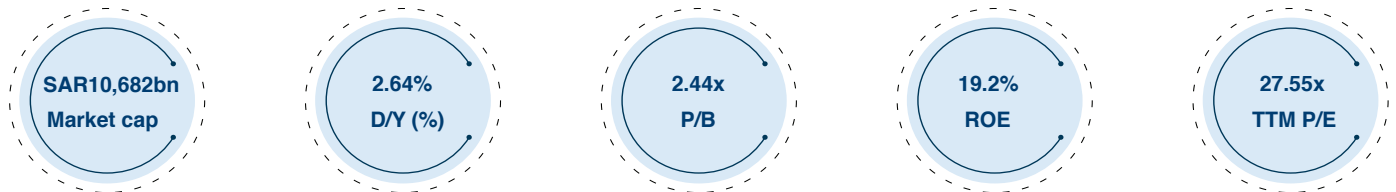
- TASI experienced a rise on Monday; primarily driven by the performance of the Banks sector (up 0.48%) and the Materials sector (up 0.45%). At close, the Saudi market ended the day with a change of 0.35% at 12,260. In terms of activity, total volumes and value traded were ~270mn and ~SAR 7.0bn, respectively. The advance-decline ratio came in at 85/134.

### Technical outlook

- TASI closed the last session near 12,260, marking a gain of 43 points. Despite the initial selling pressure that led to recording a lower low, the buying power resurfaced and recouped the session's losses to close above the support level of the previous trough around 12,185. TASI formed a Piercing Line candlestick, indicating a possible temporary positive rebound. Nevertheless, the index is currently moving within a declining channel below its 10, 20, and 50-day SMAs, indicating the prevailing selling sentiment. Moreover, the RSI indicator is still hovering below the level of 50. TASI has an immediate resistance level of around 12,315. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,380–12,460. On the other hand, an immediate support level is observed around 12,185. If breached, the subsequent support levels would be around 12,100 – 12,000. As TASI is still trading below its important moving averages, caution should be exercised by traders who are advised to closely monitor the support level near the previous trough of around 12,185. A decisive close below this level could potentially trigger further selling pressure.

### Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,000	12,100	12,185	12,260	12,315	12,380	12,460



Source: Bloomberg, Argaam

### TASI daily chart

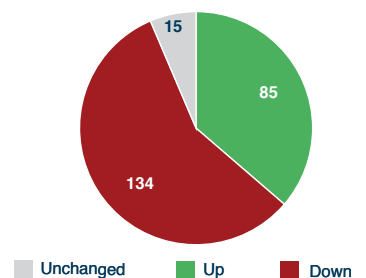


Source: Tradingview, Aljazira Capital

### Our view



### Market depth





## SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
1140	Bank Albilad	35.65	35.55 – 35.65	36.00 – 36.35	35.25
3060	Yanbu Cement	29.90	29.80 – 29.90	30.20 – 30.50	29.55
3002	Najran Cement	10.04	10.00 – 10.04	10.14 – 10.24	9.94
6015	Americana Restaurants	3.20	3.19 – 3.20	3.23 – 3.26	3.16
2250	Saudi Industrial Investment Group	22.38	22.32 – 22.38	22.58 – 22.82	22.12
4003	Extra	100.60	100.40 – 100.60	101.60 – 102.60	99.50

\*As of 13<sup>th</sup> May 2024

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

## CHARTS OF THE DAY

## Technical observations

**ALBILAD** started to bounce off the level of its 200-day SMA forming a Piercing line candlestick pattern. Moreover, all the technical indicators show bullish structure.

## Bank Albilad (ALBILAD)



Source: Tradingview, Aljazira Capital

## Technical observations

**YCC** has just penetrated its 50-day SMA as well as a declining trendline. Moreover, all the technical indicators show bullish structure.

## Yanbu Cement Co. (YCC)



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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