



Major Economic News

- Saudi Arabia's merchandise imports** fell in December 2023 by 7% Y/Y to almost SAR 60.4bn. Accordingly, merchandise imports saw their first decline in nearly three years, almost since February 2021. Meanwhile, merchandise imports declined 10% M/M to nearly SAR 6.8bn. (Source: Argaam)
- The Ministry of Education** announced opening applications for 12,519 teaching jobs under the spatial contracting system for the academic year 1446, in public education departments and their affiliated departments and sectors. The period for male applicants will be March 05 2024 to March 10 2024 while for female applicants it will be from March 11 2024 to March 16 2024. (Source: Argaam)

Major Corporate News

- Aramco** signed corporate procurement agreements worth USD 6bn with suppliers in Saudi Arabia to advance its strategic localization program. The agreements aim to strengthen Aramco's domestic supply chain ecosystem, contributing to the company's resilience, reliability, and ability to meet the evolving needs of its customers. (Source: Argaam).

Earnings update (Net Profit) (SAR mn)

Company	Q4-23	Q4-22	Y/Y %	Q3-23	Q/Q %
SABIC	-1,729.0	302.7	NM*	-2,866.4	NM
SHAKER	4.0	-2.1	NM	16.8	-76.17
RETAL	52.5	62.5	-16.08	37.3	40.67
LUBEREF	268.7	763.2	-64.80	340.4	-21.09
ASTRA	135.9	74.0	83.65	103.1	31.82

*NM indicates Not Meaningful

Market Analysis

The **Saudi Stock Exchange** increased 0.6% to 12,601.6. The value traded stood at SAR 7.4bn (down 18.8% over the previous day), while the advance-decline ratio stood at 169/52. The parallel market index increased 2.6% to 26,254.3 points. The value traded stood at SAR 92.1mn (up 95.4% over the previous day). Most sectors in the main market ended in the green. Consumer Durables and Utilities (up 3.8% and 1.6%, respectively) advanced the most, while Media and Commercial Service (down 1.0% and 0.4%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
AVALON PHARMA	106.60	30.0
SSP	45.95	9.9
BATIC	2.56	9.9
TECO	0.76	8.6
FITAIHI GROUP	3.73	6.6

Top Losers

Company	Price	Change%
AMIANITIT	29.85	-5.2
MCDC	82.50	-2.9
ALRAJHI TAKAFUL	75.80	-2.8
NCLE	167.00	-2.3
SEERA	32.95	-2.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,602	12,623	12,504	0.6	5.3
NomuC	26,254	26,261	25,679	2.6	7.0

TASI movement during session



TASI Ratios

P/E* (x)	27.9
Price-to-Book (x)	2.5
Dividend Yield (%)	2.6
Return on Equity (%)	20.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,028	0.5	-3.1	16.7
Materials	6,240	1.2	-1.8	High
Capital Goods	12,145	1.6	22.3	40.3
Commercial Service	5,597	-0.4	0.7	35.9
Transportation	7,281	0.9	14.9	44.1
Consumer Durables	5,567	3.8	10.8	Neg
Consumer Services	5,820	0.2	17.8	41.1
Media	31,295	-1.0	27.6	High
Consumer Discretionary Ret	8,598	0.5	0.8	28
Consumer Staples Ret	10,298	1.1	6.4	26.7
Food & Beverages	6,559	-0.3	16.9	33.7
Healthcare	13,810	0.2	14.8	High
Pharma & Bio Tech	5,526	-0.4	13.8	High
Banks	13,009	0.3	6.6	15.3
Financial Services	7,685	1.5	15.6	34.8
Insurance	9,712	0.2	14.6	26
Telecom	8,263	0.8	7.0	15.5
Utilities	10,217	1.6	2.8	20.3
REITs	3,589	0.3	-2.1	High
Real Estate	3,390	-0.2	11.2	High
Software & Services	81,502	1.4	18.8	High

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,596	12,540	12,302	9.15

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	16.6	931.00	1,106.20
Previous week	46.5	1,860.50	2,810.20

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.95	0.5
Al Rajhi	89.90	0.4
SNB	42.30	-0.1
SABIC	79.90	1.4
STC	41.70	0.7





International Market News

- **New orders for US** manufactured durable goods decreased 6.1% (versus expectations of a 4.5% decrease), falling substantially in January. This was due to orders for transportation equipment, which fell by 16.2%. Excluding the slump from transportation equipment, the fall in manufactured durable goods would have been 0.3%. (Source: RTT News)
- **The US Consumer Confidence Index** slid to 106.7 in February, versus 110.9 in January. Analysts had expected the index to rise to 115.0. This unexpected deterioration reflects the uncertainty about the US economy. (Source: RTT News)
- **Lending to euro area** households grew at slowest pace since 201. Broad money supply posted marginal growth in January. Adjusted loans to households registered an annual increase of 0.3%, slower than a 0.4% increase in December. This was the weakest growth since early 2015. (Source: Reuters)
- **China's oil** demand growth in 2024 could be half of 2019 (pre-covid) levels, as key segments struggle from a slowdown. According to Eurasia group, China is unlikely to return to its oil-intensive economic growth, as construction and auto sectors, which have been key drivers for oil demand, have been exhausted. (Source: CNBC)
- **Oil prices** fell 0.4% due to pressure from signs of a massive weekly build in the US inventories and a potential ceasefire between Israel and Hamas.
- **Gold prices** decreased 0.2% due to the US dollar becoming stronger.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.83	0.0	0.5	2.5
Euro	1.08	-0.1	0.2	-1.8
Japanese Yen	150.51	-0.1	2.4	6.7
Sterling Pound	1.27	0.0	-0.0	-0.4
Chinese Yuan	7.21	0.0	0.4	1.2
Indian Rupee	82.90	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	0.1
Omani Rial	0.38	-0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.0	0.0
Egyptian Pound	30.90	-0.1	0.1	-0.0

Corporate Calendar

Date	Company	Event
28-Feb	SADAFCO	EGM
29-Feb	HCC	Eligibility for Cash Dividend
29-Feb	JADWA REIT	Eligibility for Cash Dividend
29-Feb	AL RAJHI REIT	Cash Dividend Distribution
29-Feb	GROUP FIVE	EGM
3-Mar	ATLAS ELEVATORS	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,273	1.2	2.5	5.2	8.8
Abu Dhabi (ADX)	9,288	0.3	-2.3	-3.0	20.0
Kuwait (KSE)	8,158	0.4	2.5	9.1	17.4
Qatar (QE)	10,497	0.5	4.0	-3.1	12.1
Oman (MSM)	4,578	-0.4	0.3	1.4	12.3
Bahrain (BSE)	2,043	-0.5	-1.2	3.6	7.4
Egypt (EGX30)	29,205	0.9	3.3	17.3	14.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,972	-0.2	2.2	3.4	22.2
Nasdaq	17,971	0.2	4.9	6.8	35.1
S&P 500	5,078	0.2	4.8	6.5	24.3
FTSE 100	7,683	-0.0	0.7	-0.6	10.4
Germany DAX 30	17,556	0.8	3.9	4.8	15.2
France CAC 40	7,948	0.2	3.8	5.4	14.2
Japan Nikkei 225	39,240	0.0	8.1	17.3	28.0
Russia MOEX	3,209	-0.1	-0.2	3.5	2.9
Hong Kong Hang Seng	16,791	0.9	8.4	-1.5	8.8
South Korea KOSPI	2,625	-0.8	5.1	-1.1	18.3
China Shanghai Composite	3,015	1.3	8.1	1.4	13.9
Australia ASX 200	7,663	0.1	-0.2	1.0	19.2
India Sensex	73,095	0.4	1.9	1.2	23.2
MSCI EM	1,028	0.4	5.3	0.4	15.3
MSCI World	3,332	0.2	3.9	5.1	20.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	82.87	1.0	-2.4	3.0
Brent Crude (\$/bbl)	83.65	1.4	2.4	8.6
Texas crude (\$/bbl)	78.87	1.7	4.0	10.1
Natural Gas (\$/mmbtu)	1.81	3.7	-14.8	-21.5
Gold (\$/oz)	2,030.48	-0.0	-0.4	-1.6
Silver (\$/oz)	22.46	-0.3	-2.2	-5.6
Steel (\$/ton)	922.00	0.0	-4.3	-18.8
Iron Ore (CNY/MT)	940.00	-0.9	-10.9	-9.9
Wheat (\$/bu)	584.25	1.7	-3.5	-8.6
Corn (\$/bu)	423.50	0.5	-7.6	-12.5
Sugar (\$/lb)	22.68	2.3	-2.5	11.1
SMP* (EUR/MT)	2,475.00	0.0	-2.3	-4.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.90	-0.9	1.8	-1.0
KSA (SAIBOR 3M)	6.23	-0.8	-13.5	-0.0
KSA (SAIBOR 6M)	6.08	-1.7	8.0	-0.1
KSA (SAIBOR 12M)	5.93	-0.8	-0.8	-6.4
USA (SOFR 3M)	5.34	0.5	2.8	1.2
UAE (EIBOR 3M)	5.24	5.9	-0.1	-9.1

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of February 27, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,602
Short-term view	Cautious Buy
52 weeks high/low	12,669 – 9,931

Market data

Exchange Market Cap. (SAR bn)	11,210.8
Value (SAR mn)	7,435.3
Volume (mn)	462.2
Number of Transactions	507,079
Market Breadth	169 : 52

Key statistics

1D return %	0.56%
MTD return %	6.82%
QTD return	5.30%
YTD return	5.30%
ADT vol. 3M* (mn)	318.6
ADT val. 3M (SARmn)	7,953.2

*ADT stands for Average Daily Traded

TASI market commentary

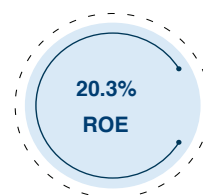
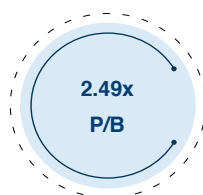
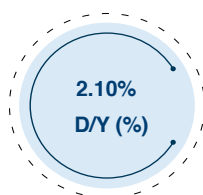
- TASI experienced a rise on Tuesday; primarily driven by the performance of the Materials sector (up 1.23%) and the Telecommunication services sector (up 0.85%). At close, the Saudi market ended the day with a change of 0.56% at 12,602. In terms of activity, total volumes and value traded were ~462mn and ~SAR 7.4bn, respectively. The advance-decline ratio came in at 169/52.

Technical outlook

- TASI closed the last session near 12,602, marking a gain of 70 points. The index witnessed a notable resurgence in buying attitudes, particularly after successfully testing the aforementioned significant support level of 12,500. This increased buying power propelled the index upwards, resulting in a close above the previous session's open and the 5-day SMA. TASI formed a Bullish Engulfing candlestick pattern, accompanied by above-average trading activity, indicating a potential continuation of the upward movement. Moreover, the RSI indicator started pointing upward, approaching the 70 level. TASI has an immediate resistance level near 12,700. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,920 - 13,170. On the other hand, an immediate support level is observed near 12,500. If breached, the subsequent support levels would be around 12,280 - 12,200. Traders are advised to cautiously buy and closely monitor the significant support level of around 12,500.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,200	12,280	12,500	12,595	12,700	12,920	13,170



Source: Bloomberg, Argaam

TASI daily chart

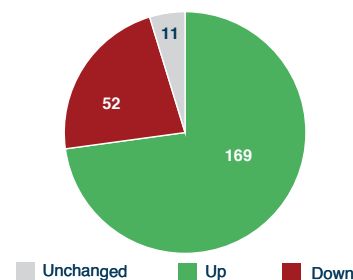


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
1213	Naseej	73.60	73.40 – 73.60	74.30 – 76.20	72.80
1820	Alhokair Group	3.19	3.18 – 3.19	3.22 – 3.28	3.15
2150	ZOUJAJ	42.20	42.10 – 42.20	42.60 – 43.20	41.75
8030	MEDGULF	16.98	16.94 – 16.98	17.14 – 17.64	16.78
2090	National Gypsum	25.75	25.80 – 25.75	26.00 – 26.30	25.45
2060	TASNEE	13.18	13.15 – 13.18	13.30 – 13.50	13.04
1111	Tadawul Group	239.00	238.40 – 239.00	241.20 – 245.80	236.40

*As of 27th Feb 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

Naseej has just penetrated the level of the prior minor peak after bouncing off its 5-day SMA. Moreover, all the technical indicators show bullish structure.

Naseej International Trading Co. (Naseej)



Source: Tradingview, Aljazira Capital

Technical observations

ALHOKAIR GROUP has bounced off the zone of an upside gap as well as the level of the prior peak. Moreover, all the technical indicators show bullish structure.

Abdulsahsen Alhokair Group for Tourism (ALHOKAIR GROUP)



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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