



Major Economic News

- **Saudi Arabia's** real GDP dropped by 1.8% Y/Y in Q1-24. The decline was attributable to a 10.6% retreat in oil activities. However, non-oil and government activities rose 2.0% Y/Y. (Source: Argaam)
- **Saudi tourism sector** is seeing continuous growth. According to IHG Hotels & Resorts, the Ministry of Tourism has managed to surpass the target number of visitors, raise the occupancy rates. IHG has 39 hotels under construction over the next 3-5 years. (Source: Argaam)

Major Corporate News

- **WSM** announced the signing of building, development and management of the website and mobile application for King Abdulaziz Reserve. The contract duration is said to be for 24 months, with a contract value of SAR 2.2mn. The contract is said to have a positive financial impact on the company's financial results from FY24E till FY26E. (Source: Tadawul)
- **ACWA Power** announced the signing of the senior debt financing for Qassim 1 Combined Cycle Power Plant (CCGT) with capacity of 1,800 MW in Qassim. The financing is done through a mix of international and local commercial lenders for a amount of SAR 5.7bn, for 28.1 years. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q1-24	Q1-23	Y/Y %	Q4-23	Q/Q %
EIC	75.2	35.1	114.09	59.5	26.51
SABIC*	250.0	660.0	-62.12	-1,731	NM
Bank AlJazira	300.4	204.0	47.25	279.3	7.55
TAWUNIYA	196.7	74.5	164.13	86.1	128.50

*NM means Not Meaningful

Market Analysis

The **Saudi Stock Exchange** decreased 0.4% to 12,345.7. The value traded stood at SAR 6.0bn (down 20.0% over the previous day), while the advance-decline ratio stood at 110/106. The parallel market index increased 0.1% to 26,362.2 points. The value traded stood at SAR 27.2mn (down 50.3% over the previous day). Most sectors in the main market ended in the red. Capital Goods and Transportation (up 1.4 and 1.2%, respectively) advanced the most, while Diversified Financials and Food & Beverages (down 1.3% and 1.1%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SPM	81.10	6.6
SALAMA	35.00	5.1
THIMAR	15.20	4.5
ALAKARIA	23.60	4.5
CHUBB	34.45	4.2

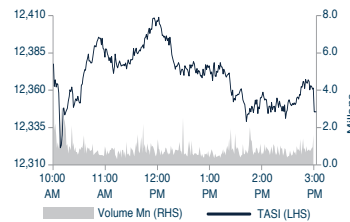
Top Losers

Company	Price	Change%
ALBAHA	0.13	-7.1
JADWA REIT SAUDI	11.72	-3.3
SOLUTIONS	337.20	-3.1
ATHEEB TELECOM	119.00	-2.9
ALARABIA	213.20	-2.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,346	12,412	12,316	(0.4)	3.2
NomuC	26,362	26,474	26,146	0.1	7.5

TASI movement during session



TASI Ratios

P/E* (x)	28.1
Price-to-Book (x)	2.5
Dividend Yield (%)	2.6
Return on Equity (%)	19.5

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,680	-0.2	-8.7	16.3
Materials	6,332	-0.7	-0.3	High
Capital Goods	12,240	1.4	23.3	42.6
Commercial Service	5,289	0.3	-4.9	High
Transportation	7,595	1.2	19.8	37.6
Consumer Durables	5,712	-0.2	13.7	Neg
Consumer Services	5,363	0.4	8.6	41.1
Media	30,330	-0.9	23.7	High
Consumer Discretionary Ret	8,230	0.2	-3.5	24.2
Consumer Staples Ret	10,104	0.1	4.4	25
Food & Beverages	6,283	-1.1	12.0	32
Healthcare	13,630	0.2	13.3	49.3
Pharma & Bio Tech	5,121	1.1	5.4	46.5
Banks	11,818	-0.7	-3.1	13.8
Financial Services	8,279	-1.3	24.5	39.1
Insurance	10,821	0.6	27.7	29
Telecom	7,556	-0.8	-2.1	14.3
Utilities	13,965	0.1	40.5	31.2
REITs	3,431	-0.4	-6.4	26.8
Real Estate	3,759	-0.5	23.3	42.3
Software & Services	75,762	-0.9	10.5	46.8

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for April (bn)
12,319	12,397	12,475	7.92

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	26.6	1,042.40	1,931.40
Previous week	39.1	1,905.40	2,685.10

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	30.05	-0.2
Al Rajhi	79.90	0.0
SNB	37.25	-0.9
ACWA POWER	400.00	0.0
ALINMA	32.60	-2.2





International Market News

- **According to EIA**, oil inventories in the US increased 7.3mn barrels (prior: down 6.4mn) to 460.9mn in the week ended April 26. Gasoline inventories increased 0.3mn barrels (prior: down 0.6mn) to 227.1mn, while distillate inventories declined 0.7mn barrels (prior: up 1.6mn) to 115.9mn. (Source: EIA, Econoday)
- The **Fed** kept the interest rates unchanged at 5.25% to 5.50% and announced plans to slow the speed of its balance sheet drawdown. It was widely expected to leave policy rate at 5.25%-5.50% but signaled it is still leaning towards eventual reductions in borrowing costs. (Source: Reuters)
- **US Manufacturing PMI** contracted to 49.2 in April from 50.3 in March, due to a decline in orders. Manufacturing is being constrained by higher borrowing costs and spending shifting back to services and away from goods. (Source: RTT News)
- **The UK manufacturing** activity slid into contraction at the start of Q2 as the improvement in output and new orders were short-lived amid uncertain market conditions. The index fell to 49.1 in April, from 50.3 in March. Production continued to decrease in April largely reflecting decreases in intermediate and investment goods industries. (Source: CNBC)
- **Oil fell** 0.4% due to unexpected build-up in US stockpiles and unchanged interest rate by the Fed.
- **Gold fell** 0.2% due to unchanged interest rate by the Fed.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.76	-0.4	-0.4	4.4
Euro	1.07	0.4	0.4	-3.0
Japanese Yen	154.57	-2.0	-2.0	9.6
Sterling Pound	1.25	0.3	0.3	-1.6
Chinese Yuan	7.23	-0.3	-0.3	1.5
Indian Rupee	83.44	0.0	0.0	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	0.1	0.1	0.3
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	0.0
Egyptian Pound	47.87	-0.0	-0.0	54.9

Corporate Calendar

Date	Company	Event
2-May	SPCC	EGM
2-May	FAKEEH MEDICAL	Start of IPO
2-May	AMERICANA	Eligibility of Cash Dividend
5-May	ALDREES	Eligibility of Cash Dividend
5-May	ALDREES	EGM
5-May	ALWASAIL	Eligibility of Cash Dividend

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,133	-0.5	-0.5	1.8	8.0
Abu Dhabi (ADX)	9,032	-0.4	-0.4	-5.7	19.6
Kuwait (KSE)	7,660	-0.4	-0.4	2.4	18.1
Qatar (QE)	9,709	-0.2	-0.2	-10.4	10.9
Oman (MSM)	4,767	-0.4	-0.4	5.6	12.5
Bahrain (BSE)	2,029	0.0	0.0	2.9	8.0
Egypt (EGX30)	25,271	3.4	3.4	1.5	9.4

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	37,903	0.2	0.2	0.6	21.7
Nasdaq	17,319	-0.7	-0.7	2.9	32.0
S&P 500	5,018	-0.3	-0.3	5.2	24.0
FTSE 100	8,121	-0.3	-0.3	5.0	14.4
Germany DAX 30	17,932	0.0	0.0	7.0	15.0
France CAC 40	7,985	0.0	0.0	5.9	14.1
Japan Nikkei 225	38,274	-0.3	-0.3	14.4	27.3
Russia MOEX	3,470	0.0	0.0	12.0	4.0
Hong Kong Hang Seng	17,763	0.0	0.0	4.2	10.0
South Korea KOSPI	2,692	0.0	0.0	1.4	19.4
China Shanghai Composite	3,105	0.0	0.0	4.4	13.4
Australia ASX 200	7,570	-1.2	-1.2	-0.3	19.2
India Sensex	74,483	0.0	0.0	3.1	24.2
MSCI EM	1,046	-0.0	-0.0	2.1	15.2
MSCI World	3,294	-0.3	-0.3	3.9	20.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	86.75	-3.0	-3.0	7.9
Brent Crude (\$/bbl)	83.44	-5.0	-5.0	8.3
Texas crude (\$/bbl)	79.00	-3.6	-3.6	10.3
Natural Gas (\$/mmbtu)	1.93	-3.0	-3.0	-23.3
Gold (\$/oz)	2,319.56	1.5	1.5	12.4
Silver (\$/oz)	26.65	1.4	1.4	12.0
Steel (\$/ton)	810.00	-0.4	-0.4	-28.6
Iron Ore (CNY/MT)	887.50	0.0	0.0	-14.9
Wheat (\$/bu)	599.25	-0.7	-0.7	-7.2
Corn (\$/bu)	450.75	0.9	0.9	-8.8
Sugar (\$/lb)	19.22	-1.0	-1.0	-5.8
SMP* (EUR/MT)	2,341.00	0.0	0.0	-9.2

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.81	-5.5	-5.5	-10.6
KSA (SAIBOR 3M)	6.22	-2.2	-2.2	-1.4
KSA (SAIBOR 6M)	6.12	4.0	4.0	4.1
KSA (SAIBOR 12M)	5.88	0.1	0.1	-11.3
USA (SOFR 3M)	5.33	0.5	0.5	0.1
UAE (EIBOR 3M)	5.27	-4.7	-4.7	-5.9

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 1, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,346
Short-term view	Profit Booking
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,735.7
Value (SAR mn)	5,978.8
Volume (mn)	258.8
Number of Transactions	453,461
Market Breadth	110 : 106

Key statistics	
1D return %	-0.40%
MTD return %	-0.40%
QTD return	-0.45%
YTD return	3.16%
ADT vol. 3M* (mn)	361.5
ADT val. 3M (SARmn)	8,819.1

*ADT stands for Average Daily Traded

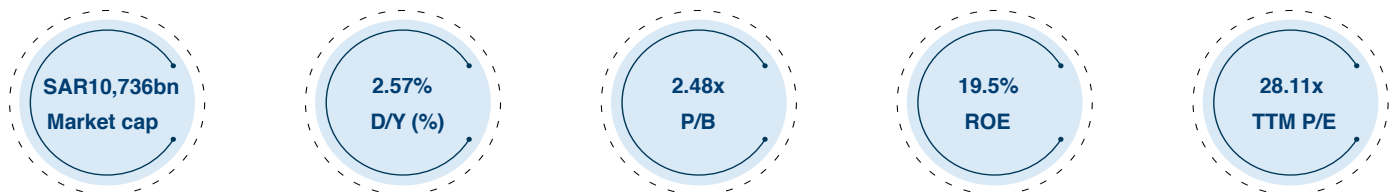
TASI market commentary

- TASI experienced a decline on Wednesday; primarily driven by the performance of the Telecommunication services sector (down 0.82%) and the Materials sector (down 0.72%). At close, the Saudi market ended the day with a change of -0.40% at 12,346. In terms of activity, total volumes and value traded were ~256mn and ~SAR 6.0bn, respectively. The advance-decline ratio came in at 110/106.

Technical outlook

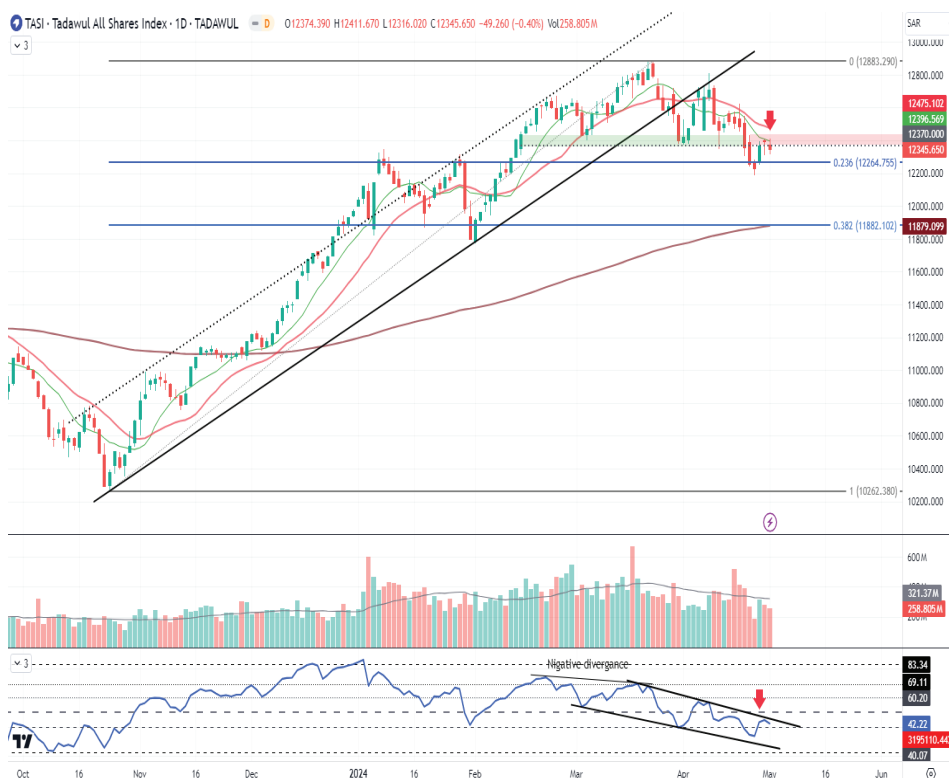
- TASI closed the last session near 12,346, marking a loss of 49 points. The profit booking sentiment resurfaced after testing the 10-day SMA as well as a declining trendline around 12,400. TASI formed a red candlestick indicating the reemergence of the profit booking attitude. Moreover, the RSI indicator is still hovering below the 50 level as well as a declining trendline. TASI has an immediate resistance level of around 12,400. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,475 – 12,625. On the other hand, an immediate support level is observed around 12,260. If breached, the subsequent support levels would be around 12,185 – 12,100. As the profit booking sentiment has resurfaced after encountering the significant resistance zone formed by the previous troughs and the 20-day SMA around 12,370 – 12,475, traders are advised to stay cautious and closely monitor the level of the previous trough, located around 12,185. A break below this level could potentially trigger further profit booking sentiment and lead to an additional decline in the market.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
12,100	12,185	12,260	12,370	12,400	12,475	12,625



Source: Bloomberg, Argaam

TASI daily chart

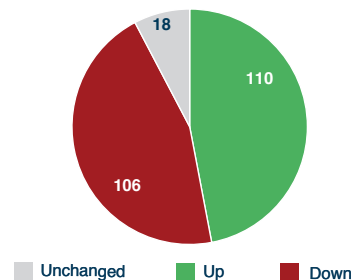


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
1214	Al Hassan Ghazi Ibrahim Shaker Co. (SHAKER)	35.15	35.05 – 35.15	35.50 – 35.85	34.75
1304	Al Yamamah Steel Industries Co. (ALYAMAMAH STEEL)	43.15	43.05 – 43.15	43.55 – 45.00	42.65
2083	The Power and Water Utility Company for Jubail and Yanbu	67.00	66.80 – 67.00	67.60 – 68.30	66.30
1301	United Wire Factories Company (ASLAK)	34.20	34.10 – 34.20	34.55 – 34.90	33.80
4015	Jamjoom Pharmaceuticals Factory Co. (Jamjoom Pharma)	133.00	132.60 – 133.00	134.20 – 135.80	131.40
8240	CHUBB Arabia Cooperative Insurance Co. (CHUBB)	34.45	34.35 – 34.45	34.80 – 35.15	34.05

*As of 01st May 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

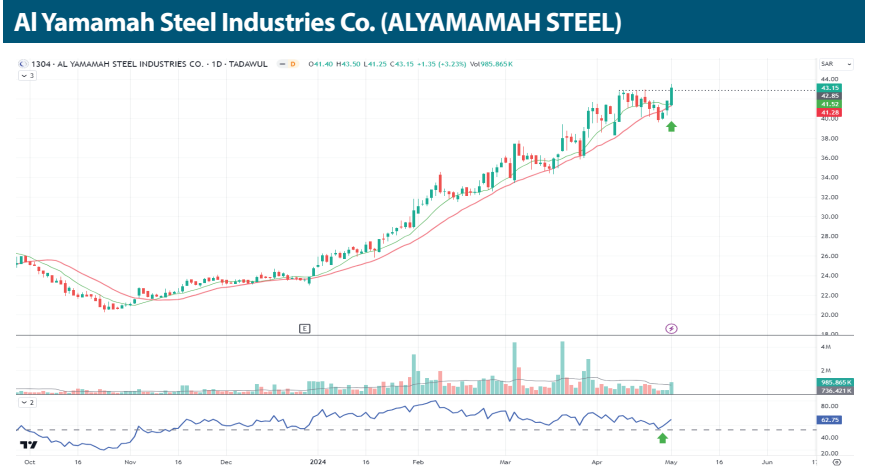
SHAKER has just penetrated a declining trendline as well as its 20-day SMA. Moreover, all the technical indicators show bullish structure.



Source: Tradingview, Aljazira Capital

Technical observations

ALYAMAMAH STEEL has just penetrated the level of the prior peak after penetrating its 10-day and 20-day SMAs. Moreover, all the technical indicators show bullish structure.



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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