



Domestic Market News

- **PIF** signed 6 MoUs worth USD 50bn with Chinese institutions. These MoUs form a part of PIF's strategy to foster partnerships with global institutions. (Source: Argaam)
- Occupancy rates for REITs in **KSA** continued to rise for 6th consecutive quarter, reaching 91.5% in Q2-24. This growth was driven by continued improvement in all operating sectors notably hospitality sector. (Source: Argaam)
- **KSA's** international reserves grew by 0.1% M/M to SAR 1.1bn, thereby hitting its lowest since November 2022. (Source: Argaam)
- **Armah** signed a MoU with Banan Real Estate to develop 6 fitness clubs within 5 years by establishing a real estate fund. (Source: Tadawul)
- **Waja** signed a contract worth SAR 5.7mn with Shaqra University, for providing advisory and technical services. The contract's duration is for 12 months. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q2-24	Q2-23	Y/Y %	Q1-24	Q/Q %
CHEMANOL*	-28.3	-10.2	NM	-24.5	NM
NAQI	11.0	13.2	-16.64	7.9	39.32
FIPCO	1.1	0.6	1,733.33	2.0	-44.99
TECO	0.8	1.0	-13.74	6.0	-85.54
BCI	9.8	6.8	44.39	10.3	-5.04
OASIS*	-1.5	7.8	NM	3.7	NM
SUMOU	34.4	40.7	-15.47	19.1	79.89
CHEMICAL	72.7	26.5	173.86	91.5	-20.49
SAUDI RE	43.5	59.9	-27.47	31.8	36.78
ELM	486.0	373.0	30.29	345.0	40.87
TAWUNIYA	459.8	245.8	87.03	196.7	133.78
AL HAMMADI	117.8	81.9	44.01	64.0	84.06
TASNEE*	52.8	31.4	68.15	-72.1	NM

*NM means Not Meaningful.

Market Analysis

The **Saudi Stock Exchange** decreased 0.5% to 12,045.8. The value traded stood at SAR 6.0bn (down 6.0% over the previous day), while the advance-decline ratio stood at 52/171. The parallel market index decreased 0.2% to 26,609.3 points. The value traded stood at SAR 42.9mn (down 8.3% over the previous day). Most of the sectors in the main market ended in red. Utilities and Retailing (up 0.7% and 0.1%, respectively) advanced the most, while Insurance and Healthcare (down 1.7% and 1.5%, respectively) declined the most.

Top Gainers

Company	Price	Change%
CENOMI RETAIL	8.25	5.9
PETRO RABIGH	7.41	5.0
CARE	214.00	3.6
ALBABTAIN	37.70	3.3
SADAFECO	352.00	2.4

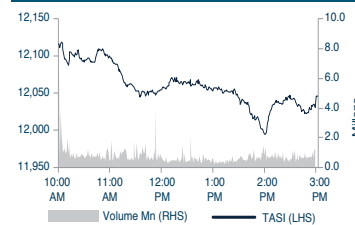
Top Losers

Company	Price	Change%
GULF UNION ALAHLIA	17.30	-10.0
KINGDOM	9.20	-8.0
SAICO	15.60	-7.1
ACIG	18.08	-5.9
WATANIYA	29.90	-5.1

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,046	12,124	11,993	(0.5)	0.1
NomuC	26,609	26,733	26,413	(0.2)	8.5

TASI movement during session



TASI Ratios

P/E* (x)	26.8
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	19.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,208	-0.4	-16.4	15.5
Materials	5,802	-0.3	-9.2	High
Capital Goods	12,543	-0.9	24.4	27.6
Commercial Service	5,209	-0.6	-6.6	38
Transportation	7,785	-0.3	22.6	38.1
Consumer Durables	5,139	-1.5	3.2	Neg
Consumer Services	5,133	-0.1	3.1	38
Media	31,773	-1.4	29.4	47.3
Consumer Discretionary Ret	7,591	0.1	-11.9	22.4
Consumer Staples Ret	9,205	-0.8	-5.8	21.9
Food & Beverages	6,145	-0.7	9.2	30.6
Healthcare	12,833	-1.5	5.0	45.3
Pharma & Bio Tech	4,761	-1.4	-2.2	45.6
Banks	12,123	-0.6	-1.3	13.7
Financial Services	7,600	-1.1	12.9	36.5
Insurance	10,966	-1.7	27.6	26.7
Telecom	7,554	-0.8	-2.8	14.8
Utilities	13,904	0.7	40.1	30.1
REITs	3,330	-0.4	-9.2	25.9
Real Estate	3,665	-0.5	19.9	43.1
Software & Services	73,602	-1.0	7.3	42.4

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for July (bn)
12,103	12,113	12,007	6.33

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	30.7	1,455.10	2,501.40
Previous week	33.9	1,618.40	2,558.20

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.50	-0.4
Al Rajhi	85.00	-0.7
SNB	38.05	0.1
ACWA POWER	398.00	0.8
ALINMA	32.10	-0.9





International Market News

- According to **Baker Hughes**, North America's rig count increased 805 in the week ended August 02 from 800 earlier. The rig count fell to 586 in the US from 589 earlier, while decreased to 18 in the Gulf of Mexico from 19. The rig count in Canada increased to 219 from 211. (Source: Baker Hughes)
- Initial jobless claims** increased by 14,000 from the previous week, to 249,000. Economists had expected jobless claims to inch up to 236,000. Thus, the claims data reached its highest levels since August 2023. (Source: RTT News)
- ISM** manufacturing index fell to 46.8 in July from 48.5 in June, versus economist expectations of 48.8. With the bigger than expected decrease, the PMI dropped to its lowest level since November 2023. Demand remained subdued, as companies showed unwillingness to invest in capital and inventory due to current federal monetary policy and other conditions. (Source: Reuters)
- The BoE** lowered its benchmark rate from 5.25% to 5.00%. This rate cut was done for the first time since the pandemic as inflation receded and underlying growth momentum remained weaker. (Source: CNBC)
- Oil prices** on Friday fell 3.4% on demand concerns after weak US jobs data, which added to the concerns that the slowing economic growth will hit consumption as the year progresses.
- Gold prices** on Friday fell 0.1% as US Dollar strengthened.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.21	-1.2	-0.9	1.9
Euro	1.09	1.1	0.8	-1.2
Japanese Yen	146.53	-1.9	-2.3	3.9
Sterling Pound	1.28	0.5	-0.4	0.5
Chinese Yuan	7.16	-1.2	-0.9	0.5
Indian Rupee	83.75	0.0	0.0	0.7
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	0.38	-0.0	-0.0	0.0
Bahraini Dinar	0.38	-0.0	0.0	-0.0
Egyptian Pound	48.69	0.0	0.3	57.5

Corporate Calendar

Date	Company	Event
4-Aug	NORTHERN CEMENT	EGM
4-Aug	MRNA	Eligibility of Cash Dividend
4-Aug	MODERN MILLS	Eligibility of Cash Dividend
4-Aug	THARWAH	Start of IPO
5-Aug	EAST PIPES	Eligibility of Cash Dividend
6-Aug	BAAZEEM	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,237	-1.0	-0.7	4.4	8.3
Abu Dhabi (ADX)	9,292	-0.8	-0.5	-3.0	18.6
Kuwait (KSE)	7,865	-0.4	-0.4	5.2	22.0
Qatar (QE)	10,131	-0.2	-0.2	-6.5	11.4
Oman (MSM)	4,667	0.1	0.1	3.4	11.9
Bahrain (BSE)	1,971	0.1	0.1	-0.0	7.6
Egypt (EGX30)	29,360	-0.1	-0.1	17.9	8.2

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,737	-1.5	-2.7	5.4	22.8
Nasdaq	18,441	-2.4	-4.8	9.6	32.5
S&P 500	5,347	-1.8	-3.2	12.1	25.0
FTSE 100	8,175	-1.3	-2.3	5.7	14.3
Germany DAX 30	17,661	-2.3	-4.6	5.4	15.6
France CAC 40	7,252	-1.6	-3.7	-3.9	13.7
Japan Nikkei 225	35,910	-5.8	-8.2	7.3	23.0
Brazil IBOVESPA	125,854	-1.2	-1.4	-6.2	9.3
Hong Kong Hang Seng	16,946	-2.1	-2.3	-0.6	9.5
South Korea KOSPI	2,676	-3.7	-3.4	0.8	15.8
China Shanghai Composite	2,905	-0.9	-1.1	-2.3	13.7
Australia ASX 200	7,943	-2.1	-1.8	4.6	19.6
India Sensex	80,982	-1.1	-0.9	12.1	24.8
MSCI EM	1,061	-2.4	-2.2	3.7	15.7
MSCI World	3,449	-2.0	-3.4	8.8	22.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	80.98	-1.7	-1.4	0.7
Brent Crude (\$/bbl)	76.81	-3.4	-4.8	-0.3
Texas crude (\$/bbl)	73.52	-3.7	-5.6	2.6
Natural Gas (\$/mmbtu)	1.97	-0.1	-3.4	-26.4
Gold (\$/oz)	2,443.24	-0.1	-0.2	18.4
Silver (\$/oz)	28.56	0.1	-1.5	20.0
Steel (\$/ton)	681.00	-1.0	-3.3	-40.0
Iron Ore (CNY/MT)	788.50	0.0	3.2	-24.4
Wheat (\$/bu)	539.00	1.3	2.2	-17.9
Corn (\$/bu)	403.25	1.2	0.9	-19.9
Sugar (\$/lb)	18.10	-2.2	-4.4	-11.8
SMP* (EUR/MT)	2,428.00	0.0	2.8	-5.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.80	2.7	2.7	-11.0
KSA (SAIBOR 3M)	6.16	-3.4	-3.4	-6.9
KSA (SAIBOR 6M)	5.95	-1.1	-1.1	-13.0
KSA (SAIBOR 12M)	5.78	0.1	0.1	-21.9
USA (SOFR 3M)	5.23	-1.4	-1.3	-10.4
UAE (EIBOR 3M)	5.14	-10.0	-9.3	-19.0

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Aug 1, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,046
Short-term view	Profit Booking
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	10,090.5
Value (SAR mn)	6,019.0
Volume (mn)	235.1
Number of Transactions	494,126
Market Breadth	52 : 171

Key statistics

1D return %	-0.53%
MTD return %	-0.53%
QTD return	3.14%
YTD return	0.66%
ADT vol. 3M* (mn)	303.2
ADT val. 3M (SARmn)	7,533.2

*ADT stands for Average Daily Traded

TASI market commentary

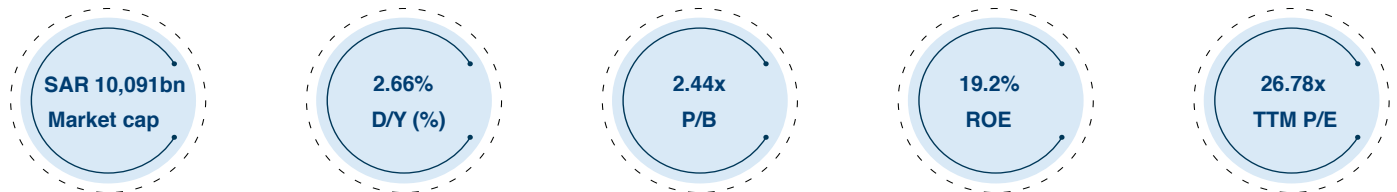
- TASI experienced a decline on Thursday; primarily driven by the performance of the Telecommunication services sector (down 0.77%) and the Banks sector (down 0.58%). At close, the Saudi market ended the day with a change of -0.53% at 12,046. In terms of activity, total volumes and value traded were ~235mn and ~SAR 6.0bn, respectively. The advance-decline ratio came in at 52/171.

Technical outlook

- TASI closed the last session near 12,046, registering a loss of 64 points. The index continued to fluctuate laterally between the 10-day and 20-day SMAs within the prevailing profit-booking action. TASI formed a red candlestick, retesting the 20-day SMA around 12,000. However, breaching this level could potentially signify a possible further decline toward the 200-day EMA and the 50% Fibonacci level around 11,890. Additionally, the RSI indicator is currently descending towards the 50 level. TASI has an immediate support level of around 12,000. If breached, the subsequent support levels would be around 11,950 - 11,890. On the other hand, an immediate resistance level is observed around 12,120. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,190 – 12,235. TASI is still fluctuating within a prevailing profit-booking movement in the near term, accordingly, traders are advised to closely monitor the support of the 20-day SMA around 12,000, as breaching it could trigger potential further profit-booking attitude.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,890	11,950	12,000	12,120	12,190	12,235	12,330



Source: Bloomberg, Argam

TASI daily chart

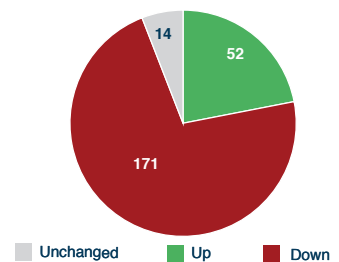


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
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No stocks recommendations due to market volatility

*As of 1st August 2024

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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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