



Domestic Market News

- KSA's** FDI inflows reached SAR 96bn in 2023, although they declined 19% Y/Y. In 2023, KSA ranked 11th globally in FDI inflows and 16th in FDI stock among the G20 nations. (Source: Argaam)
- According to the CEO of **ICIS**, global lubricants and petchem markets are facing major challenges due to geopolitical tensions and an economic slowdown, specially in the western markets. While emerging markets are witnessing rising demand. He expects the imbalance to last through 2030. (Source: Argaam)
- The Energy Localization Forum witnessed 107 strategic agreements and MoUs aiming at reinforcing **KSA's** global leadership in the energy sector. This forum aims at reaching 75% localization in the energy sector. (Source: Argaam)
- KSA's** energy minister said that KSA plays a key role in the energy field and exerts efforts to overcome challenges and problems through finding solutions for global energy. (Source: Argaam)
- Sure Global** signed SAR 23.9mn contract with the Ministry of Tourism for the expansion of infrastructure devices in data centers. The contract to have positive financial impact over FY24-26E. (Source: Tadawul)
- ACIG** announced the approval of Board for the resignation of board member Mr. Muhammad Jihad Al-Rasheed, who was an independent director. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q3-24	Q3-23	Y/Y %	Q2-24	Q/Q %
ALASEEL	5.6	5.2	8.33	26.7	-79.04
RASAN	36.6	28.4	29.03	8.8	315.55
YCC	31.1	15.5	100.13	39.8	-36.38

Market Analysis

The **Saudi Stock Exchange** decreased 0.5% to 11,901.8. The value traded stood at SAR 4.7bn (down 14.3% over the previous day), while advance-decline ratio stood at 68/159. The parallel market index decreased 0.1% to 26,379.9 points. The value traded stood at SAR 50.3mn (down 21.4% over the previous day). Most of the sectors in the main market ended in red. Materials and Pharma & Bio Tech (up 0.5% and 0.4%, respectively), while Insurance and Food & Beverages (down 1.8% and 1.2%, respectively) declined the most.

Top Gainers

Company	Price	Change%
ALBAHA	0.30	3.5
UACC	16.94	2.4
SPIMACO	31.90	2.2
MEPCO	40.15	2.0
TADCO	17.14	2.0

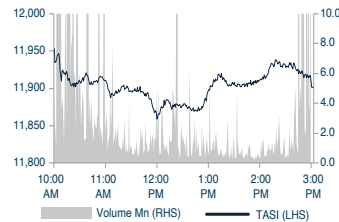
Top Losers

Company	Price	Change%
EAST PIPES	157.40	-4.5
BUPA ARABIA	203.60	-3.5
ALARABIA	175.40	-3.1
ASTRA INDUSTRIAL	171.20	-2.8
TAKWEEN	11.80	-2.6

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,902	11,953	11,856	(0.5)	(1.1)
NomuC	26,380	26,632	26,291	(0.1)	7.5

TASI movement during session



TASI Ratios

P/E* (x)	25.8
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	5,115	-0.2	-17.9	15.3
Materials	5,874	0.5	-8.1	High
Capital Goods	13,483	-1.1	33.7	27.5
Commercial Service	4,981	0.0	-10.7	38
Transportation	7,374	-1.2	16.1	34.1
Consumer Durables	5,247	-1.1	5.4	Neg
Consumer Services	5,069	-0.6	1.8	39.2
Media	34,269	0.2	39.6	49.1
Consumer Discretionary Ret	8,098	-0.2	-6.0	23
Consumer Staples Ret	9,303	-0.4	-4.8	23.2
Food & Beverages	5,971	-1.2	6.1	28.6
Healthcare	12,215	-1.0	-0.1	40.7
Pharma & Bio Tech	5,164	0.4	6.1	43.4
Banks	11,488	-0.7	-6.5	12.5
Financial Services	8,076	-0.9	19.9	32
Insurance	10,125	-1.8	17.8	24.3
Telecom	8,013	-0.1	3.1	15.5
Utilities	14,560	-1.0	46.7	30.2
REITs	3,222	-0.3	-12.1	26.8
Real Estate	3,738	0.1	22.3	45.3
Software & Services	77,515	-0.7	13.0	41

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for October (bn)
11,931	11,972	12,024	6.56

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	20.4	3,369.50	1,647.80
Previous week	34.7	3,774.10	2,531.50

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	26.95	-0.2
Al Rajhi	85.00	-0.9
ACWA POWER	432.20	-1.2
SNB	34.55	-0.9
STC	42.05	0.0





International Market News

- According to **EIA**, oil inventories in the US increased 5.5mn barrels (prior: down 2.2mn) to 426.0mn in the week ended October 18. Gasoline inventories increased 0.9mn barrels (prior: down 2.2mn) to 213.6mn, while distillate inventories declined 1.1mn barrels (prior: down 3.5mn) to 113.8mn. (Source: EIA, Econoday)
- US** existing home sales slid by 1.0% to an annual rate of 3.8mn in September, after dropping 2.0% in August. Home sales have been essentially stuck at around a four-million-unit pace for the past 12 months, but factors usually associated with higher home sales are developing. (Source: Reuters)
- The number of mortgage applications in the **US** fell for the third week in a row, albeit at a slower pace in the week ended October 18. The market composite index, a measure of mortgage application volumes fell 6.7%, while the average contract interest rate for 30-year fixed rate mortgages were steady at 6.5%. (Source: CNBC)
- The **US** 20-year bond auction drew a high yield of 4.6% and a bid-to-cover ratio of 2.6. The Treasury also sold USD 13bn worth of twenty-year bonds revealing that the sale attracted roughly average demand. (Source: RTT News)
- According to Bloomberg, **ECB** could likely cut interest rates by 25bps in December, while 50bps cut seems unlikely. (Source: Investing.com)
- Oil prices** fell 1.4% due to larger than expected build in the US crude inventories, raised concerns about the oil demand.
- Gold prices** fell 1.1% driven by rising US treasury yields and awaiting cues from the upcoming US retail sales data.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.43	0.3	3.6	3.1
Euro	1.08	-0.2	-3.2	-2.3
Japanese Yen	152.76	1.1	6.4	8.3
Sterling Pound	1.29	-0.5	-3.4	1.5
Chinese Yuan	7.14	0.0	1.8	0.1
Indian Rupee	84.08	0.0	0.3	1.0
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	0.5	-0.3
Omani Rial	0.38	-0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	48.72	0.1	0.9	57.6

Corporate Calendar

Date	Company	Event
24-Oct	SALAMA	EGM
27-Oct	NETWORKERS	EGM
28-Oct	SAUDI CABLE	EGM
28-Oct	MULKIA REIT	Eligibility of Cash Dividend
28-Oct	ALBABTAIN FOOD	EGM
30-Oct	GACO	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,464	-0.1	-0.9	10.0	8.6
Abu Dhabi (ADX)	9,205	-0.4	-2.3	-3.9	16.7
Kuwait (KSE)	7,479	-0.5	-3.0	0.0	21.9
Qatar (QE)	10,415	-1.5	-1.9	-3.8	11.5
Oman (MSM)	4,806	0.2	2.0	6.5	12.6
Bahrain (BSE)	1,990	0.0	-1.1	1.0	7.8
Egypt (EGX30)	30,414	-0.0	-3.7	22.2	8.0

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	42,515	-1.0	0.4	12.8	23.1
Nasdaq	20,067	-1.6	0.0	19.3	34.2
S&P 500	5,797	-0.9	0.6	21.5	26.4
FTSE 100	8,259	-0.6	0.3	6.8	14.6
Germany DAX 30	19,378	-0.2	0.3	15.7	16.1
France CAC 40	7,497	-0.5	-1.8	-0.6	13.9
Japan Nikkei 225	38,105	-0.8	0.5	13.9	22.9
Brazil IBOVESPA	129,233	-0.6	-2.0	-3.7	9.8
Hong Kong Hang Seng	20,760	1.3	-1.8	21.8	11.1
South Korea KOSPI	2,600	1.1	0.2	-2.1	13.4
China Shanghai Composite	3,303	0.5	-1.0	11.0	15.9
Australia ASX 200	8,216	0.1	-0.7	8.2	21.1
India Sensex	80,082	-0.2	-5.0	10.9	24.3
MSCI EM	1,142	-0.0	-2.5	11.5	15.9
MSCI World	3,698	-0.9	-0.7	16.7	23.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	75.90	0.5	1.7	-5.6
Brent Crude (\$/bbl)	74.96	-1.4	4.4	-2.7
Texas crude (\$/bbl)	70.77	-1.8	3.8	-1.2
Natural Gas (\$/mmbtu)	2.34	1.3	-19.9	-24.2
Gold (\$/oz)	2,715.55	-1.2	3.1	31.6
Silver (\$/oz)	33.70	-3.3	8.2	41.6
Steel (\$/ton)	704.00	-0.1	-4.2	-38.0
Iron Ore (CNY/MT)	766.00	-0.2	-3.3	-26.6
Wheat (\$/bu)	578.50	0.4	-0.9	-13.5
Corn (\$/bu)	419.00	0.6	-1.4	-16.8
Sugar (\$/lb)	22.34	2.8	-0.6	7.9
SMP* (EUR/MT)	2,500.00	0.0	-4.8	-3.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.45	-0.5	-5.0	-45.9
KSA (SAIBOR 3M)	5.61	0.7	4.1	-61.9
KSA (SAIBOR 6M)	5.47	2.7	-1.6	-60.5
KSA (SAIBOR 12M)	5.19	1.2	-7.8	-80.8
USA (SOFR 3M)	4.63	-0.9	3.4	-70.6
UAE (EIBOR 3M)	4.42	-7.3	-23.3	-90.5

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Oct 23, 2024

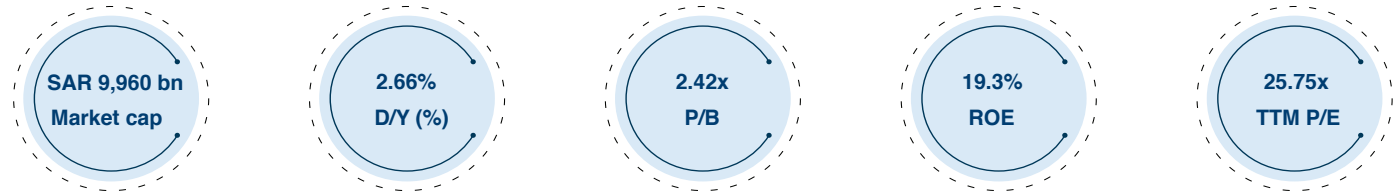


Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,902
Short-term view	Cautious
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	9,960.4
Value (SAR mn)	4,685.1
Volume (mn)	1,377.5
Number of Transactions	396,817
Market Breadth	68 : 159

Key statistics	
1D return %	-0.46%
MTD return %	-2.65%
QTD return	-2.65%
YTD return	-0.55%
ADT vol. 3M* (mn)	504.1
ADT val. 3M (SARmn)	7,011.5

*ADT stands for Average Daily Traded



Source: Bloomberg, Argaam

TASI daily chart



Source: Tradingview, Aljazira Capital

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 23th October 2024

TASI market commentary

- TASI experienced a decline on Wednesday; primarily driven by the performance of the Banks sector (down 0.69%) and the Energy sector (down 0.17%). At close, the Saudi market ended the day with a change of -0.46% at 11,902. In terms of activity, total volumes and value traded were ~1,378mn and ~SAR 4.7bn, respectively. The advance-decline ratio came in at 68/159.

Technical outlook

- TASI closed the last session near 11,902, registering a loss of 55 points. The index remains under the influence of the predominant short-term sideways trend, experiencing a profit-taking attitude that led it towards the previous minor trough located around 11,845. TASI formed another red candlestick, reflecting the prevailing profit-taking sentiment in the near term. Moreover, the RSI indicator continued hovering below its 50-level. TASI has an immediate support level of around 11,845. If breached, the subsequent support levels would be around 11,765 – 11,670. On the other hand, an immediate resistance level is observed around 11,930. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,025 – 12,080. Traders are advised to keep trading cautiously and closely monitor the support level of the prior trough around 11,845, as breaking below this level could trigger potential further selling pressure.

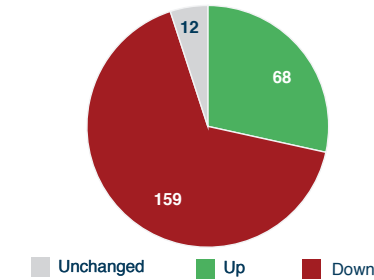
Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,670	11,765	11,845	11,930	12,025	12,080	12,150

Our view



Market depth



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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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