



Domestic Market News

- **KSA's** oil exports slipped 3% in Q2-24 to SAR 220.8bn. The oil exports accounted for 75% of the total merchandise exports, which stood at SAR 294.5bn. (Source: Argam)
- Number of fintech companies reached 224 by Q2-24 in **KSA**, surpassing the target of 168 companies. The kingdom further aims to increase the number of fintech companies to 525 by 2030. (Source: Argam)
- **Jazadco** permanently shut down its first production line of drinking water bottle factory, which was in operation since 2008, due to competitive market conditions. The closure will impact Q3-24 financials, with an estimated SAR 9.9mn asset impairment. (Source: Tadawul)
- **MBC group's** subsidiary signed 3 agreements for airtime sales and exclusive advertising representation. The agreements were signed for advertisements on TV, radio channels and digital platforms across Egypt, GCC and KSA. (Source: Tadawul)
- **Almajed for Oud** set final offer price at SAR 94/share. IPO was 156 times covered, with 7.5mn shares being floated, representing 30% of its share capital. Retail offering to run on September 15. (Source: Argam)
- **MIS** signed a contract with SABIC to supply Microsoft goods and services, with the value of the contract exceeding 20% of FY23 revenues. Financial impact to be reflected from Q3-24. (Source: Tadawul)
- **Acwa Power** signed a water purchase agreement worth SAR 2.6bn with Sharjah Electricity, Water & Gas Authority, for the 410,000 m3/day independent water plant at UAE. The financial impact of the contracted revenues is expected by Q2-28. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased 0.1% to 12,180.4. The value traded stood at SAR 7.3bn (down 16.9% over the previous day), while advance-decline ratio stood at 106/117. The parallel market index decreased 0.6% to 26,045.0 points. The value traded stood at SAR 36.9mn (down 11.1% over the previous day). Most of the sectors in the main market ended in red. Food & Beverages and Capital Goods (up 3.8%, and 0.7%, respectively) while Media and Pharma & Bio Tech (down 1.6% and 1.5%, respectively) declined the most.

Top Gainers

Company	Price	Change%
SFICO	22.18	9.9
ALBAHA	0.13	8.3
SAVOLA GROUP	29.40	6.7
SHARQIYAH DEV	21.00	6.5
HB	61.20	4.8

Top Losers

Company	Price	Change%
EAST PIPES	145.40	-5.0
ZAMIL INDUST	26.15	-4.7
RED SEA	44.70	-3.1
RAYDAN	26.35	-2.8
MEPCO	42.80	-2.7

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,180	12,203	12,145	0.1	1.2
NomuC	26,045	26,225	26,011	(0.6)	6.2

TASI movement during session



TASI Ratios

P/E* (x)	26.4
Price-to-Book (x)	2.5
Dividend Yield (%)	2.7
Return on Equity (%)	19.4

*Source: Argam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,289	0.0	-15.1	15.8
Materials	5,720	-0.5	-10.5	High
Capital Goods	13,706	0.7	35.9	28.1
Commercial Service	5,199	0.4	-6.8	40
Transportation	7,763	-0.9	22.2	36.1
Consumer Durables	5,341	-0.2	7.2	Neg
Consumer Services	5,331	0.3	7.1	42.6
Media	31,883	-1.6	29.9	48.5
Consumer Discretionary Ret	7,940	-0.1	-7.8	22.5
Consumer Staples Ret	9,427	0.3	-3.5	23.6
Food & Beverages	6,190	3.8	10.0	30.3
Healthcare	13,225	0.2	8.2	43.8
Pharma & Bio Tech	5,521	-1.5	13.4	46.9
Banks	11,945	0.2	-2.8	12.9
Financial Services	7,959	-0.3	18.2	31.2
Insurance	11,233	0.5	30.7	26.9
Telecom	8,082	-0.5	4.0	15.8
Utilities	14,422	-0.2	45.3	30
REITs	3,320	-0.6	-9.4	26.6
Real Estate	3,765	-0.5	23.2	45.8
Software & Services	78,971	0.5	15.2	41.8

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
12,160	12,189	12,023	7.62

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	21.6	1,003.70	1,593.80
Previous week	44.5	1,637.60	2,706.70

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.90	0.0
Al Rajhi	88.50	1.1
SNB	34.95	0.0
ACWA POWER	417.00	-0.2
ALINMA	31.05	-1.1





International Market News

- **US** manufacturing PMI rose to 47.2 in August, from 46.8 in July, marginally below the consensus of 47.5. The rise in the index was led by a significant rise in the employment index, thereby indicating a slower pace of contraction. But the demand still remains subdued due to unwillingness to invest in capital and inventories due to current monetary policy. (Source: RTT News)
- **US** construction spendings fell by 0.3% to USD 2.2tn in July, driven by a 0.4% decline in private construction. While the spending on residential and non-residential construction slid 0.4% each. (Source: Reuters)
- **UK** retail sales increased 1% Y/Y in August, but slower than the 4.1% rise last year. The rise was primarily driven by food sales, which rose 2.9%, even as the non-food sales declined 1.7%. (Source: Reuters)
- **China's** services PMI dropped to 51.6 in August, from 52.1 in July. The PMI still remains to expand, although at a slower pace. The service activity was sustained by rising new business inflows. In terms of the overall business activity, new work inflows expanded at a softer rate, compared to July. (Source: CNBC)
- Market participants like Bank of America cut its **China** real GDP growth forecast for 2024, 2025 and 2026. This comes at the back of China's economic growth unlikely to show any signs of revival anytime soon. Inadequate easing measures, persistent confidence problem and moderating investment growth are weighing China's efforts to kick start its growth. (Source: Investing.com)
- **Oil prices** fell 4.6% on signs of a deal to resolve the dispute that halted Libyan crude production and oil exports.
- **Gold prices** fell 0.3% despite a stronger US dollar amid economic slowdown signs.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	101.83	0.2	0.1	0.5
Euro	1.10	-0.3	-0.0	0.0
Japanese Yen	145.48	-1.0	-0.5	3.1
Sterling Pound	1.31	-0.2	-0.1	3.0
Chinese Yuan	7.12	0.1	0.4	-0.1
Indian Rupee	83.97	0.1	0.1	0.9
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	-0.6
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	-0.0
Egyptian Pound	48.49	-0.1	-0.3	56.9

Corporate Calendar

Date	Company	Event
4-Sep	GAS	Cash Dividend Distribution
4-Sep	SIECO	Eligibility of Cash Dividend
5-Sep	BAAZEEM	Cash Dividend Distribution
5-Sep	MULKIA REIT	Eligibility of Cash Dividend
5-Sep	MARAFIQ	Cash Dividend Distribution
8-Sep	DALLAH HEALTH	Cash Dividend Distribution

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,370	0.3	1.0	7.6	8.4
Abu Dhabi (ADX)	9,379	0.2	1.0	-2.1	17.0
Kuwait (KSE)	7,828	0.3	0.1	4.7	22.9
Qatar (QE)	10,383	0.4	1.8	-4.1	11.5
Oman (MSM)	4,778	0.1	0.7	5.8	12.3
Bahrain (BSE)	1,948	-0.0	-0.5	-1.2	7.6
Egypt (EGX30)	31,018	0.9	0.8	24.6	7.6

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,937	-1.5	-1.5	8.6	22.2
Nasdaq	18,959	-3.1	-3.1	12.7	32.9
S&P 500	5,529	-2.1	-2.1	15.9	25.2
FTSE 100	8,298	-0.8	-0.9	7.3	14.6
Germany DAX 30	18,747	-1.0	-0.8	11.9	15.4
France CAC 40	7,575	-0.9	-0.7	0.4	14.0
Japan Nikkei 225	38,686	-0.0	0.1	15.6	23.6
Brazil IBOVESPA	134,353	-0.4	-1.2	0.1	10.2
Hong Kong Hang Seng	17,651	-0.2	-1.9	3.5	9.4
South Korea KOSPI	2,665	-0.6	-0.4	0.4	13.8
China Shanghai Composite	2,803	-0.3	-1.4	-5.8	13.5
Australia ASX 200	8,103	-0.1	0.1	6.8	20.6
India Sensex	82,555	-0.0	0.2	14.3	25.1
MSCI EM	1,090	-0.6	-0.9	6.5	15.2
MSCI World	3,595	-1.7	-1.8	13.5	22.7

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	78.04	-1.0	-1.7	-3.0
Brent Crude (\$/bbl)	73.75	-4.9	-6.4	-4.3
Texas crude (\$/bbl)	70.34	-4.4	-4.4	-1.8
Natural Gas (\$/mmbtu)	2.20	3.6	3.6	-19.7
Gold (\$/oz)	2,492.91	-0.3	-0.4	20.8
Silver (\$/oz)	28.05	-1.7	-2.8	17.9
Steel (\$/ton)	700.00	-2.0	-2.0	-38.3
Iron Ore (CNY/MT)	712.50	-5.3	-8.2	-31.7
Wheat (\$/bu)	566.75	2.8	2.8	-15.3
Corn (\$/bu)	409.25	2.1	2.1	-18.7
Sugar (\$/lb)	19.49	0.6	0.6	-5.1
SMP* (EUR/MT)	2,550.00	0.0	3.2	-1.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.81	-5.1	-21.7	-10.7
KSA (SAIBOR 3M)	6.00	-2.7	-6.2	-22.9
KSA (SAIBOR 6M)	5.81	-0.1	-3.3	-26.9
KSA (SAIBOR 12M)	5.56	0.5	0.5	-43.9
USA (SOFR 3M)	5.01	-0.5	-0.5	-32.0
UAE (EIBOR 3M)	5.00	-7.8	-5.5	-33.2

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Sept 3, 2024



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,180
Short-term view	Profit Booking
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,231.7
Value (SAR mn)	7,305.2
Volume (mn)	450.9
Number of Transactions	574,070
Market Breadth	106 : 117

Key statistics	
1D return %	0.11%
MTD return %	0.29%
QTD return	4.29%
YTD return	1.78%
ADT vol. 3M* (mn)	330.0
ADT val. 3M (SARmn)	7,973.5

*ADT stands for Average Daily Traded

TASI market commentary

- TASI experienced a rise on Tuesday; primarily driven by the performance of the Banks sector (up 0.22%) and the Energy sector (up 0.01%). At close, the Saudi market ended the day with a change of 0.11% at 12,180. In terms of activity, total volumes and value traded were ~451mn and ~SAR 7.3bn, respectively. The advance-decline ratio came in at 106/117.

Technical outlook

- TASI closed the last session near 12,180, marking a modest gain of 12 points. The index experienced a coiled session, ultimately closing below its 10-day SMA around 12,190. Following the Dark Cloud Cover candlestick pattern, TASI formed a Spinning Top candlestick, reflecting a temporary equilibrium between buying and selling attitudes. Moreover, the RSI indicator continues to move laterally beneath a descending trendline, signaling a weak momentum in the short term. TASI has an immediate support level of around 12,090. If breached, the subsequent support levels would be around 12,025 - 11,940. On the other hand, an immediate resistance level is observed around 12,235. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,330 – 12,400. TASI is experiencing a temporary balance in the near term within the prevailing profit-booking sentiment which maintains the index below its 10-day SMA. Accordingly, traders are advised to closely monitor the critical support level of the 23.6% Fibonacci level near 12,090, as breaching this level could trigger a potential further profit-booking attitude.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,940	12,025	12,090	12,190	12,235	12,330	12,400



Source: Bloomberg, Argaam

TASI daily chart

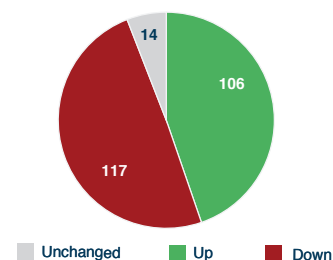


Source: Tradingview, Aljazira Capital

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 03rd September 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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