



## Major Economic News

- GOSI** launched its new advanced flexible work registration mechanism, which offers improved billing and registration of the periods of flexible work subscribers. The improvements also included relying on the actual working hours filed by the employer per each employee. The billing process will be automated, based on the days computed monthly, eliminating the need to wait until reaching the quorum of hours. The new advanced mechanism aims to achieve the strategic goal of enhancing the customer satisfaction (Source: Argaam)

## Major Corporate News

- Sure Global Tech** signed a contract with the Ministry of Commerce in cooperation with the Foreign Trade Authority. The project aims to diversify and develop supply chains in goods to ensure abundance and quality. The contract period is of 30 months, with a contract value of SAR 13.8mn. It is expected that the contract will have a positive financial impact on the company's financial statements over FY24 to FY26. (Source: Tadawul)
- GAS** announced the signing of a contract with Saudi Aramco, for engineering, procurement and construction work towards Master Gas System expansion in East and Qassim clusters. The contract period is of 30 months with a contract value of SAR 416.3mn. It is expected that the contract will have a positive financial impact on the company's financial statements over FY24 to FY26. (Source: Tadawul)

## Market Analysis

The **Saudi Stock Exchange** decreased 1.4% to 11,659.9. The value traded stood at SAR 5.3bn (down 9.3% over the previous day), while the advance-decline ratio stood at 23/202. The parallel market index decreased 0.8% to 26,234.8 points. The value traded stood at SAR 25.3mn (down 11.6% over the previous day). All the sectors in the main market ended in the red. Utilities and Media (down 4.0% and 2.5%, respectively) led the laggards.

### Top Gainers

Company	Price	Change%
SISCO HOLDING	34.25	6.2
MEDGULF	26.10	4.0
AYYAN	20.00	3.6
FIPCO	51.30	3.0
SAUDI RE	25.00	1.5

### Top Losers

Company	Price	Change%
ACWA POWER	456.60	-4.7
AVALON PHARMA	128.00	-4.6
ALARABIA	198.60	-4.5
WAFRAH	45.25	-4.1
CENOMI RETAIL	9.21	-4.1

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,660	11,863	11,660	(1.4)	(3.1)
NomuC	26,235	26,663	26,235	(0.8)	7.0

### TASI movement during session



### TASI Ratios

P/E* (x)	26.2
Price-to-Book (x)	2.3
Dividend Yield (%)	2.8
Return on Equity (%)	19.1

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,516	-0.9	-11.5	16.4
Materials	5,825	-1.3	-8.9	High
Capital Goods	11,840	-2.2	17.4	26.1
Commercial Service	4,752	-2.3	-14.8	41.1
Transportation	6,977	-0.7	9.8	33.4
Consumer Durables	5,545	-1.4	11.3	Neg
Consumer Services	5,008	-1.7	0.6	38.0
Media	26,632	-2.5	8.5	46.8
Consumer Discretionary Ret	7,574	-1.1	-12.1	22.6
Consumer Staples Ret	9,229	-1.5	-5.6	22.1
Food & Beverages	5,717	-1.4	1.6	28.4
Healthcare	12,147	-2.2	-0.6	42.3
Pharma & Bio Tech	4,770	-1.7	-2.0	43.2
Banks	11,008	-0.9	-10.4	12.4
Financial Services	7,587	-1.1	12.7	32.4
Insurance	10,161	-1.3	18.2	23.6
Telecom	7,276	-1.4	-6.3	14.2
Utilities	15,294	-4.0	54.1	32.7
REITs	3,231	-0.5	-11.9	25.1
Real Estate	3,323	-1.5	8.7	39.3
Software & Services	67,180	-1.9	-2.0	39.0

### Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for May (bn)
11,899	12,024	12,169	6.16

### Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	15.6	588.10	1,402.20
Previous week	26.8	1,035.70	2,190.70

### Top Weighted Companies

Company	Price	Change%
Saudi Aramco	29.25	-0.85
Al Rajhi	77.60	-0.26
SNB	33.00	-2.08
ACWA POWER	456.60	-4.68
ALINMA	30.75	-0.16



## International Market News

- Consumer confidence in the US** unexpectedly jumped to 102.0 in May. The rebound was materially ahead of the consensus estimates at a fall to 95.3 levels. This unexpected increase was due to a steep increase in the present situation index, which increased to 143.1 in May, from 140.6 in April. (Source: RTT News)
- Eurozone** consumers lowered their inflation expectations for the next 12 months and turned less negative regarding the economic outlook, though their unemployment worries remained. The median rate of expected inflation over the next 12 months fell to 2.9% from 3.0% in March. The latest rate was the lowest since September 2021. The ECB, which aims to keep inflation at 2.0%, and has signaled an interest rate cut in June. (Source: Reuters)
- UK retail sales** recovered in May and selling price inflation continued to ease. The retail sales balance rose to +8% from -44% in April. The selling price inflation weakened in May with the balance easing to 20% from 54% in February. This was the lowest since August 2020. (Source: Reuters)
- Oil prices** gained 0.2% on the expectation that OPEC+ will maintain crude supply curbs at its meeting. Further the start of summer season in US and weaker US dollar helped the gain.
- Gold prices** gained 0.1% despite higher US Treasury yields. The gain was supported due to hawkish remarks from Fed officials.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.61	0.0	-1.5	3.2
Euro	1.09	-0.0	1.8	-1.6
Japanese Yen	157.17	0.2	-0.4	11.4
Sterling Pound	1.28	-0.1	2.2	0.2
Chinese Yuan	7.26	0.1	0.1	1.9
Indian Rupee	83.18	0.1	-0.3	-0.0
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	-0.4	-0.2
Omani Rial	0.38	0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.0	0.0
Egyptian Pound	47.52	0.7	-0.8	53.7

## Corporate Calendar

Date	Company	Event
29-May	SPCC	Cash Dividend Distribution
29-May	ALETIHAD	Eligibility of Cash Dividend
29-May	ALETIHAD	EGM
29-May	JARIR	Cash Dividend Distribution
29-May	ATLAS ELEVATORS	Eligibility of Cash Dividend
29-May	ATLAS ELEVATORS	EGM

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,987	-1.0	-4.1	-1.8	7.8
Abu Dhabi (ADX)	8,742	-1.0	-3.6	-8.7	17.5
Kuwait (KSE)	7,693	-0.4	0.0	2.9	14.2
Qatar (QE)	9,377	0.5	-3.6	-13.4	10.6
Oman (MSM)	4,829	0.8	0.9	7.0	12.9
Bahrain (BSE)	2,022	-0.2	-0.4	2.5	7.7
Egypt (EGX30)	27,195	-0.3	11.2	9.2	10.4

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,853	-0.6	2.7	3.1	22.8
Nasdaq	18,869	0.3	8.2	12.1	34.8
S&P 500	5,306	0.0	5.4	11.2	24.7
FTSE 100	8,254	-0.8	1.4	6.7	14.8
Germany DAX 30	18,678	-0.5	4.2	11.5	16.5
France CAC 40	8,058	-0.9	0.9	6.8	14.0
Japan Nikkei 225	38,855	-0.1	1.2	16.1	26.7
Russia MOEX	3,303	0.1	-4.8	6.6	4.7
Hong Kong Hang Seng	18,821	-0.0	6.0	10.4	10.6
South Korea KOSPI	2,723	-0.0	1.1	2.5	17.5
China Shanghai Composite	3,110	-0.5	0.2	4.5	14.0
Australia ASX 200	7,767	-0.3	1.3	2.3	19.6
India Sensex	75,170	-0.3	0.9	4.1	23.0
MSCI EM	1,088	-0.2	4.0	6.3	15.5
MSCI World	3,465	-0.1	4.8	9.3	21.7

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.85	1.1	-4.0	6.8
Brent Crude (\$/bbl)	84.22	1.3	-4.1	9.3
Texas crude (\$/bbl)	79.83	2.7	-2.6	11.4
Natural Gas (\$/mmbtu)	2.59	2.8	30.1	2.8
Gold (\$/oz)	2,361.31	0.4	3.3	14.5
Silver (\$/oz)	32.10	1.5	22.1	34.9
Steel (\$/ton)	791.00	0.3	-2.7	-30.3
Iron Ore (CNY/MT)	905.50	0.1	2.0	-13.2
Wheat (\$/bu)	700.25	0.4	16.1	8.4
Corn (\$/bu)	462.50	-0.5	3.5	-6.4
Sugar (\$/lb)	18.73	1.7	-3.5	-8.2
SMP* (EUR/MT)	2,400.00	-0.8	2.5	-6.9

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.88	2.9	1.5	-3.6
KSA (SAIBOR 3M)	6.26	-8.1	2.1	3.0
KSA (SAIBOR 6M)	6.03	-2.4	-4.8	-4.7
KSA (SAIBOR 12M)	5.89	-1.1	1.0	-10.4
USA (SOFR 3M)	5.35	0.3	1.8	1.5
UAE (EIBOR 3M)	5.26	-3.5	-5.2	-6.4

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 28, 2024



## Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,660
<b>Short-term view</b>	Cautious
52 weeks high/low	12,883 – 10,262

## Market data

Exchange Market Cap. (SAR bn)	10,347.3
Value (SAR mn)	5,347.9
Volume (mn)	208.5
Number of Transactions	496,455
Market Breadth	23 : 202

## Key statistics

1D return %	-1.45%
MTD return %	-5.93%
QTD return	-5.98%
YTD return	-2.57%
ADT vol. 3M* (mn)	324.6
ADT val. 3M (SARmn)	7,884.9

\*ADT stands for Average Daily Traded

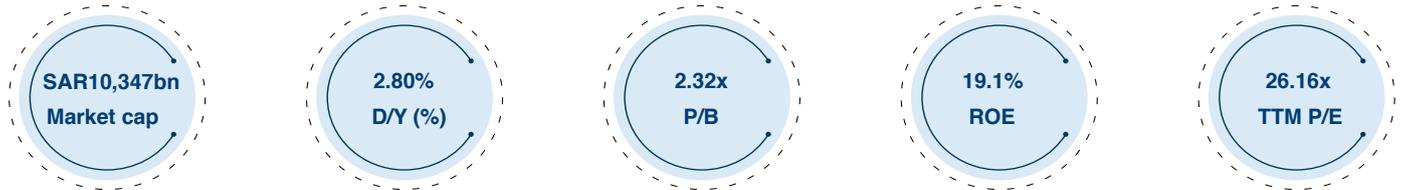
## TASI market commentary

TASI experienced a decline on Tuesday; primarily driven by the performance of the Telecommunication services sector (down 1.45%) and the Materials sector (down 1.29%). At close, the Saudi market ended the day with a change of -1.45% at 11,660. In terms of activity, total volumes and value traded were ~209mn and ~SAR 5.4bn, respectively. The advance-decline ratio came in at 23/202.

## Technical outlook

TASI closed the last session near 11,660, recording a substantial loss of 171 points. The selling pressure re-intensified, leading the index to decline and break below the support level represented by the previous bottom around 11,770. TASI has formed a Bearish Marubozu candlestick, indicating a possible resumption of the prevailing selling pressure towards the support level of the 50% Fibonacci level around 11,570. Moreover, the RSI indicator continued to decline deeper within the oversold zone below the level of 30. TASI has an immediate support level of around 11,570. If breached, the subsequent support levels would be around 11,465 – 11,365. On the other hand, an immediate resistance level is observed around 11,770. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,880 – 11,935. Traders are advised to exercise caution as long as the index maintains trading below 11,770 and closely monitor the significant support level represented by the 50% Fibonacci retracement level around 11,570. A decisive weekly close below this level could potentially trigger further selling pressure.

S3	S2	S1	Pivot	R1	R2	R3
11,365	11,465	11,570	11,770	11,880	11,935	12,000



Source: Bloomberg, Argaam

## TASI daily chart

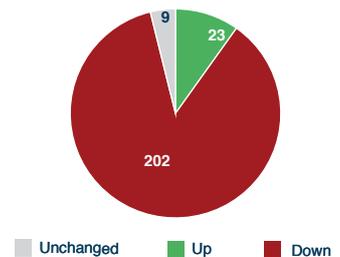


Source: Tradingview, Aljazira Capital

## 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 28<sup>th</sup> May 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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