



Major Economic News

- **IMF raises its growth expectations for KSA** to 5.5% for 2025, versus 4.2% earlier. However, it reduced its growth expectations for 2024 to 2.7%, from 4.0% earlier. This decline in growth was due to the temporary reduction in oil production by OPEC+, in addition to individual output cut by KSA. (Source: Argaam)
- **KSA's Ministry of Sports** plans to issue SAR 10.1bn tenders for expansion and construction of sports stadium. These tenders are expected to be issued in a week or two. The largest of these projects entails the construction of a new stadium in Northern Riyadh and the upgradation of five existing football stadiums. (Source: Argaam)

Major Corporate News

- **Mouwasat** announces its decision to exit investment in Advanced Medical Projects, owned equally by Mouwasat and Magrabi Hospitals. It provided ophthalmology services through its Magrabi Eye Centre, located next to Mouwasat Hospital in Dammam. Starting February 01, 2024, these services will be provided by Mouwasat from the same facility through Mouwasat Eye Centre. (Source: Tadawul)
- **Arab Sea Information** was awarded a contract worth SAR 7.3mn from Taif University, for computer and network operation and maintenance. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q4-23	Q4-22	Y/Y %	Q3-23	Q/Q %
AlRajhi	4,170.5	4,404.3	-5.31	4,155.3	0.36

Market Analysis

The **Saudi Stock Exchange** decreased 2.2% to 11,986.0. The value traded stood at SAR 9.5bn (up 14.1% over the previous day), while the advance-decline ratio stood at 11/218. The parallel market index increased 0.4% to 24,776.2 points. The value traded stood at SAR 20.5mn (up 16.7% over the previous day). All sectors in the main market ended in the red. Food & Beverages and Insurance (down 3.9% and 3.4%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
SAUDI GERMAN	102.00	4.7
BAAZEEM	70.00	2.6
ALMUNAJEM	78.30	1.3
ALASEEL	4.45	0.7
JARIR	15.32	0.7

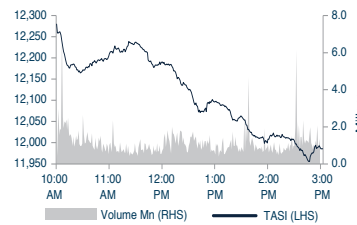
Top Losers

Company	Price	Change%
EAST PIPES	85.50	-10.0
ARABIAN DRILLING	185.60	-10.0
ADES	22.16	-10.0
APC	123.20	-9.9
SSP	34.40	-9.0

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,986	12,280	11,951	(2.2)	0.2
NomuC	24,776	24,941	24,549	0.4	1.0

TASI movement during session



TASI Ratios

P/E* (x)	26.4
Price-to-Book (x)	2.4
Dividend Yield (%)	2.5
Return on Equity (%)	20.5

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,896	-0.1	-5.2	16.4
Materials	5,975	-2.5	-5.9	High
Capital Goods	10,518	-3.1	5.9	34.4
Commercial Service	5,037	-2.7	-9.4	32.1
Transportation	6,697	-3.4	5.6	40.1
Consumer Durables	4,872	-2.0	-3.0	Neg
Consumer Services	5,168	-2.8	4.6	36.7
Media	28,387	-2.5	15.7	High
Consumer Discretionary Ret	8,452	-0.7	-0.9	27.3
Consumer Staples Ret	10,186	-1.3	5.2	26
Food & Beverages	5,964	-3.9	6.3	30.9
Healthcare	12,368	-1.0	2.8	48.2
Pharma & Bio Tech	5,012	-2.9	3.2	High
Banks	12,635	-2.6	3.6	14.8
Financial Services	6,926	-2.4	4.1	32.2
Insurance	8,367	-3.4	-1.2	22.5
Telecom	7,957	-0.7	3.1	15.2
Utilities	9,541	-3.2	-4.0	19.2
REITs	3,607	-1.5	-1.7	High
Real Estate	3,063	-1.9	0.5	46
Software & Services	72,083	-2.7	5.1	45.1

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,168	12,108	12,120	8.51

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	24.7	903.70	1,593.10
Previous week	38.7	1,483.10	2,311.90

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.30	0.2
Al Rajhi	88.10	-2.7
SNB	42.10	-1.9
SABIC	78.10	-2.0
STC	41.75	-0.1





International Market News

- **IMF raised** the global economic growth forecast for 2024 to 3.1%, versus the earlier forecast of 2.9% in October. The greater-than-expected resilience in the US and several large emerging market and developing economies led to this increase in forecasts. Further the projection for 2025 was retained at 3.2%. (Source: RTT News)
- **US job openings** unexpectedly increased in December to 9.0mn, from 8.9mn in November. Economists expected it to dip to 8.6mn in December. (Source: RTT News)
- **The Consumer Confidence Index** reported by the Conference Board increased to 114.8 in January, versus 108.0 in December. The index increased for the third consecutive month, reaching its highest level since December 2021. (Source: RTT News)
- **Eurozone** economy stagnated in Q4, avoiding a technical recession as the southern European economies achieved better growth. GDP remained flat after falling 0.1% in Q3. (Source: CNBC)
- **Bank of Japan** policymakers discussed in January the likelihood of a near-term exit from negative interest rates and possible scenarios for phasing out the bank's massive stimulus program. (Source: Reuters)
- **Oil fell** 0.4% on continued bearish fundamental and technical picture.
- **Gold fell** 0.2% as investors continued to scale back their expectations on the speed and scale of interest rate cuts by the Fed in the wake of strong US economic data.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	103.40	-0.2	2.0	2.0
Euro	1.08	0.1	-1.8	-1.8
Japanese Yen	147.61	0.1	4.7	4.7
Sterling Pound	1.27	-0.1	-0.2	-0.2
Chinese Yuan	7.19	-0.0	0.9	0.9
Indian Rupee	83.11	-0.0	-0.1	-0.1
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	0.1	0.1
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	0.0
Egyptian Pound	30.89	-0.0	-0.1	-0.1

Corporate Calendar

Date	Company	Event
31-Jan	CARE	EGM
31-Jan	BANAN	Eligibility for cash dividend
1-Feb	MAHARAH	EGM
1-Feb	WSM	Close of IPO
1-Feb	AVALON PHARMA	Close of IPO
4-Feb	CHEMICAL	Cash dividend distribution

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,962	-0.2	3.5	17.9	9.5
Abu Dhabi (ADX)	9,619	0.4	0.7	-6.3	16.1
Kuwait (KSE)	7,993	0.5	2.4	-1.5	11.1
Qatar (QE)	10,273	0.2	2.0	-3.8	11.8
Oman (MSM)	4,786	-0.2	0.4	-1.5	10.1
Bahrain (BSE)	1,961	0.1	0.1	3.4	7.4
Egypt (EGX30)	17,380	-0.5	-1.6	19.1	6.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,467	0.3	2.1	2.1	22.6
Nasdaq	17,477	-0.7	3.9	3.9	34.1
S&P 500	4,925	-0.1	3.3	3.3	23.7
FTSE 100	7,666	0.4	-0.9	-0.9	10.3
Germany DAX 30	16,972	0.2	1.3	1.3	14.9
France CAC 40	7,677	0.5	1.8	1.8	13.3
Japan Nikkei 225	36,066	0.1	7.8	7.8	29.7
Russia MOEX	3,196	0.6	3.1	3.1	2.9
Hong Kong Hang Seng	15,703	-2.3	-7.9	-7.9	8.2
South Korea KOSPI	2,499	-0.1	-5.9	-5.9	17.4
China Shanghai Composite	2,831	-1.8	-4.9	-4.9	13.0
Australia ASX 200	7,600	0.3	0.1	0.1	16.7
India Sensex	71,140	-1.1	-1.5	-1.5	22.6
MSCI EM	981	-1.0	-4.2	-4.2	14.8
MSCI World	3,237	0.0	2.1	2.1	20.6

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	84.55	-1.6	5.1	5.1
Brent Crude (\$/bbl)	82.87	0.6	7.6	7.6
Texas crude (\$/bbl)	77.82	1.4	8.6	8.6
Natural Gas (\$/mmbtu)	2.08	1.1	-10.7	-10.7
Gold (\$/oz)	2,037.01	0.2	-1.3	-1.3
Silver (\$/oz)	23.17	-0.1	-2.6	-2.6
Steel (\$/ton)	1,079.00	0.2	-4.9	-4.9
Iron Ore (CNY/MT)	1,062.50	0.1	1.9	1.9
Wheat (\$/bu)	605.50	2.0	-3.6	-3.6
Corn (\$/bu)	447.75	1.7	-5.0	-5.0
Sugar (\$/lb)	23.91	1.6	16.2	16.2
SMP* (EUR/MT)	2,530.00	0.0	-1.8	-1.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.91	0.5	-0.3	-0.3
KSA (SAIBOR 3M)	6.33	0.7	9.8	9.8
KSA (SAIBOR 6M)	5.98	0.4	-9.8	-9.8
KSA (SAIBOR 12M)	5.94	-0.3	-5.2	-5.2
USA (SOFR 3M)	5.31	-0.6	-2.5	-2.5
UAE (EIBOR 3M)	5.27	-0.2	-5.3	-5.3

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of January 30, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,986
Short-term view	Cautious
52 weeks high/low	12,344 – 9,931

Market data

Exchange Market Cap. (SAR bn)	10,865.0
Value (SAR mn)	9,445.7
Volume (mn)	355.9
Number of Transactions	623,417
Market Breadth	11 : 218

Key statistics

1D return %	-2.18%
MTD return %	0.16%
QTD return	0.16%
YTD return	0.16%
ADT vol. 3M* (mn)	279.7
ADT val. 3M (SARmn)	6,711.9

*ADT stands for Average Daily Traded

TASI market commentary

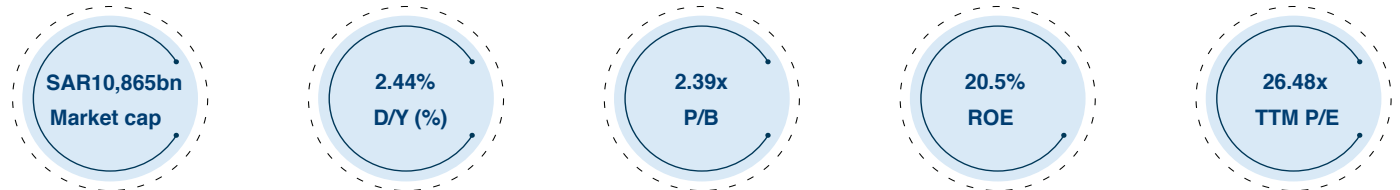
- TASI experienced a decline on Tuesday; primarily driven by the performance of the Banks sector (down 2.65%) and the Materials sector (down 2.49%). At close, the Saudi market ended the day with a change of -2.18% at 11,986. In terms of activity, total volumes and value traded were ~356mn and ~SAR 9.5bn, respectively. The advance-decline ratio came in at 11/218.

Technical outlook

- TASI closed near 11,986, recording a substantial loss of 267 points. The index witnessed a sell-off, resulting in a long red candlestick that closed below both the 20-day SMA and the lower boundary of a rising channel. This bearish breakout indicates the possibility of further selling sentiment, potentially leading the index towards the level of the previous trough near 11,870, followed by the 50-day SMA level around 11,740. Moreover, the RSI indicator started to decline below the 50 level, reflecting the prevailing selling sentiment in the market. TASI has an immediate support level near 11,870. If breached, the subsequent support would be around 11,740, followed by 11,575. Conversely, an immediate resistance level is observed near 12,050. If successfully penetrated, the following resistance level would be near 12,120, followed by 12,225. TASI has experienced selling pressure that caused a close below the lower boundary of a rising channel, indicating a potential for further decline towards the level of the previous trough, which if breached, would trigger further selling sentiment. Therefore, traders exercise caution and closely monitor the crucial support of the previous trough around 11,870.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,575	11,740	11,870	11,970	12,050	12,120	12,225



Source: Bloomberg, Argam

TASI daily chart

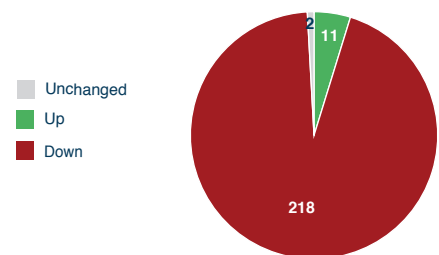


Source: Tradingview, Aljazira Capital

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 30th Jan 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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