



## Major Economic News

- Saudi Arabia's** international reserve assets retreated by 2% M/M, to SAR 1.6tn. On a yearly basis, the Kingdom's foreign reserve assets plunged 5%. (Source: Argaam)
- The Saudi hospitality sector** is growing and is expected to witness an increase in revenues, to reach USD 2.9bn during 2024, thereby registering 3.3% Y/Y growth. The market size could grow at 3.6% over FY24-28 to reach USD 3.3bn by FY28. This robust growth opportunity led to the InterContinental Hotels Group to open 5 new hotels in KSA in 2023 with 3.2K rooms and soon to launch 29 more hotels. (Source: Argaam)

## Major Corporate News

- Saudi Lime** renewed credit facility agreement of total value of SAR 140mn with Arab National Bank. Saudi Lime will use these facilities to support its strategic plans through expansions, investments and for growth. The agreement is said to be valid for a period of 7 years. (Source: Argaam)
- Mayar Holding** announces that its subsidiary has signed 2 contracts to supply and install 1,200 elevators in the Arab Republic of Egypt, within the next two years. The contract value is of 840mn Egyptian pounds. The financial impact of this will be positive and will be reflected from Q2-24. (Source: Tadawul)

## Earnings update (Net Profit) (SAR mn)

| Company | Q4-23 | Q4-22 | Y/Y %  | Q3-23 | Q/Q %  |
|---------|-------|-------|--------|-------|--------|
| NAYIFAT | 15.9  | 36.2  | -56.10 | 19.1  | -17.05 |
| WALAA   | 45.3  | -11.4 | NM     | 39.8  | 13.76  |

\* NM indicates Not Meaningful

## Market Analysis

The **Saudi Stock Exchange** increased 0.5% to 12,613.9. The value traded stood at SAR 8.4bn (down 15.2% over the previous day), while the advance-decline ratio stood at 124/93. The parallel market index increased 0.3% to 26,446.6 points. The value traded stood at SAR 43.3mn (up 72.7% over the previous day). Most sectors in the main market ended in the green. Media and Insurance (up 5.1% and 2.8%, respectively) advanced the most, while Capital Goods and Retailing (down 1.1% each) led the laggards.

## Top Gainers

| Company         | Price  | Change% |
|-----------------|--------|---------|
| ALARABIA        | 229.80 | 10.0    |
| ALRAJHI TAKAFUL | 121.40 | 7.2     |
| SSP             | 70.70  | 7.1     |
| ACIG            | 18.32  | 7.0     |
| UCA             | 9.55   | 6.4     |

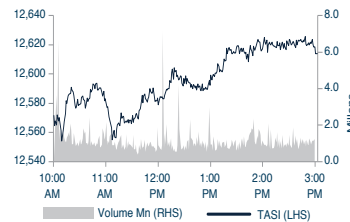
## Top Losers

| Company       | Price  | Change% |
|---------------|--------|---------|
| EIC           | 4.61   | -5.5    |
| SADAFICO      | 417.00 | -4.1    |
| SISCO HOLDING | 32.35  | -2.7    |
| ELM           | 920.80 | -2.5    |
| ZOUJAJ        | 43.00  | -2.5    |

## Saudi Stock Exchange

| Index | Closing | High   | Low    | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI  | 12,614  | 12,627 | 12,553 | 0.5           | 5.4   |
| NomuC | 26,447  | 26,505 | 26,246 | 0.3           | 7.8   |

## TASI movement during session



## TASI Ratios

|                      |      |
|----------------------|------|
| P/E* (x)             | 28.9 |
| Price-to-Book (x)    | 2.5  |
| Dividend Yield (%)   | 2.5  |
| Return on Equity (%) | 19.6 |

\*Source: Argaam (Excluding Aramco)

| Index                      | Close  | Daily Change% | YTD % | PE (TTM) |
|----------------------------|--------|---------------|-------|----------|
| Energy                     | 6,055  | 0.5           | -2.6  | 16.8     |
| Materials                  | 6,319  | 0.7           | -0.5  | High     |
| Capital Goods              | 12,066 | -1.1          | 21.5  | 40.3     |
| Commercial Service         | 5,746  | -0.2          | 3.4   | 36.7     |
| Transportation             | 7,880  | 0.6           | 24.3  | 48       |
| Consumer Durables          | 5,581  | -0.2          | 11.1  | Neg      |
| Consumer Services          | 5,805  | 0.5           | 17.5  | 41.7     |
| Media                      | 31,138 | 5.1           | 27.0  | High     |
| Consumer Discretionary Ret | 8,785  | -1.1          | 3.0   | 28.6     |
| Consumer Staples Ret       | 10,795 | 1.1           | 11.5  | 28.4     |
| Food & Beverages           | 6,539  | 0.3           | 16.6  | 33.7     |
| Healthcare                 | 13,632 | -0.6          | 13.4  | High     |
| Pharma & Bio Tech          | 5,277  | 0.1           | 8.6   | High     |
| Banks                      | 12,572 | 0.3           | 3.0   | 14.8     |
| Financial Services         | 7,883  | 0.1           | 18.5  | 35.4     |
| Insurance                  | 10,506 | 2.8           | 24.0  | 28       |
| Telecom                    | 8,007  | -0.4          | 3.7   | 15       |
| Utilities                  | 11,419 | 1.9           | 14.9  | 22.5     |
| REITs                      | 3,595  | -0.6          | -2.0  | High     |
| Real Estate                | 3,605  | -0.3          | 18.2  | High     |
| Software & Services        | 78,566 | -0.7          | 14.6  | 48.8     |

## Average Index Value

| Average days 5 | Average days 10 | Average days 20 | Average value traded for March (bn) |
|----------------|-----------------|-----------------|-------------------------------------|
| 12,586         | 12,563          | 12,552          | 9.06                                |

## Market Statistics

|               | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week  | 25.9                  | 1,087.70            | 1,604.40             |
| Previous week | 46.6                  | 1,920.30            | 2,998.60             |

## Top Weighted Companies

| Company      | Price | Change% |
|--------------|-------|---------|
| Saudi Aramco | 32.05 | 0.5     |
| Al Rajhi     | 85.60 | 0.4     |
| SNB          | 39.75 | -0.4    |
| SABIC        | 78.60 | -0.1    |
| STC          | 40.15 | -0.7    |





## International Market News

- **The US budget deficit** widened significantly to USD 296.3bn in February, from USD 21.9bn in January. This wider budget deficit was reflected by a steep drop by receipts, which plummeted 43.2% M/M to USD 271.1bn. (Source: RTT News)
- **US consumer prices** increased 0.4% in February amid higher costs for gasoline and shelter suggesting stickiness in inflation that could likely delay an anticipated June interest rate cut. The CPI increased 3.2% in the twelve months through February, with gasoline and shelter contributing more than 60% to the monthly increase. (Source: Reuters)
- **The UK unemployment rate** increased unexpectedly in January, while the softening of pay growth soothed fears of inflation building up. The ILO jobless rate rose to 3.9% in the three months to January from 3.8% in the prior period. At the same time, the employment rate came in at 75.0% (Source: Reuters)
- **The French economy** will grow marginally less than expected this year on weaker consumer spending and investment, according to the central bank's forecast. The French central bank cut down its growth estimate for 2024 from 0.9% to 0.8% but increased the 2025 outlook from 1.3% to 1.5%. (Source: Investing.com)
- **Oil prices** increased 0.1%, on expectations of strong global demand, despite sticky US inflation.
- **Gold prices** decreased 0.1% as US inflation data surpassed expectations, thereby boosting treasury yields.

## Forex / Currency

| Currency / USD | Close  | Daily Change% | MTD % | YTD % |
|----------------|--------|---------------|-------|-------|
| Dollar Index   | 102.96 | 0.1           | -1.2  | 1.6   |
| Euro           | 1.09   | 0.0           | 1.1   | -1.0  |
| Japanese Yen   | 147.68 | 0.5           | -1.5  | 4.7   |
| Sterling Pound | 1.28   | -0.2          | 1.3   | 0.5   |
| Chinese Yuan   | 7.19   | 0.1           | -0.3  | 0.9   |
| Indian Rupee   | 82.78  | 0.0           | -0.2  | -0.5  |
| UAE Dirham     | 3.67   | 0.0           | 0.0   | 0.0   |
| Qatari Rial    | 3.65   | 0.0           | -0.0  | 0.1   |
| Kuwaiti Dinar  | 0.31   | 0.0           | -0.2  | -0.1  |
| Omani Rial     | 0.38   | 0.0           | -0.0  | -0.0  |
| Bahraini Dinar | 0.38   | -0.0          | -0.0  | -0.0  |
| Egyptian Pound | 48.79  | -0.5          | 58.0  | 57.9  |

## Corporate Calendar

| Date   | Company       | Event                        |
|--------|---------------|------------------------------|
| 13-Mar | TAQAT MINERAL | End of IPO                   |
| 14-Mar | STC           | Cash Dividend Distribution   |
| 14-Mar | YANSAB        | Cash Dividend Distribution   |
| 14-Mar | HCC           | Cash Dividend Distribution   |
| 14-Mar | RIYAL         | EGM                          |
| 17-Mar | ENWA ALRAWABI | Eligibility of Cash Dividend |

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

| Market          | Close  | Daily Change% | MTD % | YTD % | P/E  |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM)     | 4,253  | 0.1           | -1.3  | 4.8   | 8.8  |
| Abu Dhabi (ADX) | 9,229  | -0.0          | -0.3  | -3.6  | 19.8 |
| Kuwait (KSE)    | 8,195  | 0.4           | 0.4   | 9.6   | 18.9 |
| Qatar (QE)      | 10,191 | -0.0          | -2.7  | -5.9  | 11.7 |
| Oman (MSM)      | 4,772  | 0.1           | 4.8   | 5.7   | 12.9 |
| Bahrain (BSE)   | 2,034  | 0.4           | 1.4   | 3.2   | 7.9  |
| Egypt (EGX30)   | 32,662 | -2.2          | 12.8  | 31.2  | 12.4 |

## International Markets

| Index                    | Close  | Daily Change% | MTD % | YTD % | P/E  |
|--------------------------|--------|---------------|-------|-------|------|
| Dow Jones                | 39,005 | 0.6           | 0.0   | 3.5   | 22.4 |
| Nasdaq                   | 18,219 | 1.5           | 1.0   | 8.3   | 33.6 |
| S&P 500                  | 5,175  | 1.1           | 1.6   | 8.5   | 24.8 |
| FTSE 100                 | 7,748  | 1.0           | 1.5   | 0.2   | 11.7 |
| Germany DAX 30           | 17,965 | 1.2           | 1.6   | 7.2   | 15.1 |
| France CAC 40            | 8,087  | 0.8           | 2.0   | 7.2   | 14.5 |
| Japan Nikkei 225         | 38,798 | -0.1          | -0.9  | 15.9  | 27.7 |
| Russia MOEX              | 3,333  | 0.4           | 2.3   | 7.5   | 3.0  |
| Hong Kong Hang Seng      | 17,094 | 3.1           | 3.5   | 0.3   | 9.0  |
| South Korea KOSPI        | 2,682  | 0.8           | 1.5   | 1.0   | 0.1  |
| China Shanghai Composite | 3,056  | -0.4          | 1.4   | 2.7   | 14.1 |
| Australia ASX 200        | 7,713  | 0.1           | 0.2   | 1.6   | 22.7 |
| India Sensex             | 73,668 | 0.2           | 1.6   | 2.0   | 23.4 |
| MSCI EM                  | 1,049  | 1.0           | 2.8   | 2.5   | 15.6 |
| MSCI World               | 3,397  | 0.9           | 1.8   | 7.2   | 21.1 |

## Commodity Markets

| Commodity                 | Price    | Daily Change% | MTD % | YTD % |
|---------------------------|----------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 84.47    | 0.4           | 2.4   | 5.0   |
| Brent Crude (\$/bbl)      | 81.92    | -0.4          | -2.0  | 6.3   |
| Texas crude (\$/bbl)      | 77.56    | -0.5          | -0.9  | 8.2   |
| Natural Gas (\$/mmbtu)    | 1.71     | -2.6          | -7.8  | -25.6 |
| Gold (\$/oz)              | 2,158.34 | -1.1          | 5.6   | 4.6   |
| Silver (\$/oz)            | 24.14    | -1.3          | 6.5   | 1.5   |
| Steel (\$/ton)            | 800.00   | -1.0          | 0.6   | -29.5 |
| Iron Ore (CNY/MT)         | 994.00   | 0.0           | 3.1   | -4.7  |
| Wheat (\$/bu)             | 547.50   | 0.0           | -5.0  | -14.4 |
| Corn (\$/bu)              | 441.75   | 0.0           | 2.9   | -8.7  |
| Sugar (\$/lb)             | 21.89    | -0.3          | 0.9   | 7.2   |
| SMP* (EUR/MT)             | 2,467.00 | 0.3           | -1.3  | -4.3  |

\*SMP: Skimmed Milk Powder

## Interbank Rates

| Region           | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|------------------|-------|-------------------|-----------|-----------|
| KSA (SAIBOR 1M)  | 5.87  | 0.3               | -2.2      | -4.7      |
| KSA (SAIBOR 3M)  | 6.20  | -2.2              | -3.2      | -3.5      |
| KSA (SAIBOR 6M)  | 6.06  | -4.8              | -1.6      | -1.3      |
| KSA (SAIBOR 12M) | 5.94  | 3.5               | 0.1       | -5.9      |
| USA (SOFR 3M)    | 5.33  | 1.0               | -0.8      | -0.6      |
| UAE (EIBOR 3M)   | 5.28  | 2.6               | -0.8      | -4.8      |

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of March 12, 2024





| Technical observations |                |
|------------------------|----------------|
| Index                  | TASI           |
| Ticker                 | SASEIDX Index  |
| Last Close             | 12,614         |
| Short-term view        | Hold           |
| 52 weeks high/low      | 12,669 – 9,931 |

| Market data                   |          |
|-------------------------------|----------|
| Exchange Market Cap. (SAR bn) | 11,247.2 |
| Value (SAR mn)                | 8,384.0  |
| Volume (mn)                   | 356.2    |
| Number of Transactions        | 537,935  |
| Market Breadth                | 124 : 93 |

| Key statistics      |         |
|---------------------|---------|
| 1D return %         | 0.46%   |
| MTD return %        | -0.13%  |
| QTD return          | 5.40%   |
| YTD return          | 5.40%   |
| ADT vol. 3M* (mn)   | 345.6   |
| ADT val. 3M (SARmn) | 8,501.9 |

\*ADT stands for Average Daily Traded

### TASI market commentary

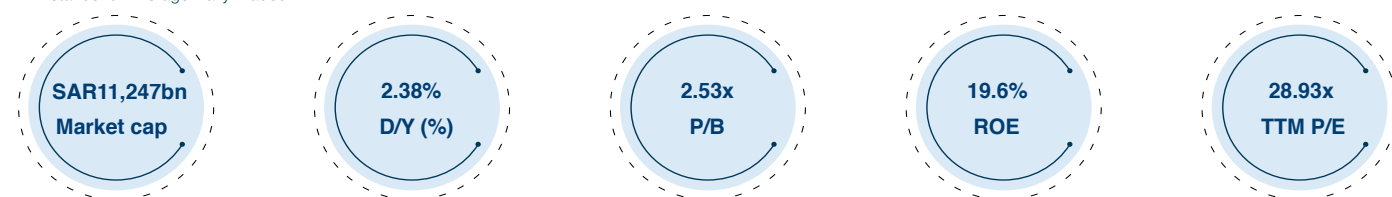
- TASI experienced a rise on Tuesday; primarily driven by the performance of the Materials sector (up 0.71%), the Energy sector (up 0.52%). At close, the Saudi market ended the day with a change of 0.46% at 12,614. In terms of activity, total volumes and value traded were ~356mn and ~SAR 8.4bn, respectively. The advance-decline ratio came in at 124/93.

### Technical outlook

- TASI closed the last session near 12,614, registering a gain of 58 points. The buying power resurfaced once tested the 20-day SMA around 12,550, keeping the index hovering near the resistance of the last peak near 12,670. TASI formed a green candlestick amidst its lateral temporary profit booking action, nevertheless a decisive close above the aforementioned resistance level is required to indicate the end of the current temporary profit booking action. Moreover, the RSI indicator is currently re-testing its declining trendline, as the penetration would indicate positive momentum in the market in the short term. TASI has an immediate resistance level of around 12,670. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,965 – 13,175. On the other hand, an immediate support level is observed around 12,550. If breached, the subsequent support levels would be around 12,400 – 12,325. Traders are advised to closely monitor the significant resistance of the prior peak around 12,670, as a decisive breakthrough above this level would potentially trigger further buying attitude in the short term.

### Key price levels

| S3     | S2     | S1     | Pivot  | R1     | R2     | R3     |
|--------|--------|--------|--------|--------|--------|--------|
| 12,280 | 12,325 | 12,400 | 12,550 | 12,670 | 12,965 | 13,175 |



Source: Bloomberg, Argam

### TASI daily chart

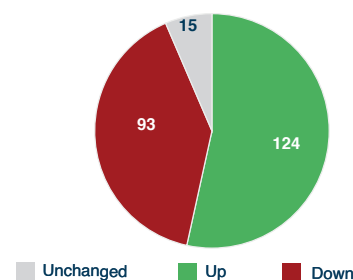


Source: Tradingview, Aljazira Capital

### Our view



### Market depth





## SAUDI MARKET - TOP PICKS FOR THE DAY

| Code | Company                | Close* | Buy range       | Sell range      | Stop loss |
|------|------------------------|--------|-----------------|-----------------|-----------|
| 4001 | A.Othaim Market        | 14.06  | 14.02 – 14.06   | 14.20 – 14.40   | 13.90     |
| 1212 | Astra Industrial Group | 163.00 | 162.60 – 163.00 | 164.60 – 166.40 | 161.20    |
| 2330 | Advanced Petrochemical | 39.25  | 39.15 – 39.25   | 39.65 – 40.15   | 38.80     |
| 8260 | Gulf General Insurance | 8.50   | 8.48 – 8.50     | 8.58 – 8.74     | 8.40      |
| 4164 | Nahdi                  | 146.60 | 146.20 – 146.60 | 148.00 – 149.60 | 145.00    |
| 4013 | Sulaiman Alhabib       | 310.60 | 309.80 – 310.60 | 313.40 – 316.80 | 307.00    |

\*As of 12<sup>th</sup> Mar 2024

\* Note – Stop loss is based on an intraday basis

## CHARTS OF THE DAY

## Technical observations

**A.OTHAIM MARKET** penetrated the upper boundary of a declining channel. Moreover, all the technical indicators show bullish structure.

## Abdullah Al Othaim Markets Co. (A.OTHAIM MARKET)



Source: Tradingview, Aljazira Capital

## Technical observations

**Astra Industrial** formed a Piercing Line candlestick pattern at around the level of the prior peak as well as its 20-day SMA. Moreover, all the technical indicators show bullish structure.

## Astra Industrial Group (ASTRA INDUSTRIAL)



Source: Tradingview, Aljazira Capital



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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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