



Major Economic News

- Saudi Arabia's** spending on digital transformation has exceeded SAR 35bn and to continue going forward as well. The Digital Government Authority works in cooperation with the Government Expenditure and Projects Efficiency Authority to sign framework agreements with local and international companies. (Source: Argaam)

Major Corporate News

- Aramco** opens "Aramco Marina" to provide yachts with fuel in Jeddah Yacht Club & Marina on the Red Sea coast. The marina will also provide fuel, coinciding with the start of the Saudi Arabian Grand Prix Formula 1 race. The station offers diesel and gasoline products, with an operational capacity exceeding 65mn liters annually. (Source: Argaam)
- Alhokair Group** completed SASCO announced the opening of a new station in Riyadh and has plans to launch 50 new stations in 2024. This aligns with the company's strategy aimed at more acquisitions and new openings. The goal is to reach 600 stations by the end of FY24. (Source: Argaam)

Earnings update (Net Profit) (SAR mn)

Company	Q4-23	Q4-22	Y/Y %	Q3-23	Q/Q %
SHL*	-7.5	15.9	NM	4.8	NM
TADAWUL	91.8	57.2	60.59	101.6	-9.62
CHEMICAL	88.2	22.8	287.36	35.4	149.31
BURUJ	5.9	3.6	66.72	1.5	294.54
ELM	326.6	212.1	53.94	334.2	-2.29

* NM indicates Not Meaningful

Market Analysis

The **Saudi Stock Exchange** increased 0.1% to 12,577.9 on Thursday. The value traded stood at SAR 9.7bn (up 5.7% over the previous day), while the advance-decline ratio stood at 98/120. The parallel market index decreased 0.4% to 26,454.1 points. The value traded stood at SAR 35.9mn (down 77.2% over the previous day). Most sectors in the main market ended in the green. Transportation and Diversified Financials (up 1.2% and 0.9%, respectively) advanced the most, while Pharma & Bio Tech and Commercial Service (down 2.6% and 1.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
EIC	4.75	8.7
EAST PIPES	135.00	8.2
ALKHALEEJ TRNG	36.00	6.0
AVALON PHARMA	188.00	5.5
ALUJAIN	45.45	5.2

Top Losers

Company	Price	Change%
SACO	38.20	-5.1
AMIANIT	28.35	-4.7
AYYAN	25.80	-4.4
CATRION	136.20	-4.4
ALARABIA	258.00	-3.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,578	12,639	12,532	0.1	5.1
NomuC	26,454	26,712	26,316	(0.4)	7.8

TASI movement during session



TASI Ratios

P/E* (x)	29
Price-to-Book (x)	2.5
Dividend Yield (%)	2.5
Return on Equity (%)	20.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,993	0.1	-3.6	16.6
Materials	6,209	0.1	-2.2	High
Capital Goods	12,555	-0.3	26.4	41.7
Commercial Service	5,813	-1.9	4.6	37.2
Transportation	7,908	1.2	24.7	48.1
Consumer Durables	5,588	-0.3	11.2	Neg
Consumer Services	5,816	0.6	17.7	41.3
Media	33,391	-0.7	36.1	High
Consumer Discretionary Ret	8,812	-0.6	3.4	28.6
Consumer Staples Ret	10,645	-0.3	10.0	27.7
Food & Beverages	6,580	0.5	17.3	34
Healthcare	13,790	0.0	14.7	High
Pharma & Bio Tech	5,244	-2.6	8.0	High
Banks	12,559	0.0	2.9	14.7
Financial Services	8,015	0.9	20.5	35.8
Insurance	10,168	0.5	20.0	27.2
Telecom	8,179	0.5	5.9	15.3
Utilities	11,303	0.8	13.7	22.3
REITs	3,619	0.0	-1.3	High
Real Estate	3,472	0.4	13.9	High
Software & Services	84,534	-0.2	23.3	High

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for March (bn)
12,520	12,558	12,498	9.32

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	38.4	1,573.50	2,455.40
Previous week	46.1	2,317.30	2,793.30

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	31.75	0.2
Al Rajhi	85.80	-0.7
SNB	40.00	0.0
SABIC	78.20	-0.9
STC	41.15	-0.5





International Market News

- According to **Baker Hughes**, North America's rig count decreased 847 in the week ended March 08 from 860 earlier. The rig count fell to 622 in the US from 629 earlier, while stayed the same at 19 in the Gulf of Mexico. The rig count in Canada decreased 225 from 231 earlier. (Source: Baker Hughes)
- US trade deficit** increased to USD 67.4bn in January versus economist expectations of USD 63.5bn. The wider trade deficit came as the value of imports shot up by 1.1% USD 324.6bn in January. Imports of capital goods and automotive vehicles, parts and engines saw significant growth, offsetting notable decreases in imports of crude oil and cell phones and other household goods. (Source: RTT News)
- The euro area economy** stagnated in Q4-23, as initially estimated, and avoided a technical recession. The GDP growth was flat on Q/Q basis, resulting in an annual growth of 0.1% for the area. The household expenses increased 0.1%, while the government expenses increased by 0.6%. The exports remained unchanged, whereas the imports increased 0.6%. (Source: Reuters)
- Oil prices** decreased 1.1% on Friday as markets remained wary of soft Chinese demand, even as the OPEC+ group extends supply cuts.
- Gold prices** increased 0.9% on Friday due to growing optimism on major central banks to cut their interest rates in the coming months and ongoing geopolitical tensions in high demand.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.71	-0.1	-1.4	1.4
Euro	1.09	-0.1	1.2	-0.9
Japanese Yen	147.06	-0.7	-1.9	4.3
Sterling Pound	1.29	0.4	1.8	1.0
Chinese Yuan	7.20	-0.0	-0.1	1.0
Indian Rupee	82.79	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	-0.1	-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	49.39	0.0	59.9	59.8

Corporate Calendar

Date	Company	Event
12-Mar	ALKHALEEEJ	EGM
12-Mar	JAMJHOOM PHARMA	EGM
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

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	38,723	-0.2	-0.7	2.7	22.2
Nasdaq	18,018	-1.5	-0.1	7.1	33.0
S&P 500	5,124	-0.7	0.5	7.4	24.5
FTSE 100	7,660	-0.4	0.4	-1.0	11.1
Germany DAX 30	17,815	-0.2	0.8	6.3	14.9
France CAC 40	8,028	0.1	1.3	6.4	14.4
Japan Nikkei 225	39,689	0.2	1.3	18.6	28.4
Russia MOEX	3,316	0.0	1.8	7.0	3.0
Hong Kong Hang Seng	16,353	0.8	-1.0	-4.1	8.6
South Korea KOSPI	2,680	1.2	1.4	0.9	18.7
China Shanghai Composite	3,046	0.6	1.0	2.4	14.0
Australia ASX 200	7,847	1.1	1.9	3.4	19.9
India Sensex	74,119	0.0	2.2	2.6	23.5
MSCI EM	1,037	0.7	1.6	1.3	15.4
MSCI World	3,380	-0.3	1.3	6.7	21.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.38	1.2	3.5	6.2
Brent Crude (\$/bbl)	82.08	-1.1	-1.8	6.5
Texas crude (\$/bbl)	78.01	-1.2	-0.3	8.9
Natural Gas (\$/mmbtu)	1.81	-0.7	-3.0	-21.7
Gold (\$/oz)	2,178.95	0.9	6.6	5.6
Silver (\$/oz)	24.31	-0.1	7.2	2.2
Steel (\$/ton)	814.00	0.1	2.4	-28.3
Iron Ore (CNY/MT)	994.00	0.0	3.1	-4.7
Wheat (\$/bu)	537.75	1.8	-6.7	-15.9
Corn (\$/bu)	439.75	0.4	2.4	-9.1
Sugar (\$/lb)	21.15	-0.6	-2.5	3.6
SMP* (EUR/MT)	2,460.00	0.0	-1.6	-4.5

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.92	3.7	3.6	1.0
KSA (SAIBOR 3M)	6.24	2.2	1.5	1.2
KSA (SAIBOR 6M)	6.09	1.0	1.2	1.5
KSA (SAIBOR 12M)	5.89	0.3	-4.5	-10.5
USA (SOFR 3M)	5.32	-0.0	-1.3	-1.1
UAE (EIBOR 3M)	5.24	3.2	-4.6	-8.6

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of March 7, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,578
Short-term view	Hold
52 weeks high/low	12,669 – 9,931

Market data

Exchange Market Cap. (SAR bn)	11,172.0
Value (SAR mn)	9,731.9
Volume (mn)	439.8
Number of Transactions	626,477
Market Breadth	98 : 120

Key statistics

1D return %	0.13%
MTD return %	-0.42%
QTD return	5.10%
YTD return	5.10%
ADT vol. 3M* (mn)	340.2
ADT val. 3M (SARmn)	8,390.7

*ADT stands for Average Daily Traded

TASI market commentary

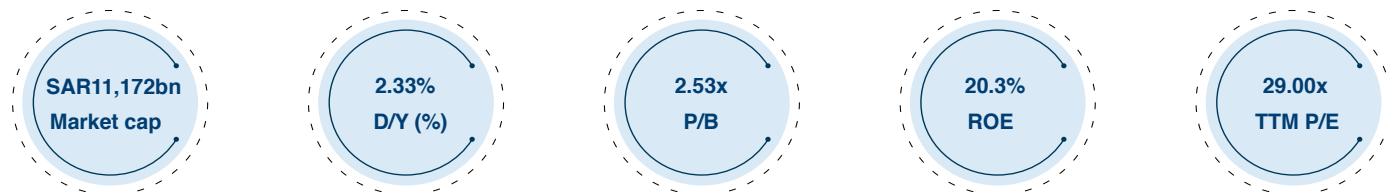
- TASI experienced a rise on Thursday; primarily driven by the performance of the Telecommunication services sector (up 0.53%), the Materials sector (up 0.14%). At close, the Saudi market ended the day with a change of 0.13% at 12,578. In terms of activity, total volumes and value traded were ~440mn and ~SAR 9.7bn, respectively. The advance-decline ratio came in at 98/120.

Technical outlook

- TASI closed the last session near 12,578, marking a modest gain of 16 points. The index witnessed a coiled session that was concluded above its 5 & 10-day SMAs. TASI formed a Spinning Top candlestick, which requires confirmation from a subsequent bearish candlestick pattern to indicate a possible further temporary profit-taking attitude. A successful penetration of the prior peak of around 12,670 is still required to signal the end of the temporary profit-taking phase which would pave the way toward a target of around 12,965. Additionally, the RSI indicator is approaching to test a declining trendline after bouncing off near the level of 50. TASI has an immediate support level of around 12,500. If breached, the subsequent support levels would be around 12,400 – 12,325. On the other hand, an immediate resistance level is observed around 12,670. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,965 – 13,175. Traders are advised to closely monitor the significant support level of around 12,500, as a decisive close below it would generate further profit-taking sentiment in the near term.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
12,325	12,400	12,500	12,540	12,670	12,965	13,175



Source: Bloomberg, Argaam

TASI daily chart

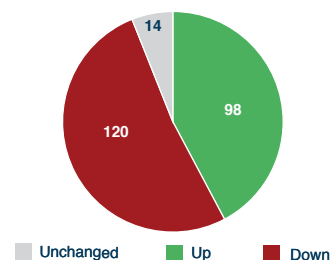


Source: Tradingview, Aljazira Capital

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 7th Mar 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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