



## Domestic Market News

- **OPEC** lowered its 2024 and 2025 global oil demand growth forecasts for the fifth consecutive month. It now expects demand to rise by 1.61mn bpd in 2024 and 1.45mn bpd in 2025. (Source: Argaam)
- **KSA** non-oil exports rose 17% Y/Y to SAR 79.5bn and reached its highest levels in two years. It accounted for 29% of the total exports. (Source: Argaam)
- **Clean Life** completed the 100% acquisition of partners' shares in Clean Life Company Limited, with the deal value of SAR 40K. (Source: Tadawul)
- **SACO** obtained banking facilities worth SAR 50mn from SAB bank for a period of 6 months. (Source: Tadawul)
- **Amak** announced issuance of exploration license for Chromium, Copper, Nickel, and Manganese from the Ministry of Industry and Mineral Resources. (Source: Tadawul)
- **SAB** announced completion of the offer of a fixed rate Sukuk tranche and floating rate Sukuk tranche. (Source: Tadawul)
- **Saudi Arabian Mining Co.'s (Maaden)** shareholders approved the proposal for the company's capital increase from SAR 36.91 billion to SAR 38.02 billion, through issuing 111.01 million ordinary shares. (Source: Tadawul)
- **Savola Group** announced that no creditors objection were received for its decision of capital reduction. It plans to conduct an EGM on December 12, to approve the capital reduction and distribute its entire 34.5% stake in Almarai to eligible shareholders. (Source: Tadawul)

## Market Analysis

The **Saudi Stock Exchange** decreased 0.4% to 12,149.2 points. The value traded stood at SAR 6.1bn (down 12.7% over the previous day), while advance-decline ratio stood at 90/138. The parallel market index decreased 0.9% to 31,278.9 points. The value traded stood at SAR 66.1mn (down 9.9% over the previous day). Most of the sectors in the main market ended in red. Healthcare and Capital Goods (up 1.0% and 0.9%, respectively), increased the most, while Utilities and Commercial Service (down 2.7% and 1.0%, respectively) declined the most.

## Top Gainers

Company	Price	Change%
GO TELECOM	116.80	3.4
SUMOU	40.60	3.3
DALLAH HEALTH	162.60	3.3
ALAKARIA	25.40	3.3
SEERA	23.76	3.1

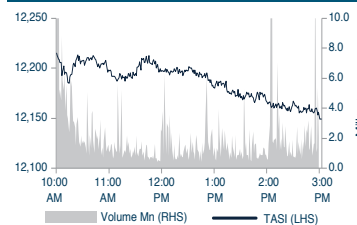
## Top Losers

Company	Price	Change%
JAHEZ	31.75	-7.2
ANAAM HOLDING	1.32	-7.0
BANAN	7.03	-4.9
ZAMIL INDUST	31.70	-3.9
ACWA POWER	383.20	-3.2

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,149	12,219	12,149	(0.4)	0.9
NomuC	31,279	31,696	31,200	(0.9)	27.5

## TASI movement during session



## TASI Ratios

P/E* (x)	24.4
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	18.7

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,397	-0.4	-13.4	16.9
Materials	5,744	0.0	-10.1	High
Capital Goods	15,477	0.9	53.5	25.2
Commercial Service	5,062	-1.0	-9.3	38.2
Transportation	7,150	-0.8	12.6	32.2
Consumer Durables	5,386	0.3	8.1	Neg
Consumer Services	5,069	0.3	1.8	42.2
Media	33,089	-0.3	34.8	High
Consumer Discretionary Ret	7,737	-0.6	-10.2	21.4
Consumer Staples Ret	8,601	-0.3	-12.0	21.8
Food & Beverages	6,012	-0.1	6.8	27.6
Healthcare	12,743	1.0	4.2	41.5
Pharma & Bio Tech	5,037	0.7	3.5	38
Banks	12,227	-0.3	-0.5	12.8
Financial Services	7,810	0.2	16.0	30.3
Insurance	10,352	-0.1	20.4	23.9
Telecom	7,990	-0.7	2.8	15.3
Utilities	13,341	-2.7	34.4	26
REITs	3,196	0.0	-12.8	26.5
Real Estate	3,639	0.4	19.1	High
Software & Services	83,374	-0.1	21.6	40.1

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for December (bn)
12,065	11,915	11,857	5.92

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	24.4	2,650.20	1,923.40
Previous week	28.9	1,775.10	2,510.30

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.55	-0.3
Al Rajhi	94.20	-0.4
ACWA POWER	383.20	-3.2
SNB	34.30	-0.4
STC	40.40	-0.5





## International Market News

- According to **EIA**, oil inventories in the US decreased 1.4mn barrels (prior: down 5.1mn) to 422.0mn in the week ended December 06. Gasoline inventories increased 5.1mn barrels (prior: up 2.4mn) to 219.7mn, while distillate inventories grew 3.2mn barrels (prior: up 3.4mn) to 121.3mn. (Source: EIA, Econoday)
- US CPI** grew by 0.3% in November after rising by 0.2% for four straight months and also matched expectations. On Y/Y basis it grew to 2.7%, from 2.6% in October. The monthly increase was partly due to higher shelter costs, food prices and energy prices. (Source: RTT News)
- US treasury** department's auction of USD 39bn worth of ten-year notes attracted above average demand. It drew a high yield of 4.23% and a bid-to-cover ratio of 2.7. (Source: Reuters)
- ECB** is certain to cut interest rates again and signal further easing in 2025 as inflation in the euro zone is nearly back at its target and the economy is faltering. (Source: Investing.com)
- UK's** housing market strengthened further in November although uncertainty over the economic outlook could curtail activity in the months ahead. The monthly house price gauge jumped to +25 in November from +16 in October and reached its highest levels since September 2022. (Source: Investing.com)
- Oil prices** gained 2.0% as the European Union agreed to additional round of sanctions threatening Russian oil flows which could tighten the global supplies.
- Gold prices** gained 0.9% as US CPI confirms ongoing disinflation and bolstered the expectations of Fed rate cut.

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	106.71	0.3	0.9	5.3
Euro	1.05	-0.3	-0.8	-4.9
Japanese Yen	152.45	0.3	1.8	8.1
Sterling Pound	1.28	-0.2	0.1	0.2
Chinese Yuan	7.28	0.3	0.4	2.2
Indian Rupee	84.84	-0.0	0.4	2.0
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.0
Kuwaiti Dinar	0.31	0.1	0.1	0.1
Omani Rial	0.38	-0.0	-0.0	0.0
Bahraini Dinar	0.38	-0.0	0.1	0.1
Egyptian Pound	50.65	0.4	2.1	63.9

## Corporate Calendar

Date	Company	Event
12-Dec	SAVOLA GROUP	EGM
12-Dec	NORTHERN CEMENT	Cash Dividend Distribution
12-Dec	MESC	EGM
15-Dec	HORIZON FOOD	EGM
15-Dec	AQASEEM	EGM
15-Dec	QACCO	Cash Dividend Distribution

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,795	0.0	-1.1	18.1	9.2
Abu Dhabi (ADX)	9,271	0.2	0.4	-3.2	16.6
Kuwait (KSE)	7,854	0.1	1.1	5.0	22.6
Qatar (QE)	10,511	0.1	0.9	-0.7	11.4
Oman (MSM)	4,517	-0.3	-1.0	0.7	11.2
Bahrain (BSE)	2,012	-0.2	-1.0	2.6	16.3
Egypt (EGX30)	30,739	0.4	1.6	24.5	6.4

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	44,149	-0.2	-1.7	17.1	24.1
Nasdaq	21,764	1.9	4.0	29.3	37.0
S&P 500	6,084	0.8	0.9	27.6	27.2
FTSE 100	8,302	0.3	0.2	7.3	13.2
Germany DAX 30	20,399	0.3	3.9	21.8	17.0
France CAC 40	7,423	0.4	2.6	-1.6	14.2
Japan Nikkei 225	39,372	0.0	3.0	17.7	19.2
Brazil IBOVESPA	129,593	1.1	3.1	-3.4	8.7
Hong Kong Hang Seng	20,155	-0.8	3.8	18.2	10.0
South Korea KOSPI	2,443	1.0	-0.5	-8.0	11.6
China Shanghai Composite	3,432	0.3	3.2	15.4	16.5
Australia ASX 200	8,354	-0.5	-1.0	10.0	21.4
India Sensex	81,526	0.0	2.2	12.9	23.5
MSCI EM	1,108	-0.3	2.8	8.3	14.2
MSCI World	3,842	0.7	0.8	21.2	22.6

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	74.41	1.0	0.9	-7.5
Brent Crude (\$/bbl)	73.52	1.8	0.8	-4.6
Texas crude (\$/bbl)	70.29	2.5	3.4	-1.9
Natural Gas (\$/mmbtu)	3.38	6.8	0.4	-11.1
Gold (\$/oz)	2,718.23	0.9	2.8	31.8
Silver (\$/oz)	31.90	-0.0	4.2	34.1
Steel (\$/ton)	677.00	0.3	-3.3	-40.4
Iron Ore (CNY/MT)	820.00	0.0	4.0	-21.4
Wheat (\$/bu)	563.25	0.3	2.8	-17.1
Corn (\$/bu)	448.25	-0.2	3.5	-12.8
Sugar (\$/lb)	21.28	1.1	0.9	2.8
SMP* (EUR/MT)	2,633.00	-0.1	-1.3	2.2

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.48	-12.4	4.6	-43.1
KSA (SAIBOR 3M)	5.57	-1.9	-3.4	-66.3
KSA (SAIBOR 6M)	5.52	6.2	-0.1	-55.1
KSA (SAIBOR 12M)	5.04	1.0	-7.0	-95.0
USA (SOFR 3M)	4.40	0.3	-7.1	-93.6
UAE (EIBOR 3M)	4.30	3.1	-21.9	-102.6

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Dec 11, 2024





Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,149
Short-term view	Buy
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,381.1
Value (SAR mn)	6,069.6
Volume (mn)	620.2
Number of Transactions	483,389
Market Breadth	90 : 138

Key statistics	
1D return %	-0.36%
MTD return %	4.36%
QTD return	-0.63%
YTD return	1.52%
ADT vol. 3M* (mn)	656.2
ADT val. 3M (SARmn)	6,381.5

\*ADT stands for Average Daily Traded

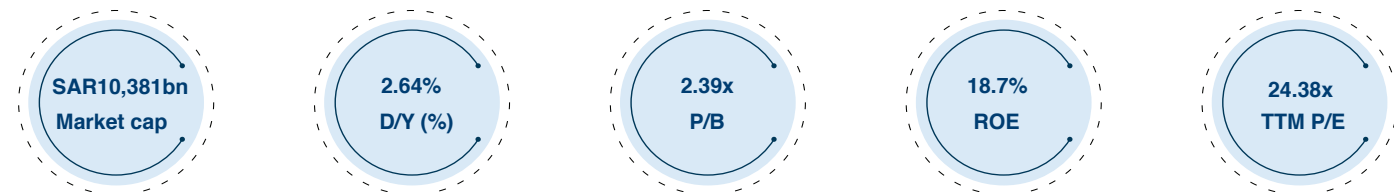
### TASI market commentary

- TASI experienced a decline on Wednesday; primarily driven by the performance of the Telecommunication services sector (down 0.65%) and the Energy sector (down 0.37%). At close, the Saudi market ended the day with a change of -0.36% at 12,149. In terms of activity, total volumes and value traded were ~620mn and ~SAR 6.1bn, respectively. The advance-decline ratio came in at 90/138.

### Technical outlook

- TASI closed the last session near 12,149, registering a decrease of 45 points. The index started to witness a temporary profit-taking attitude within the current prevailing uptrend towards a potential target near the range of 12,335 – 12,390 which was suggested after penetrating its 200-day SMA near 12,100. TASI formed a red-bodied candlestick, reflecting an intervening profit-taking sentiment in the market. Moreover, the RSI indicator started to move laterally after approaching the level of prior peaks. TASI has an immediate support level of around 12,135. If breached, the subsequent support levels would be around 12,045 – 11,980. On the other hand, an immediate resistance level is seen around 12,225. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,335 – 12,390. Traders are advised to continue considering buying opportunities as the index is still has a potential upside target suggested by the penetrated declining channel near 12,470 – 12,550.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,980	12,100	12,135	12,175	12,225	12,335	12,390



Source: Bloomberg, Argam

### TASI daily chart

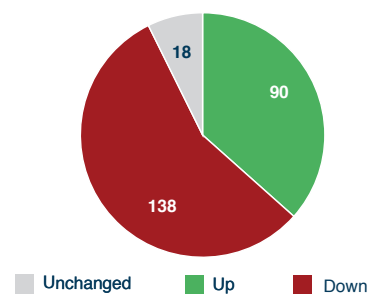


Source: Tradingview, Aljazira Capital

### Our view



### Market depth



## SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Target	Reward %	Stop loss
2070	SPIMACO	32.15	31.80 – 32.15	37.25	17.1%	30.15

\* As of 11<sup>th</sup> Dec 2024

\* Note – Stop loss is based on a closing basis and not an intraday basis

## CHARTS OF THE WEEK

## Technical observations

**SPIMACO** has just penetrated the upper boundary of a bullish Wedge pattern as well as its 50-day SMA. Moreover, the RSI indicator is showing a bullish confirming signal. We recommend buying the stock in a range of 31.80 – 32.15, for a target near SAR37.25, with a stop loss below SAR30.15 on a closing basis.

## Saudi Pharmaceutical Industries and Medical Appliances Corp (SPIMACO)



Source: Tradingview, Aljazira Capital

Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

**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.

## Disclaimer

The purpose of producing this report is to present a general view on the company/economic sector/economic subject under research, and not to recommend a buy/sell/hold for any security or any other assets. Based on that, this report does not take into consideration the specific financial position of every investor and/or his/her risk appetite in relation to investing in the security or any other assets, and hence, may not be suitable for all clients depending on their financial position and their ability and willingness to undertake risks. It is advised that every potential investor seek professional advice from several sources concerning investment decision and should study the impact of such decisions on his/her financial/legal/tax position and other concerns before getting into such investments or liquidate them partially or fully. The market of stocks, bonds, macroeconomic or microeconomic variables are of a volatile nature and could witness sudden changes without any prior warning, therefore, the investor in securities or other assets might face some unexpected risks and fluctuations. All the information, views and expectations and fair values or target prices contained in this report have been compiled or arrived at by Al-Jazira Capital from sources believed to be reliable, but Al-Jazira Capital has not independently verified the contents obtained from these sources and such information may be condensed or incomplete. Accordingly, no representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. Al-Jazira Capital shall not be liable for any loss as that may arise from the use of this report or its contents or otherwise arising in connection therewith. The past performance of any investment is not an indicator of future performance. Any financial projections, fair value estimates or price targets and statements regarding future prospects contained in this document may not be realized. The value of the security or any other assets or the return from them might increase or decrease. Any change in currency rates may have a positive or negative impact on the value/return on the stock or securities mentioned in the report. The investor might get an amount less than the amount invested in some cases. Some stocks or securities maybe, by nature, of low volume/trades or may become like that unexpectedly in special circumstances and this might increase the risk on the investor. Some fees might be levied on some investments in securities. This report has been written by professional employees in Al-Jazira Capital, and they undertake that neither them, nor their wives or children hold positions directly in any listed shares or securities contained in this report during the time of publication of this report, however, The authors and/or their wives/children of this document may own securities in funds open to the public that invest in the securities mentioned in this document as part of a diversified portfolio over which they have no discretion. This report has been produced independently and separately by the Research Division at Al-Jazira Capital and no party (in-house or outside) who might have interest whether direct or indirect have seen the contents of this report before its publishing, except for those whom corporate positions allow them to do so, and/or third-party persons/institutions who signed a non-disclosure agreement with Al-Jazira Capital. Funds managed by Al-Jazira Capital and its subsidiaries for third parties may own the securities that are the subject of this document. Al-Jazira Capital or its subsidiaries may own securities in one or more of the aforementioned companies, and/or indirectly through funds managed by third parties. The Investment Banking division of Al-Jazira Capital maybe in the process of soliciting or executing fee earning mandates for companies that is either the subject of this document or is mentioned in this document. One or more of Al-Jazira Capital board members or executive managers could be also a board member or member of the executive management at the company or companies mentioned in this report, or their associated companies. No part of this report may be reproduced whether inside or outside the Kingdom of Saudi Arabia without the written permission of Al-Jazira Capital. Persons who receive this report should make themselves aware, of and adhere to, any such restrictions. By accepting this report, the recipient agrees to be bound by the foregoing limitations.

Asset Management | Brokerage | Investment Banking | Custody | Advisory

Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068