



Domestic Market News

- International Monetary Fund predicts **KSA's** economy to grow by 3.3% and 4.1% in 2025 and 2026. (Source: Argaam)
- Aqaseem's** board recommended increase the company's capital from SAR 25mn to SAR 37.5mn by capitalizing part of the retained earnings, and allocating 10% of the capital as treasury shares. (Source: Tadawul)
- AlJouf Water's** board recommended to split the nominal value of the share from SAR 10 per share to SAR 0.5 per share. (Source: Tadawul)
- City Cement** signed natural gas contract with Aramco under the supervision of the Liquid Fuel Displacement Program. The transition from liquid fuel to natural gas will contribute to reducing emissions. (Source: Tadawul)
- SPIMACO** signed SAR 164.0mn contract with Ibrahim Al-Hudhaifi International Company, for sale and distribution of medical products. The financial impact to be seen in 2025. (Source: Tadawul)
- A consortium, including **ACWA Power Co**, won a project from the government of Azerbaijan to build a seawater desalination project. The project is to establish a facility capable of producing 300,000 cubic meters of water per day. (Source: Tadawul)
- Bob Wilt, CEO of **Maaden Co**, said the company is considering an international bond sale this year to help fund a more than \$12 billion investment program through to the end of the decade, (Source: Bloomberg)

Market Analysis

The **Saudi Stock Exchange** increased 0.4% to 12,256.1 points. The value traded stood at SAR 6.1bn (down 14.4% over the previous day), while advance-decline ratio stood at 104/129. The parallel market index increased 0.6% to 31,498.7 points. The value traded stood at SAR 42.5mn (down 15.1% over the previous day). Most of the sectors in the main market ended in green. Pharma & Bio Tech and Food & Beverages (up 1.4% and 1.2%, respectively), increased the most. While Healthcare and Capital Goods (down 1.4% and 1.3%, respectively) decreased the most.

Top Gainers

Company	Price	Change%
BURGERIZZR	22.62	5.3
FOURTH MILLING	4.19	4.5
SPM	67.70	3.4
ARABIAN MILLS	51.50	3.1
SABIC AGRI-NUTRIENTS	114.00	3.1

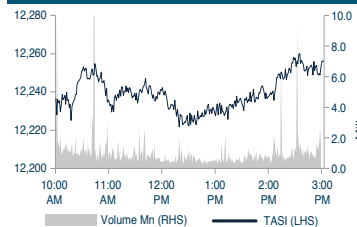
Top Losers

Company	Price	Change%
RIYADH CABLES	141.80	-2.9
NCLE	185.40	-2.7
BURUJ	22.22	-2.6
SULAIMAN ALHABIB	291.20	-2.5
SHL	18.48	-2.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,256	12,263	12,219	0.4	1.5
NomuC	31,499	31,590	31,301	0.6	1.6

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	5,344	0.5	0.8	16.7
Materials	5,544	1.0	-0.5	48.7
Capital Goods	15,680	-1.3	3.1	25.5
Commercial Service	5,324	-0.3	7.4	39.6
Transportation	7,386	-0.4	4.4	33.3
Consumer Durables	5,665	0.0	3.3	neg
Consumer Services	4,860	-0.5	0.3	41.2
Media	31,642	0.5	-1.1	High
Consumer Discretionary Ret	7,869	0.4	4.5	26
Consumer Staples Ret	8,388	-0.3	0.0	21.2
Food & Beverages	6,123	1.2	2.7	23.4
Healthcare	12,266	-1.4	3.4	41.4
Pharma & Bio Tech	5,200	1.4	4.6	39
Banks	12,547	0.7	1.8	13.1
Financial Services	7,760	-0.6	0.2	28.1
Insurance	10,833	-0.7	1.7	25.3
Telecom	8,232	0.3	3.5	15.8
Utilities	13,685	0.0	-1.2	26.7
REITs	3,166	0.0	0.0	26.3
Real Estate	3,784	0.0	2.4	High
Software & Services	86,172	0.2	5.2	41.5

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for January (bn)
12,176	12,135	12,046	5.93

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	29.5	1,494.50	2,322.40
Previous week	32.9	1,935.10	2,528.00

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.25	0.5
Al Rajhi	96.70	0.5
ACWA POWER	398.40	0.2
SNB	34.90	1.3
STC	42.00	0.2





International Market News

- According to **Baker Hughes**, North America's rig count increased 809 in the week ended January 17 from 800 earlier. The rig count fell to 580 in the US from 584 earlier, while stayed flat at 12 in the Gulf of Mexico. The rig count in Canada increased to 229, from 216 earlier. (Source: Baker Hughes)
- US** housing starts soared by 15.8% to an annual rate of 1.5mn in December after tumbling by 3.7% in November. Building permits slid by 0.7% to 1.48mn in December after surging by 5.2% in November. (Source: RTT News)
- US** industrial production jumped by 0.9% in December after rising by 0.2% in November. Economists had expected industrial production to climb by just 0.3%. The much bigger than expected increase by industrial production came as utilities and mining output surged by 2.1% and 1.8%. (Source: Reuters)
- UK** retail sales volume decreased 0.3% M/M in December, in contrast to 0.1% rise in November. It confounded expectations for an increase of 0.4%. Sales declines in supermarkets were partly offset by a rise in non-food stores, such as clothing retailers, where sales rebounded from falls in recent months. (Source: CNBC)
- Oil prices** on Friday fell 0.6% as the latest US sanctions on Russian energy trade added to the worries about oil supply disruptions.
- Gold prices** fell 0.4%, due to uncertainty over US interest rates and new policies.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	109.35	0.4	0.8	0.8
Euro	1.03	-0.3	-0.8	-0.8
Japanese Yen	156.30	0.7	-0.6	-0.6
Sterling Pound	1.22	-0.6	-2.8	-2.8
Chinese Yuan	7.34	-0.1	0.0	0.0
Indian Rupee	86.61	0.1	1.2	1.2
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	0.38	0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.1	-0.1
Egyptian Pound	50.40	0.0	-0.9	-0.9

Corporate Calendar

Date	Company	Event
20-Jan	A.OTHAIM MARKET	EGM
20-Jan	AMANA INSURANCE	EGM
21-Jan	BANAN	Cash Dividend Distribution
21-Jan	EAST PIPES	Cash Dividend Distribution
22-Jan	ATAA	Cash Dividend Distribution
22-Jan	EAST PIPES	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	5,212	-0.5	1.0	1.0	10.1
Abu Dhabi (ADX)	9,499	-0.1	0.8	0.8	17.0
Kuwait (KSE)	8,010	-0.0	2.2	2.2	23.3
Qatar (QE)	10,472	0.4	-0.9	-0.9	11.4
Oman (MSM)	4,622	0.4	1.0	1.0	9.1
Bahrain (BSE)	1,900	0.3	-4.3	-4.3	15.4
Egypt (EGX30)	29,605	0.7	-0.5	-0.5	6.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	43,488	0.8	2.2	2.2	23.7
Nasdaq	19,630	1.5	1.7	1.7	40.9
S&P 500	5,997	1.0	2.0	2.0	27.0
FTSE 100	8,505	1.4	4.1	4.1	14.1
Germany DAX 30	20,903	1.2	5.0	5.0	17.4
France CAC 40	7,710	1.0	4.5	4.5	14.7
Japan Nikkei 225	38,451	-0.3	-3.6	-3.6	17.8
Brazil IBOVESPA	122,350	0.9	1.7	1.7	8.2
Hong Kong Hang Seng	19,584	0.3	-2.4	-2.4	9.8
South Korea KOSPI	2,524	-0.2	5.2	5.2	12.0
China Shanghai Composite	3,242	0.2	-3.3	-3.3	15.7
Australia ASX 200	8,310	-0.2	1.9	1.9	21.0
India Sensex	76,619	-0.5	-1.9	-1.9	22.2
MSCI EM	1,070	0.3	-0.5	-0.5	13.6
MSCI World	3,778	0.8	1.9	1.9	22.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	85.99	0.5	11.3	11.3
Brent Crude (\$/bbl)	80.79	-0.6	8.2	8.2
Texas crude (\$/bbl)	77.88	-1.0	8.6	8.6
Natural Gas (\$/mmbtu)	3.95	-7.3	8.7	8.7
Gold (\$/oz)	2,703.25	-0.4	3.0	3.0
Silver (\$/oz)	30.37	-1.5	5.1	5.1
Steel (\$/ton)	695.00	-0.1	-2.0	-2.0
Iron Ore (CNY/MT)	803.50	1.1	3.1	3.1
Wheat (\$/bu)	538.75	0.2	-2.3	-2.3
Corn (\$/bu)	484.25	2.1	5.6	5.6
Sugar (\$/lb)	18.22	-1.0	-5.4	-5.4
SMP* (EUR/MT)	2,553.00	-0.0	-2.0	-2.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.65	4.7	2.1	2.1
KSA (SAIBOR 3M)	5.32	-16.5	-22.3	-22.3
KSA (SAIBOR 6M)	5.46	-0.8	-0.4	-0.4
KSA (SAIBOR 12M)	5.27	-0.7	2.1	2.1
USA (SOFR 3M)	4.29	-0.3	-1.5	-1.5
UAE (EIBOR 3M)	4.33	-0.4	-11.3	-11.3

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Jan 16, 2025



Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,256
Short-term view	Buy
52 weeks high/low	12,883 – 11,318

Market data	
Exchange Market Cap. (SAR bn)	10,329.9
Value (SAR mn)	6,141.1
Volume (mn)	326.5
Number of Transactions	475,813
Market Breadth	104 : 129

Key statistics	
1D return %	0.36%
MTD return %	1.82%
QTD return	1.82%
YTD return	1.82%
ADT vol. 3M* (mn)	500.2
ADT val. 3M (SARmn)	5,817.6

*ADT stands for Average Daily Traded

TASI market commentary

- TASI experienced a rise on Thursday; primarily driven by the performance of the Materials sector (up 0.96%) and the Banks sector (up 0.68%). At close, the Saudi market ended the day with a change of 0.32% at 12,256. In terms of activity, total volumes and value traded were ~327mn and ~SAR 6.1bn, respectively. The advance-decline ratio came in at 104/129.

Technical outlook

- TASI closed the last session near 12,256, registering a gain of 44 points. The buying sentiment persisted, resuming to drive the index upwards after the decisive penetration of the significant resistance of the declining trendline near 12,140. Currently, the index is heading toward a potential upside target near the zone of 12,325 – 12,450 which would stay achievable as long as the index remains above its 20-day SMA near 12,045. TASI exhibited a green-bodied candlestick, depicting the prevailing buying attitude in the short-term. Moreover, the RSI indicator keeps moving upward above the 50 level, confirming the positive price short-term structure. TASI has an immediate resistance level of around 12,335. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,390 – 12,455. On the other hand, an immediate support level is seen around 12,220. If breached, the subsequent support levels would be around 12,135 – 12,045. Traders are advised to keep considering buying opportunities and closely monitor the significant resistance zone near 12,325 – 12,450, where profit booking sentiments may reemerge.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,950	12,045	12,135	12,220	12,335	12,390	12,455



Source: Bloomberg, Argaam

TASI daily chart

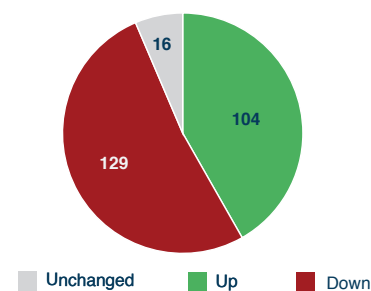


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Target	Reward %	Stop loss
6010	NADEC	25.65	25.40 – 25.65	28.10	9.6%	24.40

* As of 16th Jan 2024

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

CHARTS OF THE WEEK

Technical observations

NADEC started to bounce off the zone of a positive Breakaway Gap after penetrating the upper boundary of a declining channel. Moreover, the RSI indicator shows a positive structure confirming the price action. We recommend buying the stock in a range of 25.40 – 25.65, for a target near SAR28.10, with a stop loss below SAR24.40 on a closing basis.

National Agricultural Development Co. (NADEC)



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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