



Major Economic News

- Saudi Arabia's merchandise imports** grew by 6.0% Y/Y to SAR 201.1bn in Q1-24. On a Q/Q basis, merchandise imports fell by 0.3% or SAR 650.2mn. China topped the Kingdom's list of exporting countries with SAR 41.9bn, accounting for 21.0% of total imports in Q1-24. (Source: Argaam)
- The Kingdom's airports** received more than 19,000 flights from over 72 air carriers, coming from more than 90 countries during the Hajj season, as per Saleh Al-Zwaid, Spokesman for the Transport and Logistics System. (Source: Argaam)
- PIF** and French private equity firm Ardian made an offer to acquire a 37.6% stake in FGP TopCo, the parent company of Heathrow Airport Holdings Ltd. The deal is valued at more than GBP 3.3bn. Under the agreement, Ferrovial will maintain a 5.25% stake in FGP TopCo, while PIF and Ardian will buy 15.0% and 22.6%, respectively. (Source: Argaam)

Major Corporate News

- ADES Holding Co.** signed a jack-up drilling contract worth approximately SAR 185.0mn with Egypt's Suez Oil Co. The two-year contract aims to operate a standard jack-up rig in Egypt from ADES' current fleet, with operations expected to commence in H2-24. (Source: Tadawul)
- Middle East Healthcare Co.'s** (Saudi German Health) shareholders approved the board's recommendation on withholding dividends for FY23. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** decreased by 1.3% to 11,498.9 on 13th June 2024. The value traded stood at SAR 11.0bn (up 6.1% over the previous day), while the advance-decline ratio stood at 62/165. The parallel market index increased 0.4% to 26,754.0 points. The value traded stood at SAR 29.0mn (down 32.8% over the previous day). Most of the sectors in the main market ended in red. Insurance and REITs (up 0.6% and 0.5%, respectively) advanced the most, while Utilities and Media (down 4.5% and 2.2%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
RASAN	48.10	30.0
TALCO	49.20	14.4
MIS	163.00	7.2
SAUDI CABLE	70.80	5.5
CHUBB	32.00	4.9

Top Losers

Company	Price	Change%
SMASCO	8.28	-8.5
ACWA POWER	331.80	-5.3
MIAHONA	21.56	-5.2
SIPCHEM	29.20	-3.6
SAVOLA GROUP	42.80	-3.3

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,499	11,691	11,499	(1.3)	(4.5)
NomuC	26,754	26,836	26,399	0.4	9.1

TASI movement during session



TASI Ratios

P/E* (x)	25.8
Price-to-Book (x)	2.3
Dividend Yield (%)	2.8
Return on Equity (%)	19.1

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,239	-2.0	-15.9	15.6
Materials	5,734	-1.1	-10.3	High
Capital Goods	12,088	-0.7	19.9	27.7
Commercial Service	5,018	-0.3	-10.1	High
Transportation	7,449	-0.9	17.3	35.9
Consumer Durables	5,319	-1.3	6.8	Neg
Consumer Services	5,017	-1.1	0.8	37.8
Media	26,592	-2.2	8.3	46
Consumer Discretionary Ret	7,535	-0.3	-12.5	22.4
Consumer Staples Ret	9,327	0.3	-4.6	22.3
Food & Beverages	5,847	-1.8	3.9	29.1
Healthcare	12,976	-1.5	6.2	48.4
Pharma & Bio Tech	4,573	-1.0	-6.0	43.1
Banks	11,348	-0.8	-7.6	12.8
Financial Services	7,638	-1.9	13.4	32.6
Insurance	10,472	0.6	21.8	25.3
Telecom	7,276	-0.6	-6.3	14.2
Utilities	11,851	-4.5	19.4	25.8
REITs	3,330	0.5	-9.2	25.9
Real Estate	3,391	-0.6	10.9	39.9
Software & Services	67,642	-1.4	-1.4	39.3

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for June (bn)
11,727	11,679	11,797	13.2

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	96.9	3,760.60	3,210.50
Previous week	35.1	1,454.20	2,934.40

Top Weighted Companies

Company	Price	Change%
Al Rajhi	79.00	-1.0
Saudi Aramco	27.70	-2.1
SNB	35.15	0.1
ACWA POWER	331.80	-5.3
ALINMA	31.30	-0.6





International Market News

- **According to Baker Hughes**, North America's rig count increased to 754 in the week ended June 21 from 750 earlier. The rig count fell to 588 in the US from 590 earlier, while remained unchanged at 19 in the Gulf of Mexico. The rig count in Canada increased to 166 from 160 earlier. (Source: Baker Hughes)
- **According to EIA**, oil inventories in the US fell 2.5mn barrels (prior: up 3.7mn) to 457.1mn in the week ended June 14. Gasoline inventories decreased 2.3mn barrels (prior: up 2.6mn) to 231.2mn, while distillate inventories fell 1.7mn barrels (prior: up 0.9mn) to 121.6mn. (Source: EIA, Econoday)
- **US initial jobless claims** decreased to 238,000 (consensus: 235,000) in the week ended June 15, representing a fall of 5,000 from the previous week's revised level of 243,000. (Source: Econoday)
- **US existing home sales** fell 0.7% to an annual rate of 4.11mn in May (consensus: 4.10mn) after declining by 1.9% to an annual rate of 4.14mn. The continued decline by existing home sales came as the median existing-home price reached a record high USD 419,300 in May, up 5.8% from USD 396,500 a year ago. (Source: RTT News)
- **Oil** slipped 0.5% on Friday, partially paring the gains during the rest of the week, as stronger US dollar weighed on the prices.
- **Gold** dropped 1.6% impacted by higher bond yields and stronger US dollar.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.80	0.2	1.1	4.4
Euro	1.07	-0.1	-1.4	-3.1
Japanese Yen	159.80	0.5	1.6	13.3
Sterling Pound	1.26	-0.1	-0.8	-0.7
Chinese Yuan	7.29	-0.0	0.4	2.3
Indian Rupee	83.54	-0.1	0.1	0.4
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	-0.0	-0.2
Omani Rial	0.38	0.0	-0.0	-0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	47.70	-0.0	0.9	54.3

Corporate Calendar

Date	Company	Event
23-Jun	TAWUNIYA	Eligibility for Cash Dividend
23-Jun	ALRAZI	EGM
23-Jun	AME	Eligibility for Cash Dividend
23-Jun	MEYAR	EGM
24-Jun	ASTRA INDUSTRIAL	Eligibility for Cash Dividend
24-Jun	ARABIAN DRILLING	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,012	0.6	0.9	-1.2	7.9
Abu Dhabi (ADX)	9,013	0.7	1.7	-5.9	18.1
Kuwait (KSE)	7,654	0.4	-0.4	2.4	21.5
Qatar (QE)	9,702	0.2	4.1	-10.4	10.9
Oman (MSM)	4,679	0.0	-3.4	3.7	12.5
Bahrain (BSE)	2,042	0.1	0.1	3.6	8.6
Egypt (EGX30)	26,418	0.0	-1.9	6.1	7.7

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	39,150	0.0	1.2	3.9	22.4
Nasdaq	19,700	-0.3	6.3	17.1	34.7
S&P 500	5,465	-0.2	3.5	14.6	25.6
FTSE 100	8,238	-0.4	-0.5	6.5	14.7
Germany DAX 30	18,164	-0.5	-1.8	8.4	16.0
France CAC 40	7,629	-0.6	-4.6	1.1	13.3
Japan Nikkei 225	38,596	-0.1	0.3	15.3	26.9
Russia MOEX	3,123	0.0	-2.9	0.8	NA
Hong Kong Hang Seng	18,029	-1.7	-0.3	5.8	10.1
South Korea KOSPI	2,784	-0.8	5.6	4.9	16.5
China Shanghai Composite	2,998	-0.2	-2.9	0.8	14.0
Australia ASX 200	7,796	0.3	1.2	2.7	19.6
India Sensex	77,210	-0.3	4.4	6.9	24.1
MSCI EM	1,087	-0.8	3.6	6.2	15.8
MSCI World	3,508	-0.3	1.8	10.7	22.1

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	87.69	-0.1	3.9	9.0
Brent Crude (\$/bbl)	85.24	-0.5	4.4	10.6
Texas crude (\$/bbl)	80.73	-1.8	4.9	12.7
Natural Gas (\$/mmbtu)	2.71	-1.3	4.6	2.0
Gold (\$/oz)	2,321.98	-1.6	-0.2	12.6
Silver (\$/oz)	29.55	-3.9	-2.8	24.2
Steel (\$/ton)	721.00	-0.6	-5.3	-36.5
Iron Ore (CNY/MT)	843.50	-0.7	-4.6	-19.1
Wheat (\$/bu)	575.75	-1.7	-17.7	-12.3
Corn (\$/bu)	453.25	-0.8	-2.9	-10.0
Sugar (\$/lb)	19.16	0.7	4.8	-6.7
SMP* (EUR/MT)	2,502.00	0.1	2.9	-2.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.90	0.0	3.2	-1.0
KSA (SAIBOR 3M)	6.26	-1.8	2.7	2.7
KSA (SAIBOR 6M)	6.02	-0.3	-9.5	-5.9
KSA (SAIBOR 12M)	5.88	1.7	0.2	-11.0
USA (SOFR 3M)	5.34	-0.3	0.2	1.3
UAE (EIBOR 3M)	5.29	11.3	-3.2	-3.7

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of June 21, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,499
Short-term view	Cautious
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	9,948.4
Value (SAR mn)	11,011.4
Volume (mn)	403.3
Number of Transactions	653,676
Market Breadth	62 : 165

Key statistics

1D return %	-1.31%
MTD return %	-0.04%
QTD return	-7.28%
YTD return	-3.91%
ADT vol. 3M* (mn)	340.1
ADT val. 3M (SARmn)	8,414.6

*ADT stands for Average Daily Traded

TASI market commentary

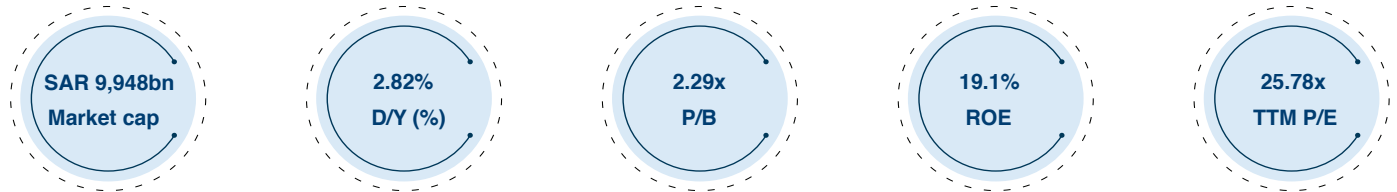
- TASI experienced a decline on Thursday; primarily driven by the performance of the Energy sector (down 2.04%) and the Materials sector (down 1.07%). At close, the Saudi market ended the day with a change of -1.31% at 11,499. In terms of activity, total volumes and value traded were ~403mn and ~SAR 11.0bn, respectively. The advance-decline ratio came in at 62/165.

Technical outlook

- TASI closed the last session near 11,499, recording a substantial loss of 153 points. The selling pressure continued to drive the index downward below all short-term moving averages. The index has breached the lower boundary of a rising channel, nevertheless, it is currently approaching to test the significant support of the previous trough near 11,440. TASI formed a Bearish Marubozu candlestick, depicting the prevailing selling pressure. Moreover, the RSI indicator continued to move downward below the level of 50; heading toward its oversold zone near the level of 30. TASI has an immediate support level of around 11,440. If breached, the subsequent support levels would be around 11,365 – 11,260. On the other hand, an immediate resistance level is observed around 11,575. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,680 – 11,800. TASI has breached the lower boundary of an ascending channel, indicating a potential continuation of the decline. Traders are advised to be cautious and monitor the support level near the previous low at 11,440. A definitive close below this level may prompt additional selling pressure towards the 11,260 points.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,260	11,365	11,440	11,575	11,680	11,800	11,900



Source: Bloomberg, Argam

TASI daily chart



Source: Tradingview, Aljazira Capital

SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
------	---------	--------	-----------	------------	----------	-----------

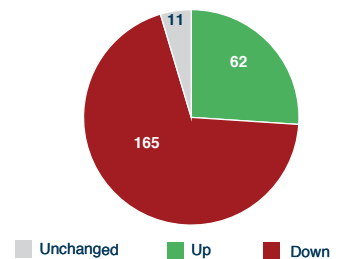
No stocks recommendations due to market volatility

*As of 13th June 2024

Our view



Market depth



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