



Domestic Market News

- **KSA** consumer spending declined 2% to SAR 112.7bn in June. POS transactions rose 2%, with 825.8mn transactions being processed through 1.8mn POS. (Source: Argam)
- **Equipment House** received an award worth SAR 86.3mn from Human Resources and Social Development, to operate, maintenance and cleaning works project for comprehensive rehabilitation centers. (Source: Tadawul)
- **Edrat** received a project worth a maximum of SAR 9mn, from the General Court of Audit, to enhance IT framework. (Source: Tadawul)
- **East Pipes** signed multiple contracts worth SAR 235mn, with Esnad Al-Turuq for General Contracting, for manufacturing and supply of steel pipes, with 24 months of contract duration. Financial impact to be reflected from Q4-25 to Q3-27. (Source: Tadawul)
- **Sure Global Tech** received an award worth SAR 9.9mn from National Center for Non-Profit Sector, to build an IT managed service model. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

Company	Q2-24	Q2-23	Y/Y %	Q1-24	Q/Q %
MIAHONA	8.1	16.9	-52.32	19.9	-59.46
SPCC	30.0	19.0	57.89	62.0	-51.61
BAAZEEM	4.6	4.7	-3.05	8.5	-46.31
SAVOLA	135.4	132.0	2.57	348.7	-61.17
SAUDI CEMENT	87.3	85.2	2.46	113.8	-23.28
SAIC	108.5	50.2	116.35	108.7	-0.18
RASAN	8.8	5.4	62.17	9.5	-6.90
GASCO	58.0	54.5	6.42	78.6	-26.21
KINGDOM	624.2	293.9	112.37	196.2	218.15

Market Analysis

The **Saudi Stock Exchange** increased 1.5% to 11,679.2. The value traded stood at SAR 9.1bn (down 14.3% over the previous day), while the advance-decline ratio stood at 194/35. The parallel market index stayed flat at 25,696.1 points. The value traded stood at SAR 38.6mn (down 15.2% over the previous day). Most of the sectors in the main market ended in green. Pharma & Bio tech and Capital Goods (up 3.9% and 3.7%, respectively) while Insurance (down 0.5%) declined the most.

Top Gainers

Company	Price	Change%
EMAAR EC	7.81	10.0
ALSAGR INSURANCE	18.50	10.0
SFICO	22.08	10.0
TALCO	54.90	9.9
MIAHONA	35.60	9.9

Top Losers

Company	Price	Change%
WALAA	21.80	-10.0
MOUWASAT	105.60	-5.7
AMERICANA	2.75	-4.5
BAWAN	39.40	-3.2
SAVOLA GROUP	41.45	-2.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,679	11,752	11,543	1.5	(3.0)
NomuC	25,696	26,224	25,693	(0.0)	4.8

TASI movement during session



TASI Ratios

P/E* (x)	25.2
Price-to-Book (x)	2.3
Dividend Yield (%)	2.8
Return on Equity (%)	19.3

*Source: Argam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,148	1.5	-17.4	15.3
Materials	5,561	1.6	-13.0	High
Capital Goods	11,979	3.7	18.8	26.4
Commercial Service	4,789	2.4	-14.2	34.9
Transportation	7,405	2.4	16.6	36.1
Consumer Durables	4,799	2.5	-3.6	Neg
Consumer Services	4,768	0.1	-4.2	35.1
Media	29,461	0.9	20.0	43.5
Consumer Discretionary Ret	7,323	1.8	-15.0	21.6
Consumer Staples Ret	8,890	2.2	-9.0	21.1
Food & Beverages	5,823	1.1	3.5	29.1
Healthcare	12,364	1.4	1.1	43.8
Pharma & Bio Tech	4,571	3.9	-6.1	43.8
Banks	11,703	0.9	-4.8	13.1
Financial Services	7,207	0.6	7.0	33
Insurance	10,613	-0.5	23.5	25.8
Telecom	7,480	2.3	-3.7	14.7
Utilities	13,656	3.2	37.6	29.5
REITs	3,262	0.5	-11.0	25.4
Real Estate	3,604	3.6	17.9	42.4
Software & Services	73,737	1.1	7.5	42.8

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
11,819	11,958	11,995	8.04

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	26.1	1,192.00	2,127.60
Previous week	30.7	1,455.10	2,501.40

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.20	1.5
Al Rajhi	85.00	1.0
SNB	34.70	0.1
ACWA POWER	390.60	3.3
ALINMA	30.90	-0.5





International Market News

- **US** trade deficit shrank to USD 73.1bn in June, from USD 75.0bn in May. Economists had expected the trade deficit to decrease to USD 72.4bn. The narrower trade deficit was a result of the value of exports jumping by 1.5% to USD 265.9bn, while value of imports increasing by 0.6% to USD 339.0bn. (Source: Reuters)
- **Eurozone** retail sales decreased 0.3% M/M in June, in contrast to a 0.1% rise in May. Economists had forecast a marginal 0.1% drop. The more than expected fall was due to decrease in turnover of both food and non-food products. Food, drinks and tobacco sales dropped 0.7%, while the decrease in non-food products turnover slowed to 0.1%. (Source: RTT News)
- S&P Global construction Purchasing Managers' Index for the **UK** rose unexpectedly to 55.3 in July from 52.2 in June, while the reading was forecasted to fall to 51.0. The expansion in construction was largely driven by the increase in new orders. The growth in orders was the strongest since April 2022. (Source: CNBC)
- The average of household spending in **Japan** was up a seasonally adjusted 0.1% in June. That was shy of expectations for an increase of 0.2% following the 0.3% decline in May. The average monthly income per household stood at Yen 0.9mn and was up 3.1% Y/Y. (Source: RTT News)
- **Oil prices** fell 0.2% after a mixed reading on US inventories and persistence of demand fears.
- **Gold prices** fell 0.8% amid rising US treasury yields and escalating geopolitical worries.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.97	0.3	-1.1	1.6
Euro	1.09	-0.2	1.0	-1.0
Japanese Yen	144.34	0.1	-3.8	2.3
Sterling Pound	1.27	-0.7	-1.3	-0.3
Chinese Yuan	7.16	0.3	-0.9	0.5
Indian Rupee	83.96	0.1	0.3	0.9
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	-0.5
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	-0.0
Egyptian Pound	49.20	-0.1	1.3	59.2

Corporate Calendar

Date	Company	Event
7-Aug	ELM	Eligibility of Cash Dividend
8-Aug	ZOUJAJ	Eligibility of Cash Dividend
8-Aug	BUDGET SAUDI	Eligibility of Cash Dividend
8-Aug	AL RAJHI REIT	Eligibility of Cash Dividend
8-Aug	EIC	Eligibility of Cash Dividend
8-Aug	LEEJAM SPORTS	Eligibility of Cash Dividend

EGM: Extra Ordinary Meeting*
OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,137	2.3	-3.1	1.9	8.1
Abu Dhabi (ADX)	9,084	1.2	-2.7	-5.2	18.2
Kuwait (KSE)	7,625	1.1	-3.5	2.0	21.4
Qatar (QE)	10,049	0.0	-1.0	-7.2	11.3
Oman (MSM)	4,649	1.0	-0.3	3.0	11.9
Bahrain (BSE)	1,930	-0.1	-2.0	-2.1	7.4
Egypt (EGX30)	28,210	1.3	-4.0	13.3	7.9

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,998	0.8	-4.5	3.5	21.7
Nasdaq	18,078	1.0	-6.6	7.4	31.9
S&P 500	5,240	1.0	-5.1	9.9	24.5
FTSE 100	8,027	0.2	-4.1	3.8	14.0
Germany DAX 30	17,354	0.1	-6.2	3.6	15.3
France CAC 40	7,130	-0.3	-5.3	-5.5	13.5
Japan Nikkei 225	34,675	10.2	-11.3	3.6	22.2
Brazil IBOVESPA	126,267	0.8	-1.1	-5.9	9.3
Hong Kong Hang Seng	16,647	-0.3	-4.0	-2.3	9.3
South Korea KOSPI	2,522	3.3	-9.0	-5.0	14.8
China Shanghai Composite	2,867	0.2	-2.4	-3.6	13.5
Australia ASX 200	7,681	0.4	-5.1	1.2	18.9
India Sensex	78,593	-0.2	-3.9	8.8	24.0
MSCI EM	1,031	1.4	-5.0	0.7	14.7
MSCI World	3,381	1.1	-5.3	6.7	20.9

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	76.7	1.3	-6.5	-4.6
Brent Crude (\$/bbl)	76.5	0.2	-5.3	-0.7
Texas crude (\$/bbl)	73.2	0.4	-6.0	2.2
Natural Gas (\$/mmbtu)	2.0	3.5	-1.3	-24.8
Gold (\$/oz)	2,390.8	-0.8	-2.3	15.9
Silver (\$/oz)	27.0	-1.0	-7.0	13.4
Steel (\$/ton)	685.0	-0.3	-2.7	-39.6
Iron Ore (CNY/MT)	788.5	0.0	3.2	-24.4
Wheat (\$/bu)	543.3	0.7	3.0	-17.2
Corn (\$/bu)	405.3	-0.4	1.4	-19.5
Sugar (\$/lb)	17.9	-1.2	-5.6	-13.0
SMP* (EUR/MT)	2,428.0	0.0	2.8	-5.8

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.84	6.8	6.2	-7.6
KSA (SAIBOR 3M)	6.22	2.6	2.8	-0.8
KSA (SAIBOR 6M)	5.90	-1.6	-6.1	-18.0
KSA (SAIBOR 12M)	5.71	-1.8	-6.3	-28.4
USA (SOFR 3M)	5.06	-7.6	-18.5	-27.5
UAE (EIBOR 3M)	4.99	-18.6	-24.2	-33.9

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of Aug 6, 2024





Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	11,679
Short-term view	Cautious
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	9,894.7
Value (SAR mn)	9,079.7
Volume (mn)	404.1
Number of Transactions	687,235
Market Breadth	194 : 35

Key statistics

1D return %	1.52%
MTD return %	-3.55%
QTD return	0.00%
YTD return	-2.41%
ADT vol. 3M* (mn)	310.0
ADT val. 3M (SARmn)	7,640.6

*ADT stands for Average Daily Traded

TASI market commentary

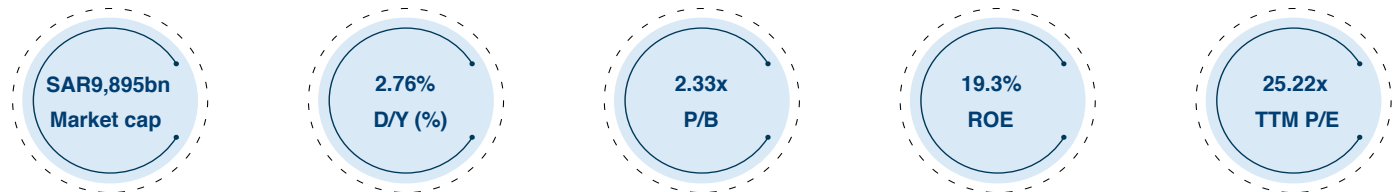
- TASI experienced a rise on Tuesday; primarily driven by the performance of the Telecommunication services sector (up 2.26%) and the Materials sector (up 1.60%). At close, the Saudi market ended the day with a change of 1.52% at 11,679. In terms of activity, total volumes and value traded were ~404mn and ~SAR 9.1bn, respectively. The advance-decline ratio came in at 194/35.

Technical outlook

- TASI closed the last session near 11,679, marking a gain of 175 points. The index witnessed a reemergence of the buying power after the intensive selling pressure in the prior two sessions. TASI formed a green candlestick reflecting a positive temporary reaction within the prevailing selling attitude. The index is currently testing the previously breached boundary of the rising channel which coincides with a downside Breakaway Gap suggesting a potential resumption toward the downside targets of the channel near 11,225 followed by another target zone near 11,050 – 11,000. Additionally, the RSI indicator is still hovering below the 50 level. TASI has an immediate resistance level of around 11,750. If successfully surpassed, the subsequent resistance levels to watch for would be around 11,825 – 11,950. On the other hand, an immediate support level is observed at around 11,500. If breached, the subsequent support levels would be around 11,440 - 11,320. TASI is currently testing the resistance of a rising channel's previously breached boundary which suggests a potential further decline in the short term. Accordingly, traders are advised to exercise caution and closely monitor the critical resistance level of around 11,750.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,320	11,440	11,500	11,650	11,750	11,825	11,950



Source: Bloomberg, Argaam

TASI daily chart

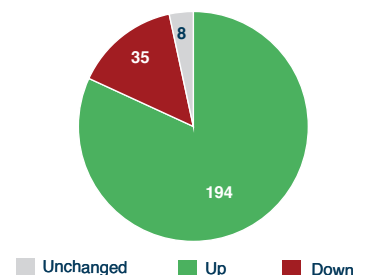


Source: Tradingview, Aljazira Capital

Our view



Market depth





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
2300	Saudi Paper Manufacturing	68.00	67.80 – 68.00	68.60 – 69.40	67.10
2350	Saudi Kayan	8.30	8.28 – 8.30	8.37 – 8.47	8.19
2330	Advanced Petrochemical	38.45	38.35 – 38.45	38.80 – 39.25	37.95
1830	Fitness Time	199.20	198.80 – 199.20	200.80 – 203.20	196.60
6002	Herfy Foods	23.22	23.16 – 23.22	23.42 – 23.68	22.92
8180	Al Sagr Insurance	18.50	18.46 – 18.50	18.66 – 18.88	18.26
8260	Gulf General Insurance	11.88	11.86 – 11.88	11.98 – 12.12	11.74

*As of 06th August 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

SPM formed a Spinning Top candlestick at the lower boundary of a declining channel as well as the level of a prior trough. Moreover, all the technical indicators show bullish structure.

Saudi Paper Manufacturing Co. (SPM)



Source: Tradingview, Aljazira Capital

Technical observations

Saudi Kayan has penetrated the upper boundary of a declining channel after bouncing off the level of the prior bottom. Moreover, all the technical indicators show bullish structure.

Saudi Kayan Petrochemical Company (Saudi Kayan)



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.

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