



Domestic Market News

- The average daily liquidity surplus of **KSA's** banks amounted to SAR 43bn, reflecting stability of monetary conditions. The capital adequacy ratio recorded 20.1% by end of 2023, while liquidity coverage rate reached 176.5% in Q1-24. (Source: Argaam)
- KSA's** foreign reserve assets declined 3% to SAR 1.7tn in July 2024. Foreign currency reserves rose 7% while IMF reserves declined 8%. (Source: Argaam)
- KSA's** holdings of US treasuries reached USD 140.3bn in June, thereby achieving a highest number in more than four years. KSA maintained its 17th place among the largest holders, for the month. 78% of the US treasuries accounted for long-term bonds, while short-term bonds accounted for 22%. (Source: Argaam)
- Red Sea** signed contract worth SAR 658mn with Webuild SPA, to build staff camp serving the Trojena Dam project at NEOM. The financial impact to be reflected in Q3-24 till end of FY25. (Source: Tadawul)
- Thimar** signed a MoU with Madar Al Khair, for establishing, and operating veterinary slaughterhouses, manufacturing of leather and meat products. (Source: Tadawul)
- Marble Design** announced completion of 35% of the construction of showrooms and warehouses, for its subsidiary, as it aims to add new products towards Marble Design's expansion plans. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased 0.6% to 11,981.4. The value traded stood at SAR 5.9bn (down 13.1% over the previous day), while the advance-decline ratio stood at 174/49. The parallel market index decreased 0.2% to 25,712.0 points. The value traded stood at SAR 45.1mn (up 42.6% over the previous day). Most of the sectors in the main market ended in green. Consumer Durables and Utilities (up 3.5% and 2.4%, respectively) while Pharma & Bio Tech and REITs (down 0.5% and 0.2%, respectively) declined the most.

Top Gainers

Company	Price	Change%
SAUDI RE	34.85	9.9
CHUBB	35.30	9.8
ALSAGR INSURANCE	20.20	9.3
WATANIYA	31.20	9.3
FITAIHI GROUP	4.20	9.1

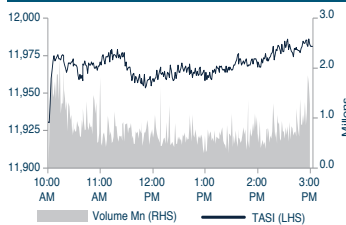
Top Losers

Company	Price	Change%
SFICO	20.28	-7.9
ALBAHA	0.12	-7.7
SAIB	12.34	-2.2
KINGDOM	8.22	-2.1
AI RAJHI REIT	8.20	-1.9

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,981	11,989	11,919	0.6	(0.5)
NomuC	25,712	25,777	25,573	(0.2)	4.8

TASI movement during session



TASI Ratios

P/E* (x)	25.8
Price-to-Book (x)	2.4
Dividend Yield (%)	2.7
Return on Equity (%)	19.4

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,362	0.4	-14.0	16
Materials	5,594	0.1	-12.5	High
Capital Goods	12,964	1.7	28.5	26.9
Commercial Service	5,087	2.0	-8.8	39.3
Transportation	7,832	1.2	23.3	36.2
Consumer Durables	5,172	3.5	3.8	Neg
Consumer Services	5,081	1.7	2.1	41.1
Media	31,001	1.9	26.3	48
Consumer Discretionary Ret	7,651	0.8	-11.2	21.8
Consumer Staples Ret	9,096	0.5	-6.9	22.6
Food & Beverages	5,902	0.7	4.9	28.1
Healthcare	13,153	0.9	7.6	43.8
Pharma & Bio Tech	4,987	-0.5	2.5	42.9
Banks	11,704	-0.1	-4.7	12.7
Financial Services	7,598	0.2	12.8	28.1
Insurance	11,427	2.1	33.0	27.4
Telecom	7,670	-0.1	-1.3	14.6
Utilities	14,150	2.4	42.6	29.4
REITs	3,247	-0.2	-11.4	26
Real Estate	3,781	1.2	23.7	45.2
Software & Services	77,545	0.7	13.1	41.4

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for August (bn)
11,857	11,764	11,916	6.86

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	5.9	249.60	426.20
Previous week	30.5	1,262.60	2,409.70

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	28.30	0.4
Al Rajhi	83.20	-0.7
SNB	35.00	0.4
ACWA POWER	408.00	2.8
ALINMA	31.55	0.2





International Market News

- **US** consumer sentiment index rose to 67.8 in August, after falling to 66.4 in July. The consumer sentiment index regained ground after hitting its lowest level since November 2023. Overall, expectations strengthened for both personal finances and the five-year economic outlook. (Source: RTT News)
- **US** business inventories increased by 0.3% in June, after climbing by 0.5% in May. The increase in inventories was led by retail inventories, which jumped by 0.9% in June after advancing by 0.8% in May. While wholesale inventories increased 0.2%. (Source: CNBC)
- **US** import prices inched up 0.1% in July, materially ahead of the consensus estimate of 0.1% decline. The unexpected uptick was partly due to the rebound in fuel imports, which increased 0.5%. While prices of non-fuel imports increased by 0.1%. (Source: Reuters)
- **UK** retail sales increased 0.5% in July, slightly below the consensus estimate of 0.6% increase. The retail sales volume rebounded due to increased summer discounting coupled with boosted department stores and sports equipment stores sales, due to the European football Championship. (Source: Reuters)
- **Japan's** tertiary activity index dropped 1.3% M/M in June, significantly below the consensus estimate of 0.3% rise. This significant drop was led by components like trade, transport, postal activities, finance and insurance, which decreased significantly. (Source: Reuters)

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.46	0.0	-1.6	1.1
Euro	1.10	0.0	1.9	-0.1
Japanese Yen	147.63	0.0	-1.6	4.7
Sterling Pound	1.29	0.0	0.7	1.7
Chinese Yuan	7.16	0.0	-0.9	0.5
Indian Rupee	83.95	0.0	0.3	0.9
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	0.0	0.0	0.1
Kuwaiti Dinar	0.31	0.0	0.1	-0.5
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	48.90	0.0	0.7	58.2

Corporate Calendar

Date	Company	Event
19-Aug	SULAIMAN ALHABIB	Cash Dividend Distribution
19-Aug	MARAFIQ	Eligibility of Cash Dividend
20-Aug	SAUDI ARAMCO	Eligibility of Cash Dividend
20-Aug	YANSAB	Cash Dividend Distribution
20-Aug	MUSHARAKA REIT	Eligibility of Cash Dividend
20-Aug	ALAMAR	Eligibility of Cash Dividend

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

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,243	0.6	-0.6	4.5	8.2
Abu Dhabi (ADX)	9,286	0.5	-0.6	-3.0	16.9
Kuwait (KSE)	7,765	0.4	-1.7	3.9	22.8
Qatar (QE)	10,135	0.1	-0.2	-6.4	11.2
Oman (MSM)	4,691	-0.0	0.6	3.9	12.0
Bahrain (BSE)	1,943	0.3	-1.3	-1.4	7.4
Egypt (EGX30)	29,460	-0.6	0.3	18.3	7.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	40,660	0.0	-0.4	7.9	22.7
Nasdaq	19,509	0.0	0.8	15.9	34.4
S&P 500	5,554	0.0	0.6	16.4	26.0
FTSE 100	8,311	0.0	-0.7	7.5	14.4
Germany DAX 30	18,322	0.0	-1.0	9.4	15.1
France CAC 40	7,450	0.0	-1.1	-1.2	14.1
Japan Nikkei 225	38,063	0.0	-2.7	13.7	23.2
Brazil IBOVESPA	133,953	0.0	4.9	-0.2	10.1
Hong Kong Hang Seng	17,430	0.0	0.5	2.2	9.7
South Korea KOSPI	2,697	0.0	-2.7	1.6	14.9
China Shanghai Composite	2,879	0.0	-2.0	-3.2	13.6
Australia ASX 200	7,971	0.0	-1.5	5.0	19.7
India Sensex	80,437	0.0	-1.6	11.3	24.4
MSCI EM	1,094	0.0	0.8	6.8	15.1
MSCI World	3,584	0.0	0.4	13.1	22.2

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	81.29	0.0	-1.0	1.1
Brent Crude (\$/bbl)	79.68	0.0	-1.3	3.4
Texas crude (\$/bbl)	76.65	0.0	-1.6	7.0
Natural Gas (\$/mmbtu)	2.12	0.0	4.3	-20.5
Gold (\$/oz)	2,508.01	0.0	2.5	21.6
Silver (\$/oz)	28.98	0.0	-0.1	21.8
Steel (\$/ton)	656.00	0.0	-6.8	-42.2
Iron Ore (CNY/MT)	723.00	0.0	-5.4	-30.7
Wheat (\$/bu)	552.50	0.0	0.1	-17.4
Corn (\$/bu)	392.50	0.0	-1.8	-22.0
Sugar (\$/lb)	18.03	0.0	-4.8	-12.2
SMP* (EUR/MT)	2,419.00	0.0	2.4	-6.1

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.87	1.8	9.3	-4.4
KSA (SAIBOR 3M)	6.05	3.9	-14.6	-18.1
KSA (SAIBOR 6M)	5.86	0.2	-9.8	-21.7
KSA (SAIBOR 12M)	5.61	-2.3	-16.3	-38.4
USA (SOFR 3M)	5.13	0.0	-11.3	-20.3
UAE (EIBOR 3M)	5.01	0.0	-22.6	-32.2

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of Aug 18, 2024





Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,981
Short-term view	Cautious Buy
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,244.2
Value (SAR mn)	5,930.8
Volume (mn)	249.6
Number of Transactions	426,159
Market Breadth	174 : 49

Key statistics	
1D return %	0.56%
MTD return %	-1.06%
QTD return	2.58%
YTD return	0.12%
ADT vol. 3M* (mn)	310.2
ADT val. 3M (SARmn)	7,592.3

*ADT stands for Average Daily Traded

TASI market commentary

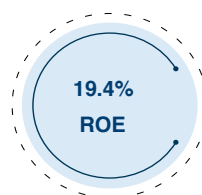
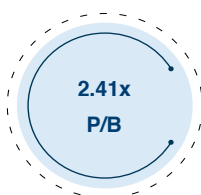
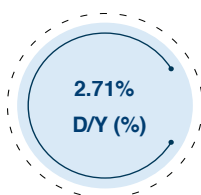
- TASI experienced a rise on Sunday; primarily driven by the performance of the Energy sector (up 0.38%) and the Materials sector (up 0.06%). At close, the Saudi market ended the day with a change of 0.56% at 11,981. In terms of activity, total volumes and value traded were ~250mn and ~SAR 5.9bn, respectively. The advance-decline ratio came in at 174/49.

Technical outlook

- TASI closed the last session near 11,981, registering a gain of 66 points. The buying pressure continued to push the index upwards to break through its 20-day SMA around 11,915 after penetrating the 61.8% Fibonacci level around 11,865. TASI formed a bullish Marubozu candlestick, indicating a potential further rise toward the 78.6% Fibonacci level around 12,015. Moreover, the RSI indicator continued its upward movement after surpassing the 50 level, reflecting the prevailing buying power in the near term. TASI has an immediate resistance level of around 12,015. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,090 – 12,200. On the other hand, an immediate support level is observed around 11,915. If breached, the subsequent support levels would be around 11,865 - 11,800. TASI has penetrated its 20-day SMA suggesting a potential continuation of the upside trajectory toward the 78.6% Fibonacci which coincides with the resistance of the upper boundary of a previous downside gap. Traders are advised to cautiously buy and closely monitor the resistance level of around 12,015.

Key price levels

S3	S2	S1	Pivot	R1	R2	R3
11,720	11,800	11,865	11,915	12,015	12,090	12,200



Source: Bloomberg, Argaam

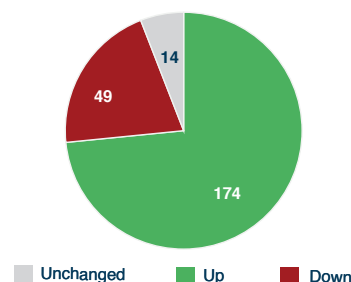
TASI daily chart



Our view



Market depth



Source: Tradingview, Aljazira Capital





SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
2082	ACWA Power	408.00	407.00 – 408.00	411.40 – 416.00	402.80
4013	Sulaiman Al Habib	302.80	302.00 – 302.80	305.40 – 308.80	299.00
4143	TALCO	60.40	60.30 – 60.40	60.90 – 61.60	59.60
4220	Emaar The Economic City	8.41	8.39 – 8.41	8.48 – 8.58	8.30
2283	First Mills	69.90	69.70 – 69.90	70.50 – 71.30	69.00
1833	Al Mawarid	119.40	119.20 – 119.40	120.40 – 121.80	118.00
8240	CHUBB	35.30	35.20 – 35.30	35.60 – 36.00	34.85

*As of 18th August 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

ACWA Power has penetrated the level of the prior peak. Moreover, all the technical indicators show bullish structure.

ACWA Power Company (ACWA Power)



Source: Tradingview, Aljazira Capital

Technical observations

SULAIMAN ALHABIB has just penetrated a declining trendline after penetrating the 100-day SMA. Moreover, all the technical indicators show bullish structure.

Dr. Sulaiman Al Habib Medical Services Group (SULAIMAN ALHABIB)



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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