



## Major Economic News

- **Minister of Finance**, Mohammed Al-Jadaan, stated that the Saudi government has chosen to spend more to fast track the implementation of strategies and projects, with the deficit going towards production expenses. (Source: Argaam)
- **The Cabinet, chaired by King Salman**, gave the green light for implementing the GCC Financial and Economic Cooperation Committee's decision on adopting the final draft of the amended controls to exempt industry inputs from fees (taxes). (Source: Argaam)

## Major Corporate News

- **Ladun Investment Co.**'s board of directors recommended transferring the company's entire statutory reserve at SAR 24.03 million as per the financial statements ended Dec. 31, 2023 to the retained earnings balance. (Source: Argaam)
- **Jabal Omar Development Company** announces the resignation of Mr. Khalid Mohammed Al Amoudi from his position as CEO to continue his professional career. The board delegated Mr. Saad Mushabab bin Aiban to the position of CEO, effective from 31-5-2024G (Source: Argaam)

## Earnings update (Net Profit) (SAR mn)

Company	Q1-24	Q1-23	Y/Y %	Q4-23	Q/Q %
SAVOLA GROUP	348.7	392.8	-11.21	227.0	53.58
NAYIFAT	17.2	32.46	-47.07	15.9	8.22
HB	-4.6	1.6	NM	-27.4	NM
STC	3,286.0	3,108.7	5.70	2,274.2	44.49
ALUJAIN	5.6	-20.9	NM	-66.7	NM
SAUDI CERAMICS	15.6	14.7	114.21	-89.8	NM

\*NM means Not Meaningful.

## Market Analysis

The **Saudi Stock Exchange** decreased 0.1% to 12,358.0. The value traded stood at SAR 7.0bn (down 4.5% over the previous day), while the advance-decline ratio stood at 70/150. The parallel market index decreased 0.2% to 26,741.6 points. The value traded stood at SAR 25.7mn (down 34.5% over the previous day). Most sectors in the main market ended in the red. Pharma & Bio Tech and Banks (up 1.7 and 0.3%, respectively) advanced the most, while Diversified Financials and Consumer Services (down 2.1% and 1.4%, respectively) led the laggards.

## Top Gainers

Company	Price	Change%
BATIC	3.51	6.4
DWF	128.40	5.4
EIC	5.70	5.0
SACO	40.15	5.0
OASIS	49.05	4.9

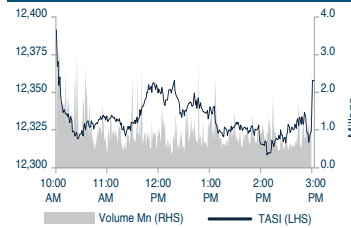
## Top Losers

Company	Price	Change%
ALAKARIA	22.34	-7.6
ALBAHA	0.13	-7.1
AMERICANA	3.18	-5.1
UCA	12.78	-4.2
ALSAIF GALLERY	11.50	-3.5

## Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,358	12,391	12,307	(0.1)	3.3
NomuC	26,742	26,961	26,678	(0.2)	9.0

## TASI movement during session



## TASI Ratios

P/E* (x)	27.8
Price-to-Book (x)	2.5
Dividend Yield (%)	2.6
Return on Equity (%)	19.2

\*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,659	0.0	-9.0	16.2
Materials	6,226	-0.5	-2.0	High
Capital Goods	12,510	-0.1	26.0	43.8
Commercial Service	5,343	-0.8	-3.9	High
Transportation	7,687	-0.6	21.3	38.7
Consumer Durables	5,653	-0.6	12.5	Neg
Consumer Services	5,383	-1.4	9.0	40.5
Media	30,542	-0.9	24.5	High
Consumer Discretionary Ret	8,237	-0.3	-3.4	24.2
Consumer Staples Ret	10,055	-0.3	3.9	24.9
Food & Beverages	6,266	-0.3	11.7	31.6
Healthcare	13,766	-0.1	14.5	49.9
Pharma & Bio Tech	5,299	1.7	9.1	48.9
Banks	11,818	0.3	-3.1	13.6
Financial Services	8,036	-2.1	20.8	37.8
Insurance	11,917	0.0	40.7	32.3
Telecom	7,575	-0.7	-1.9	14.2
Utilities	13,958	0.2	40.5	31.2
REITs	3,418	-0.4	-6.8	26.6
Real Estate	3,796	-0.6	24.5	42.3
Software & Services	75,119	-0.2	9.5	45.6

## Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for May (bn)
12,360	12,341	12,455	6.44

## Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	19.7	787.80	1,425.70
Previous week	33.1	1,297.00	2,407.10

## Top Weighted Companies

Company	Price	Change%
Saudi Aramco	29.95	0.0
Al Rajhi	80.80	0.6
SNB	36.15	0.8
ACWA POWER	400.00	0.0
ALINMA	32.65	0.2





## International Market News

- The **S&P 500 and Dow Jones Industrial Average** both clung onto gains to end slightly higher on Tuesday, extending recent winning streaks fueled by renewed expectations that the Federal Reserve will cut interest rates this year. (Source: Reuters)
- Germany's economy** will stagnate in 2024 despite a stronger than expected start to the year, and will continue to lag behind European peers, according to German economic institute IW. Manufacturing and the construction sector in particular remain stuck in recession, according to IW's latest forecasts (Source: Reuters)
- The **Bank of Japan** may take monetary policy action if yen falls affect prices significantly, governor Kazuo Ueda said on Wednesday, offering the strongest hint to date the currency's relentless declines could trigger another interest rate hike. (Source: Reuters)
- Oil prices** fell in early Asian trade on Wednesday as industry data showed a pile up in both crude and fuel inventories in the U.S., a sign of weak demand, and cautious supply expectations emerged ahead of an OPEC+ policy meeting next month. (Source: Reuters)
- The **Indian rupee** was under pressure on Wednesday on portfolio outflows and dollar payments by oil companies, but remained largely supported near an important level. (Source: Reuters)

## Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	105.41	0.3	-0.8	4.0
Euro	1.08	-0.1	0.8	-2.6
Japanese Yen	154.69	0.5	-2.0	9.7
Sterling Pound	1.25	-0.4	0.1	-1.7
Chinese Yuan	7.23	0.2	-0.4	1.4
Indian Rupee	83.52	0.0	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	-0.0	-0.2	0.0
Omani Rial	0.38	-0.0	-0.0	-0.0
Bahraini Dinar	0.38	-0.0	0.0	0.0
Egyptian Pound	47.70	-0.5	-0.4	54.3

## Corporate Calendar

Date	Company	Event
8-May	SAUDI CEMENT	Cash Dividend Distribution
8-May	CLEAN LIFE	Eligibility of Cash Dividend
9-May	ACC	Cash Dividend Distribution
9-May	SPM	Cash Dividend Distribution
13-May	SAB	Cash Dividend Distribution
13-May	MAADEN	EGM

EGM: Extra Ordinary Meeting\*

OGM: Ordinary General Meeting\*

## Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,156	0.0	0.0	2.4	8.0
Abu Dhabi (ADX)	9,072	0.4	0.0	-5.3	18.2
Kuwait (KSE)	7,646	-0.1	-0.6	2.3	18.1
Qatar (QE)	9,619	-0.2	-1.1	-11.2	10.8
Oman (MSM)	4,779	-0.3	-0.1	5.9	12.4
Bahrain (BSE)	2,024	0.1	-0.3	2.7	7.9
Egypt (EGX30)	26,430	1.2	8.1	6.2	9.9

## International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	38,884	0.1	2.8	3.2	22.8
Nasdaq	18,091	-0.0	3.7	7.5	33.4
S&P 500	5,188	0.1	3.0	8.8	24.8
FTSE 100	8,314	1.2	2.1	7.5	14.7
Germany DAX 30	18,430	1.4	2.8	10.0	15.4
France CAC 40	8,076	1.0	1.1	7.1	14.0
Japan Nikkei 225	38,835	1.6	1.1	16.0	27.7
Russia MOEX	3,428	-0.2	-1.2	10.6	4.7
Hong Kong Hang Seng	18,479	-0.5	4.0	8.4	10.4
South Korea KOSPI	2,734	1.9	1.6	3.0	19.7
China Shanghai Composite	3,148	0.2	1.4	5.8	14.1
Australia ASX 200	7,793	1.4	1.7	2.7	19.7
India Sensex	73,512	-0.5	-1.3	1.8	23.9
MSCI EM	1,068	0.1	2.1	4.3	15.4
MSCI World	3,402	0.3	2.9	7.3	21.4

## Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	86.00	-0.1	-3.9	6.9
Brent Crude (\$/bbl)	83.16	-0.2	-5.3	7.9
Texas crude (\$/bbl)	78.38	-0.1	-4.3	9.4
Natural Gas (\$/mmbtu)	2.21	0.5	10.8	-12.4
Gold (\$/oz)	2,314.10	-0.4	1.2	12.2
Silver (\$/oz)	27.24	-0.7	3.6	14.5
Steel (\$/ton)	785.00	0.8	-3.4	-30.8
Iron Ore (CNY/MT)	904.00	2.1	1.9	-13.3
Wheat (\$/bu)	642.75	-0.9	6.5	-0.5
Corn (\$/bu)	467.00	-0.4	4.5	-5.5
Sugar (\$/lb)	19.95	2.4	2.8	-2.3
SMP* (EUR/MT)	2,354.00	0.0	0.6	-8.7

\*SMP: Skimmed Milk Powder

## Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.98	4.1	11.4	6.3
KSA (SAIBOR 3M)	6.27	3.8	2.9	3.7
KSA (SAIBOR 6M)	6.16	1.6	8.6	8.7
KSA (SAIBOR 12M)	5.95	-0.5	7.2	-4.3
USA (SOFR 3M)	5.32	0.2	-0.5	-0.8
UAE (EIBOR 3M)	5.28	6.7	-3.6	-4.8

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of May 7, 2024

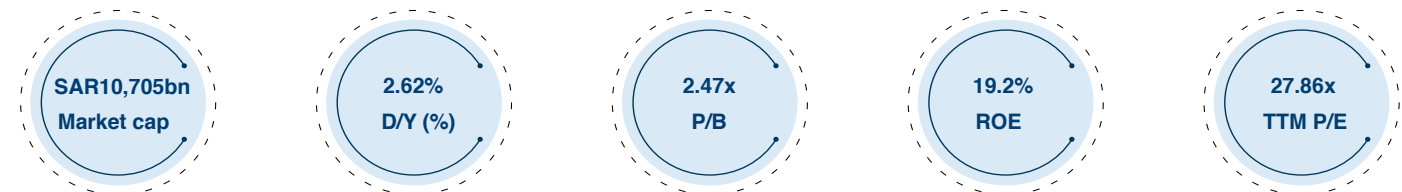


Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	12,358
Short-term view	Profit Booking
52 weeks high/low	12,883 – 10,262

Market data	
Exchange Market Cap. (SAR bn)	10,705.4
Value (SAR mn)	7,039.4
Volume (mn)	315.2
Number of Transactions	519,703
Market Breadth	70 : 150

Key statistics	
1D return %	-0.12%
MTD return %	-0.30%
QTD return	-0.35%
YTD return	3.26%
ADT vol. 3M* (mn)	359.3
ADT val. 3M (SARmn)	8,759.5

\*ADT stands for Average Daily Traded



Source: Bloomberg, Argaam

## TASI daily chart



Source: Tradingview, Aljazira Capital

## SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Sell range	Reward %	Stop loss
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No stocks recommendations due to market volatility

\* As of 07<sup>th</sup> May 2024

## TASI market commentary

- TASI experienced a decline on Tuesday; primarily driven by the performance of the Telecommunication services sector (down 0.71%) and the Materials sector (down 0.55%). At close, the Saudi market ended the day with a change of -0.12% at 12,358. In terms of activity, total volumes and value traded were ~315mn and ~SAR 7.0bn, respectively. The advance-decline ratio came in at 70/150.

## Technical outlook

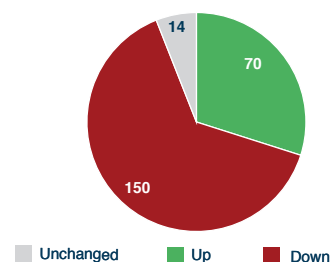
- TASI closed the last session near 12,358, marking a loss of 15 points. The index experienced a coiled session that extended the series of indecisive lateral sessions below the 20-day SMA which is located around 12,455. TASI formed a Hanging Man candlestick with a body that engulfed the body of the preceding candlestick, indicating a possible further profit booking sentiment. Moreover, the RSI indicator persisted below a declining trendline and the 50 level. TASI has an immediate support level of around 12,260. If breached, the subsequent support levels would be around 12,185 – 12,100. On the other hand, an immediate resistance level is observed around 12,455. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,625 – 12,735. As long as TASI continues to encounter profit-booking sentiment below the significant resistance zone at the 20-day SMA around 12,370 – 12,455, traders are advised to closely monitor the support of the last trough around 12,185. A decisive close below this level could potentially trigger further selling attitude in the market.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
12,100	12,185	12,260	12,370	12,455	12,625	12,735

## Our view



## Market depth



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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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