



Domestic Market News

- According to FTA, **Saudi's** debt and financial derivatives market is witnessing rapid development and is expected to play a vital role in diversifying funding sources and improving liquidity. (Source: Argaam)
- KSA's** GDP declined by 0.3% Y/Y in Q2. Oil activities fell 8.8%, while non-oil activities increased by 4.9%. Additionally government activities grew 3.8%. (Source: Argaam)
- Mobi Industry's** board of directors recommend dividends of SAR 7.5mn, at a dividend per share of SAR 0.15. (Source: Argaam)
- Sure Global Tech** was awarded SAR 9.7mn managed services contract for the digital transformation program with Ministry of Economy and Planning, for a period of 2 years. (Source: Tadawul)
- Ades'** subsidiary signed an asset purchase agreement to acquire one premium jackup rig in Malaysia-Thailand Joint Development Area, for USD 105mn, to strengthen its presence in the Southeast Asia region. (Source: Tadawul)
- Leejam Sports** opened a new fitness center in Damam City, which will operate under the brand "Fitness Time". The financial impact will appear as on Q3-24. (Source: Tadawul)
- Ades'** subsidiary signed a sale purchase agreement to acquire shares of Rig Finance, the rig owning entity of the premium jackup rig in Indonesia, for USD 85mn. (Source: Tadawul)
- Amak** launches its strategic plan until the end of 2025, aiming to strengthen its position in the mining industry. The key pillars are developing Khutainah project, expanding nearby orebodies, enhancing operational efficiency, producing iron oxide at Nuham site. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** decreased 1.0% to 11,982.3. The value traded stood at SAR 5.0bn (down 34.8% over the previous day), while advance-decline ratio stood at 61/166. The parallel market index decreased 0.1% to 25,740.8 points. The value traded stood at SAR 38.2mn (down 4.5% over the previous day). Most of the sectors in the main market ended in red. Food & Beverages and Healthcare (down 1.8% and 1.5%, respectively) declined the most.

Top Gainers

| Company | Price | Change% |
|---------|-------|---------|
| NAYIFAT | 14.54 | 10.0 |
| RED SEA | 47.55 | 9.9 |
| SIECO | 3.05 | 9.7 |
| ALBAHA | 0.16 | 6.7 |
| CHUBB | 43.00 | 6.6 |

Top Losers

| Company | Price | Change% |
|------------------|-------|---------|
| ALISTITHMAR REIT | 8.80 | -3.7 |
| ARDCO | 25.15 | -3.3 |
| BINDAWOOD | 6.90 | -3.1 |
| MAHARAH | 6.96 | -3.1 |
| MEDGULF | 25.95 | -3.0 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI | 11,982 | 12,039 | 11,944 | (1.0) | (0.5) |
| NomuC | 25,741 | 25,816 | 25,609 | (0.1) | 4.9 |

TASI movement during session



TASI Ratios

| | |
|----------------------|------|
| P/E* (x) | 26 |
| 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 | 5,174 | -0.9 | -17.0 | 15.5 |
| Materials | 5,617 | -0.4 | -12.1 | High |
| Capital Goods | 13,308 | 0.0 | 32.0 | 27.2 |
| Commercial Service | 5,035 | -1.0 | -9.8 | 38.8 |
| Transportation | 7,516 | -0.7 | 18.3 | 35.1 |
| Consumer Durables | 5,198 | -0.8 | 4.4 | Neg |
| Consumer Services | 5,167 | -0.1 | 3.8 | 41.1 |
| Media | 31,556 | -0.8 | 28.5 | 47.4 |
| Consumer Discretionary Ret | 7,833 | 0.0 | -9.1 | 22.2 |
| Consumer Staples Ret | 9,276 | -0.3 | -5.1 | 23.2 |
| Food & Beverages | 6,054 | -1.8 | 7.6 | 29.7 |
| Healthcare | 12,996 | -1.5 | 6.3 | 43.1 |
| Pharma & Bio Tech | 5,431 | -0.7 | 11.6 | 46.6 |
| Banks | 11,799 | -1.5 | -4.0 | 12.8 |
| Financial Services | 7,793 | -0.5 | 15.7 | 30.9 |
| Insurance | 11,147 | 0.0 | 29.7 | 26.7 |
| Telecom | 7,926 | -1.2 | 2.0 | 15.5 |
| Utilities | 14,247 | -0.3 | 43.6 | 29.6 |
| REITs | 3,292 | -0.6 | -10.2 | 27.3 |
| Real Estate | 3,717 | -1.0 | 21.6 | 45.2 |
| Software & Services | 78,864 | -0.3 | 15.0 | 41.8 |

Average Index Value

| Average days 5 | Average days 10 | Average days 20 | Average value traded for September (bn) |
|----------------|-----------------|-----------------|---|
| 12,112 | 12,145 | 12,075 | 6.96 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | 5 | 401.10 | 430.00 |
| Previous week | 36.8 | 2,054.70 | 2,791.40 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|--------|---------|
| Saudi Aramco | 27.30 | -0.9 |
| Al Rajhi | 87.00 | -1.9 |
| SNB | 34.60 | -2.3 |
| ACWA POWER | 413.00 | -0.2 |
| ALINMA | 30.45 | -1.1 |



International Market News

- **US services PMI** inched up to 51.5 in August, from 51.4 in July. Slow to moderate growth was cited across many industries, while ongoing high costs and interest-rate pressure were often mentioned as negatively impacting the business performance. (Source: Reuters)
- The **non-farm payroll** employment climbed by 142,000 jobs in August compared to the estimated 160,000 jobs. The unemployment rate edged down to 4.2% in August from 4.3% in July. The modest decrease was in line with estimates and reached its highest level since October 2021. (Source: RTT News)
- Job cuts in the **US** increased significantly, as US based employers announced 78.9K cuts in August, marking a 193% M/M increase. While the hiring was also the lowest on YTD basis. Surge in job cuts reflect growing economic uncertainty and shifting market dynamics. (Source: CNBC)
- **Eurozone** GDP grew 0.2% Q/Q, while the annua GDP for Q2 was at 0.6%, following a 0.5% rise in Q2. In terms of expenditures, household spending fell 0.1% while government consumption rose to 0.6%.
- **China's** CPI rises 0.6% Y/Y in August, after rising 0.5% in July. The producer prices dropped 1.8% Y/Y versus expectations for a decline of 1.4%. (Source: CNBC)
- **Japan's** GDP expanded 0.7% Q/Q in Q2, just shy of the expectations of 0.8% increase. The GDP price index was up 3.2%, topping forecasts for 3.0%. External demand was down 0.1%, unchanged and as expected. (Source: Reuters)

Forex / Currency

| Currency / USD | Close | Daily Change% | MTD % | YTD % |
|----------------|--------|---------------|-------|-------|
| Dollar Index | 101.18 | 0.0 | -0.5 | -0.2 |
| Euro | 1.11 | 0.0 | 0.3 | 0.4 |
| Japanese Yen | 142.30 | 0.0 | -2.6 | 0.9 |
| Sterling Pound | 1.31 | 0.0 | 0.0 | 3.1 |
| Chinese Yuan | 7.09 | 0.0 | 0.1 | -0.4 |
| Indian Rupee | 83.95 | 0.0 | 0.1 | 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 | 0.0 | -0.0 | -0.6 |
| Omani Rial | 0.39 | 0.0 | 0.0 | 0.0 |
| Bahraini Dinar | 0.38 | 0.0 | 0.0 | -0.0 |
| Egyptian Pound | 48.44 | 0.0 | -0.4 | 56.7 |

Corporate Calendar

| Date | Company | Event |
|--------|-----------------|------------------------------|
| 10-Sep | ABO MOATI | Cash Dividend Distribution |
| 10-Sep | FIRST AVENUE | Start of IPO |
| 10-Sep | SPM | Eligibility of Cash Dividend |
| 10-Sep | SMASCO | Cash Dividend Distribution |
| 11-Sep | A.OTHAIM MARKET | Cash Dividend Distribution |
| 11-Sep | BANAN | Cash Dividend Distribution |

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 4,373 | 0.0 | 1.1 | 7.7 | 8.4 |
| Abu Dhabi (ADX) | 9,448 | -0.3 | 1.8 | -1.4 | 17.2 |
| Kuwait (KSE) | 7,819 | 0.3 | -0.0 | 4.6 | 22.9 |
| Qatar (QE) | 10,323 | 0.0 | 1.2 | -4.7 | 11.4 |
| Oman (MSM) | 4,761 | -0.4 | 0.3 | 5.5 | 12.3 |
| Bahrain (BSE) | 1,947 | 0.1 | -0.6 | -1.3 | 7.6 |
| Egypt (EGX30) | 31,030 | 0.1 | 0.8 | 24.6 | 7.6 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|---------|---------------|-------|-------|------|
| Dow Jones | 40,345 | 0.0 | -2.9 | 7.0 | 21.9 |
| Nasdaq | 18,421 | 0.0 | -5.9 | 9.5 | 31.4 |
| S&P 500 | 5,408 | 0.0 | -4.2 | 13.4 | 24.6 |
| FTSE 100 | 8,181 | 0.0 | -2.3 | 5.8 | 14.4 |
| Germany DAX 30 | 18,302 | 0.0 | -3.2 | 9.3 | 15.1 |
| France CAC 40 | 7,352 | 0.0 | -3.7 | -2.5 | 13.6 |
| Japan Nikkei 225 | 36,391 | 0.0 | -5.8 | 8.7 | 21.9 |
| Brazil IBOVESPA | 134,572 | 0.0 | -1.1 | 0.3 | 10.2 |
| Hong Kong Hang Seng | 17,444 | 0.0 | -3.0 | 2.3 | 9.3 |
| South Korea KOSPI | 2,544 | 0.0 | -4.9 | -4.2 | 13.2 |
| China Shanghai Composite | 2,766 | 0.0 | -2.7 | -7.0 | 13.4 |
| Australia ASX 200 | 8,013 | 0.0 | -1.0 | 5.6 | 20.5 |
| India Sensex | 81,184 | 0.0 | -1.4 | 12.4 | 24.7 |
| MSCI EM | 1,075 | 0.0 | -2.3 | 5.0 | 14.9 |
| MSCI World | 3,519 | 0.0 | -3.9 | 11.0 | 21.9 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|----------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 75.18 | 0.0 | -5.3 | -6.5 |
| Brent Crude (\$/bbl) | 71.06 | 0.0 | -9.8 | -7.8 |
| Texas crude (\$/bbl) | 67.67 | 0.0 | -8.0 | -5.6 |
| Natural Gas (\$/mmbtu) | 2.28 | 0.0 | 7.0 | -17.0 |
| Gold (\$/oz) | 2,497.41 | 0.0 | -0.2 | 21.1 |
| Silver (\$/oz) | 27.94 | 0.0 | -3.2 | 17.4 |
| Steel (\$/ton) | 700.00 | 0.0 | -2.0 | -38.3 |
| Iron Ore (CNY/MT) | 715.00 | 0.0 | -7.9 | -31.4 |
| Wheat (\$/bu) | 567.00 | 0.0 | 2.8 | -15.2 |
| Corn (\$/bu) | 406.25 | 0.0 | 1.3 | -19.3 |
| Sugar (\$/lb) | 18.91 | 0.0 | -2.4 | -7.9 |
| SMP* (EUR/MT) | 2,565.00 | 0.0 | 3.8 | -0.5 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|------------------|-------|-------------------|-----------|-----------|
| KSA (SAIBOR 1M) | 5.75 | 0.9 | -27.7 | -16.8 |
| KSA (SAIBOR 3M) | 5.96 | -2.7 | -10.4 | -27.0 |
| KSA (SAIBOR 6M) | 5.79 | -1.7 | -5.1 | -28.7 |
| KSA (SAIBOR 12M) | 5.53 | -1.6 | -1.6 | -46.1 |
| USA (SOFR 3M) | 4.94 | -0.7 | -7.8 | -39.3 |
| UAE (EIBOR 3M) | 4.99 | -1.9 | -6.4 | -34.1 |

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Sept 8, 2024



Technical observations

| | |
|------------------------|-----------------|
| Index | TASI |
| Ticker | SASEIDX Index |
| Last Close | 11,982 |
| Short-term view | Neutral |
| 52 weeks high/low | 12,883 – 10,262 |

Market data

| | |
|-------------------------------|----------|
| Exchange Market Cap. (SAR bn) | 10,031.8 |
| Value (SAR mn) | 5,010.5 |
| Volume (mn) | 401.1 |
| Number of Transactions | 429,984 |
| Market Breadth | 61 : 166 |

Key statistics

| | |
|---------------------|---------|
| 1D return % | -0.97% |
| MTD return % | -1.34% |
| QTD return | 2.59% |
| YTD return | 0.12% |
| ADT vol. 3M* (mn) | 306.3 |
| ADT val. 3M (SARmn) | 7,019.9 |

*ADT stands for Average Daily Traded

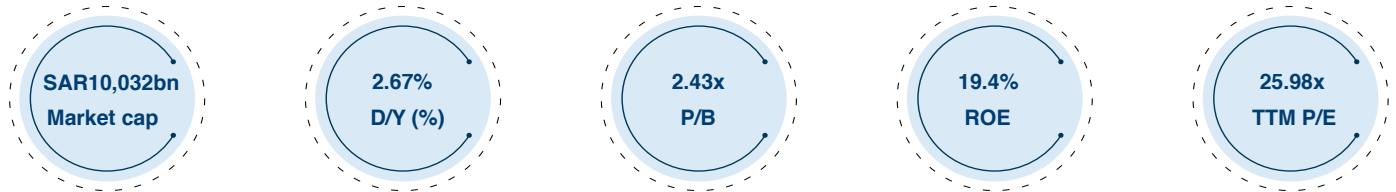
TASI market commentary

- TASI experienced a decline on Sunday; primarily driven by the performance of the Banks sector (down 1.45%) and the Telecommunication services sector (down 1.23%). At close, the Saudi market ended the day with a change of -0.97% at 11,982. In terms of activity, total volumes and value traded were ~401mn and ~SAR 5.0bn, respectively. The advance-decline ratio came in at 61/166.

Technical outlook

- TASI closed the last session near 11,982, registering a notable loss of 117 points. The profit-taking sentiment persisted, pushing the index downward to close below its 20-day SMA around 12,075. Although TASI has formed a red candlestick, it is approaching a test of the significant support of the 50-day SMA and the 38.2% Fibonacci level near 11,940. Meanwhile, the RSI indicator continued moving downward, approaching a test of a rising trendline. TASI has an immediate support level of around 11,940. If breached, the subsequent support levels would be around 12,825 - 11,700. On the other hand, an immediate resistance level is observed around 12,090. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,145 - 12,235. Nevertheless, TASI continued to exhibit a profit-taking attitude; it is currently approaching a test of critical support of its 50-day SMA and the 38.2% Fibonacci level. Consequently, traders are advised to closely monitor the support level around 11,940, and wait for a bullish reversal candlesticks pattern.

| S3 | S2 | S1 | Pivot | R1 | R2 | R3 |
|--------|--------|--------|--------|--------|--------|--------|
| 11,700 | 11,825 | 11,940 | 12,025 | 12,090 | 12,145 | 12,235 |



Source: Bloomberg, Argaam

TASI daily chart

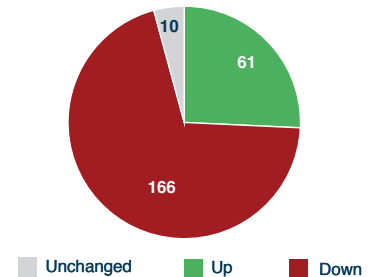


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

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

No stocks recommendations due to market volatility

*As of 08th September 2024

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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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