

Domestic Market News

- **KSA's** non-oil exports grew 19% to SAR 25.4bn in July and it accounted for 27% of total exports. Meanwhile the exports of oil fell 3% to SAR 69.1bn and accounted for 73% of total exports. (Source: Argaam)
- **OECD** expects global economic growth to stabilize at 3.2% in 2024 and 2025. OECD forecasts G20 inflation to drop to 5.4% in 2024 from 6.1% last year and further to 3.3% in 2025. (Source: Argaam)
- POS transaction in **KSA** reached SAR 12bn in week ended September 21. The number of transactions reached 179.3mn. (Source: Argaam)
- **AZM** announced received project from General Entertainment Authority to guide entrepreneurs and establishments in the entertainment sector. (Source: Tadawul)
- **Tawuniya** renewed its contract with STC for 1-year to provide health insurance services to STC employees. This is expected to have a positive impact on FY24's GWP. (Source: Tadawul)
- **Najran Cement** recommends buyback of 17mn shares and retain them as Treasury shares. The buyback will be financed using cash balances or credit facilities. (Source: Tadawul)
- **Sumou** signed a 30-month infrastructure agreement for a land in Jeddah with Baitek Real Estate. Sumou will receive SAR 7mn as development fee. (Source: Tadawul)

Market Analysis

The **Saudi Stock Exchange** increased 0.6% to 12,343.7. The value traded stood at SAR 7.1bn (down 5.2% over the previous day), while advance-decline ratio stood at 136/83. The parallel market index decreased 0.1% to 25,653.4 points. The value traded stood at SAR 32.2mn (down 51.4% over the previous day). Most of the sectors in the main market ended in green. Utilities and Pharma & Bio Tech (up 2.7% and 2.3%, respectively), while Consumer Services and Retailing (down 0.4% each) declined the most.

Top Gainers

Company	Price	Change%
SPPC	14.52	10.0
SIDC	31.00	9.9
SFICO	28.30	9.9
MAADANIYAH	18.30	9.6
ALISTITHMAR REIT	10.76	6.1

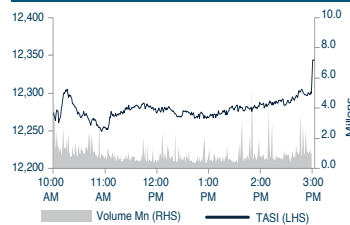
Top Losers

Company	Price	Change%
CARE	213.60	-2.5
GULF UNION ALAHLIA	16.26	-2.3
SAUDI RE	36.00	-2.2
SALAMA	26.05	-1.9
ADVANCED	38.40	-1.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,344	12,344	12,244	0.6	2.5
NomuC	25,653	25,711	25,519	(0.1)	4.6

TASI movement during session



TASI Ratios

P/E* (x)	26.9
Price-to-Book (x)	2.5
Dividend Yield (%)	2.6
Return on Equity (%)	19.3

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,258	0.7	-15.6	15.7
Materials	5,836	0.6	-8.7	High
Capital Goods	13,312	0.1	32.0	27.2
Commercial Service	5,134	1.6	-8.0	39.5
Transportation	7,647	0.6	20.4	35.7
Consumer Durables	5,389	1.0	8.2	Neg
Consumer Services	5,198	-0.4	4.4	40.9
Media	32,880	-0.1	33.9	High
Consumer Discretionary Ret	8,101	-0.4	-6.0	22.9
Consumer Staples Ret	9,606	0.5	-1.7	24
Food & Beverages	6,328	1.0	12.4	31.1
Healthcare	13,078	-0.3	7.0	43.5
Pharma & Bio Tech	5,823	2.3	19.6	49.9
Banks	12,074	0.2	-1.7	13.1
Financial Services	7,947	1.0	18.0	30.8
Insurance	10,860	0.6	26.4	26.2
Telecom	8,324	0.7	7.1	16.2
Utilities	15,585	2.7	57.0	32.3
REITs	3,374	0.3	-8.0	28
Real Estate	3,813	0.8	24.8	46.4
Software & Services	83,289	0.5	21.4	43.9

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for September (bn)
12,149	12,001	12,048	6.5

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	19.1	951.10	1,494.70
Previous week	30.4	1,955.80	2,406.60

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	27.75	0.7
Al Rajhi	90.70	0.9
SNB	36.00	2.3
ACWA POWER	463.00	3.3
ALINMA	29.45	0.0



International Market News

- According to **EIA**, oil inventories in the US decreased 4.5mn barrels (prior: down 1.6mn) to 413.0mn in the week ended September 20. Gasoline inventories decreased 1.5mn barrels (prior: up 0.1mn) to 220.1mn, while distillate inventories declined 2.2mn barrels (prior: down 0.1mn) to 122.9mn. (Source: EIA, Econoday)
- US** new home sales plunged by 4.7% to 716,000 in August, while economists had expected it to fall by 5.3%. The existing home sales fell to its lowest level since last October. (Source: RTT News)
- French** consumer confidence index rose to 95 in September from 93. This was the highest score since February 2022. Households' opinion on their past and future financial situation improved. Consumers' view about future and past standard of living too improved. (Source: Reuters)
- BoJ's** monetary policy board said that Japan has largely recovered the financial stresses of the past few years, and the financial conditions have been accommodative. It raised its benchmark rate by 15bps and announced plans to reduce bond purchases to JPY 3tn by Q1-26. (Source: Reuters)
- China's** central bank lowered rate on medium-term lending facility after unleashing an aggressive monetary easing package. (Source: RTT News)
- Oil prices** fell 2.7% as worries over supply disruptions in Libya eased and demand concerns continued despite China's latest stimulus plans.
- Gold prices** were flat as market participants awaited cues from Fed about the pace of interest rate cuts going forward.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	100.91	0.4	-0.8	-0.4
Euro	1.11	-0.4	0.8	0.9
Japanese Yen	144.75	1.1	-1.0	2.6
Sterling Pound	1.33	-0.7	1.5	4.7
Chinese Yuan	7.03	0.3	-0.8	-1.3
Indian Rupee	83.60	-0.1	-0.3	0.5
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	-0.1	-0.7
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	-0.0	-0.0
Egyptian Pound	48.54	-0.3	-0.1	57.1

Corporate Calendar

Date	Company	Event
26-Sep	BAWAN	Eligibility of Cash Dividend
26-Sep	FIRST AVENUE	Surplus Refund Date
26-Sep	ARABIAN MILLS	Final Allocation Date
29-Sep	JAZIRA TAKAFUL	Eligibility of Cash Dividend
29-Sep	RETAL	Eligibility of Cash Dividend
29-Sep	ALRASHEED	EGM

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	4,489	0.6	3.8	10.6	8.7
Abu Dhabi (ADX)	9,516	0.6	2.5	-0.6	17.3
Kuwait (KSE)	7,794	0.6	-0.4	4.2	22.8
Qatar (QE)	10,543	0.5	3.3	-2.7	11.7
Oman (MSM)	4,727	0.2	-0.4	4.7	12.2
Bahrain (BSE)	2,019	-0.3	3.1	2.4	7.9
Egypt (EGX30)	31,251	1.2	1.5	25.5	8.1

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	41,915	-0.7	0.8	11.2	22.7
Nasdaq	19,973	0.1	2.0	18.7	34.0
S&P 500	5,722	-0.2	1.3	20.0	26.1
FTSE 100	8,269	-0.2	-1.3	6.9	14.6
Germany DAX 30	18,919	-0.4	0.1	12.9	15.8
France CAC 40	7,566	-0.5	-0.9	0.3	14.0
Japan Nikkei 225	37,870	-0.2	-2.0	13.2	22.7
Brazil IBOVESPA	131,586	-0.4	-3.2	-1.9	10.0
Hong Kong Hang Seng	19,129	0.7	6.3	12.2	10.2
South Korea KOSPI	2,596	-1.3	-2.9	-2.2	13.4
China Shanghai Composite	2,896	1.2	1.9	-2.6	14.0
Australia ASX 200	8,126	-0.2	0.4	7.1	20.8
India Sensex	85,170	0.3	3.4	17.9	25.9
MSCI EM	1,137	0.4	3.4	11.0	15.7
MSCI World	3,696	-0.2	0.9	16.6	23.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	76.93	-0.8	-3.1	-4.3
Brent Crude (\$/bbl)	73.46	-2.3	-6.8	-4.6
Texas crude (\$/bbl)	69.69	-2.6	-5.2	-2.7
Natural Gas (\$/mmbtu)	2.64	3.4	24.0	-3.8
Gold (\$/oz)	2,656.89	-0.0	6.1	28.8
Silver (\$/oz)	31.81	-0.9	10.2	33.7
Steel (\$/ton)	726.00	3.1	1.7	-36.0
Iron Ore (CNY/MT)	726.00	6.0	-6.4	-30.4
Wheat (\$/bu)	589.25	1.9	6.8	-11.9
Corn (\$/bu)	415.25	0.9	3.6	-17.5
Sugar (\$/lb)	23.41	1.3	19.1	13.0
SMP* (EUR/MT)	2,584.00	-0.2	4.6	0.3

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.46	1.9	-56.2	-45.3
KSA (SAIBOR 3M)	5.65	0.7	-41.9	-58.5
KSA (SAIBOR 6M)	5.42	-1.9	-41.7	-65.4
KSA (SAIBOR 12M)	5.31	0.0	-23.8	-68.2
USA (SOFR 3M)	4.64	-1.6	-37.3	-68.8
UAE (EIBOR 3M)	4.69	-6.3	-36.4	-64.2

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of Sept 25, 2024

Technical observations

Index	TASI
Ticker	SASEIDX Index
Last Close	12,344
Short-term view	Buy
52 weeks high/low	12,883 – 10,262

Market data

Exchange Market Cap. (SAR bn)	10,262.8
Value (SAR mn)	7,090.1
Volume (mn)	299.9
Number of Transactions	528,741
Market Breadth	136 : 83

Key statistics

1D return %	0.61%
MTD return %	1.63%
QTD return	5.69%
YTD return	3.14%
ADT vol. 3M* (mn)	329.2
ADT val. 3M (SARmn)	6,876.9

*ADT stands for Average Daily Traded

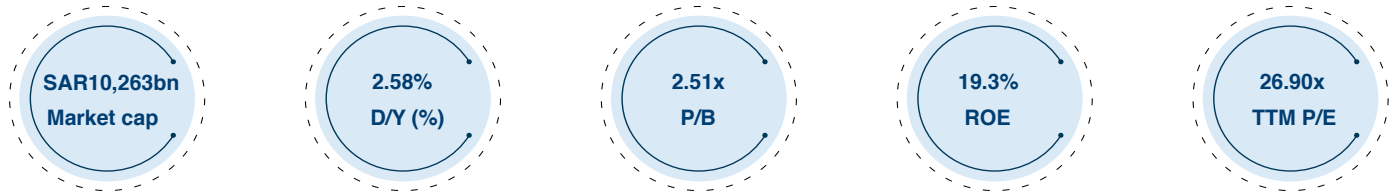
TASI market commentary

- TASI experienced a rise on Wednesday; primarily driven by the performance of the Energy sector (up 0.73%) and the Materials sector (up 0.64%). At close, the Saudi market ended the day with a change of 0.61% at 12,344. In terms of activity, total volumes and value traded were ~300mn and ~SAR 7.1bn, respectively. The advance-decline ratio came in at 136/83.

Technical outlook

- TASI closed the last session near 12,344, marking an increase of 75 points. The index exhibited a persistent buying attitude, resuming its upward trajectory to close above the level of the prior peak. TASI formed a Bullish Marubozu Close candlestick reflecting the prevailing buying sentiment and suggesting a potential further rise. Moreover, the RSI penetrated a declining trendline heading toward the 70 level. TASI has an immediate resistance level of around 12,400. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,485– 12,575. On the other hand, an immediate support level is observed around 12,230. If breached, the subsequent support levels would be around 12,150 – 12,050. Traders are advised to consider buying opportunity and closely monitor the resistance level of around 12,480, as the decisive penetration of this level could signal a potential resumption of the upside movement.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
12,050	12,150	12,230	12,330	12,400	12,485	12,575



Source: Bloomberg, Argaam

TASI daily chart

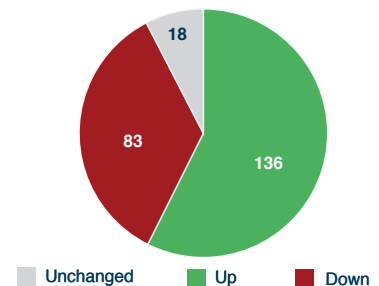


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE DAY

Code	Company	Close*	Buy range	Sell range	Stop loss
4016	AVALON Pharma	139.00	138.60 – 139.00	140.20 – 141.80	137.20
4143	TALCO	61.20	61.10 – 61.20	61.70 – 62.40	60.40
1120	Al Rajhi	90.70	90.50 – 90.70	91.40 – 92.50	89.50
4200	Aldrees	124.40	124.20 – 124.40	125.40 – 126.80	122.80
4031	Saudi Ground Services	53.20	53.10 – 53.20	53.70 – 54.30	52.50
4017	Fakeeh care	58.90	58.80 – 58.90	59.40 – 60.10	58.20
4020	Alakaria	24.88	24.82 – 24.88	25.10 – 25.38	24.56

*As of 25th September 2024

* Note – Stop loss is based on an intraday basis

CHARTS OF THE DAY

Technical observations

AVALON PHARMA has just penetrated the level of the prior peak after penetrating a declining trendline. Moreover, all the technical indicators show bullish structure.

Middle East Pharmaceutical Industries Co. (AVALON PHARMA)



Source: Tradingview, Aljazira Capital

Technical observations

TALCO has penetrated its 50-day SMA after penetrating a declining trendline. Moreover, all the technical indicators show bullish structure.

Al Taiseer Group Talco Industrial Co. (TALCO)



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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